

**REPORT ON THE IMPLEMENTATION OF THE 2021 PLAN FOR
NATIONAL ECONOMIC AND SOCIAL DEVELOPMENT AND ON
THE 2022 DRAFT PLAN FOR NATIONAL ECONOMIC AND
SOCIAL DEVELOPMENT**

*Delivered at the Fifth Session of the 13th National People's Congress
on March 5, 2022*

National Development and Reform Commission

The official Chinese version of this report will be released by Xinhua News Agency.

Esteemed Deputies,

The National Development and Reform Commission has been entrusted by the State Council to deliver this report on the implementation of the 2021 plan and on the 2022 draft plan for national economic and social development to the Fifth Session of the 13th National People's Congress (NPC) for its deliberation and approval. The Commission also invites comments from members of the National Committee of the Chinese People's Political Consultative Conference (CPPCC).

I. Implementation of the 2021 Plan for National Economic and Social Development

The year 2021 was a milestone in the history of both the Communist Party of China (CPC) and our country, and it is a year that will be remembered by history. Our country held a grand celebration of the centenary of the CPC, won the critical battle against poverty on schedule, officially declared success in achieving the first centenary goal of building a moderately prosperous society in all respects, and embarked on the new journey toward the second centenary goal of building China into a modern socialist country in all respects. At the Sixth Plenary Session of the 19th CPC Central Committee, our Party reviewed its major achievements and historical experience over the past century and adopted the third historical resolution in its 100-year-long history.

Under the firm leadership of the CPC Central Committee with Comrade Xi Jinping at its core, all regions and departments consistently followed the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly implemented the guiding principles from the 19th CPC National Congress and the plenary sessions of the 19th CPC Central Committee, and carried forward the great founding spirit of the Party. In accordance with the decisions and plans of the CPC Central Committee and the State Council, we faithfully implemented the Report on the Work of the Government, the Outline of the 14th Five-Year Plan for Economic and Social Development (2021–2025) and Long-Range Objectives through the Year 2035, and the 2021 Plan for National Economic and Social Development, which were approved at the Fourth Session of the 13th NPC, and we adopted the NPC Financial and Economic Affairs Committee's suggestions based on its review of the 2021 Plan.

We applied the new development philosophy in full, in the right way, and in all fields of endeavor, took solid steps to ensure stability on the six key fronts and security in the six key areas,¹ and made cross- and counter-cyclical adjustments with macro policy. In these ways, we effectively dealt with all risks and challenges that arose, took fresh strides toward forging a new pattern of development, and made new achievements in high-quality growth. We coordinated our Covid-19 response with economic and social development, accomplished our main targets and tasks for the year, got the 14th Five-Year Plan off to a good start, and once again secured new and major achievements in our country's development.

1. We strengthened our guard against inbound cases and domestic resurgences and conducted routine Covid-19 prevention and control in an orderly and effective manner.

Putting the people and human life above all else, we adhered to targeted measures along all steps of epidemic prevention and control and upheld the “dynamic zero-case” policy, thus

¹ The six fronts refer to employment, the financial sector, foreign trade, foreign investment, domestic investment, and expectations. The six areas refer to job security, basic living needs, operations of market entities, food and energy security, stable industrial and supply chains, and the normal functioning of primary-level governments.

maintaining China's world-leading position in Covid-19 control.

1) Targeted, effective, and differentiated response measures were applied according to local conditions.

With strict response measures for people, goods, and environments, we strengthened our public health capacity for epidemic prevention, control, and treatment, curbed the spread of Covid-19 through points of entry to the greatest extent possible, and handled local outbreaks in a timely and effective manner. Multiple measures were adopted to promote production, increase supply, strengthen monitoring, and facilitate logistics to ensure abundant supply and stable prices of daily necessities in epidemic-affected regions, thus safeguarding people's safety and health and maintaining normal order in work and life.

2) Vaccinations and pharmaceutical research and development were steadily promoted.

We made every effort to guarantee the production and supply of Covid-19 vaccines and to make them more adaptable to different variants, with total national production surpassing 5 billion doses by the end of 2021. We vaccinated our people in stages according to age and region, with a total of 2.84 billion doses administered and over 1.2 billion people, or over 85% of the population, fully vaccinated. The first medication for treating Covid-19 developed by our country was approved for market launch.

3) Remarkable progress was made in international cooperation to fight the pandemic.

We actively shared our samples, data, and response measures related to Covid-19. With over 2 billion doses sent to more than 120 countries and international organizations in 2021, China became the world's largest international provider of Covid-19 vaccines. We participated in and supported COVAX and improved vaccine accessibility and affordability in developing countries, where the majority of Covid-19 vaccines acquired so far have come from China.

2. We improved and made innovations in macro regulation and reinforced the fundamentals of the economy.

We sped up the establishment of a new development pattern, strengthened cross-cyclical macro policy adjustment, ensured supply and price stability, and made greater efforts to ease the difficulties of enterprises. We simultaneously achieved relatively high economic growth and low inflation, and our economy maintained fairly strong positioning for growth.

1) China continued to lead major economies in terms of economic growth.

Preliminary assessments indicate that China's GDP reached 114.37 trillion yuan in 2021 for year-on-year growth of 8.1%. China remained a major contributor to global economic recovery and growth, and its share in the world economy continued to increase. China's per capita GDP surpassed 12,000 US dollars, exceeding the global average. A total of 12.69 million urban jobs were created nationwide and the average year-end surveyed urban unemployment rate was 5.1%. The consumer price index (CPI) rose by 0.9%. A basic equilibrium was maintained with regard to the balance of payments, and year-end foreign exchange reserves remained at over 3.2 trillion US dollars.

2) Our macro policy was consistent and targeted.

We adapted our macro policy when cross-cyclical adjustment was needed and sustained the level of support necessary for economic recovery. We also took into account the need to leave ample policy space for meeting difficulties and challenges this year. We enhanced the quality, efficacy, and sustainability of our proactive fiscal policy. We maintained the scale of necessary government expenditures, improved the issuance, use, and management of local government special-purpose bonds, and made it a normal practice to directly allocate budgetary funds to prefecture- and county-level governments, allocating 2.8 trillion yuan in central government funds under this mechanism. These steps allowed us to provide timely financial support to guarantee local governments' ability to meet basic living needs, pay salaries,

and maintain normal government functions. Through tax and fee cuts, we reduced market entities' burdens by more than 1 trillion yuan over the year. Tax payments were postponed for micro, small, and medium enterprises (MSMEs) in the manufacturing sector as well as for coal-fired power plants and heating-supply enterprises.

We maintained a flexible, precise, and appropriate monetary policy. We flexibly leveraged various policy instruments, such as reducing the deposit reserve ratio, relending, and re-discounting, and we lowered the required reserve ratio twice, maintaining proper and adequate liquidity. M₂ money supply and aggregate financing increased by 9% and 10.3% respectively. We provided greater support to the real economy, key sectors, and areas of weakness and saw a steady drop in overall business financing costs. New RMB loans for the year reached 19.95 trillion yuan, 315 billion yuan more than in 2020. Inclusive finance lending by large commercial banks to micro and small enterprises (MSEs) increased by more than 40%. The average interest rate on business loans was 4.61%, 0.1 percentage points lower than in the previous year.

We stepped up the implementation of policies on stabilizing and expanding employment, took solid measures to ensure employment for key groups like college graduates, and promoted entrepreneurship and innovation.

Box 1: Major Macro Policy Adjustments and Results

Fiscal Policies	<ul style="list-style-type: none"> • We continued to implement systematic tax cut policies, extended the duration of several temporary policies such as VAT relief for small taxpayers, and advanced the implementation of new policies on structural tax cuts, such as increasing tax deductions for manufacturing enterprises' R&D costs. MSMEs in the manufacturing sector, coal-fired power plants, and heating-supply enterprises were allowed to temporarily postpone payment of taxes in the fourth quarter of 2021. • We made it a normal practice to directly allocate budgetary funds to prefecture- and county-level governments and enlarged the scope of allocation. A total of 2.8 trillion yuan was allocated, 1.1 trillion yuan more than in the previous year.
Monetary Policies	<ul style="list-style-type: none"> • We effectively used monetary policy instruments that directly serve the real economy. We encouraged financial institutions to provide greater support to coordinated regional development and development of key sectors including manufacturing, MSEs, technological innovation, and green development by providing an additional 300 billion yuan in relending to support MSEs, introducing instruments for supporting the reduction of carbon emissions, and providing 200 billion yuan in relending for promoting the clean and efficient use of coal.
Employment Policies	<ul style="list-style-type: none"> • We intensified policies to stabilize and expand employment, took solid measures to ensure employment for key groups like college graduates, and promoted entrepreneurship and innovation.

3) Strong and effective measures were taken to ensure the supply and stable prices of food, energy, and other important resources.

In response to abnormal fluctuations in the prices of corn, coal, iron ore, copper, aluminum, zinc, and other major commodities, we promptly took measures including adjustments to supply and demand, coordinated oversight over spot markets and futures markets, and guidance of market expectations. With a raft of policies to ensure supply and stabilize prices, we successfully pushed prices back to a reasonable range. We stepped up regulation of the grain market and sold imported and public stockpiles of grain in a rational manner, thus guaranteeing stable supply in the grain market. We intensified oversight over

futures markets and strengthened guidance on purchases of new crop cotton, and we put more cotton from central reserves on the market as necessary, thereby maintaining stable and orderly operation of the cotton market.

To tackle shortages of coal and power, we increased the production and supply of coal, bringing its price back to a reasonable level. We worked with power plants and heating-supply enterprises to resolve their difficulties, helped to ensure the coal-fired power supply, and improved market-oriented pricing reform for coal-fired power by expanding the allowable fluctuation range of its transaction prices. We strengthened the links between demand, production, and transportation of energy commodities such as coal and liquefied natural gas (LNG), and we ensured their stable transportation, thus meeting residential and public energy consumption needs. We increased society-wide awareness about conserving electricity.

We put into effect cross-departmental coordination mechanisms to ensure supply and price stability of fertilizers. We formulated and implemented schemes to respond to rises in the prices of raw materials and to maintain supply and stable prices for various types of materials. We leveraged national reserves to regulate markets, putting national reserves of commodities such as crude oil, refined oil products, copper, aluminum, and zinc on the market in batches.

Box 2: Energy Supply and Price Stabilization Measures and Results

<p>Ensuring Supply of Coal Used to Generate Electricity</p>	<ul style="list-style-type: none"> • While ensuring safety, we pushed coal mines in key areas to increase high-quality production capacity. • We improved the assessment system for minimum coal stockpiles at power plants and pushed localities and power plants to increase their coal stockpiles. • We made coordinated efforts to meet transportation demand of power plants which had signed medium- and long-term contracts for purchase and sale of coal, as well as to address issues involving railways, highways, and ports. We worked to ensure supply of coal for nearly 100 power plants with low coal stockpiles on a case-to-case basis.
<p>Stabilizing Coal Prices</p>	<ul style="list-style-type: none"> • In response to an abnormal rise in coal prices due to peak consumption in the winter, we intensified oversight over spot markets and futures markets and strengthened guidance of market expectations. We pushed dominant contracts of thermal coal futures at the Zhengzhou Commodity Exchange and the 5500 Kcal thermal coal closing spot price at Qinhuangdao Port back to a reasonable range.
<p>Ensuring Supply of Coal-Fired Power</p>	<ul style="list-style-type: none"> • We worked quickly to issue guidelines on deepening market-oriented price reform of on-grid coal-fired power. We pushed all coal-fired power to enter the electricity market in an orderly manner and, on the basis of maintaining price stability for residents, agriculture, and public welfare projects, expanded the fluctuation range of electricity transaction prices. We pushed all industrial and commercial users to purchase electricity directly through markets. A mechanism for purchasing electricity through power grid enterprises was fully established. • We made it a normal practice to investigate non-planned shutdowns and output decreases of power generators so as to avoid power cuts under circumstances of normal power consumption.
<p>Ensuring Heat Supply</p>	<ul style="list-style-type: none"> • On the basis of ensuring enforcement of existing contracts, we organized coal enterprises in Shanxi, Shaanxi, and Inner Mongolia to sign additional medium- and long-term contracts for 150 million metric tons of coal with power plants and heating-supply enterprises nationwide, so as to achieve full medium- and long-term contract coverage for all power plants and heating-supply enterprises, with an emphasis placed on ensuring the coal supply for heating in north and northeast China. • A total of 176.6 billion cubic meters of natural gas was provided for heating, with a daily supply of 1.2 billion cubic meters. Nationwide gas storage capacity surpassed 27 billion cubic meters.

4) Solid progress was made in preventing and defusing risks in key sectors.

To defuse risks in key sectors in an orderly manner, we worked to ensure that all responsibilities were fulfilled, including local governments' regulatory responsibilities, relevant government departments' oversight responsibilities, and enterprises' main responsibilities, and to ensure that risks were addressed with an appropriate intensity and pace. Upholding the principle that housing is for living in, not for speculation, we took appropriate measures to address risks of highly-leveraged real estate enterprises so as to ensure stable and sound development of the real estate market. Major progress was made in efforts against monopolies, unfair competition, and disorderly expansion of capital. Prompt and targeted measures were adopted against enterprise groups in serious offense of laws and regulations and high-risk financial institutions in some regions. Continuous efforts were made to defuse risks from hidden local government debt.

3. We worked toward greater self-reliance in the science and technology sector, and China's industrial and supply chains became increasingly secure, stable, and resilient.

Through thorough implementation of the innovation-driven development strategy, China rose to 12th place in the Global Innovation Index 2021, and its strength of having complete industrial chains was properly aligned with domestic and international demand.

1) China's strategic science and technology capabilities were expanded at a faster pace.

The first group of national laboratories was set up and put into operation. China's international centers of scientific and technological innovation (Beijing, Shanghai, and the Guangdong-Hong Kong-Macao Greater Bay Area) and comprehensive national science centers (Huairou in Beijing, Zhangjiang in Shanghai, Hefei in Anhui, and the Greater Bay Area) consistently demonstrated their ability to lead and drive development. Development of the Chengdu-Chongqing area into a science and technology innovation center also picked up speed. Development of national industrial innovation centers for bio-breeding and other projects picked up pace, and the optimization and integration of China's national engineering research centers was completed.

We advanced the building of a science and technology innovation system that features enterprises as the main players, and the mechanisms to select the best candidates to undertake key research projects and to create an environment for healthy competition were refined and widely applied. A 10-year plan for basic research, a three-year action plan for the reform of the science and technology management system, and a plan for building China into a country strong on intellectual property rights (2021–2035) were formulated and implemented. Major projects for the Sci-Tech Innovation 2030 Agenda were advanced.

Substantial progress was achieved in innovation: the *Tianwen-1* probe successfully landed on Mars; the *Xihe* solar observation satellite was launched; the *Tianzhou-2* and *Tianzhou-3* cargo spacecraft docked with the space station core module *Tianhe*; Chinese astronauts stepped foot on a Chinese space station for the first time; China's third-generation nuclear power unit *Hualong-1*, a product for which China holds complete intellectual property rights, entered into commercial operation; the Deep Sea No. 1 gas field started production; the first set of hydro-turbine generators with the world's largest single-unit capacity of 1 gigawatt began operation at Baihetan Hydropower Station; the Chinese Aeronautic Remote Sensing System, a new component of China's major national science and technology infrastructure, went into operation.

2) China's industrial and supply chains became increasingly self-supporting and their risks were better controlled.

We made great efforts to ensure the security, stability, and strength of industrial and

supply chains and worked to make breakthroughs in core technologies in key fields such as basic software, industrial machinery, new-energy vehicles, intelligent vehicles, and green and low-carbon energy transitioning. We extended the extra tax deduction for R&D expenses and increased it to cover 100% of R&D expenses for manufacturing enterprises. Enterprise spending on research and development grew by 15.5%. The active pharmaceutical ingredients industry witnessed high-quality development, and industrial and supply chain security and stability in key fields such as biomedicine and high-end instruments were ensured. We promoted the development of production, supply, storage, processing, and marketing systems for resources including iron ore and copper, supported domestic iron ore exploitation, and further enhanced China's capacity to safeguard the security of strategic mineral resources.

3) The industrial structure was continuously improved.

To invigorate the industrial economy and promote high-quality industrial development, we implemented the five-year action plan to enhance the core competitiveness of the manufacturing sector and the project to rebuild industrial foundations. With these efforts, we saw stable production, improved profits, and continued recovery of investment in the manufacturing sector. The value-added of the sector accounted for 27.4% of the GDP in 2021, up 1.1 percentage points from the previous year, leading to a 13.5% increase in fixed-asset investment in manufacturing. The second round of trials was launched to promote integrated development of advanced manufacturing and modern services, and high-quality development of manufacturing services picked up pace. The 2021 China Brand Day was successfully held.

4) New industries and new forms of business grew robustly.

Strategic emerging industry clusters developed steadily, emerging industries witnessed continued growth, the value-added of high-tech manufacturing increased by 18.2%, and investment in high-tech industry grew by 17.1%. Innovative development of domestic commercial aircraft continued, industrial application of the BeiDou Navigation Satellite System was further promoted, and the construction of civil space infrastructure was sped up.

The digital economy enjoyed sound development. The East-to-West Computing Capacity Diversion Project was launched, and plans were made to build an integrated national system of big data centers. We improved the regulatory system for the digital economy, coordinated efforts for integrated online and offline supervision, and promoted the well-regulated, healthy, and sustainable development of the platform economy. National Entrepreneurship and Innovation Week was held, demonstration initiatives for job creation through entrepreneurship were thoroughly implemented, and enthusiasm for innovation and entrepreneurship throughout society was further stoked.

