

Translation

**CSET**CENTER for SECURITY and
EMERGING TECHNOLOGY

The following document is the 2019 budget for the PRC Ministry of Science and Technology (MOST). Besides providing an extremely detailed record of MOST's expenditures, the budget also describes the ministry's mission and lists all of its departments. The budget also provides insight into the scale of MOST's mass collection of publicly available S&T literature from around the globe.

Title

Ministry of Science and Technology 2019 Annual Budget
科学技术部2019年度部门预算

Author

PRC Ministry of Science and Technology (MOST; 科技部)

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Part 1: Basic Information on the Ministry of Science and Technology

I. Departmental Responsibilities

The Ministry of Science and Technology (MOST) implements the Party Central Committee's policies and decisions regarding scientific and technological (S&T) innovation. It upholds and strengthens the party's centralized leadership of S&T innovation in the course of performing its duties. Its primary responsibilities are as follows:

(i) Formulate national strategic guidelines for innovation-driven development, draw up plans and policies for S&T development and the recruitment of brainpower from abroad, and organize their implementation.

(ii) Plan and promote the construction of a national innovation system and the reform of the S&T system, and work with relevant departments to improve incentive mechanisms for technological innovation. Optimize the construction of scientific research systems, guide the reform and development of scientific research institutions, promote the construction of S&T innovation capabilities by enterprises, undertake work related to the promotion of military-civil fusion in S&T, and promote the construction of a national consulting system for major S&T decision-making.

(iii) Take the lead in establishing a unified national S&T management platform and mechanisms for scientific research project funding coordination, evaluation, and supervision. In conjunction with relevant departments, MOST proposes policies and measures for optimizing the allocation of S&T resources, promotes the construction of diversified technology investment systems, and coordinates and manages government plans for S&T financing (special projects, funds, etc.) and supervises their implementation.

(iv) Formulate and organize the implementation of national basic research plans, policies, and standards and organize and coordinate national major basic research and applied basic research. Formulate and supervise the implementation of construction planning for major S&T innovation bases, participate in the preparation of major S&T infrastructure construction plans and supervise their implementation, take the lead in organizing the construction of national laboratories, and promote the construction to ensure the conditions necessary for scientific research and to promote the open sharing of S&T resources.

(v) Prepare national major S&T project plans and supervise their implementation, coordinate R&D and innovation for key general-purpose technologies (共性技术), cutting-edge leading technologies, modern engineering technologies, and disruptive technologies, and take the lead in organizing major technological efforts and achievement application demonstrations. Organize and coordinate major international science programs and scientific projects.

(vi) Organize and formulate plans, policies, and measures for the development of new and advanced technology and the use of industrialization and S&T to promote agricultural, rural, and social development. Organize and conduct analyses of technological development needs in key areas and propose major tasks and supervise their implementation.

(vii) Lead the construction of national technology transfer systems, formulate relevant policies and measures for the transfer and commercialization of S&T achievements and the promotion of the integration of production, education, and research, and supervise their

implementation. Guide the development of the S&T service industry, technology market, and S&T intermediary organizations.

(viii) Coordinate the construction of regional S&T innovation systems, guide the development of regional innovation, the rational layout of S&T resources, and the construction of collaborative innovation capabilities, and promote the construction of S&T parks.

(ix) Take responsibility for the construction of S&T supervision and evaluation systems and related S&T evaluation management, guide the reform of S&T evaluation mechanisms, and coordinate the construction of scientific research integrity. Organize and implement national innovation surveys and S&T reporting systems and guide national efforts related to S&T confidentiality.

(x) Formulate plans, policies, and measures for international S&T exchanges and open cooperation in innovation capabilities and organize international S&T cooperation and the exchange of S&T talent. Guide the international S&T cooperation and talent exchange work of relevant departments and localities.

(xi) Take responsibility for work related to the recruitment of brainpower from abroad. Formulate the overall plans and programs for the state's key introduction of foreign experts and organize their implementation. Establish mechanisms for attracting and gathering top foreign scientists and teams and a service mechanism for contact with key foreign experts. Formulate overall plans, policies, and annual programs for overseas training and supervise their implementation.

(xii) Work with relevant departments to formulate plans and policies for the construction of S&T talent teams, establish and improve evaluation and incentive mechanisms for S&T talents, organize and implement S&T talent programs, and promote the construction of high-end S&T teams with innovative talents. Formulate plans and policies for science popularization and science communication.

(xiii) Take responsibility for the evaluation and organization of the State Science and Technology Award (国家科学技术奖) and the Chinese Government Friendship Award (中国政府友谊奖).

(xiv) Take responsibility for the management of the National Natural Science Foundation of China (NSFC) and carry out macro management, overall coordination, and supervision and evaluation for the NSFC in accordance with the relevant laws. The NSFC administers its foundation according to law, operates relatively independently, and is responsible for the organization and implementation of funding plans, project configuration and evaluation, project establishment, and supervision.

(xv) Administer the publication *Science and Technology Daily*.

(xvi) Perform other tasks assigned by the Party Central Committee and the State Council.

(xviii) Transformation of functions: Focusing on the implementation of the strategy for reinvigorating China through science and education, the strategy to make China into a talent superpower (人才强国战略), and the innovation-driven development strategy, strengthen, optimize, and transform government S&T management and service functions, improve S&T innovation systems and organization systems, strengthen macro-management and overall coordination, reduce micro-management and specific approval items, and strengthen supervision during and after relevant events and the construction of scientific research integrity. Transition from R&D management to innovative services, further promote the reform of S&T plan

management, establish an open and unified national S&T management platform, and reduce the phenomena of duplication, dispersion, closure, inefficiency, and the fragmentation of resource allocation in S&T programs and projects. Government departments do not directly manage specific scientific research projects. Instead, they entrust professional project management agencies to carry out specific tasks such as project receipt, evaluation, establishment, process management, and acceptance. MOST no longer reviews and approves general overseas training programs and other training programs. Review and approval shall be arranged by various departments in accordance with the relevant industry and field of the training program. MOST no longer reviews the establishment and adjustment of scientific research institutions. It focuses on strengthening planning, layout, and performance evaluation. MOST shall further improve S&T talent evaluation mechanisms, establish and improve the S&T talent evaluation systems and incentive policies oriented to innovative capabilities, quality, contributions, and performance, and coordinate work related to the construction of domestic S&T talent teams and the recruitment of brainpower from abroad.

II. Institutional Configuration

The MOST has 17 internal agencies, as listed below:

No.	Name of agency
1	General Office
2	Strategic Planning Department
3	Policy, Regulations, and Innovation System Construction Department
4	Resource Allocation and Management Department
5	S&T Supervision and Trustworthiness Construction Department
6	Major Projects Department
7	Basic Research Department
8	High Technology Department
9	Rural S&T Department
10	Social Development S&T Department
11	S&T Achievement Commercialization and Regional Innovation Department
12	Foreign Expert Service Department
13	Foreign Brainpower Recruitment and Management Department
14	International Cooperation Department (Office of Hong Kong, Macau, and Taiwan Affairs)
15	Personnel Department
16	MOST Party Committee
17	Former and Retired Cadres Bureau

The MOST has 25 budget units, as listed below:

No.	Name of budget unit
1	MOST General Office
2	MOST Institutional Service Center
3	National Science and Technology Award Office
4	Institute of Science and Technology Information of China
5	China Academy of Science and Technology Development Strategy
6	China Science and Technology Exchange Center
7	MOST Shanghai Training Center
8	China Rural Technology Development Center
9	Torch High-Tech Industry Development Center
10	China National Center for Biotechnology Development
11	Administrative Center for China's Agenda 21
12	High Technology Research and Development Center
13	MOST Information Center
14	National Remote Sensing Center of China
15	MOST S&T Evaluation Center
16	National S&T Basic Condition Platform Center
17	MOST S&T Expenditure Supervision and Management Service Center
18	China International Nuclear Fusion Energy Program Implementation Center
19	National S&T Risk Development Enterprise Center
20	MOST S&T Talent Exchange and Development Service Center
21	Service Center of the State Administration of Foreign Experts Affairs
22	China International Talent Exchange Center
23	China International Talent Exchange Foundation
24	Training Center of the State Administration of Foreign Experts Affairs
25	Foreign Talent Information Research Center of the State Administration of Foreign Experts Affairs

Part 2: Departmental Budgets of the Ministry of Science and Technology

In accordance with the *Plan for Deepening the Reform of Party and Government Institutions*, the *Outline of the Innovation-Driven Development Strategy*,¹ the *National 13th Five-Year Plan for S&T Innovation*,² and the overall work arrangements of its departments, MOST shall focus on the center, serve the overall situation, and adopt a reform mindset and a sense of responsibility to provide strong assurance for the in-depth advancement of S&T management reform and provide strong support for the implementation of the innovation-driven development strategy. MOST's total departmental budget at the beginning of 2019 was RMB 57,440,245,500, of which the fiscal appropriation budget was RMB 56,575,788,100. This includes not only the funds needed to ensure the basic operation of the agencies and subordinate units of MOST, but also the funds for the national S&T programs and special projects managed by MOST and distributed nationwide. The national S&T program (special project) budget many covers basic research (sub-category [款]) - key laboratories and related facilities (item [项]), technology R&D (sub-category) - commercialization and diffusion of S&T achievements (item), S&T conditions and services (sub-category) - S&T condition special projects (item), major S&T projects (sub-category) - key R&D programs (item), and other related items in the field of science and technology (category [类]).