4. We continued to pursue the strategy of expanding domestic demand and worked faster to ensure smooth flows in the economy.

We worked hard to foster a complete domestic demand system, fully unlocked the potential of domestic demand, achieved steady recovery of consumption and investment, and maintained more dynamic circulation to ensure that market supply met demand.

1) Consumption is being steadily upgraded amid a consistent recovery.

As routine epidemic prevention and control measures were improved in consumer venues, as consumption potential was tapped, and as stimulus measures were adopted across the board, consumer spending recovered continuously. Basic consumer goods saw stable growth in production and sales, consumption of middle- and high-end goods showed strong growth, sales of new-energy vehicles grew rapidly, and consumption of services such as catering, tourism, culture, sports, and entertainment experienced a gradual recovery.

New types of consumption developed rapidly, and steady progress was made on the

integration of online and offline consumption. Rural e-commerce and delivery expanded, with express delivery services now covering more than 80% of the country’s administrative villages, which further unleashed consumption potential in rural areas. Total retail sales of consumer goods reached 44.08 trillion yuan, an increase of 12.5%, and total online retail sales reached 13.09 trillion yuan, an increase of 14.1%. Sales of physical goods online stood at 10.8 trillion yuan, an increase of 12% and accounting for 24.5% of total retail sales of consumer goods.

2) Inadequacies in investment were addressed with consistently greater efforts.

The central government’s budget for investment was focused on major, urgent, and challenging tasks. The 102 major construction projects set in the 14th Five-Year Plan were launched in an orderly fashion, and positive progress was made in the new infrastructure and urbanization initiatives and other major projects, as well as projects addressing areas of weakness. Development of infrastructure for public health, disaster prevention and mitigation, major science and technology programs, and energy advanced at a faster pace. Construction began on 62 of 150 major water conservancy projects and on the renovation of 56,000 old urban residential communities.

We promoted the extensive application of the public-private partnership (PPP) model in a well-regulated manner and made further progress on the reform of investment and financing systems and mechanisms. Trials of real estate investment trusts (REITs) for infrastructure were carried out to put idle assets to better use. Total fixed-asset investment (excluding rural households) for the year rose by 4.9%, with investment from non-government sources growing 7.0% and investment in the social sector growing 10.7%.

3) Infrastructure development saw continued improvement in quality and benefits.

Smooth progress was made on major projects such as the Chengdu-Lhasa Railway, new land-sea transit routes for the western region, and high-speed rail along the Yangtze River. All 12 generators of the Wudongde Hydropower Station were completed and went into operation, and early work on hydropower development in the lower reaches of the Yarlung Zangbo River progressed in an orderly way.

Investment in railway construction reached 748.9 billion yuan last year, and the total length of in-service railways surpassed 150,000 kilometers, including over 40,000 kilometers of high-speed rail. A high-speed railway network featuring four vertical and four horizontal lines was completed, and a more closely-woven network featuring eight vertical and eight horizontal lines is well underway. We revised the plans for the national highway network and for the layout of national ports and waterways and made steady progress in highway and waterway development. A total of 10 automated container terminals have been built.

Solid progress was made in the construction of infrastructure in old revolutionary base areas and areas along and near our borders. In accelerating the development of new infrastructure, China built the largest 5G standalone network in the world. Low-carbon, smart transportation development picked up pace.

Box 3: Progress on Major Infrastructure Projects

Railways	<ul style="list-style-type: none"> • Construction began on all sections of the Chengdu-Lhasa Railway and on the Wuhan-Yichang section of the high-speed rail along the Yangtze River. • Construction on the Hotan-Ruoqiang Railway and the Chongqing-Kunming and Fuzhou-Xiamen high-speed rail lines was accelerated.
Highways	<ul style="list-style-type: none"> • Great efforts were made to open up bottleneck sections and complete unfinished sections of national expressways and highways. • The section of national border highway G219 between Pad Town, Mainling County and Medog in Tibet was completed; the national highway G318 from Chengdu to Lhasa was upgraded and renovated; and the Beijing-Urumqi Expressway was completed.

Waterways	<ul style="list-style-type: none"> Steady progress was made in waterway projects such as those on the main trunk line of the Yangtze River and at Beibu Gulf Port, Ningbo-Zhoushan Port, and Shenzhen Port. Construction was completed on the Yangtze-to-Huai River water diversion project, the project to build the Grade III waterway on the Zhejiang section of the Beijing-Hangzhou Grand Canal, and the container terminal project on section C of the Beijiang Port Area of Tianjin Port.
Airports	<ul style="list-style-type: none"> Hub airports' capacities and services were improved significantly, with the Tianfu Airport in Chengdu and Jiaodong Airport in Qingdao being completed and beginning operation and the expansion and renovation of the Guangzhou, Fuzhou, Chongqing, Xi'an, and Harbin airports picking up pace. The distribution of airports was further improved, with the Jingzhou, Wuhu Xuanzhou, Heze, Chenzhou, Shaoguan, and Lianyungang airports being completed and brought into operation.
Water Conservancy Projects	<ul style="list-style-type: none"> Key national water network projects were accelerated. Construction began on the Shiping and Baoshanba irrigation areas in Yunnan, phase II of the Han River-to-Wei River diversion project in Shaanxi, the water supply project in northwestern Hainan, and the improvement project on the section from Yumenkou to Tongguan on the Yellow River.
New Western Land-Sea Transit Routes	<ul style="list-style-type: none"> Construction was completed on the third port rail line in Fangchenggang, the Xuyong-Weixin Expressway, the 300,000-metric ton-class oil terminal in Qinzhou Port, and the 400,000-metric ton-class bulk terminal in the Donghai Port Area of Zhanjiang Port. Work began on the expansion of the section between Longchang and Xuyong of the Longchang-Huangtong Railway and on the navigation facilities of the Baise water conservancy project on the You River.

4) Construction of a modern distribution system was accelerated.

We formulated a series of major development plans for modern distribution, modern logistics, cold-chain logistics, and grain logistics, steadily advancing the development of logistics infrastructure. Last year saw 25 new national logistics hubs, accelerated construction of national backbone cold-chain logistics centers, and the initial framework for a modern logistics operation system consisting of logistics gateways, hubs, and networks. We took coordinated measures to develop commerce systems in counties and upgrade commerce in cities. With efforts to cut costs and increase efficiency, overall logistics costs fell stably.

5. We implemented the rural revitalization strategy across the board and made solid progress in the modernization of agriculture and rural areas.

We thoroughly implemented the Strategic Agenda for Rural Revitalization. As a result, the development capacity of areas which have been lifted out of poverty has grown constantly stronger, and new progress was achieved in the integrated development of primary, secondary, and tertiary sectors in rural areas.

1) Achievements in poverty alleviation were consolidated and expanded to promote rural revitalization.

A total of 160 counties were designated as key counties at the national level for receiving assistance for rural revitalization. In a continued effort to promote rural development, we scaled up subsidies and funding for rural revitalization and supported less developed areas in developing specialty and competitive industries. We strengthened monitoring and assistance for households who have emerged from poverty but remain financially insecure, those on the verge of falling back into poverty, and those who suffer sudden hardships, offering coverage of subsistence allowances or extreme poverty relief aid to an additional 2.4 million people.

Efforts to implement work-relief programs were stepped up, and follow-up support for

people who have been relocated from inhospitable areas was strengthened. Cooperative assistance programs to promote employment in resettlement areas were launched, ensuring that at least one individual from each resettled household with an able worker was employed. A total of 31.45 million people recently lifted out of poverty secured employment through labor services.

The upgrading of consumer spending on products from impoverished areas was promoted, and consumption of such products through market-based assistance measures accounted for over two-thirds of their consumption through all assistance measures. We increased cooperation between the eastern and western regions, boosted assistance for targeted poor areas from central departments and organizations, carried out the “10,000 private enterprises revitalizing 10,000 villages” campaign, and promoted high-quality development of planting and animal husbandry in areas that have recently emerged from poverty.

2) The foundations of modern agriculture were consistently strengthened.

We took timely and effective action to respond to floods, typhoons, droughts, and other natural disasters. New support facilities were built and upgrades were carried out for 512 medium- and large-scale irrigation areas. A one-off subsidy of 20 billion yuan was issued to grain producers to mitigate the impact of factors such as the rapid rise in costs of agricultural means of production. The minimum purchase prices for rice and wheat were raised, and absolute grain security was ensured. Total grain output reached 682.85 million metric tons, representing growth at a high level. Annual corn output reached a new historical high, combined output of meat, eggs, and dairy reached 160 million metric tons, and for non-staple foods such as fruits and vegetables, supply was sufficient and prices were stable.

Optimization and restructuring of the agricultural productive forces were accelerated. The total area of high-quality cropland increased by 7 million hectares. A national initiative for the protection of chernozem soils was launched, with conservation tilling techniques being applied on 4.8 million hectares of chernozem soil cropland in northeast China. A national crop germplasm resources survey was carried out, and accelerated efforts were made to achieve breakthroughs in core germplasm source technology, steadily revitalizing the seed industry. We continued to build up the production, supply, storage, processing, and marketing systems for cotton and sugar.

3) Rural areas saw orderly development.

We pursued rural development initiatives and launched a five-year program to improve the rural living environment. Projects were launched to consolidate and upgrade rural power grids, which has improved electricity consumption both in quantity and quality for rural residents. Small and medium rivers were harnessed, and medium and large reservoirs in need of repair were reinforced, which represents another step forward in shoring up weaknesses in water conservancy and flood control infrastructure.

We accelerated programs for controlling pollution from non-point agricultural sources in the river basins of the Yangtze River and the Yellow River and promoted county-wide recovery of resources from livestock and poultry manure. The Toilet Revolution was advanced in different areas according to local conditions, and more than 70% of rural areas now have access to sanitary toilets. We stepped up our efforts in household waste and sewage treatment, and the proportion of villages where household waste is collected and treated remains above 90%. Every administrative village now has access to broadband connections, and 84% of rural areas have access to tap water.

We advanced integrated industrial development in rural areas and developed a new group of national modern agriculture industrial parks and agricultural modernization demonstration

zones. Positive work has started on the third batch of national demonstration parks for industrial integration in rural areas.

6. We effectively promoted coordinated regional development and new urbanization and optimized regional economic structures.

Taking into account the comparative strengths and distinctive features of different regions, we thoroughly implemented major regional development strategies and the strategy of coordinated regional development, with a focus on boosting integrated urban-rural development. As a result, regional economies saw stable consolidation and are on a good track.

1) Major regional development strategies were fully implemented.

New breakthroughs were made in relieving Beijing of functions nonessential to its role as China's capital. The State Council released the Guidelines on Promoting the High-Quality Development of Beijing Municipality's Administrative Center in Tongzhou. Large-scale construction was fully launched in the Xiongan New Area. Guidelines on supporting the high-quality development of the Binhai New Area in Tianjin were implemented, and efforts were sped up to build Zhangjiakou into a water source conservation zone and an ecosystem and environment support zone for the capital.

In the Yangtze Economic Belt, environmental conservation and green development were prioritized. Steady progress was made in addressing prominent environmental issues and in advancing the "4+1" project for curbing pollution from the chemical industry, ships, agricultural non-point sources, and tailing sites and for treating urban sewage and waste. Clear results were achieved in ecosystem protection and restoration. The 10-year ban on fishing in key waters of the Yangtze River got off to a strong start, and aquatic bioresources have gradually recovered. Development of a comprehensive transportation system along the Yangtze River picked up pace, and the Yangtze River Protection Law officially went into effect.

We saw steady progress in the development of the Guangdong-Hong Kong-Macao Greater Bay Area. The CPC Central Committee and the State Council released the Plan for Development of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin and the Plan for Deepening Reform and Opening Up of the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone. Integration of infrastructure and public services was carried out in the Greater Bay Area in an orderly way.

Integrated development of the Yangtze River Delta was advanced. Infrastructure connectivity continued to improve, and institutions and mechanisms to facilitate integrated development were constantly optimized. The CPC Central Committee and the State Council released the Guidelines on Making the Pudong New Area a Leading Area in Socialist Modernization through High-Standard Reform and Opening Up. Major tasks such as the establishment of the Hongqiao international hub for opening up and the development of an integrated management system for world-class port clusters in the Yangtze River Delta were vigorously carried forward. Prominent achievements were also made in building a demonstration zone for integrated, eco-friendly development of the Yangtze River Delta.

The plan for the ecological protection and high-quality development of the Yellow River basin during the 14th Five-Year Plan period was published. Solid progress was made on the "3+1" project to comprehensively tackle pollution from agriculture, industry, urban waste, and tailing sites. Major projects and programs on pollution control, ecological conservation and restoration, extensive water conservation and control, and water source and soil conservation saw steady headway. Runoff and soil erosion was addressed on 12,000 square kilometers of land in provinces in the Yellow River basin.

Box 4: Progress of Major Regional Development Strategies

<p>Beijing-Tianjin-Hebei Region</p>	<ul style="list-style-type: none"> • Work on relieving Beijing of functions nonessential to its role as the capital made orderly progress, and the “1+N+X” framework of plans and policy incentives and constraints was basically put in place. The first batch of Beijing-based colleges and hospitals affiliated with central government departments and headquarters of state-owned enterprises (SOEs) directly under the central government were relocated to the Xiongan New Area. • To ensure the high-standard, high-quality development of the Xiongan New Area, work was accelerated on a network of major municipal facilities for the Area’s initial development zone. • Work on integrating railway networks in the Beijing-Tianjin-Hebei region was accelerated, and the comprehensive transportation network for regional integration was constantly improved. More effort was made on regional cooperation on ecological conservation and environmental governance. In-depth integration of industrial chains and innovation chains was promoted, and joint development and sharing of public services reached new levels.
<p>Yangtze Economic Belt</p>	<ul style="list-style-type: none"> • To strictly address prominent environmental problems, the “4+1” project for curbing pollution from the chemical industry, ships, agricultural non-point sources, and tailing sites and for treating urban sewage and waste was vigorously implemented. The project led to the addition of approximately 8,500 kilometers of newly built and renovated sewage pipes, upgrades to the power receiving equipment of about 5,400 ships, and rectification of 1,641 tailing sites. • With the goal of building high-speed rail lines along the Yangtze River and promoting full rail access for key ports along the river’s trunk line, all 14 projects for combined rail-water transportation along the trunk line began construction, and 5 have been completed and have begun operation. River crossings such as the Qingshan Yangtze River Bridge in Wuhan and Qipanzhou Yangtze River Highway Bridge in Hubei Province were completed and opened to traffic. A long-term mechanism for controlling pollution from ships and ports along the Yangtze Economic Belt was developed and perfected. Work on opening up bottleneck sections and completing unfinished sections of national highways picked up pace. • The “1+N” framework of plans and policies for development of the Yangtze Economic Belt during the 14th Five-Year Plan period was created, and guidelines on a negative list for the development of the Belt were revised and improved.
<p>Guangdong-Hong Kong-Macao Greater Bay Area</p>	<ul style="list-style-type: none"> • New progress was made in the planning and development of the Hetao Shenzhen-Hong Kong Cooperation Zone for Science and Technology Innovation, the Nansha Guangdong-Hong Kong-Macao Comprehensive Cooperation Demonstration Zone, and Xili Lake International Science and Education City in Shenzhen. • Guangming Science City and Songshan Lake Science City, which serve as the areas slated for initial development of the comprehensive national science center, saw marked improvements in concentration and competitiveness. • Rail connectivity constantly improved, infrastructure connectivity and alignment of rules deepened, and market integration reached a new level. Cooperation between Guangdong, Hong Kong, and Macao on education, medical services, social security, and other projects concerning people’s wellbeing grew stronger, and efforts were accelerated to build high-quality communities that are good for living in, working in, and traveling in.
<p>Yangtze River Delta</p>	<ul style="list-style-type: none"> • Successful outcomes and experience from the second round of institutional innovation led by the demonstration zone for integrated, eco-friendly development of the Yangtze River Delta were replicated and promulgated. The initiative to develop the Pudong New Area into a leading area in socialist modernization got off to a good start.

	<ul style="list-style-type: none"> • Smooth progress was made on the development of a Yangtze River Delta community of scientific and technological innovation, and construction on the G60 S&T Innovation Valley and the Shanghai-Nanjing industrial innovation belt was advanced, leading to deeper integration of scientific and technological innovation industries. A plan for developing a multi-level rail transit network in the Yangtze River Delta was formulated, and construction on railways and waterways in the region picked up speed. • New progress was achieved in coordinating cooperation on regional integration. Policy measures for developing clusters for relocated industries in northern Anhui were implemented, which has led to the continuous growth of internal development drivers in northern Anhui.
Yellow River Basin	<ul style="list-style-type: none"> • A plan for the ecological protection and high-quality development of the Yellow River basin was formulated, and special plans for environmental protection, water safety, and protection and development of Yellow River culture took shape. • Following the principle of planning urban development, land supply, population flow, and industrial production around water resources, mandatory limits on the use of water resources were imposed, and water use efficiency in industry, agriculture, and urban households was improved. Support was guaranteed for the implementation of a series of major projects for environmental pollution control, intensive and economical use of water resources, ecological conservation and restoration, and water source and soil conservation in the upper, middle, and lower reaches of the river basin, leading to sustained improvement in the local environment. • Planning and development of large-scale wind and photovoltaic power bases in areas in the upper reaches of the basin were accelerated. Institutions, mechanisms, and safeguards for resources and production factors were further optimized.

2) *The strategy of coordinated regional development continued to be applied.*

The newly revised Catalog of Industries Encouraged for Development in the Western Region was put into effect, with coverage of preferential policies expanded to promote the protection and development of the regions west of the 400 mm annual precipitation line. Reform of state capital and state-owned enterprises in northeast China saw consistent progress; their structure was adjusted and their layout was improved. The plan for the high-quality development of the Liaoning coastal economic belt was released and implemented. The CPC Central Committee and the State Council released the Guidelines on Promoting the High-Quality Development of the Central Region in the New Era. Tasks listed in the policy package to support the economic and social development of Hubei Province were completed, and solid progress was made in disaster relief and post-disaster reconstruction in Henan Province and other places. Under encouragement to enhance the innovation capacity of the eastern region, Fujian Province promoted high-quality development in all sectors, Jinan City quickened its pace in building an initial development zone for replacing old growth drivers with new ones, and Jiangsu Province introduced a development plan for its coastal areas.

Strong progress was recorded in key fields and major platforms. Construction accelerated on key projects such as state-level new areas, demonstration zones for industrial relocation, and airport economy demonstration zones. Greater support was given to the revitalization and development of special regions such as underdeveloped areas, with a focus on those areas which have recently been lifted out of poverty, old revolutionary base areas, border areas, areas affected by ecological degradation, resource-dependent areas, and old industrial cities. We

accelerated the development of the marine economy in an effort to build China into a strong maritime country.

3) People-centered new urbanization registered new progress.

Remaining committed to the path of new urbanization with Chinese characteristics, we further improved the new urbanization strategy. Permanent urban residents now account for 64.72% of the population. Cities are taking orderly steps to relax or lift their restrictions on permanent residency, and basic public services now cover more residents who have not yet received urban residency status in their cities of residence. Those who move to cities from rural areas continue to improve their vocational skills.

The carrying capacity of city clusters and modern metropolitan areas continually increased, and the “1+N” framework of development plans for the Chengdu-Chongqing economic zone took shape faster. County towns accelerated their progress in shoring up weaknesses, with 120 county towns building demonstration zones to play an effective role in driving local development. Cities and towns in border areas continuously improved their urban functions, and small towns with unique features saw healthy, orderly growth. Further reform was explored in national pilot zones for integrated urban-rural development.

7. We deepened market-oriented reforms to boost the confidence and vigor of market entities.

We pushed forward reforms in key areas and sectors and worked out more targeted reform plans in response to the concerns of market entities. Implementation of various reform measures was accelerated, producing solid results.

1) Institutions and mechanisms for market-based allocation of production factors were refined.

We continued to improve the underlying systems of the market economy, introduced an overall plan for piloting comprehensive reforms to facilitate market-based allocation of production factors, and continued to advance reforms to the market access negative list system. The action plan for building a high-standard market system was put into effect, and steady progress was made on the construction of a unified national market.

A permanent mechanism to improve the business environment with regard to public bidding was gradually refined, which has helped to reduce differentiated treatment of enterprises in public bidding and government procurement. Trading platforms for public resources became more integrated and accessible, the way they provide services became more standard-based, and solid collaborative progress was made on their regional integration.

Box 5: Progress of Reforms for Market-Based Allocation of Production Factors

Land	<ul style="list-style-type: none"> • Institutions: The implementation rules for the Land Administration Law were revised, detailing land expropriation procedures in order to protect villagers’ rights and interests regarding their rural residential land. • Land-use planning and management: Mechanisms were set up to pin the amount of land to be allocated for construction to quotas for newly-added cropland and land set aside for future use, as well as to illegal land use practices, so as to make good use of both existing and additional land resources. A total of 10 cities completed detailed evaluations on a trial basis of economical and intensive use of land for construction, paving the way for a comprehensive evaluation system. • Rural land system: A raft of policies such as the Circular on the Provision and Management of Land for Integrated Development of Primary, Secondary, and Tertiary Industries in Rural Areas were improved, effectively guaranteeing the land needed for rural industrial integration and facilitating the gradual development of a unified market for urban and rural construction land.
-------------	--

<p>Workforce</p>	<ul style="list-style-type: none"> • Household registration system: Stable progress was made around the country on inter-provincial processing of household registration transfers and issuance of household registration certificates. City clusters in regions such as the Yangtze River Delta and Pearl River Delta thoroughly advanced intraregional mutual recognition of qualifications for urban household registration. • Personnel assessment mechanism: Key tasks in reforms of the professional title evaluation system were completed, guidelines on reforms of 27 types of professional titles were released, appraisals by professional institutions and social organizations were introduced, and a national information platform for professional title evaluations went online, facilitating trans-regional online verification. • Human resources market: We released and implemented the Guidelines on Promoting the High-Quality Development of Human Resources Services in the New Era and introduced national standards for vocational skills for new occupations in fields such as artificial intelligence (AI), the Internet of Things, cloud computing, and the industrial internet. • Vocational education: The Guidelines on Promoting the High-Quality Development of Modern Vocational Education were published and implemented, with the aim of removing deep-seated institutional obstacles and enhancing the modernization and service capacity of vocational education.
<p>Capital</p>	<ul style="list-style-type: none"> • Institutions: We deepened reform of the registration-based IPO system with a focus on information disclosure and promoted the practice of having investor protection agencies participate in securities-related disputes as investors' special representatives. • Capital market: Reform related to the new third board was advanced, the Beijing Stock Exchange was launched and started serving innovative small and medium enterprises (SMEs), and the connectivity of the multi-level capital market was effectively enhanced. • Opening of the financial sector: The banking and insurance sectors continuously and prudently opened wider, market access restrictions on foreign-funded insurance agencies were lifted, and the market access threshold was lowered for foreign-funded insurance intermediaries.
<p>Technology</p>	<ul style="list-style-type: none"> • Fortifying the principal position of enterprises in innovation: Technological innovation was connected with financial capital through smoother channels, and the number of companies listed on the Science and Technology Innovation Board and their market values both increased. • Science and technology management system: All 143 tasks set out in the Implementation Plan for Deepening Reform of the Science and Technology Management System were fulfilled, and distribution policies oriented toward increasing the value of knowledge were adopted. We deepened reforms related to the application of technological breakthroughs made by scientific researchers on the job, allowing public institutions to include cash rewards for such achievements in their staff's performance-based pay.
<p>Data</p>	<ul style="list-style-type: none"> • Institutions: The Data Security Law and Personal Information Protection Law were issued and came into effect.

2) Market entities became more energized.

We fully implemented the three-year action plan for SOE reform and sped up layout optimization and restructuring of the state-owned sector, enabling the state-owned sector to focus more on its functions with regard to strengthening strategic security, leading industries, and improving people's wellbeing and public services. Mixed ownership reform for SOEs

made steady progress, with nearly 100 pilot enterprises fulfilling their primary reform tasks.

We continued to provide a favorable environment for the development and reform of the private sector. More than 20 laws and regulations related to property rights were formulated, revised, or repealed, and 5,847 relevant rules and normative documents were overhauled. Private businesses entered the fields of oil and gas import and export, railways, and nuclear power. The Hangzhou-Shaoxing-Taizhou High-Speed Railway, the first high-speed rail in which private capital holds a controlling share, was completed and opened for operation. A total of 72 measures related to private sector reform and development that proved successful in eight localities have been summarized and applied across the country to good use. We gave full play to the role of financing and credit service platforms at all levels and stepped up public credit information sharing and application to facilitate fundraising for MSMEs.

3) The business environment continued to improve across the country.

New advances were made in the reform to streamline administration and delegate power, improve regulation, and upgrade services. With thorough implementation of the Regulations on Improving the Business Environment, solid progress was made in assessing the business environment, and innovation pilots for business environment improvement were launched. The regulations on market entity registration and administration were issued and put into effect, unifying the registration system for market entities. Fees and charges levied on businesses were standardized. The approval system for investment projects was continually reformed, and the regulatory system for investment management basically took shape. With more items now being handled online, business-related approval procedures have been further simplified, and review times have been shortened. Law enforcement against monopolies and unfair competition was strengthened, and supervision of platform enterprises was tightened. A total of 28.872 million new market entities were registered in 2021, bringing the total number of entities to over 150 million, of which 103 million are individual businesses and about 70% remain active.

Box 6: Progress in Improving China’s Business Environment through the Assessment System

<p>Assessment System</p>	<ul style="list-style-type: none"> • We established a business environment assessment system that follows a unified set of standards and is suited to China’s realities. • An indicator framework for assessing the business environment was established, consisting of 18 first-level indicators and 87 second-level indicators. The indicators were determined with an eye to enterprise lifecycles and high-quality urban development, and close consideration was given to the following factors: satisfaction of market entities and the general public; requirements for a stable, fair, transparent, and predictable business environment; and investment appeal and high-quality urban development. • The framework focuses on three dimensions: enterprise lifecycle management, investment appeal, and government regulation and services.
<p>Assessment Methods</p>	<ul style="list-style-type: none"> • We developed a set of sound and objective methods for assessing the business environment, characterized by multi-party participation. • Focusing on investment and business regulation essential to the high-quality development of SMEs and urban areas, quantitative examinations of cities’ regulatory rules and government services were carried out to determine whether they encouraged and supported or affected and restricted SMEs’ investments and business activities. • Through methods including questionnaire surveys, telephone verification, enterprise investigations, undercover visits to administration halls, and intelligent analysis of big data, deficiencies and weak links were discovered, and beneficial experiences and practices were quickly identified and shared.

<p style="text-align: center;">Reform Measures</p>	<ul style="list-style-type: none"> • We rolled out an array of reform measures for improving the business environment that proved effective and met the expectations of the people. • After a review of past experiences and practices, reform achievements in removing institutional barriers and mechanism-related obstructions and in advancing policy innovation, as well as measures proven to be effective in practice, have been institutionalized through regulations. • We systemically combed through mature reform measures formed by Beijing and Shanghai in their business environment assessment work, of which 36 major reform measures have been replicated or referenced throughout the country. • The China Business Environment Report was released for the second consecutive year. The report profiled different localities' measures of reform and innovation and exemplary cases in optimizing their business environments, giving the whole nation benchmarks to strive for.
<p style="text-align: center;">Institutional Arrangements</p>	<ul style="list-style-type: none"> • The “1+N” framework of regulations and policies on optimizing the business environment was set up based on the national-level Regulations on Improving the Business Environment and supplemented by local and department regulations and policies. • A total of 28 provinces, autonomous regions, and municipalities directly under the central government have formulated local statutes or government regulations for optimizing the business environment, and various localities and departments have formulated or upgraded supporting policy documents. These efforts have provided legal safeguards and institutional support for optimizing the business environment.

4) *Reforms in key areas such as public finance and taxation, the financial sector, and pricing advanced steadily.*

Guidelines on deepening reform of the budget management system were released, and the Stamp Duty Law was formally issued. The merger of the main board and SME board of the Shenzhen Stock Exchange was carried out successfully, the Beijing Stock Exchange and Guangzhou Futures Exchange were opened, and the “third pillar” of private pensions developed in a well-regulated way.

We created a new pricing mechanism for electricity generated by pumped-storage plants, rolled out policies to ensure that electricity generated from new energy sources comes on the grid at reasonable prices, and optimized the time-of-use pricing mechanism for electricity. We worked out a new pricing mechanism for pipeline transportation of natural gas and improved pricing policies regarding urban water supply. For disposal of non-household kitchen waste, gradual steps were taken to set up both a metered charging mechanism and a progressive surcharge mechanism for cases of exceeded dump quotas.

We achieved concurrent advancements in several aspects of electricity system reform. The second round of trials for electricity spot transactions was launched, competitive areas of electricity distribution and sales were opened up in an orderly manner, and green electricity trading pilots were officially initiated. We expanded reforms of the oil and gas systems. A new oil and gas production and operation mechanism was established around China Oil and Gas Pipeline Network Corporation (PipeChina), further strengthening peak shaving capacity and ensuring emergency supply.

8. *We adopted multiple measures to stabilize foreign trade and foreign investment and continually expanded the scope, fields, and depth of opening up.*

China actively participated in international economic cooperation, and its level of openness continued to increase. Last year, China’s total volume of trade in goods reached 39.1

trillion yuan, a year-on-year increase of 21.4%. Utilized foreign direct investment was 173.5 billion US dollars, up 20.2%, and non-financial outward direct investment reached 113.6 billion US dollars, an increase of 3.2%.

1) Significant headway was made in ensuring stable foreign trade and foreign investment.

New forms and models of foreign trade grew at a faster rate, and the quality of imports and exports further improved. Major trade events such as the Fourth China International Import Expo, the 130th China Import and Export Fair, the Eighth China International Fair for Trade in Services, the First China International Consumer Products Expo, and the 21st China International Fair for Investment and Trade were successfully held. We expanded the scope of the pilot scheme for cross-border e-commerce retail imports and started planning on building a number of seaports, inland ports, and overseas warehouses. We stepped up trials for innovative development of trade in services.

We fully implemented the Foreign Investment Law and released the national edition and the pilot free trade zone edition of the 2021 negative list for foreign investment. The number of special administrative measures on each list has been reduced to 31 and 27 respectively. Development of the Lin-gang Special Area of the China (Shanghai) Pilot Free Trade Zone reached a new level. Capital accounts were opened up in a steady and orderly manner, and policies on cross-border RMB settlement were further improved. We refined our management of all foreign debt, kept optimizing the foreign debt structure, and launched trials for oversight, inspection, and risk identification of medium- and long-term foreign debt, with a view to guarding against enterprise foreign debt risks. We worked hard to steer enterprise foreign debt toward implementing major national strategies and promoting development in key sectors.

2) New progress was achieved in high-quality development of the Belt and Road Initiative (BRI).

By the end of 2021, China had signed over 200 BRI cooperation documents with 145 countries and 32 international organizations. We coordinated Covid-19 protocols with production and construction on overseas projects. Positive progress was achieved on a series of landmark projects. The China-Laos railway was opened to traffic. Construction moved forward steadily on major projects including the China-Pakistan, China-Mongolia-Russia, and China-Indochina Peninsula economic corridors, the Jakarta-Bandung high-speed railway, and the Hungary-Serbia railway. The Phase II share transfer for the Greece-based Piraeus port was completed smoothly.

Third-party market cooperation saw solid progress. China accelerated green energy cooperation with BRI countries. China-Europe freight trains maintained safe and stable operation, registering a total of 15,000 trips and 1.46 million twenty-foot equivalent units (TEU) of cargo over the year, up 22% and 29% respectively. The ratio of loaded containers reached 98.1%. The rail system now reaches 180 cities in 23 European countries. Continuous improvements were made to the risk prevention and control and security safeguard systems for the BRI. Local government participation and integration in the development of the BRI continued to grow.

3) Steady advances were made in building platforms for opening up.

The Hainan Free Trade Port Law and the negative lists for foreign investment and cross-border trade in services at Hainan Free Trade Port were promulgated and implemented. Zero-tariff policies for certain imported goods in Hainan were adopted. Special measures to lift restrictions on market access, trade liberalization and facilitation measures, and the catalog of encouraged industries in Hainan Free Trade Port were introduced and implemented.

We pressed ahead with construction of the main routes of the new land-sea corridor for western China. Construction on the Beibu Gulf international gateway port is underway, and

open cooperation between regions along the corridor and the ASEAN countries continued to deepen and deliver substantial results. Beijing made solid progress in building itself into a national comprehensive demonstration zone for expanding opening up in the services sector, and trials for integrated opening of the services sector were expanded to four more areas.

4) New strides were made in participating in global economic governance.

Remaining committed to the multilateral trading system with the World Trade Organization (WTO) at its core, China presented its own solutions at various multilateral gatherings, including meetings of the G20, APEC, and BRICS. China worked to ensure that the Regional Comprehensive Economic Partnership (RCEP) officially went into effect and filed applications to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Digital Economy Partnership Agreement (DEPA). The China-Cambodia Free Trade Agreement (FTA) officially took effect and was implemented. The second round of negotiations on the FTA with the Republic of Korea (ROK) and follow-up negotiations with Singapore regarding an upgraded FTA were advanced in an orderly manner.

9. We made solid progress in ecological conservation and steadily advanced green transformations across the board.

To intensify the battle against pollution, we consolidated and expanded the achievements in pollution control, worked toward peak carbon emissions and carbon neutrality, and stepped up efforts to establish eco-friendly modes of production and ways of life.

1) Protective barriers for ecological security were gradually consolidated.

Solid progress was made in adopting a holistic approach to the protection and conservation of mountain, river, forest, farmland, lake, grassland, and desert ecosystems. Positive results were achieved in reforming state tree farms and key state forestry areas. We accelerated work on the formation of plans for major projects such as ecological conservation and restoration in the Qinghai-Tibet Plateau ecological shield. Key tasks including protecting natural forests, afforestation, restoring degraded grasslands, controlling runoff, soil erosion, and desertification, and protecting wetlands were carried out in an orderly manner. Over the past year, China restored 62,000 square kilometers of land suffering from runoff and soil erosion and added more than 6.67 million hectares of vegetation.

The development of a nature reserve system based around national parks picked up speed. New progress was made in developing national ecological conservation pilot zones in Fujian, Jiangxi, Guizhou, and Hainan provinces. We further improved compensation systems and mechanisms for ecological conservation and strengthened biodiversity protection. The first session of the 15th meeting of the Conference of the Parties (COP15) to the Convention on Biological Diversity was successfully held.

2) Initiatives to reach peak carbon emissions and achieve carbon neutrality were carried out in an orderly manner.