Fiscal Appropriation Income and Expenditure Table

Departmental Public Table 1

Units: RMB10,000

Income		Expenditure	
Item	Budget	Item	Budget
I. Annual income	4,909,140.56	I. Annual expenditure	5,657,578.81
(i) General public budget appropriation (一般公共预算拨款)	4,909,140.56	(i) General public service expenditures	1,193.75
(ii) Government fund budget appropriation (政府性基金预算拨款)		(ii) Diplomatic expenditures	14,250.35
		(iii) Educational expenditures	21,193.32
II. Carried over from previous year	748,438.25	(iv) S&T expenditures	5,581,179.30
(i) General public budget appropriation	748,438.25	(v) Social security and employment expenditures	9,055.91
(ii) Government fund budget appropriation		(vi) Energy conservation and environmental protection expenditures	2,278.18
		(vii) Resource exploration information and other expenditures	23,975.00

¹ Translator's note: For an English translation of this document, see: https://cset.georgetown.edu/wp-content/uploads/t0076_innovation_driven_development_strategy_EN.pdf

² Translator's note: For an English translation of this document, see: https://cset.georgetown.edu/wp-content/uploads/t0076_innovation_driven_development_strategy_EN.pdf

		(viii) Housing expenditures	4,453.00
		II. Carry over to next year	
Total Income	5,657,578.81	Total Expenditure	5,657,578.81

General Public Budget Expenditure Table

Departmental Public Table 2

Units: RMB10,000

Functional Item Classification		2018 Executed Amount		2019 Budgeted Amount				2019 to 2018 YoY Comparison		2019 to 2018 YoY Comparison (excluding NDRC infrastructure construction)	
Item No.	Item Name	Executed Amount	Executed Amount Less NDRC Construction	Initial Annual Budget			Budgeted Amount Less NDRC Construction	Increase/Decrease (RMB)	Increase/Decrease (%)	Increase/Decrease (RMB)	Increase/Decrease (%)
				Subtotal	Basic Expenditures	Project Expenditures					
201	General public service expenditures	150.00	150.00					-150.00	-100%	-150.00	-100%
20111	Discipline inspection and supervision	150.00	150.00					-150.00	-100%	-150.00	-100%
2011199	Other discipline inspection and supervision expenditures	150.00	150.00					-150.00	-100%	-150.00	-100%
202	Diplomatic expenditures	14,003.01	14,003.01	13,245.86		13,245.86	13,245.86	-757.15	-5.41%	-757.15	-5.41%
20202	Institutions abroad	1,045.75	1,045.75					-1,045.75	-100%	-1,045.75	-100%
2020202	Other expenditures for institutions abroad	1,045.75	1,045.75					-1,045.75	-100%	-1,045.75	-100%
20203	Foreign aid	9,158.46	9,158.46	8,593.46		8,593.46	8,593.46	-565.00	-6.17%	-565.00	-6.17%
2020306	Foreign aid	9,158.46	9,158.46	8,593.46		8,593.46	8,593.46	-565.00	-6.17%	-565.00	-6.17%
20204	International organizations	3,323.80	3,323.80	3,917.40		3,917.40	3,917.40	593.60	17.86%	593.60	17.86%
2020401	International organization membership fees	2,833.80	2,833.80	3,497.40		3,497.40	3,497.40	663.60	23.42%	663.60	23.42%
2020402	Donations to international organizations	490.00	490.00	420.00		420.00	420.00	-70.00	-14.29%	-70.00	-14.29%
20299	Other diplomatic expenditures	475.00	475.00	735.00		735.00	735.00	260.00	54.74%	260.00	54.74%

Functional Item Classification		2018 Executed Amount		2019 Budgeted Amount				2019 to 2018 YoY Comparison		2019 to 2018 YoY Comparison (excluding NDRC infrastructure construction)	
Item No.	Item Name	Executed Amount	Executed Amount Less NDRC Construction	Initial Annual Budget			Budgeted Amount Less NDRC Construction	Increase/Decrease (RMB)	Increase/Decrease (%)	Increase/Decrease (RMB)	Increase/Decrease (%)
				Subtotal	Basic Expenditures	Project Expenditures					
2029901	Other diplomatic expenditures	475.00	475.00	735.00		735.00	735.00	260.00	54.74%	260.00	54.74%
203	National defense expenditures	520.00	520.00					-520.00	-100%	-520.00	-100%
20306	National defense mobilization	520.00	520.00					-520.00	-100%	-520.00	-100%
2030602	Economic mobilization	520.00	520.00					-520.00	-100%	-520.00	-100%
205	Educational expenditures	13,344.75	13,344.75	12,010.75		12,010.75	12,010.75	-1,334.00	-10.00%	-1,334.00	-10.00%
20508	Education and training	13,344.75	13,344.75	12,010.75		12,010.75	12,010.75	-1,334.00	-10.00%	-1,334.00	-10.00%
2050803	Training expenditures	13,344.75	13,344.75	12,010.75		12,010.75	12,010.75	-1,334.00	-10.00%	-1,334.00	-10.00%
206	S&T expenditures	4,087,992.27	4,083,909.27	4,849,630.83	34,717.93	4,814,912.90	4,847,805.83	761,638.56	18.63%	763,896.56	18.71%
20601	S&T management	16,832.69	16,832.69	20,268.55	14,152.77	6,115.78	20,268.55	3,435.86	20.41%	3,435.86	20.41%
2060101	Administrative operations	13,359.61	13,359.61	13,406.49	13,406.49		13,406.49	46.88	0.35%	46.88	0.35%
2060102	General administrative management	2,353.43	2,353.43	5,677.09		5,677.09	5,677.09	3,323.66	141.23%	3,323.66	141.23%
2060103	Institutional services	1,119.65	1,119.65	1,184.97	746.28	438.69	1,184.97	65.32	5.83%	65.32	5.83%
20602	Basic research	123,351.50	123,351.50	184,052.50		184,052.50	184,052.50	60,701.00	49.21%	60,701.00	49.21%
2060204	Key laboratories and related facilities	123,351.50	123,351.50	118,323.50		118,323.50	118,323.50	-5,028.00	-4.08%	-5,028.00	-4.08%
2060299	Other basic research expenditures			65,729.00		65,729.00	65,729.00	65,729.00		65,729.00	
20603	Applied research	49,230.99	45,147.99	41,722.56	20,565.16	21,157.40	39,897.56	-7,508.43	-15.25%	-5,250.43	-11.63%
2060301	Institutional operations	22,566.24	22,566.24	20,565.16	20,565.16		20,565.16	-2,001.08	-8.87%	-2,001.08	-8.87%

Functional Item Classification		2018 Executed Amount		2019 Budgeted Amount				2019 to 2018 YoY Comparison		2019 to 2018 YoY Comparison (excluding NDRC infrastructure construction)	
Item No.	Item Name	Executed Amount	Executed Amount Less NDRC Construction	Initial Annual Budget			Budgeted Amount Less NDRC Construction	Increase/Decrease (RMB)	Increase/Decrease (%)	Increase/Decrease (RMB)	Increase/Decrease (%)
				Subtotal	Basic Expenditures	Project Expenditures					
2060302	Public welfare research	4,704.00	4,704.00	5,488.00		5,488.00	5,488.00	784.00	16.67%	784.00	16.67%
2060399	Other applied research expenditures	21,960.75	17,877.75	15,669.40		15,669.40	13,844.40	-6,291.35	-28.65%	-4,033.35	-22.56%
20604	Technology R&D	225,000.00	225,000.00	225,000.00		225,000.00	225,000.00		0%		0%
2060404	S&T achievement commercialization and dispersion	225,000.00	225,000.00	225,000.00		225,000.00	225,000.00		0%		0%
20605	S&T conditions and services	100,700.00	100,700.00	217,650.00		217,650.00	217,650.00	116,950.00	116.14%	116,950.00	116.14%
2060503	S&T condition special projects	100,700.00	100,700.00	167,650.00		167,650.00	167,650.00	66,950.00	66.48%	66,950.00	66.48%
2060599	Other S&T conditions and services expenditures			50,000.00		50,000.00	50,000.00	50,000.00		50,000.00	
20607	S&T popularization	1,500.00	1,500.00	1,500.00		1,500.00	1,500.00		0%		0%
2060702	Science popularization activities	1,500.00	1,500.00	1,500.00		1,500.00	1,500.00		0%		0%
20608	S&T exchange and cooperation	131,522.64	131,522.64	102,884.40		102,884.40	102,884.40	-28,638.24	-21.77%	-28,638.24	-21.77%
2060801	International exchange and cooperation	3,900.00	3,900.00	6,200.00		6,200.00	6,200.00	2,300.00	58.97%	2,300.00	58.97%
2060802	Major S&T cooperative projects	125,943.31	125,943.31	96,399.32		96,399.32	96,399.32	-29,543.99	-23.46%	-29,543.99	-23.46%
2060899	Other S&T exchange and cooperation expenditures	1,679.33	1,679.33	285.08		285.08	285.08	-1,394.25	-83.02%	-1,394.25	-83.02%
208	Social security	7,141.14	7,141.14	7,633.12	7,633.12		7,633.12	491.98	6.89%	491.98	6.89%