With the release and implementation of the Guidelines for Fully and Faithfully Implementing the New Development Philosophy in the Work on Achieving Peak Carbon and Carbon Neutrality and the Action Plan for Reaching Peak Carbon Dioxide Emissions before 2030, we worked faster to establish a “1+N” policy framework for peak carbon and carbon neutrality. We accelerated the establishment of a sound economic structure that facilitates green, low-carbon, and circular development and stepped up efforts to promote eco-friendly transformation of industries and adjustment of the energy mix. We expedited the planning and development of large-scale wind and photovoltaic power bases with a focus on desert areas, the Gobi, and other arid areas in Gansu, Qinghai, Inner Mongolia, and Ningxia. Greater

financial support was provided for the development of key sectors including clean and efficient coal and wind power, photovoltaic power, and other renewable energy sources. China's installed capacity for electricity generated from renewable energy exceeded 1,000 gigawatts.

China played an active and constructive role in various negotiations and talks at the United Nations Climate Change Conference in Glasgow. The national carbon emissions trading market was launched, with 2,162 key enterprises in the power generation industry being included in its first compliance cycle, and tools to support carbon emissions reduction were put to use. The system for controlling the intensity and total volume of energy consumption was improved, energy efficiency benchmarks and standard levels in key sectors were clearly defined, strict requirements for energy efficiency were imposed, and shortsighted development of low-end, energy-intensive projects with high emissions was resolutely curbed.

3) Continuous progress was made in the battle against pollution.

To secure further progress in the battle against pollution, we promoted the establishment of a modern environmental governance system. Coordinated control of fine particulate matter (PM_{2.5}) and ozone (O₃) pollution was strengthened, efforts were redoubled to identify and clean up black, malodorous bodies of water in cities, sewage outfalls into seas and rivers, and wastewater from industrial parks, and soil pollution control and remediation was strengthened. Vigorous efforts were made to recycle sewage, develop environmental infrastructure in urban areas, thoroughly promote clean production, and effectively address all links of plastic pollution. Active progress was made in comprehensive utilization of bulk solid waste, and zero solid waste was imported.

In cities at and above the prefectural level, air quality was good or excellent for 87.5% of the days in the year, and the average concentration of PM_{2.5} dropped by 9.1%. The proportion of surface water meeting good water quality standards (Grade I–III) rose to 84.9% while the proportion lower than Grade V dropped to 1.2%.

10. We focused on ensuring and improving public wellbeing and steadily raised people's living standards.

We worked continuously to see that public services are inclusive, meet essential needs, and ensure basic living standards for people in difficulty, raised public service standards, and built a more tightly woven and durable social safety net.

1) Solid progress was made in various initiatives for promoting common prosperity.

We developed top-level designs for promoting common prosperity and supported Zhejiang Province in pursuing high-quality development and building itself into a demonstration zone for common prosperity. We deepened reform of the income distribution system, improving policies for primary distribution and increasing the intensity of redistribution regulation. As a result, personal incomes of both urban and rural residents grew steadily, with per capita disposable income nationwide increasing by 8.1% in real terms.

2) The employment-first policy continued to be strengthened.

Some temporary policies for lightening enterprises' burdens and helping them to keep their payrolls stable and create more jobs were extended. We thoroughly implemented demonstration initiatives for job creation through entrepreneurship, launched projects to boost the quality of employment services, and promoted brand building in the labor market. We supported key groups such as college graduates, rural migrant workers, and demobilized military personnel in seeking employment and starting businesses. Efforts were stepped up to protect the rights and interests of workers in new forms of employment and facilitate the healthy development of flexible employment. In 2021, about 2 million people found jobs as a result of demonstration initiatives for job creation through entrepreneurship. Large-scale

vocational skills training programs were launched and a number of public training centers were established under government support. More incubators were developed for those returning or moving to the countryside to start businesses, and work on building entrepreneurship platforms serving rural migrant workers and others was stepped up.

3) Efforts were accelerated to strengthen education.

We launched a project to strengthen education with the intent of addressing weaknesses in basic education, developing quality vocational education, and creating world-class higher education. The retention rate in nine-year compulsory education and the gross enrollment ratio for senior secondary education reached 95.4% and 91.4% respectively, and regular institutions of higher learning enrolled more than 11 million undergraduate and graduate students.

Solid steps were taken to relieve students in compulsory education of excessive burdens from homework and off-campus tutoring, and regulation of off-campus academic tutoring fees was strengthened. Higher standards for nutritious meal subsidies for rural students in compulsory education were applied, and in-depth efforts were made to address weak links and enhance capacity in compulsory education. The supply of public-benefit pre-school education resources continued to grow, and basic conditions in county-level regular senior secondary schools saw continuous improvement. We focused efforts on supporting counties that have recently been lifted out of poverty in expanding pre-school education resources and increasing the number of spots for students, with an emphasis on compulsory education. The targets set in the three-year expansion initiative for enrollment in vocational colleges were surpassed.

We stepped up the development of urgently needed disciplines and majors as well as personnel training in key areas for economic and social development and bolstered support for disciplines and majors like integrated circuits and artificial intelligence. Plans were made to build a series of innovation platforms for industry-education integration in key sectors such as integrated circuits and energy storage technologies. An additional 63 model enterprises and 21 pilot zones were selected at the national level for industry-education integration.

4) The Healthy China initiative was steadily advanced.

We carried out extensive patriotic health campaigns, pushed ahead with the Healthy China initiative, and implemented the national nutrition plan. Continuous efforts were made to strengthen supervision over the quality and safety of food and drugs. Comprehensive reform of public hospitals continued to be deepened. High-quality medical resources became more broadly available and were distributed in a more balanced manner among different regions, the development of national medical centers advanced steadily, the scope of pilot projects to build national and regional medical centers was expanded in an orderly manner, and efforts to develop the tiered diagnosis and treatment system and medical consortiums were expedited. Public health capacity with regard to epidemic control and treatment was strengthened at a faster pace, and efforts to build centers for disease control and prevention were accelerated.

We encouraged preservation of and innovation in traditional Chinese medicine. We made the centralized procurement of medicines a regular, institutional practice and continued to include more medicines and medical consumables in bulk government purchases across the country. As a result, the prices of some medicines in the medical insurance catalog declined significantly, and the supply of medicines for people with major diseases or special needs was better guaranteed. The childbirth policy was also refined with the implementation of a three-child policy along with supporting measures.

5) The multi-tiered social security system continued to improve.

The number of people covered by basic old-age insurance schemes reached 1.029 billion, with the participation rate exceeding 91% nationwide. Unified national management of basic

old-age insurance funds was advanced, and basic retirement benefits steadily grew. The basic medical insurance systems for urban employees and for rural and non-working urban residents and the major disease insurance system were all improved. A list-based system for medical insurance benefits was established. Basic medical insurance schemes covered 1.36 billion people, with coverage holding at above 95% of the population. The reimbursement rate for inpatient medical bills covered by insurance policies for insured rural and non-working urban residents remained at 70%. Cross-provincial direct settlement of outpatient bills was realized in all localities under unified national management, and for inpatients, 60% of cross-provincial bills were directly settled. Trials of long-term care insurance were expanded.

More people were covered by unemployment insurance and workers' compensation schemes. Temporary unemployment subsidies were extended, and workers' compensation benefits were paid out to 2.02 million employees who suffered work-related injuries and their dependents. To ensure that the basic living needs of disadvantaged people were met, we established dynamic monitoring mechanisms for low-income populations and worked to develop social assistance systems of different types at different levels, providing basic living assistance, special assistance, and emergency social assistance in a timely manner. The establishment of a unified system for subsistence allowances in rural and urban areas was expedited, with coverage expanded to all those in need. The mechanism tying social assistance and benefit payments to increases in the price of goods was improved, and temporary price subsidies were offered to more people.

We moved faster to improve the housing support system and encouraged large cities with net population inflows to increase the supply of government-subsidized rental housing. Disaster prevention, mitigation, and relief were strengthened. Appropriate arrangements were made for disaster victims, and post-disaster recovery and reconstruction support was given to Zhengzhou in Henan Province and other areas affected by torrential rainstorms and floods. Serious and major accidents were prevented and contained.

6) Further steps were taken to shore up weak links and improve the quality of public services.

We issued and implemented the National Standards for Basic Public Services (2021), gradually improved standards in the service sector, organized trials of standardized services at the community level, and improved mechanisms for promoting equal access to public services. Development of the Great Wall, Grand Canal, Long March, Yellow River, and other signature national cultural parks was advanced in an orderly way. Projects for preserving, passing down, and making use of the Chinese culture were launched, and efforts were redoubled to better protect and utilize important cultural and natural heritage. To promote the high-quality development of public cultural services, we carried out projects for building a national smart library system and public culture cloud platforms and encouraged the development of new types of public cultural spaces in urban and rural areas.

We set about formulating a national tourism and recreation development program (2021–2035) and promoted the implementation of the paid vacation system. The high-quality development of CPC heritage tourism and rural tourism was encouraged. Guidelines for the development of a higher-level service system for promoting general fitness and exercise were formulated, and construction of sports parks was advanced, with the average per capita area of sports venues reaching 2.41 square meters.

We expanded the “pacesetter” initiative to promote higher quality and an expansion of capacity in the domestic services sector and introduced a credit building initiative among housekeeping service enterprises. Accelerated efforts were made to advance the coordinated

development of elderly care programs and the elderly care sector, and initial steps were taken toward developing an elderly care system that combines in-home, community, and medical facility services and that meets different medical and health care needs. The number of beds in elderly care facilities reached 8.135 million. Protection of the lawful rights and interests of the elderly was constantly strengthened.

We developed public-benefit childcare services, facilitating the construction of a number of childcare facilities that are convenient, accessible, affordable, and quality-assured. Improvements were made to the mechanism for dynamically adjusting the standards of living allowances and nursing care subsidies for people with disabilities. We worked to safeguard the rights and interests of women and children, promoted the development of child-friendly cities, gradually established sound networks for the assistance and protection of minors, and improved social welfare systems for orphans and people with disabilities.

Box 7: Strengthening the System of Social Public Services

<p>Public Education</p>	<ul style="list-style-type: none"> • We thoroughly implemented projects to build China into a country with a strong educational system and supported less-developed regions, especially the three regions and the three prefectures and other formerly deeply impoverished areas,² in consolidating the achievements of poverty alleviation through education. • We improved infrastructure for pre-schools and compulsory education schools, worked toward finishing the task of upgrading restrooms in primary and middle schools, and focused on supporting a group of high-quality vocational colleges and applied-discipline undergraduate colleges in developing high-standard, professionalized training centers for industry-education integration. • We sped up the development of world-class universities and disciplines, strengthened the development of disciplines and majors that were urgently needed, and provided support to a number of high-quality medical and teacher training schools.
<p>Medical and Health Care</p>	<ul style="list-style-type: none"> • We launched the construction of national medical centers as mandated by the 14th Five-Year Plan and pushed forward with orderly trials on building national-level regional health care centers. We worked to expand high-quality medical resources and ensure their balanced regional distribution. We stepped up the development of epidemic prevention and treatment centers using traditional Chinese medicine (TCM) and key hospitals specialized in TCM. • We enhanced the public health system and refined the system for disease prevention and control. We supported the development of health industry clusters.
<p>Culture and Tourism</p>	<ul style="list-style-type: none"> • We promoted the integrated development of culture and tourism and advanced signature national cultural park programs. • We strengthened the protection of key national cultural relics, improved archaeological excavations, and promoted the development of major tourism-related infrastructure and the construction of public cultural facilities in key areas.
<p>Public Fitness</p>	<ul style="list-style-type: none"> • We worked harder to address inadequacies in public fitness facilities. • New spaces for public fitness were created, all non-private exercise venues were encouraged to open to the public, and new green, convenient fitness platforms were developed. • We continued to promote the sustainable development of winter sports.

² The three regions refer to Tibet, the four southern Xinjiang prefectures of Hotan, Aksu, Kashi, and Kirgiz Autonomous Prefecture of Kizilsu, and the Tibetan ethnic areas in Sichuan, Yunnan, Gansu, and Qinghai provinces; the three prefectures are Liangshan in Sichuan, Nujiang in Yunnan, and Linxia in Gansu.

Elderly Care	<ul style="list-style-type: none"> • We refined elderly care service systems and continued to launch special initiatives for public-benefit elderly care. • We carried out comprehensive innovation trials and capacity assessments as part of an active response to population aging. • We pushed ahead with a smart elderly care initiative to help address the problems faced by the elderly in utilizing smart technologies.
Infant and Childcare Services	<ul style="list-style-type: none"> • We implemented a project to address population aging and developed childcare services, launched a public-benefit childcare initiative, and developed centrally managed and operated community childcare service networks, thus promoting the healthy development of childcare services.
Basic Services	<ul style="list-style-type: none"> • We fully implemented a social service facility improvement project to ensure people's basic needs are better guaranteed and stepped up the construction of service facilities for social welfare, demobilized military personnel, and people with disabilities, among others. • Our capacity to provide employment services to people with disabilities was notably improved. • The average area of comprehensive public service facilities per 100 households in urban and rural communities reached 31.11 square meters.

Overall, the projected targets for economic growth, employment, consumer prices, and the balance of payments in 2021 were satisfactorily met, indicators of scientific and technological innovation, resource conservation, environmental protection, and social security continued to improve, and grain and energy output grew steadily. Last year's major objectives and tasks for economic and social development were accomplished.

Difficulty is understood through experience. Faced with complex and grim international and domestic conditions, we maintained strategic resolve and stayed committed to managing our own affairs well. We spared no effort to complete arduous tasks in reform and development, smoothly achieved the first centenary goal of building a moderately prosperous society in all respects, and took a firm step toward the second centenary goal of building China into a modern socialist country in all respects. These achievements were made under the strong leadership of the CPC Central Committee with Comrade Xi Jinping at its core, under the sound guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and through the concerted and strenuous efforts of the whole Party and the entire nation.

However, we must be aware that the number of problems and challenges confronting China's development has grown markedly. Externally, the Covid-19 pandemic is still ongoing, the world economic recovery lacks momentum, and commodity prices are fluctuating at a high level. All this is making our external environment increasingly volatile, grave, and uncertain. Domestically, we face a three-way pressure not seen in many years, consisting of shrinking demand, supply shocks, and flagging market expectations. Local Covid-19 cases are still occurring sporadically, new sources of downward pressure on the economy have emerged, and risks in some areas may be exposed at a faster pace. All this has made it much more difficult to maintain a stable economy.

First, aggregate demand is shrinking. The overall market environment is tightening, the recovery of consumption and investment is sluggish, and effective demand remains insufficient. The average growth rate of per capita disposable income in the past two years is lower than it was before the epidemic, and Covid-19 cases are still occasionally emerging, suppressing urban residents' consumption capacity and desire to spend. The recovery of in-person consumption is still feeling the impacts of Covid-19.

We still have to boost domestic investment momentum and consolidate the foundations

for sustainable investment in manufacturing. In real estate, land acquisition acreage has fallen and investment growth has slowed. Some local governments are experiencing decreases in their revenues from land sales and are unable to provide an adequate supply of funds, land, and other production factors, which in turn has hampered the expansion of effective investment. At the same time, the gap between demand and supply is narrowing as economic order is restored in some countries, which has led to more intense competition in the international market and has made it more difficult to maintain stable exports.

Second, we are experiencing structural shortages. Enterprises are still facing an inadequate supply of production factors, among other problems. There remain certain factors affecting our ability to ensure the supply of coal and electricity, and supply fulfillment for major commodities like oil and gas is susceptible to changes in global supply and demand as well as geopolitical risks. There are still prominent bottlenecks in some industries, such as shortages to varying degrees of chips, shipping containers, and labor. High-tech industries need to improve their technological innovation capabilities if they are to pursue development in a more challenging international environment. Growing pressure from resources and the environment is also imposing certain constraints on the supply of some products.

Third, costs and prices are rising. Demand is weak, supply is constrained, prices of energy and major commodities like ore are high, and the performance of enterprises' major business indicators is cause for concern. Some midstream and downstream manufacturing enterprises, especially MSEs, are finding it more difficult to absorb the rise in costs, and high labor costs and difficulties in recovering overdue payments remain prominent.

Fourth, risks are mounting in financial and economic sectors. Risks in some highly-leveraged and blindly-expanding enterprises, particularly real estate enterprises, are becoming exposed. As the quality of assets at some small and medium banks deteriorates, financial risks in some regions continue to pile up. The economic recoveries of some localities are facing numerous difficulties, primary-level governments are suffering from glaring imbalances between revenues and expenditures, and some local governments are under immense pressure to repay their debts and are finding it difficult to meet basic living needs, pay salaries, and maintain normal government functions. Areas which are important to people's basic needs, such as pre- and postnatal care, child-rearing, education, health care, elderly care, and environmental protection, still have many weaknesses. We face more than a few challenges in safeguarding food security and the energy supply, and the disorderly expansion of capital may be generating considerable hidden risks. There is still a lot to do to ensure workplace safety, extreme weather events of greater severity may occur more frequently, and disaster prevention and mitigation remains a formidable task.

Fifth, market expectations are unstable. Many market entities, especially MSEs and self-employed individuals, are struggling with difficulties in their production and operations and are concerned about market prospects, making it even more challenging to keep employment stable.

In addition, we need to enhance our ability to balance and coordinate multiple targets and policies, and there is room for improvement in government work. Pointless formalities and bureaucratism remain an acute issue. Cases of officials failing to stay grounded in reality and acting against the public will are still frequent. Some local governments use one-size-fits-all or campaign-style approaches in policy implementation; some have yet to gain a correct understanding of the goals to reach peak carbon and carbon neutrality; some are overly simplistic and mechanical in policy implementation; and others adopt policies that work independently but cause unintended adverse effects when implemented together.

We need to both face up to difficulties and remain confident. Despite the notable increase in the number of difficulties and challenges confronting our economy, the strong position of our continued economic recovery has not changed, the factors and conditions of production that will sustain high-quality development have not changed, and the fundamentals for economic resilience and long-term growth have not changed. China remains in an important period of strategic opportunity for development.

Under the firm leadership of the CPC Central Committee with Comrade Xi Jinping at its core, the Party's major achievements and historical experience over the past century have inspired great strength, the socialist system's strength of pooling resources behind major undertakings is becoming more evident, the stable growth of our composite national strength and the potential of our massive domestic market have formed a sturdy pillar, progress in reform and opening up are boosting market vitality, and coordinated regional and urban-rural development are fostering a powerful driving force. More importantly, the Chinese people, in their hundreds of millions, have a strong desire to create a better life, huge potential for entrepreneurship and innovation, firm resolve to overcome all difficulties together, and rich experience to deal with major risks and challenges. In short, we have the foundations, the conditions, the confidence, and the ability to achieve steady, healthy, and sustainable economic development.

II. Overall Requirements, Main Objectives, and Policy Orientations for Economic and Social Development in 2022

This year, the Communist Party of China will hold its 20th National Congress, so it will be a year of great significance in the cause of the Party and the country, and it is highly important that we deliver in promoting economic development.

1. Overall Requirements

To carry out our economic work in 2022 effectively, we must, under the strong leadership of the Party Central Committee with Comrade Xi Jinping at its core, follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the guiding principles from the Party's 19th National Congress and the plenary sessions of the 19th Central Committee, and carry forward the great founding spirit of the Party.

We must remain committed to the general principle of pursuing progress while ensuring stability, fully and faithfully apply the new development philosophy, work faster to create a new development pattern, and advance reform and opening up across the board.

We need to continue pursuing innovation-driven development, promote high-quality development, and take supply-side structural reform as our main task. We need to coordinate our Covid-19 response with economic and social development and balance our development and security imperatives.

We must continue to ensure stability on the six key fronts and security in the six key areas and improve living standards. We need to work hard to ensure stable macroeconomic performance, keep major economic indicators within an appropriate range, and maintain social stability. With all these, we will set the stage for the Party's 20th National Congress.

In carrying out specific work, we need to accurately grasp our central task and the principal contradiction facing Chinese society and pay particular attention to the issue of strategy and tactics, maintaining strategic resolve while employing flexible tactics. We must conduct in-depth research to acquire a sound understanding of major theoretical and practical issues such as the major goal of common prosperity and the way to reach it, the characteristics

of capital and the rules governing its behavior, the endeavor of ensuring the supply of primary products, the work of guarding against and defusing major risks, and the issues of carbon dioxide peaking and carbon neutrality. We must strive to achieve key breakthroughs while making overall progress and use the key breakthroughs to spur improvement in the overall quality of economic and social development.

We must give greater prominence to keeping economic growth stable. Economic work is at the center of the Party's governance of China, and development is the foundation and key for solving all of the country's problems. We must continue to give top priority to development, keep the overarching and fundamental significance of stability firmly in mind, and work hard to resolve complex problems in the economy so as to promote steady, healthy, and sustainable development.

We must take coordinated moves to keep growth stable, promote structural adjustment, and carry out reform. We should work faster to transform the growth model, channel greater energy into improving the quality of the supply system and ensuring smooth economic flows, implement the strategy of innovation-driven development, and strengthen science and technology for greater self-reliance. We need to advance reform in key areas with greater resolve to remove bottlenecks and obstacles of all kinds, strengthen support for the provision of factors of production, increase high-quality supply, drive upgrades to consumption, and encourage effective investment, so as to create a robust domestic market.

We must follow a fact-based approach and bear in mind the fundamental dimension of China's national context, that is, it is still in the primary stage of socialism. We must respect the laws of development, the reality on the ground, and the needs of the people. We should work in creative ways that conform to actual conditions and motivate all stakeholders to pursue development endeavors.

We must promote both an efficient market and a well-functioning government and put more emphasis on the use of market-based approaches to remove deep-seated institutional barriers that hold back high-quality development. We need to develop new systems for a higher-standard open economy, move faster to foster a world-class business environment, and further boost market vitality and social creativity.

We must devote greater attention to balancing development and security imperatives. We must be mindful of the changes taking place in the world, changes of a magnitude not seen in a century, and we must closely follow domestic and international developments. We need to enhance the prevention and control of risks in key areas, fully prepare ourselves for all kinds of complicated situations, and maintain a vigilant guard against systemic risks.

We must remain committed to the people-centered philosophy of development. We must keep improving living standards through development and give even greater priority to job creation while promoting high-quality development. Doing all within our means, we will improve our public service policies and systems, rely on the efforts of everyone to promote prosperity for all, ensure that basic living needs are met, and constantly increase the people's sense of fulfillment, happiness, and security.

2. Main Objectives

In accordance with the aforementioned overall requirements, staying firmly rooted in the present while looking ahead to the future, and balancing what is required with what is possible, we have set the following main objectives for economic and social development in 2022.

- *GDP growth of approximately 5.5%*

First, this objective accounts for our current economic performance and reflects the need to maintain stable employment, meet basic living needs, and guard against risks. It will help

guide expectations for development, bolster market confidence, and mobilize all sectors of society. Second, this objective is in keeping with the average growth rates of the last two years and the goals of the 14th Five-Year Plan. Third, this objective matches the expectations of all parties with regard to China's economic development. It represents a medium-high rate of growth given our large economic aggregate, and demonstrates our determination to take the initiative. Achieving this goal will require arduous efforts.

- *Over 11 million new urban jobs and a surveyed urban unemployment rate of no more than 5.5%*

New urban jobs: Considering the employment demands of key groups such as college graduates and of workers shifting posts due to industrial upgrading, the creation of at least 11 million new jobs in cities is essential for ensuring employment security. At the same time, the continual recovery of the Chinese economy and, particularly, the implementation of pro-job policies will provide a solid foundation for the attainment of this goal.

Surveyed urban unemployment rate: Employment has a bearing on people's wellbeing and social stability, and this target fully demonstrates our employment-first policy focus and our determination to stabilize employment. With all sides, especially local governments who bear the responsibility of securing employment, working together, we can achieve this goal.

- *CPI increase of approximately 3%*

Given the possible continuation of imported inflation, the rising costs for producers that may be gradually passed on to consumers, and the carryover effect on prices from 2021, China is likely to face a greater upward pressure on CPI in 2022 than it did in 2021. A projected CPI increase of around 3% not only reflects the need to ensure the supply and price stability of daily necessities and keep overall prices stable, but it will also provide some leeway and help to keep market expectations stable.

- *Growth in personal income that is generally in step with economic growth*

This is a natural requirement of our people-centered philosophy of development and an important foundation for expanding consumer spending and stabilizing the economy. With the implementation of policies and measures for boosting employment and improving its quality, expanding the size of the middle-income group, increasing the incomes of low-income earners, and stepping up income redistribution, personal income can be expected to grow in step with economic growth in 2022.

- *More stable and higher-quality imports and exports and a basic equilibrium in the balance of payments*

This is necessary if we are to properly respond to the grave and complex changes in the external environment, achieve stable performance in foreign trade and foreign investment, and ensure the steady performance of the Chinese economy. At the same time, our strength in possessing complete industrial chains is growing more evident, our policies for stabilizing foreign trade and foreign investment are producing desirable results, new forms and models of business are thriving, and high-quality growth in trade is accelerating, all of which will provide a strong foundation for ensuring more stable and higher-quality imports and exports and a basic equilibrium in the balance of payments.

- *Grain output above 650 million metric tons*

Food is the most basic necessity of the people, and when grain production is stable, peace and tranquility prevail. Ensuring food security is therefore an absolute imperative. Despite consecutive good harvests in recent years, the supply of grain remains tight in China. Given our domestic demand and overall production capacity, the changes in the international grain market, and other factors, it is imperative that we maintain grain output above 650 million

metric tons in order to ensure market supply and price stability.

▪ *Further improvement in the environment; continued reduction in the discharge of major pollutants; energy consumption per unit of GDP to be assessed with appropriate flexibility within the framework of the 14th Five-Year Plan; and newly added renewable energy and coal, petroleum, and natural gas consumed as raw materials to be excluded in the calculation of total energy consumption*

We must make sure that our annual targets for environmental improvement are in keeping with the timetable outlined in the 14th Five-Year Plan, address pollution with targeted, scientific, and law-based measures, intensify the battle against pollution, and accelerate implementation of the major emissions reduction projects. At the same time, considering the current realities of China's economic development, the need to both ensure security in energy supply and achieve energy conservation and carbon reduction targets, and other factors, we believe that energy consumption per unit of GDP this year should be evaluated over the whole 14th Five-Year Plan period. We can therefore retain an appropriate level of flexibility, both providing reasonable leeway for energy consumption to ensure the steady performance of the economy and urging local governments to maintain their energy conservation efforts. We can balance development and emission reductions as well as current needs and long-term benefits, steadily promote green and low-carbon development on the basis of ensuring energy security, and lay a foundation for achieving the energy intensity reduction goals for the 14th Five-Year Plan period.

3. Major Macro Policy Orientations

To achieve the abovementioned objectives, we must give first priority to stability and pursue progress on the basis of stability. Our macro policies should be prudent and effective, micro policies should energize market entities, structural policies should facilitate smooth flows in the economy, science and technology policies should be fully implemented, reform and opening up policies should lend impetus to development, regional policies should ensure more balanced and coordinated development, and social policies should focus on meeting basic living needs. All sectors involved must adopt detailed and effective measures to meet these major policy requirements.

We will step up coordination in efforts to meet multiple targets, better coordinate and link our policies, and further leverage the initiative of both central and local governments. We will ensure that our policies exert a strong impact early on, promptly deploy the policy tools we have in reserve, and ensure proper policy timing and intensity to good effect. We will improve economic monitoring and early warning, strengthen preparatory research to maintain policy options for different eventualities, and ensure early discovery of and early action against emerging problems that signal unfavorable trends. We will strengthen targeted, well-timed, and precision regulation on the basis of range-based regulation to make our regulation more forward-looking, relevant, and effective. We will make plans for risk prevention and ensure that policy implementation is more effective. We will adopt practical and workable measures to stimulate effective demand, increase supplies, and stabilize market expectations. With certainty in our own work as a hedge against external uncertainty, we will boost the confidence of all sectors in our country's development and ensure the stable performance of the economy.

▪ *We will improve the efficiency of our proactive fiscal policy with greater attention to accuracy and sustainability.*

We have set the deficit-to-GDP ratio this year at around 2.8%, slightly lower than last year. This will allow us to not only maintain fiscal spending intensity but boost fiscal sustainability and leave ample room for the possible emergence of more complicated challenges. In 2022, fiscal revenue is projected to continue to grow, state-owned financial institutions and state

monopoly business operations will turn over their surplus profits from recent years, and we will also have funds from the Central Budget Stabilization Fund. This means that we will have significantly greater fiscal resources at our disposal and can increase government spending by more than 2 trillion yuan over last year. New funds will be channeled to local governments and used mainly to ease the difficulties of enterprises, stabilize employment, meet basic living needs, and increase consumption and demand.

We will provide greater support for MSMEs, self-employed individuals, the manufacturing sector, and risk-defusing efforts with a new package of tax-and-fee policies. We will optimize spending priorities and structures to provide greater funding support for national strategic tasks and for efforts to ensure and improve living standards. Central government transfer payments to local governments will increase by 18%, a considerable increase over last year. The central government will place more budgetary funds under the mechanism for direct allocation to prefecture- and county-level governments, so that local governments are both able and motivated to carry out policies that will benefit businesses and the people. Party and government bodies must continue to tighten their belts, maintain strict financial discipline, enforce strict control over the construction of new buildings, and strictly control general expenditure. We will resolutely prevent further cases of hidden debt among local governments.

- *We will pursue a prudent monetary policy in a flexible and appropriate way and maintain a proper and adequate liquidity supply.*

We will use monetary policy tools to adjust both the monetary aggregate and the monetary structure, so as to provide more robust support for the real economy. This year, increases in the balance of the M_2 money supply and aggregate financing will be generally in step with nominal GDP growth, and the macro leverage ratio will remain generally stable. We will improve the mechanism for regulating the money supply, refine the market-based mechanism for setting and transmitting interest rates, and further reduce the overall financing costs of the real economy. We will further improve the transmission mechanism of monetary policy, ensure reasonable growth in the supply of money and credit, and refine the credit structure. We will make good use of relending, rediscounts, and other monetary policy instruments that can directly serve the real economy, guiding financial institutions to increase support for the real economy, especially for the manufacturing sector, MSEs, technological innovation, and green development.

We will provide greater support for financing through our multi-tiered capital markets, increase the proportion of equity financing, and promote the financial sector's positive interplay with science and technology and industry. We will improve the macro-prudential management and micro-regulation of the foreign exchange market and keep the RMB exchange rate generally stable at an adaptive, balanced level. We will establish a long-term mechanism for forestalling and defusing financial risks to resolutely prevent the emergence of systemic risks.

- *We will pursue the employment-first policy with intensified efforts to deliver more desirable outcomes.*

We will continue to carry out the employment-first strategy, refine the mechanism for assessing influences on employment, and give greater priority to job creation while pursuing high-quality development. We will work to broaden the employment channels, promote employment stability by keeping the operations of market entities stable, and harness the role of business startups in boosting employment. Fiscal and financial policies will facilitate implementation of the employment-first policy, and greater support will be provided for enterprises to stabilize and expand employment. Some existing policies aimed at supporting enterprises by lightening their burdens and helping them keep their payrolls stable and employ

more people will be improved, and a total of 100 billion yuan from the unemployment insurance fund will be used to support enterprises in maintaining stable payrolls and provide training programs. We will continue to boost job creation through entrepreneurship, ensure full implementation of the policies on guaranteed loans and interest subsidies for business startups, and carry out projects to upgrade employment services.

We will continue to ensure employment for key groups such as college graduates, migrant workers, and demobilized military personnel, step up employment support for those who have just been lifted out of poverty or are at risk of falling into poverty, and give greater employment assistance to people with disabilities and those who have difficulty finding work. We will make ongoing efforts to ensure that all families have at least one member with access to employment. We will establish a mechanism for facilitating multi-channel, flexible employment, support and regulate new forms of employment, and advance occupational injury insurance trials for people in new forms of employment to better safeguard their rights and interests.

We will launch a China Skills Training initiative, carry out large-scale, multi-tiered vocational skills training, establish a number of public training bases through joint construction and use initiatives, and implement policies on enrolling more college graduates in training schemes. We will enhance the system for comprehensive public employment services and strengthen employment monitoring and unemployment early warning to effectively guard against and prevent widespread unemployment. We will strive to achieve fuller, higher-quality employment.

- *We will make coordinated effective efforts to guarantee coal, electricity, oil, gas, and transportation.*

We will give full rein to the role of our inter-ministerial coordination taskforce in securing coal, electricity, oil, gas, and transportation and ensure that local governments, government departments, and enterprises take on their respective responsibilities. We will follow the principle of establishing the new before abolishing the old in order to secure our energy supply and ensure the people's energy needs are met.

To enhance China's capacity for resource production and supply, we will step up petroleum, natural gas, and mineral exploration and development and consolidate and build up the momentum of increases in both reserves and output. To guarantee the supply of coal for power generation, we will work harder to ensure coal transportation in major coal-producing areas and areas with inadequate transportation facilities, and we will improve the pricing mechanism for coal. We will raise our electricity supply capacity to ensure stable, reliable, and sufficient supply, refine the pricing mechanism for on-grid electricity generated from new energy, and better guarantee sources of natural gas. Orderly steps will be taken to adjust and refine the energy mix. We will implement a comprehensive resource conservation strategy and conduct more meticulous energy use management in order to better meet public demand for energy and the people's basic needs. Major industries and enterprises with sub-benchmark energy efficiency will be encouraged to carry out orderly transformation and upgrading, and electricity and energy conservation will be promoted throughout society. The national strategic goods reserve system will be improved.

III. Major Tasks for Economic and Social Development in 2022

In 2022, we will implement the decisions and plans of the Party Central Committee and the State Council, highlight priorities, focus on key tasks, and ensure that a good job is done in the following 10 areas.

1. Strengthening and improving macro regulation and boosting domestic demand

We will refine our package of macro policies and get the focus of our policies right to enhance the critical role of investment in improving the supply structure and the basic role of consumption in driving economic development. We will unleash the potential of domestic demand, leverage the strengths of our vast domestic market, and boost domestic circulation. We can thus lay a solid foundation for achieving stable macroeconomic performance.

1) We will improve policies for easing the burdens and difficulties of enterprises.

We will continue to take both temporary steps and institutional measures and apply policies for both tax reductions and refunds. We will extend the tax and fee reduction policies that support manufacturing, MSEs, and self-employed individuals, and expand the scale and scope of these policies. A temporary exemption on VAT payments will be granted to small taxpayers. Corporate income tax on annual taxable income of between 1 million and 3 million yuan will be halved once again for MSEs. We will issue VAT credit refunds on a large scale this year, with a focus on supporting the manufacturing sector and giving priority to MSEs. Tax cuts and rebates are expected to total 2.5 trillion yuan this year, with VAT credit refunds accounting for 1.5 trillion yuan of this sum. We will extend the temporary policies on reducing premiums for unemployment insurance and workers' compensation.