Functional Item Classification		2018 Executed Amount		2019 Budgeted Amount				2019 to 2018 YoY Comparison		2019 to 2018 YoY Comparison (excluding NDRC infrastructure construction)	
Item No.	Item Name	Executed Amount	Executed Amount Less NDRC Construction	Initial Annual Budget			Budgeted Amount Less NDRC Construction	Increase/Decrease (RMB)	Increase/Decrease (%)	Increase/Decrease (RMB)	Increase/Decrease (%)
				Subtotal	Basic Expenditures	Project Expenditures					
	and employment expenditures										
20805	Severance and retirement from administrative units (行政事业)	7,141.14	7,141.14	7,633.12	7,633.12		7,633.12	491.98	6.89%	491.98	6.89%
2080501	Severance and retirement from centrally managed administrative units (归口管理的行政单位)	4,228.11	4,228.11	1,916.78	1,916.78		1,916.78	-2,311.33	-54.67%	-2,311.33	-54.67%
2080502	Severance and retirement from business units (事业单位)	191.88	191.88	3.20	3.20		3.20	-188.68	-98.33%	-188.68	-98.33%
2080503	Management institutions for former staff	494.62	494.62	511.56	511.56		511.56	16.94	3.42%	16.94	3.42%
2080505	Basic endowment insurance (基本养老保险) expenditures for business units	2,226.53	2,226.53	3,860.05	3,860.05		3,860.05	1,633.52	73.37%	1,633.52	73.37%
2080506	Occupational pension (职业年金) expenditures for business units			1,341.53	1,341.53		1,341.53	1,341.53		1,341.53	
215	Resource exploration information and other expenditures	20,765.00	20,765.00	22,225.00	135.00	22,090.00	22,225.00	1,460.00	7.03%	1,460.00	7.03%
21508	Small- and medium-size	20,765.00	20,765.00	22,225.00	135.00	22,090.00	22,225.00	1,460.00	7.03%	1,460.00	7.03%

Functional Item Classification		2018 Executed Amount		2019 Budgeted Amount				2019 to 2018 YoY Comparison		2019 to 2018 YoY Comparison (excluding NDRC infrastructure construction)	
Item No.	Item Name	Executed Amount	Executed Amount Less NDRC Construction	Initial Annual Budget			Budgeted Amount Less NDRC Construction	Increase/Decrease (RMB)	Increase/Decrease (%)	Increase/Decrease (RMB)	Increase/Decrease (%)
				Subtotal	Basic Expenditures	Project Expenditures					
	enterprise (SME) development and management support expenditures										
2150804	National Scientific and Technological SME Technology Innovation Fund	2,090.00	2,090.00					-2,090.00	-100%	-2,090.00	-100%
2150805	SME development special projects	18,540.00	18,540.00	20,000.00		20,000.00	20,000.00	1,460.00	7.87%	1,460.00	7.87%
2150899	Other SME development and management support expenditures	135.00	135.00	2,225.00	135.00	2,090.00	2,225.00	2,090.00	1548.15%	2,090.00	1548.15%
221	Housing expenditures	3,859.00	3,859.00	4,395.00	4,395.00		4,395.00	536.00	13.89%	536.00	13.89%
22102	Housing reform expenditures	3,859.00	3,859.00	4,395.00	4,395.00		4,395.00	536.00	13.89%	536.00	13.89%
2210201	Housing provident fund	2,235.00	2,235.00	2,590.00	2,590.00		2,590.00	355.00	15.88%	355.00	15.88%
2210202	Rent subsidies	375.00	375.00	380.00	380.00		380.00	5.00	1.33%	5.00	1.33%
2210203	House purchase subsidy	1,249.00	1,249.00	1,425.00	1,425.00		1,425.00	176.00	14.09%	176.00	14.09%
Total		4,147,775.17	4,143,692.17	4,909,140.56	46,881.05	4,862,259.51	4,907,315.56	761,365.39	18.36%	763,623.39	18.43%

General Public Budget Basic Expenditure Table

Departmental Public Table 3

Units: RMB10,000

Economic Budget Expenditure Item Classification		2019 Basic Expenditures		
Item No.	Item Name	Total	Personnel expenditures	Public expenditures
301	Salary and benefit expenditures	30,924.13	30,924.13	
30101	Basic salaries	8,799.73	8,799.73	
30102	Subsidies and allowances	8,009.90	8,009.90	
30103	Bonuses	228.07	228.07	
30106	Food allowance	28.32	28.32	
30107	Performance-based wages	4,676.05	4,676.05	
30108	Basic endowment insurance for agency business units (机关事业单位)	4,264.42	4,264.42	
30109	Occupational pensions	1,469.12	1,469.12	
30110	Basic employee medical insurance	36.51	36.51	
30112	Other social security expenditures	296.45	296.45	
30113	Housing provident fund	2,590.00	2,590.00	
30114	Medical expenses	352.00	352.00	
30199	Other salary and benefit expenditures	173.56	173.56	
302	Product and service expenditures	10,765.59		10,765.59
30201	Office expenses	727.47		727.47
30202	Printing expenses	230.50		230.50
30203	Consulting expenses	123.80		123.80
30204	Processing expenses	21.76		21.76
30205	Water fees	149.60		149.60
30206	Electricity fees	962.26		962.26
30207	Postage and telecom fees	446.55		446.55
30208	Heating fees	693.40		693.40
30209	Property management fees	1,152.16		1,152.16
30211	Business travel expenses	546.69		546.69
30212	International business travel expenses	531.12		531.12
30213	Maintenance and repair fees	416.10		416.10
30214	Rental expenses	51.50		51.50
30215	Conference expenses	283.39		283.39
30216	Training expenses	368.30		368.30

Economic Budget Expenditure Item Classification		2019 Basic Expenditures		
Item No.	Item Name	Total	Personnel expenditures	Public expenditures
30217	Official hospitality expenses	43.95		43.95
30226	Labor expenses	281.00		281.00
30227	Outsourcing expenses	1,171.00		1,171.00
30228	Union fees	456.59		456.59
30229	Benefit expenses	798.59		798.59
30231	Operation and maintenance expenses of official vehicles	189.52		189.52
30239	Other transportation expenses	727.83		727.83
30240	Taxes and surcharges	17.75		17.75
30299	Other product and service expenditures	374.76		374.76
303	Individual and family subsidies	3,986.05	3,986.05	
30301	Severance expenses	1,938.20	1,938.20	
30302	Retirement expenses	1,333.45	1,333.45	
30303	Resignation (decommissioning) expenses	5.00	5.00	
30304	Death and disability benefits (抚恤金)	373.98	373.98	
30305	Living expense subsidies	13.50	13.50	
30307	Medical expense subsidies	104.00	104.00	
30309	Incentives	13.00	13.00	
30399	Other individual and family subsidies	204.92	204.92	
310	Capital expenditures	1,205.28		1,205.28
31002	Office equipment purchase and installation	506.00		506.00
31003	Special equipment purchase and installation	407.00		407.00
31007	Information network and software purchase, installation, and update	239.00		239.00
31013	Official vehicle purchases	23.28		23.28
31022	Intangible asset purchases	16.00		16.00
31099	Other capital expenditures	14.00		14.00
Total		46,881.05	34,910.18	11,970.87

General Public Budget Expenditure Table for the "Three Public" Expenses³

Departmental Public Table 4

Units: RMB10,000

2018 Initial Budgeted Amount						2018 Adjusted Budgeted Amount						2019 Budgeted Amount					
Total	Official international travel expenses	Official vehicle purchase and operating expenses			Official hospitality expenses	Total	Official international travel expenses	Official vehicle purchase and operating expenses			Official hospitality expenses	Total	Official international travel expenses	Official vehicle purchase and operating expenses			Official hospitality expenses
		Subtotal	Official vehicle purchase expenses	Official vehicle operating expenses				Subtotal	Official vehicle purchase expenses	Official vehicle operating expenses				Subtotal	Official vehicle purchase expenses	Official vehicle operating expenses	
3,326.79	2,660.76	241.42	24.00	217.42	424.61	3,326.79	2,660.76	241.42	24.00	217.42	424.61	3,427.84	2,660.76	355.21	150.00	205.21	411.87

³ Translator's note: The "three public" expenses (“三公” 经费) refer to spending on (1) foreign travel, (2) cars and chauffeurs, and (3) official receptions. Chinese auditors pay close attention to these three categories of expenditures because they are often the most visible examples of corruption and waste of public funds.

Government Fund Budget Expenditure Table

Departmental Public Table 5

Units: RMB10,000

Item No.	Item Name	Government Fund Budget Expenditures		
		Total	Basic Expenditures	Project Expenditures
	Total			

Note: MOST does not receive any funding through government fund budget appropriations and does not have any expenditures related to the use of government funds. Therefore, this table is empty.