We will launch initiatives to end unjustified charges levied on businesses, and fully investigate and punish the imposition of arbitrary charges, fines, and quotas. We will do more to address the financing difficulties of MSMEs, expand the coverage of inclusive finance, make good use of instruments to support inclusive loans to MSEs, and increase re-lending for agricultural and small enterprises. We will increase financing to ensure that more MSMEs have access to financing at lower fees. We will see a notable increase in inclusive loans to MSEs and issue more first-time loans and credit loans. We will see that the financial sector gives more to the real economy with a variety of measures such as lowered interest rates and fees. We will guide financial institutions to improve their credit management, ensure continued financing support for industries and enterprises hit hard by Covid-19, and prevent industry-wide lending restrictions, forced early repayment of loans, and arbitrary termination of loan agreements.

We will help lower the production and operating costs of enterprises. We will rectify excessive surcharges levied by utility companies and support local governments in adopting temporary preferential policies on electricity use for industries that are experiencing particular difficulty. We will encourage large platform enterprises to lower service fees and lighten the burden on small and medium businesses.

2) We will actively expand effective investment.

This year, special bonds for local governments will total 3.65 trillion yuan, and investment from the central government budget will reach 640 billion yuan. We will construct the 102 major projects outlined in the 14th Five-Year Plan to a high level of quality. Acting in accordance with the principle that funding and other production factors should follow specific projects, which in turn should follow specific plans, we will expedite projects already under construction, quickly start a number of new projects that are ready for construction, strengthen the planning and stockpiling of projects, and ensure an appropriate degree of forward planning for infrastructure projects.

We will ensure the provision of land, energy, and other factors of production, keep energy consumption of major national projects under separate management, and strengthen project management and oversight. We will increase investment in strategic emerging industries and support enterprises in increasing investment in equipment upgrading and technological transformation. We will strengthen weak links in agriculture and rural areas, water conservancy,

municipal works, disaster prevention and mitigation, and emergency response, and advance the renovation of old residential communities in cities. We will promote the renovation of old urban gas pipe networks, reinforce urban flood control, and launch projects to improve the basic pipe networks of small and medium cities in the central and western regions. We will improve the urban systems and infrastructure in areas along and near our borders.

We will further reform investment and financing systems and mechanisms and encourage and guide the involvement of private capital in projects designed to strengthen weak links in areas such as municipal works, transportation, water conservancy, environmental and ecological conservation, and social programs. We will promote public-private partnership (PPP) in a well-regulated manner, accelerate real estate investment trusts (REITs) trials in the infrastructure sector, and put idle assets to use, so as to create a positive investment cycle.

3) We will continue to promote the recovery of consumption.

We will further unlock consumption potential and continue to nurture new areas of strong consumer spending. We will stabilize and expand spending on automobiles and other big-ticket items and promote a shift from regulating the purchase of consumer goods like motor vehicles to regulating their use. To support the purchasing of new-energy vehicles, we will make continued efforts to boost purchases in rural areas and encourage the construction of supporting facilities in urban areas such as parking spaces and battery charging and swapping facilities. We will develop the consumption of services and widen market access in the service sector. We will promote the implementation of the paid leave system.

We will create new consumer demand, foster and grow new types of consumption including smart retailing, digital culture, and smart tourism, promote online consumption, and encourage the well-regulated, healthy development of live streaming e-commerce. An action plan will be launched to develop winter tourism. Places with the right conditions will be encouraged to boost consumption of green and smart home appliances in rural areas and replacement of old appliances with new purchases. The use of green building materials will be encouraged in rural areas. We will encourage simple, moderate, green, and low-carbon ways of life and models of consumption.

We will promote the innovative development of China's time-honored brands. We will foster and develop the silver economy and develop technologies and products that make life easier for the elderly. Major international consumer cities will be fostered and developed, and regional consumption centers will be built. We will improve business facilities in urban communities to ensure easy access to basic living provisions. We will refine business networks in counties and take faster steps to smooth the way for e-commerce, logistics, and delivery services in counties, towns, and villages. We will strengthen oversight over the quality and safety of consumer goods, crack down on counterfeit and substandard goods, better protect the rights and interests of consumers, and further improve the consumption environment.

4) We will construct major infrastructure with an appropriate degree of forward planning.

We will make targeted and effective efforts to advance major infrastructure projects in fields such as transportation, water conservancy, logistics, energy, new-type infrastructure, and people's wellbeing. We will make faster progress in projects such as the Chengdu-Lhasa Railway, new land-sea transit routes for the western region, high-speed railways along the Yangtze River, major exclusive railway lines, and the renovation of China National Highway 318 from Chengdu to Lhasa. We will take integrated steps to promote the construction of intercity and municipal (suburban) railways for city clusters in the Beijing-Tianjin-Hebei region, the Yangtze River Delta, and the Guangdong-Hong Kong-Macao Greater Bay Area. We will revise the plans for the development of a medium-to-long-term railway network, a national

highway network, and ports and waterways nationwide, and we will strengthen the functions of our highway, port, and high-grade waterway networks.

We will carry out major national water network projects. Integrated highway-railway-waterway multimodal transportation will be developed at a faster pace. We will enhance the comprehensive capacity and services of hub airports, accelerate the development of regional airlines, and build up our international air freight capacity. We will speed up the construction of a modern distribution network composed of key cities and major transportation corridors. We will steadily advance the construction of national logistics hubs and key cold-chain logistics bases, tighten Covid-19 prevention and control in cold-chain transportation, and improve the cold-chain logistics system that constitutes an integrated network with nodes at three levels to serve both domestic and international needs. We will accelerate the innovative integrated development of logistics and manufacturing and promote the development of new forms and models of business such as multimodal transportation and smart logistics.

We will also make plans for the development of a number of new-type infrastructure projects, accelerate the development of 5G, 1000M fiber optic networks, integrated big data centers, industrial applications of the BeiDou Navigation Satellite System, and civil-space infrastructure, and upgrade traditional infrastructure with smart technologies.

2. Advancing reform in key areas and boosting internal momentum for development

We will boost the momentum of development, speed up the improvement of institutions, promote joint efforts and sharing in development, ensure security and stability, and keep advancing reforms.

1) We will advance the building of a high-standard market system.

We will accelerate moves to build a unified domestic market, keep improving the fundamental market systems for property protection, market access, fair competition, and social credit, and ensure success in the pilot comprehensive reform of the market-based allocation of production factors. We will establish sound basic systems for data, accelerate the development of data markets, and promote the effective and regulated distribution and use of data as a factor of production. We will implement the special measures for relaxing market access to make Shenzhen a pioneering demonstration zone for socialism with Chinese characteristics, and we will support Pudong New Area in pursuing higher-standard reform and opening up and developing into a leading area in socialist modernization.

We will unswervingly consolidate and develop the public sector and encourage, support, and guide the development of the non-public sector. We will protect the property rights and legitimate rights and interests of all market entities in accordance with the law, treat all market entities as equals, and boost their vitality. We will improve the distribution and structure of state-owned capital, advance the mixed ownership reform of SOEs in an active and prudent manner, and bring the three-year action plan for SOE reform to a conclusion. We will create a better development environment for private businesses, support their involvement in and contribution to major national strategies, and roll out targeted measures as needed to ease their difficulties. We will continue with the effort to create a favorable environment for the development of entrepreneurs. We will create an environment in which large enterprises and micro, small, and medium enterprises develop and thrive together, and we will waste no time in introducing more policies and long-term mechanisms to support the development of self-employed individuals.

We will improve the laws, regulations, rules, and institutions for public bidding, comprehensively promote full-process online bidding, and formulate technical standards and

data rules for online bidding. We will ensure that public resource trading platforms fulfill their role of providing public services, further their integration and expand their functions, and improve the sharing and application of information resources.

2) We will deepen structural reforms in key fields.

We will further the reform to implement performance-based budgetary management and strengthen budgetary constraints and transparency. Reform will be carried out in fiscal systems below the provincial level. We will promote legislation on VAT, excise tax, and tariffs, and we will prudently advance reforms to collect excise tax on certain items further downstream in the production-to-consumption process. We will improve the tax collection and administration system and crack down on tax evasion and fraud in accordance with the law. We will further reform the capital market and achieve full implementation of the registration-based IPO system.

We will steadily carry out structural reforms of monopoly industries and deepen the market-oriented reform of the railway sector and of the competitive links in industries such as energy, telecommunications, and public utilities. We will work faster to develop a national unified electricity market. We will promote the market-based integration of provincial-level oil and gas pipeline networks into the national network to create a national unified network. We will advance the reform of the pricing mechanism for on-grid electricity from gas-fired and nuclear power plants, improve the pricing mechanisms for new energies such as wind and photovoltaic power, refine the policies of tiered electricity pricing for energy-intensive industries, and complete the reform of electricity transmission and distribution over the third regulatory period. We will ensure sensible pricing for inter-provincial gas pipeline transportation, push forward the overall price reform of water for agricultural purposes, and improve the mechanisms for charges on sewage and waste treatment. We will further the reform of the land administration system and better support the high-quality development of regions which enjoy competitive strengths.

3) We will create a market-oriented, law-based, and internationalized business environment.

We will deepen reforms to streamline administration and delegate power, improve regulation, and upgrade services. We will make sure that at the same time as government approval for a certain matter is canceled or delegated to lower-level authorities, corresponding regulatory steps are taken and responsibilities are assumed. We will continue to expand market access. We will formulate a comprehensive system of regulations for the business environment, ensure the implementation of the Regulations on Improving the Business Environment, and set up a system for collecting and reporting violations. We will improve and make good use of the business environment assessment system, introduce national assessment standards, and organize nationwide assessments at an appropriate time. We will promote integrated improvements to the business environment in key regions, and replicate and apply established experience and innovative practices. List-based management will be fully implemented for matters requiring government approval. We will work to build a digital government and promote the sharing of government data. We will strengthen the regulatory responsibilities of government and ensure that all competent authorities, relevant departments, and local governments fulfill their regulatory responsibilities for matters under their jurisdiction. To ensure regulation is effective, we will work faster to establish a comprehensive, tiered, and multifaceted system to regulate all stages, from start to finish, in all sectors. We will step up efforts against monopolies and unfair competition and ensure the implementation of policies for fair competition.

3. Strengthening science and technology for greater self-reliance and giving better play to the supporting role of scientific and technological innovation

We will fully implement the innovation-driven development strategy, rely on scientific and technological innovation to upgrade industrial development, and foster new drivers of growth.

1) We will push for faster breakthroughs in core technologies in key fields.

We will press ahead with the 10-year action plan on basic research and ensure that the plan enjoys stronger and more stable long-term support. We will improve the mechanism for making breakthroughs in core technologies in key fields, enhance basic research and applied basic research, and accelerate R&D in basic and cutting-edge technologies such as biomedicines, high-end instruments, green and low-carbon energy transformation, and basic software. Simultaneously, we will promote standard-setting and free up the channels for initial innovation, commercialization of new advances, and market applications. We will continue to carry out major technology and equipment research projects. We will advance the reform of research institutes and improve the approval procedures for major science and technology projects and their management.

2) We will accelerate the development of high-performance platforms for innovation.

We will intensify efforts to develop national laboratories and steadily advance the reorganization of key national laboratories. We will provide stronger support to the development of our international centers for scientific and technological innovation in Beijing, Shanghai, and the Guangdong-Hong Kong-Macao Greater Bay Area, continue to enhance the innovation capacity of our comprehensive national science centers, and work for the swift implementation of a number of major national high-profile pacesetting science and technology infrastructure projects with considerable influence. Prioritizing the driving force of industrial demand, we will step up the development of industrial innovation centers, engineering research centers, manufacturing innovation centers, and other innovation platforms, increase the supply of industrial generic technologies, eliminate technological bottlenecks, and support and guide the innovative development of industry.

3) We will boost strategic emerging industries.

We will advance projects to develop clusters of strategic emerging industries and take systematic steps to sustain the innovative development of biotechnology, new materials, aviation and aerospace, marine equipment, new energy, and other emerging industries. We will push forward the industrial development of the BeiDou Navigation Satellite System, promote the robust and orderly development of the photovoltaic industry, and make steady and prudent progress in developing the hydrogen power industry. We will make forward-looking plans for future industries and explore their potential applications and iterative demonstrations.

4) We will promote the healthy development of the digital economy.

We will coordinate the construction of new-type infrastructure such as 5G networks, AI, and big data and make plans for launching a number of major infrastructure and application demonstration projects with strong driving force. We will both develop digital industry and transform traditional industries with digital technologies to create new strengths for the digital economy. We will improve relevant rules and institutions and enhance supervision and regulation to promote the well-regulated, healthy, and sustainable development of the platform economy. We will continue with the building of national pilot zones for the innovative development of the digital economy and conduct trials for digital transformation. The building of the digital Silk Road will be continued. We will move faster to build a national integrated system of big data centers and improve the distribution of computing power.

5) We will inspire the innovation and creativity of market entities.

We will accelerate the establishment of innovation consortia that are headed by leading enterprises and supported by universities and research institutes and that enable the coordinated efforts of innovative entities of all kinds. We will enhance the policy on granting additional tax deductions for R&D costs, raising the deduction for small and medium sci-tech enterprises from 75% to 100%. Enterprises will receive tax breaks for basic research. We will improve financial support for scientific and technological innovation and continue to strengthen intellectual property protection and application. Full-chain services for intellectual property pledge financing will be improved.

To keep industrial and supply chains secure and stable, we will set up centers for developing an innovative and entrepreneurial ecosystem and promote innovation that is defined by the collaborative efforts of enterprises of all sizes. We will continue to encourage business startups and innovation, carry out demonstration initiatives for boosting job creation through entrepreneurship, and support small and medium startups, so as to increase employment for key groups. We will ensure success of the National Entrepreneurship and Innovation Week activities and improve the service capacity of entrepreneurship and innovation platforms. We will improve the categorized program for cultivating quality small and medium enterprises in order to bring out a large group of them that are capable of applying special, sophisticated techniques to produce unique and novel products. We will implement science and technology policies across the board to fuel innovation. We will vigorously press ahead with the trials of all-around innovation reform and remove institutional barriers to innovation and entrepreneurship.

4. Smoothing the operation of industrial and supply chains and strengthening the foundations of the real economy.

We will keep economic development focused on the real economy and guarantee the stable performance and upgrading of the industrial economy.

1) We will ensure industrial and supply chains are secure and stable.

We will establish a sound early warning mechanism against emerging problems in industrial and supply chains, strengthen risk analysis, proactively respond to emergencies, and promptly address hidden risks. We will guide chip producers to expand production in an orderly manner, ensure stable and smooth domestic and international supply channels, and promote precise connection in the supply chain. We will closely track and analyze the supply and prices of some raw materials and guide upstream and downstream enterprises to stabilize supply and step up production-sale cooperation. We will strengthen the role that commodity reserves play in adjusting supply and accelerate the construction of national storage and transportation centers for commodities. We will move faster to create a supply chain system for modern international logistics. Focusing on new-energy vehicles, medical equipment, and other key fields, we will launch “1+N” industrial and supply chain projects to promote the integrated development of industrial chains and supply chains.

2) We will redouble efforts to revitalize the industrial economy.

We will ensure the implementation of the plan for revitalizing the industrial economy and promoting high-quality industrial development and the policies on stimulating steady growth in the industrial economy. We will increase the pre-tax deduction afforded to MSMEs for their purchase of new equipment and instruments. We will promote a continuous, swift increase in the scale of medium- and long-term loans issued to the manufacturing sector. We will stabilize the supply and price of raw materials and primary products, strengthen support for major projects in terms of land and energy use and environmental protection, and take targeted

measures to remove obstacles in industrial and supply chains. We will provide greater targeted support for manufacturing enterprises particularly MSMEs, unlock consumption potential in key areas, promote technological upgrading in enterprises, and foster new forms and models of business, in order to advance the sound and sustained development of the industrial economy.

3) We will enhance the core competitiveness of the manufacturing sector.

We will continue with the efforts to build China into a manufacturer of quality, further carry out the industrial foundation reengineering project, and make traditional industries higher-end, more eco-friendly, and smarter. We will promote energy conservation, carbon reduction, and green transformation in key industries. We will launch an initiative to develop advanced manufacturing clusters, encourage the clustered development of national new-industrialization demonstration centers, and create an initial batch of national pilot zones for the high-quality development of manufacturing. We will continue to make a success of China Brand Day events and organize the Exposition on China Brand and the International Forum on China Brand Development to a high standard.

4) We will advance industrial optimization and upgrading.

The Catalog for Guiding Industry Restructuring will be revised. Initiatives will be implemented to support the development of Chinese brand new-energy vehicles. We will launch initiatives for energy conservation and carbon reduction retrofitting in enterprises in key fields such as iron and steel, non-ferrous metals, and building materials, and further optimize the layout of the petrochemical industry. We will promote the green and higher-end development of the active pharmaceutical ingredients industry. We will implement relevant policies to support the recovery of vulnerable sectors in the service industry, continue with the policy on additional VAT deduction for the service industry, lower or waive the rent for state-owned premises, and adopt fiscal, tax, financial, and other measures to provide relief for struggling businesses in the service sectors such as catering, retail, tourism, civil aviation, and highway, waterway, and railway transportation. We will accelerate the development of modern services, build up carriers for manufacturing services, carry out pilot programs for the integrated development of advanced manufacturing and modern services, and upgrade and diversify consumer services.

5. Prioritizing the development of agriculture and rural areas and ensuring the thorough and effective implementation of rural revitalization measures

We will strive to ensure food security, push forward the rural revitalization strategy, build on our progress in poverty alleviation, and continue to promote the modernization of agriculture and rural areas.

1) We will focus on the production and supply of grain and other important agricultural products.

We will see to it that Party committees and governments both assume responsibility for ensuring food security and that local governments fulfill their primary responsibility. To ensure that the minimum of 120 million hectares of farmland is not reduced, we will designate a sufficient amount of good land to be used as permanent basic cropland, and firmly stop any attempts to use cropland for any purposes other than agriculture and grain production specifically. We will ensure that grain acreage for the year stays above 117.33 million hectares, increase the production of soybeans and other oilseed crops, and build up the momentum of increase in corn production. We will step up efforts to upgrade low- and medium-yield cropland, and expand the area of high-standard cropland by 6.67 million hectares this year so that the total area of high-quality cropland will reach 66.67 million hectares by the end of the year to meet the target previously set. We will develop a number of modern irrigation areas in

line with local conditions and make every effort to protect against floods and droughts. We will improve the system for coordinated grain production, purchase, storage, processing, and sale and strengthen oversight over grain quality and safety. We will work harder to ensure the provision of agricultural supplies at stable prices and continue to provide agricultural supply subsidies to grain growers. The minimum purchase prices for rice and wheat will be raised as appropriate. We will push ahead with the quality grain project and promote the high-quality development of the grain industry. We will improve the emergency grain supply system. We will develop the systems for grain loading and unloading, storage, collection, distribution, and transportation in key regions.

We will implement an initiative for the revitalization of the seed industry, move forward with projects to upgrade the modern seed industry, and accelerate key technological breakthroughs relating to germplasm resources. We will strengthen research on agricultural technologies and promote their application, and we will also support the upgrading of farming machinery. We will continue with the national initiative for the protection of chernozem soils. We will continue the long-term supportive policies for hog production, promote the transformation and upgrading of grassland husbandry, and increase the supply of livestock products. We will guarantee the supply-demand balance and sound market regulation of grain, edible oil, cotton, sugar, and fertilizers through the effective use of reserves and imports.

2) We will comprehensively consolidate our achievements in poverty alleviation.

We will strengthen the targeted monitoring of groups who are at risk of falling into, or falling back into, poverty, and provide them with timely assistance. We will carry out follow-up assessments of the consolidation of poverty alleviation outcomes, in an effort to prevent any large-scale reemergence, or new occurrences, of poverty. We will increase follow-up support for people who have been relocated from inhospitable areas and encourage those in large resettlement areas and those who have been relocated into cities to participate in new urbanization initiatives. Work-relief programs will be expanded for agricultural and rural infrastructure projects and the proportion of wages will be raised. We will support the emergence of pacesetter consumption cities and demonstration producing areas to encourage the former to consume more products from the latter, and the long-term mechanism for supporting rural revitalization through this consumption model will be improved.

We will improve agricultural infrastructure in areas that have just escaped poverty and develop high-quality, high-yield, and high-efficiency agriculture and agriculture based on unique local features and strengths, so as to enhance the quality, performance, and competitiveness of our agriculture. We will support the building of national demonstration parks for integrated industrial development in rural areas that have been lifted out of poverty. We will provide greater support to the key counties receiving assistance for rural revitalization and make them a priority in terms of policy and funding.

3) We will pursue rural development initiatives.

We will strengthen the planning, construction, and management of rural areas and optimize rural production, living, and ecological spaces. To promote integrated urban and rural development, we will promote the urban-rural integration of policies on employment, education, medical services, and elderly care within counties, and support the places with the right conditions to integrate the construction, operation, and maintenance of public infrastructure in counties, towns, and villages. Rural roads and other infrastructure and public service facilities will be improved, and efforts will continue to ensure the supply of safe drinking water to rural residents and upgrade the rural power grid.

We will continue with the five-year program designed to improve the rural living environment, coordinate efforts to upgrade toilets and improve domestic sewage treatment in rural areas, promote household waste sorting and recycling, and make our villages cleaner and more beautiful. Trials for the reform of rural residential land will be advanced in a steady and prudent manner. We will press ahead with the reform of the rural collective property rights system, promote legislation on rural collective economic organizations, and boost the new rural collective economies. Market-based transfers of rural collective land designated for business-related construction will be carried out prudently. We will continue to improve the rural governance system.

6. Improving new mechanisms to ensure solid progress in coordinated regional development and steadily advancing new urbanization

We will continue to implement our major regional strategies and strategies for coordinated regional development and new urbanization and move faster to build a system for powering high-quality development.

1) We will further implement our major regional strategies.

We will step up the coordinated development of the Beijing-Tianjin-Hebei region. We will ensure that the Xiongan New Area is built to a high standard and that the projects launched for the purpose of relieving Beijing of functions nonessential to its role as the capital take first root there in a prudent and orderly way. We will implement the guidelines on supporting the high-quality development of the administrative center of the Beijing Municipality. We will speed up efforts to develop Tianjin Port into an international shipping center for northern China.

We will advance the high-quality development of the Yangtze Economic Belt. We will continue with the project of curbing pollution from the chemical industry, ships, agricultural non-point sources, and mine tailing deposits and treating urban sewage and waste. We will make continued efforts to build on the results achieved in implementing a fishing ban on the Yangtze River and in providing resettlement and other support for people previously engaged in the fishing business. Mechanisms, policies, and institutions will be introduced as needed to ensure the realization of the value of ecosystem services. We will set up a coordination mechanism and a water ecosystem assessment system in the Yangtze River basin. We will improve the integrated transportation system, start the construction of more high-speed railway lines along the Yangtze River, and take bigger steps to develop multimodal transportation.

We will actively yet prudently promote the development of the Guangdong-Hong Kong-Macao Greater Bay Area. We will advance the development of the Guangdong-Macao In-Depth Cooperation Zone in Hengqin and the reform and opening up of the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone. We will further reform customs clearance models, ensure the thorough and effective implementation of policies on education, medical service, elderly care, and transportation, and make it easier for the residents of Hong Kong and Macao to study, work, and live in the mainland cities of the Greater Bay Area.

We will boost the integrated development of the Yangtze River Delta region. We will promote the region's integrated development in key fields such as infrastructure and public services, and steadily advance the construction of the demonstration zone for green and integrated development, the northern Anhui cluster for industrial relocation, and other key zones in the region. We will promote greater integration between innovation and industry and work to integrate harbor and shipping resources in an active yet prudent manner.

We will take solid steps to advance the ecological conservation and high-quality development of the Yellow River basin. We will strictly control the area of land used for water-consuming crop cultivation and modernize medium and large irrigation areas along the Yellow River. We will devote serious efforts to the project of curbing pollution from agricultural non-point sources and mine tailing deposits and treating industrial waste water and emissions and urban household sewage. We will move faster to comprehensively curb soil erosion in the river's middle reaches, address weaknesses in urban sewers and treatment facilities, work harder to identify and address risks and potential dangers in mine tailing deposits, and develop Ningxia into a trendsetter for promoting the ecological conservation and high-quality development of the Yellow River basin.

2) We will pursue better coordinated regional development.

We will work to usher in a new vista in the large-scale development of the western region. We will leverage the western region's strengths in wind, photovoltaic, and hydroelectric power and mineral resources to build large clean energy bases. We will take active steps to develop the cultural industry and tourism. We will implement projects to protect and restore key ecosystems and accelerate the planning and construction of major projects. We will steadily advance major projects such as the development of hydropower in the lower reaches of the Yarlung Zangbo River.

We will strive for new breakthroughs in the revitalization of northeast China. We will carry out the implementation plan for its full revitalization during the 14th Five-Year Plan period. We will steadily develop the Changchun-Jilin-Tumenjiang pioneering zone for development and opening up. We will accelerate the construction of the major projects outlined in the Three-Year Rolling Implementation Plan for Major Projects for the Revitalization of Northeast China (2020-2022).

We will promote the high-quality development of the central region. We will promote the coordinated high-quality development of the Hunan-Hubei-Jiangxi region, support the construction of demonstration zones for industrial relocation at the Yellow River golden triangle area in the Shanxi-Shaanxi-Henan region, and advance the coordinated development of the Huaihai Cooperation Area. We will support development of the Optics Valley of China (Wuhan) and formulate a development plan for the Dongting Lake Eco-Economic Zone.

We will encourage the eastern region to accelerate its high-quality development. We will support the high-quality development of Fujian Province and the construction of the Pingtan Comprehensive Experimental Area. We will work for new progress in the construction of the comprehensive experimental area in Shandong Province for replacing old drivers of growth with new ones.

We will support ethnic minority areas in improving working and living conditions and encourage more communication, exchanges, and interactions between different ethnic groups in order to forge a stronger sense of community for the Chinese nation. We will promote the revitalization and development of the old revolutionary base areas, border areas, areas affected by ecological degradation, resource-dependent areas, old industrial cities, and other special regions.

We will support the development of state-level new areas, airport economy demonstration zones, industrial relocation demonstration zones, and other functional platforms. We will promote the high-quality development of national innovation demonstration areas and new- and high-tech development zones. We will support the development of marine economy demonstration zones and modern marine cities and develop and utilize marine resources more effectively.

Box 8: Measures to Support the Revitalization and Development of Special Regions

<p>Old Revolutionary Base Areas: Revitalization and Development</p>	<ul style="list-style-type: none"> • Carry out implementation plans for supporting the efforts of these areas to build on and expand poverty alleviation achievements, build infrastructure, develop CPC heritage tourism, and protect and improve the environment during the 14th Five-Year Plan period • Issue plans for building high-quality development demonstration zones in Ganzhou and western Fujian old revolutionary base areas • Establish cooperation mechanisms for some provinces and municipalities to pair up with key cities in old revolutionary base areas
<p>Border Areas: Prosperity and Stability</p>	<ul style="list-style-type: none"> • Roll out general plans for developing border areas in key regions, build an urban system in border areas with local features, and enhance the overall carrying capacity of border towns in key regions • Improve the infrastructure and public service facilities in border villages, step up the development of border ports, accelerate the construction of highways in areas along and near our borders, and plan and construct railways and airports in the border areas in an orderly manner
<p>Areas Affected by Ecological Degradation: Comprehensive Efforts</p>	<ul style="list-style-type: none"> • Support the development of renewable energies in deserts, the Gobi, and other barren landscapes in line with local conditions • Explore new models for integrating the development of renewable energies with the efforts to improve river valley areas, restore ecosystems, and grow local distinctive industries
<p>Resource-Dependent Areas: Faster Transformation</p>	<ul style="list-style-type: none"> • Implement major projects for the transformation of resource-dependent areas in an orderly manner • Support resource-depleted cities in developing alternative industries based on local conditions, adopt comprehensive solutions in areas affected by mining-induced subsidence, guide the transformation and upgrading of independent industrial and mining areas, and encourage areas with abundant resources to pursue innovative development • Study how to help resource-depleted cities become models of sustainable development
<p>Old Industrial Cities: Transformation and Development</p>	<ul style="list-style-type: none"> • Help these cities regain competitive strengths in manufacturing and strengthen and improve their pillar industries • Accelerate the protection and utilization of industrial heritage sites
<p>Industrial Transformation and Upgrading Demonstration Zones and Key Parks: Further Development</p>	<ul style="list-style-type: none"> • Support the high-quality development of industrial transformation and upgrading demonstration zones, and coordinate the efforts to adjust the industrial structure, renew and transform cities, and pursue green transformation • Continue to support the construction of the China-Germany (Shenyang) High-End Equipment Manufacturing Industrial Park, the China-ROK (Changchun) International Cooperation Demonstration Zone, and other key parks

3) We will pursue higher-quality new urbanization

We will continue to grant permanent urban residency to people who move to cities from rural areas, encouraging those who have secured stable jobs in cities and towns to bring their families with them and register as permanent urban residents. We will continue to improve urban spatial distribution, leverage the role of large and mega cities in driving the development of surrounding cities and counties, and develop modern metropolitan areas. We will advance

the development of the Chengdu-Chongqing economic zone and issue an implementation plan for promoting the development of the city clusters in the middle reaches of the Yangtze River and in the Beibu Gulf area during the 14th Five-Year Plan period. We will promote urbanization with a focus on county towns, increasing their overall carrying capacity and improving their public facilities. We will improve the mechanism for list-based management of distinctive-feature towns and coordinate the efforts to promote pacesetters and address deviation from relevant regulations.

7. Expanding high-standard opening up and boosting steady growth in foreign investment and foreign trade

We will develop new systems for a higher-standard open economy, persevere in opening up both at home and to the outside world, upgrade opening up platforms, and create new strengths in international cooperation and competition.

1) We will introduce a multitude of measures to keep foreign trade stable.

We will increase targeted support and assistance for MSMEs engaged in foreign trade. We will foster new forms and models of foreign trade such as cross-border e-commerce and market procurement. We will establish a sound system of standards for overseas warehouses and improve our global network of such facilities. We will increase, if necessary, the import of advanced technologies, major equipment, key spare parts and components, energy and resource products, and farm products in short supply. We will widely promote Chinese brands in overseas markets and support the export of high-tech, high-quality, and high-value-added products. We will promote the innovative development of digital trade. We will ensure the full implementation of policies on import taxation and export tax rebates. We will support the capacity-upgrading of inland pilot zones for fostering an open economy. We will build national demonstration zones for the innovative development of trade in services and demonstration zones for digital trade. We will introduce a negative list for cross-border trade in services in pilot free trade zones and the rest of the country and carry out trials for opening up at the institutional level in areas such as pilot free trade zones and the Hainan Free Trade Port to meet high international standards.

2) We will make better use of foreign investment.

We will issue and implement guidelines on developing new systems for a higher-standard open economy and forging a new pattern of development. We will implement the latest edition of the negative list for foreign investment, revise and enlarge the Catalog of Encouraged Industries for Foreign Investment, and steer more foreign investment toward advanced manufacturing and high technology and into central, western, and northeast China. We will ensure national treatment for foreign-funded companies and help major foreign-invested projects come to fruition. We will launch more comprehensive trials for further opening up the service sector. We will continue to guard against debt risks by exercising better management of enterprises' foreign debts according to type and by improving control over the foreign debts of real estate companies, local financing platforms, and businesses with poor credit records.

3) We will see that outward investment delivers better results.

We will advance cooperation on major overseas projects and explore new ways of cooperation in investment and production capacity. We will optimize our overseas investment portfolio and promote bilateral and third-party market cooperation. We will encourage financial institutions to better serve key sectors and projects. We will take a variety of measures to improve the quality and efficiency of outbound investment and prevent risks, and we will ensure key entities improve their outbound investment. We will better regulate Chinese enterprises' business activities abroad and support industry associations and chambers of

commerce in establishing self-discipline mechanisms for outbound investment.

4) We will promote the high-quality development of the Belt and Road Initiative (BRI).

We will make real progress in infrastructure connectivity and step up cooperation on major projects, paying close attention to risk control in overseas projects. We will promote greater participation of different regions in the high-quality development of the BRI and help Xinjiang and Fujian make solid progress in becoming core regions for the Initiative. We will work for faster development of the Ice and Snow Silk Road initiative and of transportation along the Maritime Silk Road. With regard to the China-Europe freight train services, we will work to increase transportation capacity, advance the construction of transportation hubs, and expand port capacity. We will enhance the risk control and security safeguard systems for the BRI. We will take prudent steps toward cooperation on health, green development, digitalization, and innovation and help with the green, low-carbon transformation of facilities abroad that are energy intensive and cause high pollution, such as coal-fired power plants.

5) We will proceed with our work concerning the Hainan Free Trade Port.

We will accelerate the planning and construction of port infrastructure and outposts for coordinated law enforcement and pave the way for the launch of independent customs operation on the whole of the Hainan Island. Strenuous efforts will be made to foster an export-oriented economy in Hainan and lay a solid foundation for the development of major platforms and industries. With a focus on key policies and through the execution of key programs, we will make bolder explorations with regard to the rules for the liberalization and facilitation of trade and investment. We will further intensify the prevention and control of major risks by establishing effective mechanisms for coordinated early warning, assessment, and handling.

6) We will advance bilateral and multilateral economic and trade cooperation.

We will continue to uphold the multilateral trading regime and actively engage in WTO reform. We will deliver on the RCEP and make earnest endeavors to join the CPTPP and the DEPA. We will work toward the fruition of the Global Development Initiative and advance international development cooperation. We will also play an active role in cooperation under the UN, G20, APEC, BRICS, and other multilateral mechanisms.

8. Striving for further ecological progress and promoting green and low-carbon development

We will foster a sound economic system that facilitates green, low-carbon, and circular development, ensure synergy between pollution alleviation and carbon reduction, and progress toward steady improvements in the environment and greater efficiency in the use of resources.

1) We will accelerate the green transformation of economic development.

We will improve the system for green technology innovation and open a national center for trading green technology. We will establish green industry demonstration bases, revise the catalog of green industries, and boost the development of energy conservation and environmental protection industries. We will introduce a plan for promoting clean production during the 14th Five-Year Plan period and launch clean production transformation in key industries. We will refine the standards and evaluation mechanisms for green finance, ensure that the national platform for industry-finance cooperation plays its due role, and channel more financial resources into green, low-carbon industries. Reform will reach new depths for the release of environment-related information in accordance with the law, and new progress will be made in credibility assessments of enterprises and public institutions in terms of their environmental protection efforts.

We will continue with the national water conservation campaign, address leakage and damage in public water supply networks in cities, and strive for more efficient and economical

use of water resources in key regions such as the Beijing-Tianjin-Hebei region and northwest China and in major river basins such as that of the Yellow River. Some cities will be selected to spearhead seawater desalinization efforts. Sweeping measures will be taken to save grain and reduce grain loss across the board.

We will move ahead with the establishment of a recycling system for waste and used materials and with the pilot program for large-scale adoption of recyclable delivery packaging. We will build demonstration bases for the comprehensive utilization of massive solid waste and foster leading enterprises in this field. Further progress will be made in the sorted utilization and centralized disposal of scrap iron, steel, and non-ferrous metals, junk cars, used household appliances, plastic waste, kitchen scraps, and other urban waste.