Overall Departmental Income and Expenditure Table

Departmental Public Table 6

Units: RMB10,000

Income		Expenditure	
Item	Budget	Item	Budget
I. General public budget appropriation income	4,909,140.56	I. General public service expenditures	1,193.75
II. Government fund budget appropriation income		II. Diplomatic expenditures	14,250.35
III. Institutional income	32,217.82	III. Educational expenditures	21,193.32
IV. Business unit operating income	41,047.21	IV. S&T expenditures	5,664,366.01
V. Other income	9,655.34	V. Social security and employment expenditures	9,055.91
		VI. Energy conservation and environmental protection expenditures	2,278.18
		VII. Resource exploration information and other expenditures	23,975.00
		VIII. Housing expenditures	5,117.24
Annual total income	4,992,060.93	Annual total expenditures	5,741,429.76
Business funds (事业基金) used to make up shortfall	1,025.37	Carry over to next year	2,594.79
Carried over from previous year	750,938.25		
Total Income	5,744,024.55	Total Expenditure	5,744,024.55

Departmental Income Table

Departmental Public Table 7

Units: RMB10,000

Item		Total	Carried over from previous year	General public budget appropriation income	Government fund budget appropriation income	Business income		Business unit operating income	Income from upper-level subsidies	Income from payments by lower-level units	Other income	Business funds (事业基金) used to make up shortfall
Item No.	Item Name					Amount	Educational Income					
201	General public service expenditures	1,193.75	1,193.75									
20110	Human resource work	840.00	840.00									
2011099	Other human resource work expenditures	840.00	840.00									
20111	Discipline inspection and supervision	353.75	353.75									
2011199	Other discipline inspection and supervision expenditures	353.75	353.75									
202	Diplomatic expenditures	14,250.35	1,004.49	13,245.86								
20203	Foreign aid	9,158.96	565.50	8,593.46								
2020306	Foreign aid	9,158.96	565.50	8,593.46								
20204	International organizations	4,345.39	427.99	3,917.40								
2020401	International organization membership fees	3,856.45	359.05	3,497.40								
2020402	Donations to international organizations	488.94	68.94	420.00								
20299	Other diplomatic expenditures	746.00	11.00	735.00								
2029901	Other diplomatic expenditures	746.00	11.00	735.00								
205	Educational expenditures	21,193.32	9,182.57	12,010.75								
20508	Education and training	21,193.32	9,182.57	12,010.75								
2050803	Training expenditures	21,193.32	9,182.57	12,010.75								
206	S&T expenditures	5,666,910.80	734,048.47	4,849,630.83		32,081.96	83.02	40,983.81			9,270.68	895.05
20601	S&T management	28,079.39	2,834.81	20,268.55		4,011.03		2.00			853.00	110.00
2060101	Administrative operations	15,618.57	1,748.08	13,406.49		20.00		2.00			332.00	110.00
2060102	General administrative management	6,762.63	1,085.54	5,677.09								
2060103	Institutional services	5,698.19	1.19	1,184.97		3,991.03					521.00	
20602	Basic research	208,531.50	24,479.00	184,052.50								
2060204	Key laboratories and related facilities	118,323.50		118,323.50								
2060299	Other basic research expenditures	90,208.00	24,479.00	65,729.00								
20603	Applied research	96,332.07	20,541.85	41,722.56		28,070.93	83.02	888.60			4,323.08	785.05
2060301	Institutional operations	55,603.73	970.91	20,565.16		28,070.93	83.02	888.60			4,323.08	785.05
2060302	Public welfare research	7,168.64	1,680.64	5,488.00								
2060399	Other applied research expenditures	33,559.70	17,890.30	15,669.40								
20604	Technology R&D	372,503.00	147,503.00	225,000.00								

Item		Total	Carried over from previous year	General public budget appropriation income	Government fund budget appropriation income	Business income		Business unit operating income	Income from upper-level subsidies	Income from payments by lower-level units	Other income	Business funds (事业基金) used to make up shortfall
Item No.	Item Name					Amount	Educational Income					
2060404	S&T achievement commercialization and dispersion	372,373.00	147,373.00	225,000.00								
2060499	Other technology R&D expenditures	130.00	130.00									
20605	S&T conditions and services	257,855.69	40,205.69	217,650.00								
2060503	S&T condition special projects	207,855.69	40,205.69	167,650.00								
2060599	Other S&T conditions and services expenditures	50,000.00		50,000.00								
20607	S&T popularization	1,500.00		1,500.00								
2060702	Science popularization activities	1,500.00		1,500.00								
20608	S&T exchange and cooperation	103,468.20	583.80	102,884.40								
2060801	International exchange and cooperation	6,610.54	410.54	6,200.00								
2060802	Major S&T cooperative projects	96,399.32		96,399.32								
2060899	Other S&T exchange and cooperation expenditures	458.34	173.26	285.08								
208	Social security and employment expenditures	9,055.91	1,422.79	7,633.12								
20805	Severance and retirement from administrative units (行政事业)	9,055.91	1,422.79	7,633.12								
2080501	Severance and retirement from centrally managed administrative units (归口管理的行政单位)	2,896.89	980.11	1,916.78								
2080502	Severance and retirement from business units (事业单位)	234.69	231.49	3.20								
2080503	Management institution for former staff	647.75	136.19	511.56								
2080505	Basic endowment insurance (基本养老保险) expenditures for business units	3,935.05	75.00	3,860.05								
2080506	Occupational pension (职业年金) expenditures for business units	1,341.53		1,341.53								
211	Energy conservation and environmental protection expenditure	2,278.18	2,278.18									
21110	Energy conservation and use	2,278.18	2,278.18									
2111001	Energy conservation and use	2,278.18	2,278.18									
215	Resource exploration information and other expenditures	23,975.00	1,750.00	22,225.00								
21508	SME development and management support expenditures	23,975.00	1,750.00	22,225.00								
2150804	National Scientific and Technological SME Technology Innovation Fund	1,700.00	1,700.00									
2150805	SME development special projects	20,050.00	50.00	20,000.00								
2150899	Other SME development and management support expenditures	2,225.00		2,225.00								
221	Housing expenditures	5,167.24	58.00	4,395.00		135.86		63.40			384.66	130.32

Item		Total	Carried over from previous year	General public budget appropriation income	Government fund budget appropriation income	Business income		Business unit operating income	Income from upper-level subsidies	Income from payments by lower-level units	Other income	Business funds (事业基金) used to make up shortfall
Item No.	Item Name					Amount	Educational Income					
22102	Housing reform expenditures	5,167.24	58.00	4,395.00		135.86		63.40			384.66	130.32
2210201	Housing provident fund	3,137.02		2,590.00		98.06		61.78			276.42	110.76
2210202	Rent subsidies	405.61	8.00	380.00		3.33		0.10			13.85	0.33
2210203	House purchase subsidy (购房补贴)	1,624.61	50.00	1,425.00		34.47		1.52			94.39	19.23
Total		5,744,024.55	750,938.25	4,909,140.56		32,217.82	83.02	41,047.21			9,655.34	1,025.37

Departmental Expenditure Table

Departmental Public Table 8

Units: RMB10,000

Item No.	Item Name	Total	Basic Expenditures	Project Expenditures	Payments to Upper-level Units	Business Unit Operating Expenses	Subsidies for Lower-level Units
201	General public service expenditures	1,193.75		1,193.75			
20110	Human resource work	840.00		840.00			
2011099	Other human resource work expenditures	840.00		840.00			
20111	Discipline inspection and supervision	353.75		353.75			
2011199	Other discipline inspection and supervision expenditures	353.75		353.75			
202	Diplomatic expenditures	14,250.35		14,250.35			
20203	Foreign aid	9,158.96		9,158.96			
2020306	Foreign aid	9,158.96		9,158.96			
20204	International organizations	4,345.39		4,345.39			
2020401	International organization membership fees	3,856.45		3,856.45			
2020402	Donations to international organizations	488.94		488.94			
20299	Other diplomatic expenditures	746.00		746.00			
2029901	Other diplomatic expenditures	746.00		746.00			
205	Educational expenditures	21,193.32		21,193.32			
20508	Education and training	21,193.32		21,193.32			
2050803	Training expenditures	21,193.32		21,193.32			
206	S&T expenditures	5,664,366.01	77,593.91	5,546,973.61		39,798.49	
20601	S&T management	28,079.39	20,876.07	7,201.32		2.00	
2060101	Administrative operations	15,618.57	15,616.57			2.00	
2060102	General administrative management	6,762.63		6,762.63			
2060103	Institutional services	5,698.19	5,259.50	438.69			
20602	Basic research	208,531.50		208,531.50			
2060204	Key laboratories and related facilities	118,323.50		118,323.50			
2060299	Other basic research expenditures	90,208.00		90,208.00			
20603	Applied research	96,132.28	55,207.94	40,728.34		196.00	
2060301	Institutional operations	55,403.94	55,207.94			196.00	
2060302	Public welfare research	7,168.64		7,168.64			
2060399	Other applied research expenditures	33,559.70		33,559.70			

Item No.	Item Name	Total	Basic Expenditures	Project Expenditures	Payments to Upper-level Units	Business Unit Operating Expenses	Subsidies for Lower-level Units
20604	Technology R&D	372,503.00		372,503.00			
2060404	S&T achievement commercialization and dispersion	372,373.00		372,373.00			
2060499	Other technology R&D expenditures	130.00		130.00			
20605	S&T conditions and services	257,855.69		257,855.69			
2060503	S&T condition special projects	207,855.69		207,855.69			
2060599	Other S&T conditions and services expenditures	50,000.00		50,000.00			
20607	S&T popularization	1,500.00		1,500.00			
2060702	Science popularization activities	1,500.00		1,500.00			
20608	S&T exchange and cooperation	103,468.20		103,468.20			
2060801	International exchange and cooperation	6,610.54		6,610.54			
2060802	Major S&T cooperative projects	96,399.32		96,399.32			
2060899	Other S&T exchange and cooperation expenditures	458.34		458.34			
208	Social security and employment expenditures	9,055.91	9,055.91				
20805	Severance and retirement from administrative units (行政事业)	9,055.91	9,055.91				
2080501	Severance and retirement from centrally managed administrative units (归口管理的行政单位)	2,896.89	2,896.89				
2080502	Severance and retirement from business units (事业单位)	234.69	234.69				
2080503	Management institution for former staff	647.75	647.75				
2080505	Basic endowment insurance (基本养老保险) expenditures for business units	3,935.05	3,935.05				
2080506	Occupational pension (职业年金) expenditures for business units	1,341.53	1,341.53				
211	Energy conservation and environmental protection expenditure	2,278.18		2,278.18			
21110	Energy conservation and use	2,278.18		2,278.18			
2111001	Energy conservation and use	2,278.18		2,278.18			
215	Resource exploration information and other expenditures	23,975.00	135.00	23,840.00			
21508	SME development and management support expenditures	23,975.00	135.00	23,840.00			