2) We will work in a coordinated and orderly manner toward the goal of carbon dioxide peaking and carbon neutrality.

We will further improve the “1+N” policy framework for carbon dioxide peaking and carbon neutrality and carry out the 10 major initiatives for peaking carbon dioxide emissions with the coordinated efforts of the whole nation. We will develop non-fossil fuels, build large wind and photovoltaic power bases, and cultivate distributed new energy resources. We will vigorously promote offshore wind farm clusters, proceed prudently with the construction of large hydropower bases in southwest China, develop nuclear power in an orderly manner while ensuring absolute safety, and make headway with the clean and efficient use of coal. We will increase the capacity of power grids to integrate electricity generated from renewable energy sources.

Effective management will be exercised for the second compliance cycle of the national market for trading carbon emission rights. More transformation and upgrading programs will be rolled out to conserve energy and reduce carbon emissions. We will refine the policy on controlling both the total amount and intensity of energy consumption, appropriately allow for more flexibility in the control over total energy consumption, exclude newly added renewable energy and coal, petroleum, and natural gas consumed as raw materials in the calculation of total energy consumption, and push forward the transition from controlling the total amount and intensity of energy consumption to controlling the total amount and intensity of carbon emissions. We will make comprehensive efforts to conserve energy and resources, redouble conservation efforts in industry, transportation, and construction, and further reduce energy and materials consumption and carbon emissions per unit output. Major industries and enterprises with sub-benchmark energy efficiency will be encouraged to carry out orderly transformation and upgrading to meet standards, so that energy-intensive sectors can shift to high-quality development.

China will continue to participate in international negotiations and cooperation on carbon dioxide peaking, carbon neutrality, and climate change, actively engage in the creation of a global green governance system, and step up international cooperation in the areas of green economy, trade, technology, and finance.

Box 9: Key Tasks for Achieving Carbon Dioxide Peaking and Carbon Neutrality

“1+N” Policy Framework	<ul style="list-style-type: none"> • Formulate implementation plans for sectors such as energy, industry, urban and rural development, transportation, and agriculture and rural areas as well as for key industries such as iron and steel, petrochemicals, non-ferrous metals, building materials, petroleum, and natural gas • Formulate support plans in the fields of science and technology, budgeting, finance, carbon absorption capacity, statistical accounting, personnel training, and inspection and evaluation
-------------------------------	--

A Clean, Low-Carbon, Safe, and Efficient Energy System	<ul style="list-style-type: none"> • Develop hydropower in accordance with local conditions and develop nuclear power in an orderly manner while ensuring absolute safety • Ensure energy efficiency compliance among coal-fired power plants and carry out coordinated transformation of such plants to improve their energy efficiency, heating supply systems, and power flexibility
Low-Carbon Transformation of Industrial Structure	<ul style="list-style-type: none"> • Promote energy conservation and carbon reduction in key fields and launch initiatives in key industries such as iron and steel, electrolytic aluminum, cement, plate glass, oil refinery, ethylene, synthetic ammonia, and calcium carbide • Encourage deeper integration between emerging technologies and green, low-carbon industries and transform the industrial structure from high carbon to low carbon and from medium-low end to high end
Energy and Resource Conservation	<ul style="list-style-type: none"> • Encourage economization and advocate a simple, modest, green, low-carbon, and healthy lifestyle to rein in carbon emissions at the source
Institutions and Basic Capacities	<ul style="list-style-type: none"> • Establish a carbon emissions statistical accounting system that is well-designed, simple, and practicable with unified standards • Refine regulations and institutions governing the national market for trading carbon emission rights to strengthen supervision over enterprises and third-party organizations • Advance pilot programs for building low-carbon cities and for investing in and financing the response to climate change, and build up climate change response capacities at the local level

3) We will score new victories in the battle against pollution.

We will step up coordination in the control of PM_{2.5} and ozone pollution and intensify the coordinated control and collaborative regional treatment of multiple pollutants. More efforts will be made to clean up black, foul water bodies in cities, monitor and clean up sewage outfalls into rivers and seas, and prevent and control pollution in key sea areas. We will continue to prevent and control soil and groundwater pollution. To pursue steady progress in building waste-free cities, we will push forward household refuse sorting in accordance with local conditions to reduce waste and increase recycling, and continue to address plastic pollution across the board. Demonstration cities will be developed for the recycling of waste water, and sewage treatment plants will be encouraged to become models of energy-frugal and low-carbon operation.

4) We will continue to strengthen the holistic governance of ecosystems.

Adhering to a holistic approach to the protection of mountains, rivers, forests, farmlands, lakes, and grasslands and the harnessing of deserts, we will launch major projects for the protection and restoration of key ecosystems, push ahead with large-scale afforestation, and improve our national park-based nature reserve system. By applying the experience of Fujian, Jiangxi, Guizhou, and Hainan provinces across the country, we will break new ground in building national pilot zones for ecological conservation. In addition, we will formulate regulations on compensation for environmental conservation, accelerate the establishment of a sound mechanism for realizing the value of ecosystem services, and explore ways to create mechanisms for realizing the value of agriculture and forests as carbon sinks.

9. Effectively preventing and defusing risks in key fields and safeguarding economic security

We will balance development and security imperatives, continue to improve our capacity and mechanisms for risk early warning, prevention, and control, and ensure that no systemic risk arises.

1) *We will strengthen the prevention and control of fiscal and financial risks.*

We will continue to forestall and defuse risks in the form of hidden local government debts to resolutely curb any increase. We will properly manage high-risk local financial institutions and alleviate risks from the bond market in a prudent and orderly way. The handling of non-performing loans will be accelerated. We will respond properly to the spillover effect of the dramatic adjustments of major economies to their monetary policy. We will leverage the positive role of capital as a factor of production, while keeping its negative impact under effective control. We will set out guidelines for capital expansion to guide and support its sound, well-regulated development, strengthen effective regulation in accordance with the law, and prevent wild, chaotic expansion.

2) *We will increase our capacity for ensuring energy and resource security.*

We will further develop systems for the production, supply, storage, and sale of coal, electricity, oil, and gas. We will advance the development of major petroleum reserve projects. As for underground gas storage in northern China, northwest China, and other regions, we will make faster moves to construct new storage facilities and upgrade existing facilities to meet capacity requirements. We will take steps to increase advanced coal production based on evaluation and enhance our coal reserve capacity more rapidly. We will build more peak-shaving power sources such as pumped-storage hydroelectric plants, continue to leverage the peak-shaving and basic supporting role of traditional energy, especially coal and coal-fired power, and upgrade coal-fired power projects.

We will continue to develop Baihetan, Yangqu, and other major hydropower projects. We will devote more efforts to developing a new energy supply and absorption system based on large wind and photovoltaic power bases, supported by advanced coal-based power nearby that is clean, efficient, and energy-saving, and channeled through ultra-high voltage power transmission and transformation lines that are stable and secure. We will move faster to strengthen national reserves and improve our unified reserve system for strategic and emergency supplies.

Box 10: Key Tasks to Increase Capacity for Ensuring Energy and Resource Security

Coal Storage	<ul style="list-style-type: none"> Support coal storage projects, create at the earliest opportunity a government-deployable storage capacity which accounts for 5% of local consumption, plan the layout of a number of key storage bases, and accelerate the development of a national coal storage management information system
Oil and Gas Storage	<ul style="list-style-type: none"> Increase China's petroleum reserve capacity, coordinate the construction of additional gas storage facilities, and ensure that storage bases are completed and put into use as early as possible to better leverage their peak-shaving and basic supporting role
Electricity Storage	<ul style="list-style-type: none"> Enhance the capacity and mechanism to provide emergency, backup, and peak-shaving power sources, and equip major electricity consumers with more self-supply or mobile emergency power supply
Energy Storage Projects	<ul style="list-style-type: none"> Make full use of policies on energy storage price, and develop pumped-storage hydroelectric plants and electrochemical energy storage plants

3) *We will promote the steady development of the real estate market.*

We will uphold the principle that housing is for living in, not for speculation, formulate city-specific policies to regulate the real estate market, and keep the land and housing prices and market expectations stable. We will take solid steps to manage risks related to high-risk real estate enterprises. We will accelerate the development of the long-term rental housing market,

move forward with the construction of government-subsidized rental housing in large cities with net population inflows, and boost the support of the housing provident fund for rental housing in order to address the housing difficulties faced by the new urban residents and young people in particular. We will set up more pilot programs for incorporating people in flexible employment into the housing provident fund system. We will implement differentiated housing credit policies and support the commercial property market in better meeting purchasers' reasonable housing demand.

10. Ensuring and improving the wellbeing of our people and delivering good services to them

With a correct understanding of the main goal of common prosperity and the way to reach it, we will do everything possible within our means to constantly improve public services and resolve issues affecting the wellbeing of the general public.

1) We will continue with the employment-first policy.

We will accelerate the implementation of the major projects outlined in the 14th Five-Year Plan for promoting employment. We will encourage local governments to provide greater support for the development of incubator parks for people who return or move to the countryside to start businesses. We will promote the development, operation, and reserve of public training center projects and support joint development and sharing of public vocational training resources at the county level to achieve high-quality integration of production and training.

2) We will give full play to the role of distribution.

We will improve the pay rise mechanism and guide local governments in adjusting minimum pay. We will expand channels for urban and rural residents to increase their incomes and continue to ensure salary payments to teachers working in compulsory education. We will improve the mechanism whereby the market determines the remuneration of production factors and the mechanism of income redistribution. We will adopt multiple measures to increase rural incomes and take legal measures to address wage arrears owed to rural migrant workers.

3) We will improve the social security system.

We will work steadily toward national unified management of basic old-age insurance funds for enterprise employees, appropriately raise the basic pensions of retirees and of rural and non-working urban residents, and ensure that pension payments are made on time and in full. Government subsidies for basic medical insurance for rural and non-working urban residents will be raised by a further 30 yuan per person on average, and subsidies for basic public health services will increase by a further 5 yuan per person. We will promote unified management of basic medical insurance funds at the provincial level. We will cover more medicines and high-priced medical consumables in bulk government purchases, improve the system of medical insurance and assistance for major diseases, and make medical insurance services more accessible for the people. We will promote the provincial-level unified management of unemployment insurance funds and see that rural migrant workers and urban employees are subject to the same regulations with regard to their participation in and contributions to the unemployment insurance scheme. We will improve the support systems for demobilized military personnel. We will continue with the trials of occupational injury insurance for people in new forms of employment.

We will improve the social assistance systems of different types at different levels, establish sound mechanisms for proactively identifying problems and offering assistance, and strengthen the mechanisms for monitoring low-income people and providing regular assistance. We will ensure that the basic living needs of people in financial difficulty are met and improve

the subsistence allowance system. We will protect the lawful rights and interests of women and children and improve the social welfare systems for orphans and people with disabilities.

4) We will improve policies and systems for public services.

We will promote equal access to basic public services on a category-by-category basis and increase the supply of public-interest non-basic public services. We will support private actors in providing more public-interest child care services, continue to refine policies on preschool education charges, increase the supply of more efficient public-interest preschool education resources, and advance the building of child-friendly cities. We will promote the high-quality, balanced development and urban-rural integration of compulsory education, improve the operation and capacity of schools in rural areas, and ensure cities and towns increase education resources in accordance with the size of the local permanent population. Regular high schools based in counties will be supported to improve their conditions. We will encourage the development of world-class universities and disciplines; accelerate efforts to develop disciplines, train personnel, and make scientific breakthroughs to meet the urgent needs of key fields in economic and social development; and improve policies and measures for industry-education integration. We will strengthen our ranks of teachers and provide more training for teachers in the central and western regions. We will provide high-quality special needs education and continuing education.

We will improve the supporting measures for the three-child policy and allow nursing expenses for children under three to be deductible against parents' individual income tax. We will implement the national strategy for addressing population aging, strengthen our systems for elderly and child care services and health support, and well protect the legitimate rights and interests of the elderly.

We will promote the high-quality development of public hospitals, expedite improvements to the modern hospital management system, and advance the construction of national medical research centers, regional medical centers, and county-level hospitals. We will effect faster improvements to the tiered diagnosis and treatment system and deepen reform in relation to medical prices, medical insurance payout management, and salaries in public hospitals. We will continue with extensive patriotic health campaigns and the Healthy China initiative and promote socially conscious, healthy, green, and eco-friendly lifestyles. We will advance the development of a modern system for disease control and national centers for the prevention and treatment of major infectious diseases in order to strengthen our public health capacity for disease control and treatment. We will make faster moves to promote the distinctive development of traditional Chinese medicine.

We will promote the creative evolution and development of the best of traditional Chinese culture and the high-quality development of publishing, film, broadcasting, television, and artifacts protection. We will promote the development of major national cultural programs and national cultural parks, improve the protection facilities for major cultural heritage sites and major natural heritage sites such as national parks, and comprehensively improve our protection and utilization of revolutionary cultural artifacts. We will promote the upgrading of public cultural services. We will encourage faster development of the tourism and leisure industries and further improve the public holiday system. We will make special efforts to strengthen weaknesses in the provision of public fitness facilities and construct more sports parks and other venues and facilities to give people a space to exercise. The public legal service system will be improved.

In addition, we will continue to ensure effective Covid-19 control on an ongoing basis. To prevent inbound cases and domestic resurgences, we will constantly optimize our prevention

measures and address local outbreaks in a science-based, targeted, and effective manner.

First, we will work proactively to promote vaccination and drug research and development. We will move faster to advance R&D in Covid-19 vaccines, organize research on heterologous immunization with vaccines from different technical routes, and further increase the booster vaccination rate. We will encourage faster domestic R&D and application of Covid-19 drugs to meet the needs of epidemic control and coordinate the production, reserve, and quality supervision of related medicines and vaccines.

Second, we will strengthen measures to prevent inbound cases. We will help our ports improve their capacity for epidemic control, strictly implement relevant measures of prevention through the utilization of human, material, and technical resources, and step up epidemic prevention and control at ports of entry and facilities for centralized quarantine. We will make a success of testing and disinfecting imports, especially cold-chain products, from relevant countries and regions. We will ensure closed-loop management of those working at high-risk positions and establish a sound system for centralized supervision and management of frozen imports.

Third, we will optimize our epidemic prevention and control system. We will strengthen epidemiological investigation and tracing, nucleic acid screening, quarantine control, and control over key venues, paying particular attention to peak travel times such as holidays to avoid cluster infections. We will refine and implement epidemic prevention and control plans for rural areas and take stronger steps to prevent hospital-acquired infections. We will continue to improve prevention and response measures for sporadic and cluster cases and minimize the impact on people's work and lives.

Fourth, we will continue advancing international cooperation on epidemic control. We will accelerate joint efforts to achieve breakthroughs in the diagnosis and treatment of the virus and enhance international cooperation on the R&D, trials, and application of vaccines and drugs. We will provide other countries with vaccine assistance and anti-epidemic supplies to the best of our capabilities. We will step up cross-border trade and cooperation and ensure unimpeded trade in vaccines and their raw materials and excipients. We will support the WTO in making decisions to waive the intellectual property rights for Covid-19 vaccines at the earliest opportunity, and we will encourage Chinese vaccine companies to transfer technology to other developing countries.

We will maintain our firm commitment to the letter and spirit of the principle of One Country, Two Systems, under which the people of Hong Kong administer Hong Kong, and the people of Macao administer Macao, both with a high degree of autonomy. We will work to safeguard China's national sovereignty, security, and development interests as well as social stability in the two special administrative regions. We will support Hong Kong and Macao in developing their economies and improving the wellbeing of their people, integrating themselves into the country's overall development, developing themselves into international centers of innovation and technology, creating platforms for the joint pursuit of the Belt and Road Initiative, and achieving diversified, sustainable economic development. We will refine our policies and measures for Hong Kong and Macao residents who wish to develop their careers on the mainland.

We will thoroughly carry out the Party's overall policy for resolving the Taiwan question in the new era and uphold the one-China principle and the 1992 Consensus. We will firmly oppose any separatist activities seeking "Taiwan independence" and firmly oppose foreign interference. We will advance the peaceful growth of relations across the Taiwan Strait and China's reunification. We will improve the systems and policies designed to ensure the

wellbeing of our Taiwan compatriots and extend equal treatment to them on the mainland. We will work together with our Taiwan compatriots to strengthen business cooperation and create a common market across the Taiwan Strait, expand the economy of the Chinese nation, and promote Chinese culture.

Achieving the goals set for our economic and social development in 2022 is a formidable task of great significance. We must rally more closely around the Party Central Committee with Comrade Xi Jinping at its core, hold high the banner of socialism with Chinese characteristics, follow the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and carry forward the great founding spirit of the Party.

We must raise our consciousness of the need to maintain political integrity, think in big-picture terms, follow the leadership core, and keep in alignment with the central Party leadership. We must stay confident in the path, theory, system, and culture of socialism with Chinese characteristics. We must uphold the core position of Comrade Xi Jinping on the Party Central Committee and in the Party as a whole and uphold the Central Committee's authority and its centralized, unified leadership.

We must act on the decisions and plans of the Party Central Committee and the State Council, readily subject ourselves to the oversight of the NPC, and solicit opinions and suggestions from the CPPCC National Committee. We must overcome difficulties and forge ahead with determination, strive to complete the objectives and tasks of this year, and set the stage for the Party's 20th National Congress with concrete action. We must work tirelessly to build our country into a great modern socialist country that is prosperous, strong, democratic, culturally advanced, harmonious, and beautiful and realize the Chinese Dream of national rejuvenation.