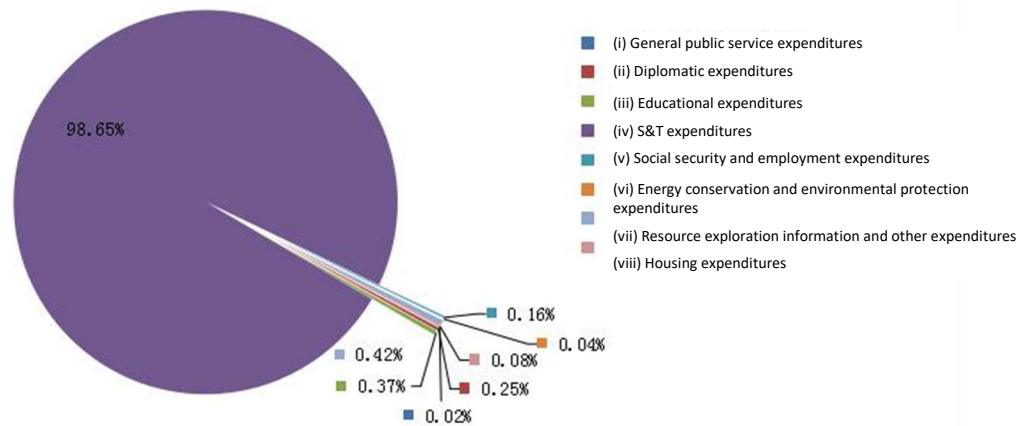
Item No.	Item Name	Total	Basic Expenditures	Project Expenditures	Payments to Upper-level Units	Business Unit Operating Expenses	Subsidies for Lower-level Units
2150804	National Scientific and Technological SME Technology Innovation Fund	1,700.00		1,700.00			
2150805	SME development special projects	20,050.00		20,050.00			
2150899	Other SME development and management support expenditures	2,225.00	135.00	2,090.00			
221	Housing expenditures	5,117.24	5,117.24				
22102	Housing reform expenditures	5,117.24	5,117.24				
2210201	Housing provident fund	3,087.02	3,087.02				
2210202	Rent subsidies	405.61	405.61				
2210203	House purchase subsidy	1,624.61	1,624.61				
Total		5,741,429.76	91,902.06	5,609,729.21		39,798.49	

Part 3: Detailed Descriptions of Departmental Budgets

I. Description of the Fiscal Appropriation Income and Expenditure Table

At the beginning of 2019, MOST's total income from fiscal appropriations was RMB 56,575,788,100. Of this sum, general public budget appropriation income accounted for RMB 49,091,405,600 and general public budget appropriation income carried over from the previous year accounted for RMB 7,484,382,500. Fiscal appropriation expenditures totaled RMB 56,575,788,100. Of this sum, general public service expenditures accounted for RMB 11,937,500 or 0.02%; diplomatic expenditures accounted for RMB 142,503,500 or 0.25%; educational expenditures accounted for RMB 211,933,200 or 0.37%; S&T expenditures accounted for RMB 5,581,179,300 or 98.65%; social security and employment expenditures accounted for RMB 90,559,100 or 0.16%; energy conservation and environmental protection expenditures accounted for RMB 22,781,800 or 0.04%; resource exploration information and other expenditures accounted for RMB 2,397,500 or 0.42%; and housing expenditures accounted for RMB 445,300 or 0.08%.

Figure 1: Breakdown of General Public Budget Fiscal Appropriation Expenditures



II. Description of the General Public Budget Expenditure Table

At the start of 2019, the amount budgeted for MOST fiscal appropriation expenditures was RMB 49,091,405,600, an increase of RMB 7,613,653,900 or 18.36% on the executed amount from 2018. In accordance with the spirit of the Party Central Committee and the State Council regarding belt-tightening, in 2019, the expenditures on non-essential and non-key projects such as training funding will be reduced by no less than 5%, but the expenditures S&T programs, special projects, and other such items will be guaranteed. This is reflected in the relevant expenditure details. Specifically:

(i) General public service expenditures (category) - Discipline inspection and supervision expenditures (sub-category) - Other discipline inspection and supervision expenditures (item): The initial budgeted amount for 2019 is RMB 0, a decrease of RMB 1,500,000 from the executed amount in 2018. This is mainly due to the reduction of budgets for discipline inspection and supervision projects.

(ii) Diplomatic expenditures (category): The initial budgeted amount for 2019 is RMB 132,458,600, a decrease of RMB 7,571,500 or 5.41% from the executed amount in 2018.

1. Institutions abroad (sub-category) - Other expenditures for institutions abroad (item): The initial budget amount for 2019 is RMB 0, a decrease of RMB 10,457,500 from the executed amount in 2018. This is mainly due to adjustments made to the budgets of institutions abroad according to relevant requirements.

2. Foreign aid (sub-category) - Foreign aid (item): The initial budgeted amount for 2019 is RMB 85,934,600, a decrease of RMB 5,650,000 or 6.17% from the executed amount in 2018.

3. International organizations (sub-category): These funds are mainly used for international organization membership fees and donations. The initial budgeted amount for 2019

is RMB 39,174,000, an increase of RMB 5,936,000 or 17.86% from the executed amount in 2018.

(1) International organization membership fees (item): The initial budgeted amount for 2019 is RMB 34,974,000, an increase of RMB 6,636,000 or 23.42% from the executed amount in 2018.

(2) Donations to international organizations (item): The initial budgeted amount for 2019 is RMB 4,200,000, a decrease of RMB 700,000 or 14.29% from the executed amount in 2018.

4. Other diplomatic expenditures (sub-category) - Other diplomatic expenditures (item): The initial budgeted amount for 2019 is RMB 7,350,000, an increase of RMB 2,600,000 or 54.74% from the executed amount in 2018. This was mainly due to increases in the budgets for funding of special international cooperative projects.

(iii) Educational expenditures (category): These funds are primarily used for training expenses. The initial budgeted amount for 2019 is RMB 120,107,500, a decrease of RMB 13,340,000 or 10.00% from the executed amount in 2018. This was mainly due to decreases in the budgets of training projects.

(iv) S&T expenditures (category): The initial budgeted amount for 2019 is RMB 48,496,308,300, an increase of RMB 7,616,385,600 or 18.63% from the executed amount in 2018.

1. S&T management (sub-category): These funds are mainly used for administrative operations, general administrative management, and institutional service expenses. The initial budgeted amount for 2019 is RMB 202,685,500, an increase of RMB 34,358,600 or 20.41% from the executed amount in 2018.

(1) Administrative operations (item): RMB 134,064,900, an increase of RMB 468,800 or 0.35% from the executed amount in 2018.

(2) General administrative management (item): RMB 56,770,900 an increase of RMB 33,236,600 from the executed amount in 2018. This was mainly due to an increase in the budgets of special promotional projects.

(3) Institutional services (item): RMB 11,849,700, an increase of RMB 6,53,200 or 5.83% from the executed amount in 2018.

2. Basic research (sub-category): These funds are mainly used to fund the special projects of national key laboratories. The initial budgeted amount for 2019 is RMB 1,840,525,000, an increase of RMB 607,010,000 or 49.21% from the executed amount in 2018.

(1) Key laboratories and related facilities (item): RMB 1,183,235,000, a decrease of RMB 50,280,000 or 4.08% from the executed amount in 2018.

(2) Other basic research expenditures (item): RMB 657,290,000, an increase of RMB 657,290,000 from the executed amount in 2018. This was mainly due to the movement of the S&T talent special projects and other projects from item "22069999" to this item.

3. Applied research (sub-category): These funds are mainly used for institutional operation and public welfare research expenses. The initial budgeted amount for 2019 is RMB 417,225,600, a decrease of RMB 75,084,300 or 15.25% from the executed amount in 2018.

(1) Institutional operations (item): RMB 205,651,600, a decrease of 20,010,800 or 8.87% from the executed amount in 2018. This was primarily due to the movement of

endowment insurance expenses to endowment insurance expenditures for business units (item) and occupational pension expenditures for business units (item).

(2) Public welfare research (item): RMB 54,880,000, an increase of RMB 7,840,000 or 16.67% from the executed amount in 2018. This was mainly due to an increase in the budget for service fees related to basic scientific research.

(3) Other applied research expenditures (item): RMB 156,694,000, a decrease of RMB 62,913,500 or 28.65% from the executed amount in 2018. This was mainly due to decreases in the budgets for work related to information system projects.

4. Technology R&D (sub-category) - S&T achievement commercialization and dispersion: RMB 2,250,000,000, the same as the executed amount from 2018. These funds are mainly used for the National Fund for Technology Transfer and Commercialization.

5. S&T conditions and services (sub-category): These funds are mainly used for S&T literature and information special projects and S&T basic resources surveys. The initial budgeted amount for 2019 is RMB 2,176,500,000, an increase of RMB 1,169,500,000 from the executed amount in 2018.

(1) S&T condition special projects (item): RMB 1,676,500,000, an increase of RMB 669,500,000 or 66.48% from the executed amount in 2018. This was mainly due to an increase in the subsidy budget for S&T basic resource surveys and S&T innovation bases.

(2) Other S&T conditions and services expenditures (item): RMB 500,000,000, an increase of RMB 500,000,000 from the executed amount in 2018. This was mainly due to the budgets for projects related to the arrangement of bases.

6. S&T popularization (sub-category) - Science popularization activities (item): RMB 15,000,000, the same as the executed amount in 2018. These funds are mainly used for special projects related to Science and Technology Week activities.

7. S&T exchange and cooperation (sub-category): These funds are mainly used for special projects related to the International Thermonuclear Experimental Reactor (ITER) program. The initial budgeted amount for 2019 is RMB 1,028,844,000, a decrease of RMB 286,382,400 or 21.77% from the executed amount in 2018.

(1) International exchange and cooperation (item): RMB 62,000,000, an increase of RMB 23,000,000 or 58.97% from the executed amount in 2018. This was mainly due to the increase in budgets for Sino-foreign innovation dialogues and other international exchange and cooperation work.

(2) Major S&T cooperative projects (item): RMB 963,993,200, a decrease of RMB 295,439,900 or 23.46% from the executed amount in 2018. This was primarily due to the completion of tasks related to the ITER program and the consequent relative reduction in funding needs.

(3) Other S&T exchange and cooperation expenditures (item): RMB 2,850,800, a decrease of RMB 13,942,500 or 83.02% from the executed amount in 2018. This was primarily due to a one-time expenditure in 2018, which did not recur in 2019.

(v) Social security and employment expenditures (category) - Severance and retirement from administrative units (sub-category): The initial budgeted amount for 2019 is RMB

76,331,200, an increase of RMB 4,919,800 or 6.89% from the executed amount in 2018.

1. Severance and retirement from centrally managed administrative units (item): RMB 19,167,800, a decrease of RMB 23,113,300 or 54.67% from the executed amount in 2018. This was primarily due to the fact that pensions are distributed by the Pension Insurance Management Center for Central State Organs in a united manner, and the relevant appropriations have been decreased.

2. Severance and retirement from business units (item): RMB 32,000, a decrease of RMB 1,886,800 or 98.33% from the executed amount in 2018. This was primarily due to the fact that pensions are distributed by the Pension Insurance Management Center for Central State Organs in a united manner, and the relevant appropriations have been decreased.

3. Management institution for former staff (item): RMB 5,115,600, an increase of RMB 169,400 or 3.42% from the executed amount in 2018.

4. Basic endowment insurance expenditures for business units (item): RMB 38,600,500, an increase of 16,335,200 or 73.37% from the executed amount in 2018. This was mainly due to the budget items related to endowment insurance expenditures.

5. Occupational pension expenditures for business units (item): RMB 13,415,300, an increase of 13,415,300 from the executed amount in 2018. This was mainly due to the budget items related to occupational pension expenditures.

(iv) Resource exploration information and other expenditures (category): The initial budgeted amount for 2019 is RMB 222,250,000, an increase of RMB 14,600,000 or 7.03% from the executed amount in 2018.

1. National Scientific and Technological Small- and Medium-Size Enterprise (SME) Technology Innovation Fund (item): RMB 0, a decrease of RMB 20,900,000 from the executed amount. This was mainly because the budget for SME and entrepreneurship & innovation business management expenses was moved from this budget item to "2150899".

2. SME development special projects (item): RMB 200,000,000, an increase of RMB 14,600,000 or 7.87% from the executed amount in 2018. This was mainly due to an increase in the budget for SME development special project funding.

3. Other SME development and management support expenditures (item): RMB 22,250,000, an increase of RMB 20,900,000 from the executed amount in 2018. This was mainly due to the movement of the SME and entrepreneurship & innovation business management fees from "2150804" to this item.

(vii) Housing expenditures (category) - Housing reform expenditures (sub-category): The initial budgeted amount for 2019 is RMB 43,950,000, an increase of RMB 5,360,000 or 13.89% from the executed amount in 2018.

1. Housing provident fund (item): RMB 25,900,000, an increase of RMB 3,550,000 or 15.88% from the executed amount in 2018. This was mainly due to an increase in the mandated housing provident fund withholding amount in 2019.

2. Rent subsidy (item): RMB 3,800,000, an increase of RMB 50,000 or 1.33% from the executed amount in 2018.

3. House purchase subsidy (item): RMB 14,250,000, an increase of 1,760,000 or 14.09%

from the executed amount in 2018. This was mainly due to increased expenditures due to personnel changes and job title and level changes.

III. Description of the General Public Budget Expenditure Table for the "Three Public" Expenses

MOST's expenditures on the "Three Public" expenses refers to the total expenditures on these items by the Institute of Science and Technology Information of China, the China Academy of Science and Technology Development Strategy, and the other budget units of MOST. Our ministry conscientiously implements the spirit of economy advocated by the Party Central Committee and the State Council by taking effective measures to strictly control expenditures on the "Three Public" expenses. In 2019, MOST's budgeted amount for the "Three Public" expenses is RMB 34,278,400. Specifically:

The budget for official international travel expenses is 26,607,600, the same as in 2018. In 2019, we plan to carry out diplomatic and foreign affairs work related to S&T, expand the depth and breadth of international S&T cooperation, and promote the implementation of major national strategies. This includes convening bilateral joint S&T committees or mixed committees (混委会) involving multiple departments and agencies, participating in S&T activities of the United Nations, Asia-Pacific Economic Cooperation (APEC), and other international organizations and multilateral cooperation mechanisms, promoting the implementation of the "Belt and Road"⁴ Science and Technology Innovation Action Plan, and implementing specific tasks related to the central government's directive to "lead the organization of major international scientific plans and major scientific projects." Bilateral and multilateral S&T diplomacy and foreign affairs work for 2019 has increased slightly from 2018, and the specific work for the "Belt and Road" Science and Technology Innovation Action Plan and the directive to "lead the organization of major international scientific plans and major scientific projects" has increased significantly compared to 2018. However, considering the principle of thrift in diplomacy (勤俭办外交), official international travel expenses for 2019 have not increased.

In 2019, the budget for official vehicles is RMB 1,500,000, an increase of RMB 1,260,000 million from 2018. The main reasons for this increase include: (1) Some vehicles did not comply with the relevant emission standards or reached the end of their service lives, so the relevant units applied to replace the vehicles as per regulations; and (2) We had to pay vehicle purchase taxes on official vehicles planned to be transferred to us by the National Government Offices Administration.

In 2019, the budget for official vehicle operating expenses is RMB 2,052,100, down 5.6% from 2018. The main reason for this was that, in accordance with the requirements of the Party Central Committee and State Council to "tighten our belts" and implement cost savings and oppose waste, we stressed the reduction of unnecessary expenses across the board (超额完成了统一压减任务).

In 2019, the budget for official receptions is RMB 4,118,700, down 3% from 2018. The main reason for this was that, in accordance with the requirements of the Party Central

⁴ Translator's note: The "Belt and Road" ("一带一路") refers to the Silk Road Economic Belt and the 21st Century Maritime Silk Road.

Committee and State Council to "tighten our belts" and implement cost-savings and oppose waste, we stressed the reduction of unnecessary expenses across the board.

IV. Description of the Overall Departmental Income and Expenditure Table

(i) Projected Income

1. Fiscal appropriation income: RMB 49,091,405,600, an increase of RMB 9,721,521,600 or 24.69% from the initial budget in 2018. The main reason was the relative increase in expenditures due to the assignment of tasks related to national S&T plans.

2. Business income: RMB 322,178,200, a decrease of RMB 25,615,500 or 7.37% from the initial budget in 2018. The main reason is that the income from the professional business activities and auxiliary activities carried out by the relevant business units according to their work needs is expected to decrease.

3. Business unit operating income: RMB 410,472,100, an increase of RMB 261,947,100 from the initial budget in 2018. The main reason is that the businesses of self-funded business units are expected to grow, increasing the expected income.

4. Other income: RMB 96,553,400, a decrease of RMB 2,981,700 or 3% from the initial budget in 2018.

5. Carried over from previous year: RMB 7,509,382,500, an increase of RMB 5,204,301,200 from the initial budget of 2018. This was mainly due to an increase in the expected carry-over funds.

(ii) Expenditure Budget

1. General public service expenditures: RMB 11,937,500, a decrease of RMB 362,500 or 2.95% from the initial budget in 2018.

2. Diplomatic expenditures: RMB 142,503,500, a decrease of RMB 25,355,900 or 15.11% from the initial budget in 2018. The main reason was that the carry-over funds for S&T cooperation and foreign aid projects decreased somewhat compared to last year.

3. Educational expenditures: RMB 211,933,200, an increase of RMB 15,564,700 or 7.93% from the initial budget in 2018.

4. S&T expenditures: RMB 56,643,660,100, an increase of RMB 15,156,481,100 or 36.53% from the initial budget in 2018. The main reason was the relative increase in expenditures due to the assignment of tasks related to national S&T plans.

5. Social security and employment expenditures: RMB 90,559,100, an increase of RMB 24,631,800 or 37.36% from the initial budget in 2018. The main cause was the increase in relevant expenditures due to severance and retirement, changes in severance and retirement institution personnel, and other reasons.

6. Energy conservation and environmental protection expenditures: RMB 22,781,800, a decrease of RMB 6,976,900 or 23.44% from the initial budget in 2018. The main reason was that, as of the end of 2018, the funds of investment projects within the central budget undertaken by budget units have been gradually digested over several years.

7. Resource exploration information and other expenditures: RMB 239,750,000, an

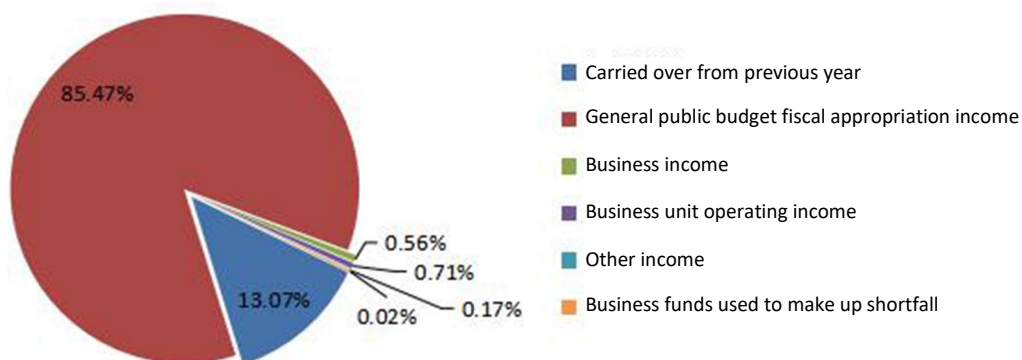
increase of RMB 11,100,000 or 4.85% from the initial budget in 2018.

8. Housing expenditures: RMB 51,172,400, a decrease of RMB 941,300 or 1.81% from the initial budget in 2018.

V. Description of the Departmental Income Table

At the beginning of 2019, MOST's total income was projected to be RMB 57,440,245,500, with income from general public budget fiscal appropriations accounting for RMB 49,091,405,600 or 85.47%; funds carried over from the previous year accounting for RMB 7,509,382,500 or 13.07%; business unit operating income accounting for RMB 410,472,100 or 0.71%; business income accounting for RMB 322,178,200 or 0.56%; other income accounting for RMB 96,553,400 or 0.17%; and business funds used to make up the shortfall accounting for RMB 10,253,700 or 0.02%.

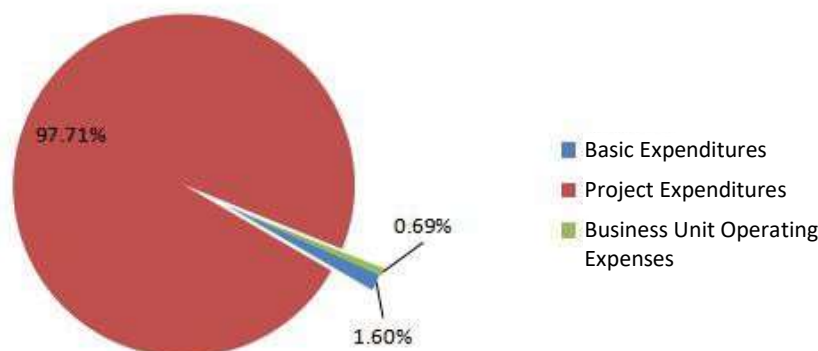
Figure 2: Income Breakdown



VI. Description of the Departmental Expenditure Table

At the beginning of 2019, MOST's budgeted expenditures totaled RMB 57,414,297,600, with project expenditures accounting for RMB 56,097,292,100 or 97.71%; basic expenditures accounting for RMB 919,020,600 or 1.6%; and business unit operating expenses accounting for RMB 397,984,900 or 0.69%.

Figure 3: Expenditure Breakdown



VII. Description of Other Items

(i) Description of Projects with S&T Special Project Business Expenses

1. Project Overview

"S&T Special Project Business Expenses" are paid for three projects: the S&T Literature and Information Special Project (科技文献信息专项), the Innovation Methods Special Project (创新方法工作专项), and the Academic Works Publishing Fund (学术著作出版基金).

(1) S&T Literature and Information Special Project

The National Science and Technology Library (NSTL) is responsible for organizing and implementing this project. Based on a "unified procurement, standardized processing, joint Internet access, and resource sharing" mechanism, S&T literature resources are collected and developed in scientific fields such as physics, engineering, agriculture, and medicine. This is done to create a socially beneficial and inclusive S&T literature information service for the whole country. In 2019, we will continue to expand on the existing foundations by strengthening construction of the national S&T literature information assurance system.

(2) Innovation Methods Special Project

Through years of development, innovation methods have been linked upwards and downwards, and a work system and innovation network advanced in a layered manner have been basically formed. In 2019, we will carry out activities such as basic theoretical research, application promotion, and demonstrations of innovation methodologies. We will further focus on national innovation needs, carry out innovation method application and demonstration for large state-owned enterprises (SOEs), and continue to strengthen the cultivation of innovation method talents and the construction of service systems.

(3) Academic Works Publishing Fund

Since the establishment of the Academic Works Publishing Fund, it has played an

important role in rescuing, accumulating, preserving, and disseminating important S&T achievements, promoting the transfer and commercialization of S&T achievements, and cultivating senior talents. The National S&T Academic Works Publishing Fund brand has become a symbol of the highest academic level and excellent publishing quality. A total of 2,455 projects have been funded so far. In 2019, about 150 outstanding S&T academic works will be received, reviewed, and funded for publication.

2. Basis of Project Establishment

(1) S&T Literature and Information Special Project

In 1998, in order to fundamentally solve the problems of the fragmentation of management systems, the decentralized resource layout, duplicate products, and low utilization rates, MOST, the Ministry of Finance, the former Economic and Trade Commission, the former Ministry of Agriculture, the former Ministry of Health, and the Chinese Academy of Sciences vigorously promoted the reform of S&T information management systems and established the "S&T Literature and Information Special Project."

(2) Innovation Methods Special Project

Since 2007, MOST and relevant departments have followed the important instructions of Wen Jiabao, former Premier of the State Council, on "independent innovation, methods first" ("自主创新、方法先行") in work related to innovation methods and organized research promotion and application demonstrations for innovation methodologies nationwide. The *National 13th Five-Year Plan for S&T Innovation*⁵ issued by the State Council in 2016 clearly pointed out that work on innovation methodologies has become an important part of national independent innovation capacity building.

(3) Academic Works Publishing Fund

In June 1994, 321 academicians of the Chinese Academy of Sciences called for solutions to the funding difficulty encountered by academicians when publishing academic monographs. The State Council and relevant state departments attached great importance to this call and established a publication fund for academicians of the Chinese Academy of Sciences and the Chinese Academy of Engineering, which was later officially named the "National Science and Technology Academic Works Publishing Fund" ("国家科学技术学术著作出版基金"). In March 1997, the former National Science and Technology Commission, the Ministry of Finance, and the General Administration of Press and Publication jointly issued the *Administrative Measures for the National Science and Technology Academic Works Publishing Fund* (国家科学技术学术著作出版基金管理办法), marking the official establishment and start of the National Science and Technology Academic Works Publishing Fund.

3. Implementation Entities

(1) S&T Literature and Information Special Project

The nine member units affiliated with the National Science and Technology Library are

⁵ Translator's note: An English translation of this plan is available at: https://cset.georgetown.edu/wp-content/uploads/t0085_13th_5YP_tech_innovation_EN-1.pdf.

responsible for specific implementation work. These units are the National Science Library of the Chinese Academy of Sciences, the Institute of Science and Technology Information of China, the Machinery Industry Information Research Institute, the China Metallurgical Information and Standardization Institute, the China National Chemical Information Center, the Agricultural Information Institute of the Chinese Academy of Agricultural Sciences, the Institute of Medical Information of the Chinese Academy of Medical Sciences, the National Standardization Library of the China National Institute of Standardization, and the Document Library of the China Institute of Metrology.

(2) Innovation Methods Special Project

In 2008, four departments including MOST established an interdepartmental joint committee mechanism, formed an expert advisory group, and established a nationwide association organization: the Innovation Method Society. Under the macro guidance of the Interdepartmental Joint Committee on Innovation Methods and the expert advisory group, the Administrative Center for China's Agenda 21 will specifically carry out work on innovation methods. The center establishes an innovation method work project management office to carry out project organization management and supervision.

(3) Academic Works Publishing Fund

Management experts, S&T experts, and S&T publication experts from various departments and units such as MOST, the Ministry of Finance, and the General Administration of Press and Publication form the Publishing Fund Committee, which is responsible for the overall coordination of the fund. This committee set up an office (temporarily placed under the management of the Institute of Science and Technology Information of China by MOST) responsible for the daily management of the fund.

4. Implementation Plans

(1) S&T Literature and Information Special Project

Complete the work related to documentary resources construction, data processing and document information services, and network service system operation and construction as planned and carry out international cooperation and exchanges, performance evaluation, talent training, and center brand design and publicity.

(2) Innovation Methods Special Project

Carry out theoretical research on innovative methods; focus on the integrated application and promotion of innovative methods of enterprises and carry out innovative method applications and demonstrations for large-scale state-owned enterprises; strengthen the cultivation of innovative method talent training and service systems; and carry out application demonstrations of innovative methods in the implementation of major national S&T projects.

(3) Academic Works Publishing Fund

Revise and publish the guidelines for the declaration of sponsored projects in 2019 and entrust the National Natural Science Foundation of China, an authoritative academic review agency, to review the projects. The Office of the Academic Works Publishing Fund will submit the

budget proposal plan for the sponsored projects to the Academic Works Publishing Fund Committee for approval and publicity. Notification of the evaluation results shall be given in writing to applicants and publishing units.

5. Implementation Cycle

These projects are projects receiving continuous financial support and implemented according to their plans every year.

6. Annual Budget Arrangement

In 2019, the planned general public budget for these projects is RMB 526,500,000, including RMB 485,950,000 for the S&T Literature and Information Special Project, RMB 30,000,000 for the Innovation Methods Special Project, and RMB 7,000,000 for the Academic Works Publishing Fund.

7. Performance Objectives and Metrics

Performance Objective Table for Level-1 Project Expenditures (2019)				
Project name	S&T Special Project Business Expenses			
Competent department and code	[106] MOST		Implementing unit	MOST
Project properties	Ongoing project		Project Cycle	
Project funding (in RMB 10,000)	Mid-term funding total:		Annual funding total:	59875.69
	Funding from fiscal appropriations		Funding from fiscal appropriations	52650.00
	Other funding		Other funding	7225.69
Overall Targets	Mid-term Targets		Annual Targets	
	<p>Complete the work related to documentary resources construction, data processing and document information services, and network service system operation and construction as planned and carry out international cooperation and exchanges, performance evaluation, talent training, and center brand design and publicity.</p> <p>Carry out theoretical research on innovative methods; focus on the integrated application and promotion of innovative methods of enterprises and carry out innovative method applications and demonstrations for large-scale state-owned enterprises; strengthen the cultivation of innovative method talent training and service systems; and carry out application demonstrations of innovative methods in the implementation of major national S&T projects.</p> <p>Fund the publication of outstanding S&T academic works, review projects, review the publication quality of S&T academic works published the previous year, and perform daily management and research work. Fund about 150 S&T academic works every year.</p>		<p>Consolidate the construction of a digital S&T document assurance system based on printed documents; further strengthen data research and management capabilities and vigorously promote the standardized construction of the document data of the center; further expand the scope and number of inclusive full-text services, research innovative service models and mechanisms, build diversified information service products, and build a nationwide discipline- and industry-oriented service system; continue to enhance the open service and support capabilities of the network service platform for multiple types of users; and strengthen sustainable development capacity building, mainly in terms of development strategies, policy research, and talent team building.</p> <p>Strengthen the research and development of new tools and methods related to innovative methods and formulate method monographs and training manuals; focus on the integrated application and promotion of enterprise innovation methods and build an application model of innovative methods with Chinese characteristics that can be replicated and promoted; continue to strengthen the cultivation of innovative method talent and the construction of service systems, preliminarily forming a regional organization system with self-development capabilities; and formulate a reasonable and effective evaluation metric system, carry out innovative evaluation research on S&T projects, and establish a set of service work processes and models that integrate major national S&T projects with innovative methods.</p> <p>Fund the publication of outstanding S&T academic works, review projects, review the publication quality of S&T academic works published the previous year, and</p>	

					perform daily management and research work. Fund about 150 S&T academic works.		
Performance Metrics	Level-1 Metric	Level-2 Metric	Level-3 Metric	Metric Value	Level-2 Metric	Level-3 Metric	Metric Value
	Output Metrics	Quantitative Metric	Chinese-language degree theses collected	≥860,000 papers	Quantitative Metric	Chinese-language degree theses collected	≥420,000 papers
		Quantitative Metric	Subscriptions to foreign-language publications (hard copy)	≥760,000	Quantitative Metric	Subscriptions to foreign-language publications (hard copy)	≥280,000
		Quantitative Metric	Data processing volume (including abstracts of foreign-language papers)	≥19,500,000 entries	Quantitative Metric	Data processing volume (including abstracts of foreign-language papers)	≥6,500,000 entries
		Quantitative Metric	Complete service station, user management platform, thematic mirroring (专题镜像) platform, and interface unit coverage	≥200 institutions	Quantitative Metric	Complete service station, user management platform, thematic mirroring (专题镜像) platform, and interface unit coverage	≥200 institutions
		Quantitative Metric	Patent applications	600 applications, including ≥300 invention patent applications	Quantitative Metric	Patent applications	200 applications, including ≥100 invention patent applications
		Quantitative Metric	New pilot demonstration enterprises	≥30 enterprises	Quantitative Metric	New pilot demonstration enterprises	≥10 enterprises
		Quantitative Metric	Full-text delivery service	≥1,360,000 papers	Quantitative Metric	Full-text delivery service	≥590,000 papers
		Qualitative Metric	Completion rate of published literature collection for well-known publishing houses and important academic associations issued by the NSTL	≥90%	Qualitative Metric	Completion rate of published literature collection for well-known publishing houses and important academic associations issued by the NSTL	≥90%
		Qualitative Metric	Abstract and citation data processing error rate	<0.0003	Qualitative Metric	Abstract and citation data processing error rate	<0.0003
		Qualitative Metric	New user management platform, thematic mirroring platform, open interface, and	100%	Qualitative Metric	New user management platform, thematic mirroring platform, open interface, and embedded system deployment rate	100%

			embedded system deployment rate				
		Qualitative Metric	Full text request satisfaction rate of the online document information service	>99%	Qualitative Metric	Full text request satisfaction rate of the online document information service	>99%
		Qualitative Metric	Stable operation rate of the online service system	≥99%	Qualitative Metric	Stable operation rate of the online service system	≥99%
		Time Metric	Abstract data processing time (provided the processing quality of abstract and citation data meets the required standards)	Within 2 weeks	Time Metric	Abstract data processing time (provided the processing quality of abstract and citation data meets the required standards)	Within 2 weeks
		Time Metric	Installation time for construction projects, such as service stations and user management platforms directly under the center, after approval	Installation after 3 business days	Time Metric	Installation time for construction projects, such as service stations and user management platforms directly under the center, after approval	Installation after 3 business days
	Output Metrics	Time Metric	Response time to system technical problems under the nationwide service system	Within 24 hours	Time Metric	Response time to system technical problems under the nationwide service system	Within 24 hours
	Performance Metrics	Social Benefit Metric	Meets major national needs and has nationwide influence	Significant improvement	Social Benefit Metric	Meets major national needs and has nationwide influence	Improvement
		Sustainable Influence Metric	Optimize document resource structure and resource assurance capabilities	Significant effect	Sustainable Influence Metric	Optimize document resource structure and resource assurance capabilities	Significant effect
		Sustainable Influence Metric	Promote the quality and efficiency of data processing and improve the overall quality of the NSTL document database	Significant effect	Sustainable Influence Metric	Promote the quality and efficiency of data processing and improve the overall quality of the NSTL document database	Significant effect

		Sustainable Influence Metric	Promote research on and construction of metadata standards and regulations and promote the in-depth development of various types of data research and management work in the center	Effective promotion	Sustainable Influence Metric	Promote research on and construction of metadata standards and regulations and promote the in-depth development of various types of data research and management work in the center	Effective promotion
	Satisfaction Metrics	Service Object Satisfaction Metric	Online document information service object satisfaction	≥90%	Service Object Satisfaction Metric	Online document information service object satisfaction	≥85%
		Service Object Satisfaction Metric	Reference consulting service object satisfaction	≥90%	Service Object Satisfaction Metric	Reference consulting service object satisfaction	≥85%
		Service Object Satisfaction Metric	Author and publisher satisfaction	≥95%	Service Object Satisfaction Metric	Author and publisher satisfaction	≥95%

(ii) Description of Institutional Operation Funding

In 2019, the fiscal appropriations budget for institutional operation funding is RMB 55,175,000, a decrease of RMB 7,364,500 or 11.78% compared to 2018. The main reason was the adjustments to the budgets of institutions abroad as per relevant requirements.

(iii) Description of Government Procurement

In 2019, the total budget for government procurement is RMB 1,158,480,400. Specifically, the budget for government procurement of goods is RMB 313,703,300, the budget for government procurement for projects is RMB 52,675,400, and the budget for government procurement of services is RMB 792,101,700. The publicly announced (公开) government procurement budgets of central departments are calculated as the sum of the amounts used for government procurement in the basic expenditures of the department, project expenditures, and operating expenditures of business units in 2019.

(iv) Description of the Use of State-Owned Assets

As of July 31, 2018, the MOST had a total of 103 vehicles (including deactivated vehicles that have not completed disposal procedures). Among these, there were 25 vehicles for ministry-level leaders, 21 vehicles for confidential communication, 6 vehicles for emergency support, and 51 other vehicles. Most of the other vehicles are those used for business purposes other than confidential communications and emergency support by the institutions abroad and subordinate units of the former State Administration of Foreign Experts Affairs. A total of 51 units (sets) of general-purpose equipment have unit values over RMB 500,000, and 5 units (sets) of special equipment have unit values over RMB 1 million. In 2019, the departmental budget allocates funds for the purchase of 16 vehicles, primarily as a result of applications to replace vehicles that did not meet emissions standards or have reached the end of their service lives. Among these, there are 3 vehicles for ministry-level leaders, 3 vehicles for confidential communication, 1 vehicle for emergency support, and 9 other vehicles. A total of 0 units (sets) of general-purpose equipment have unit values over RMB 500,000, and 1 unit (set) of special equipment has a unit value over RMB 1 million.

(v) Description of Budget Performance

In 2018, there were 245 performance target management items, involving a general public budget appropriation of RMB 40,989,331,000 and a fund budget of RMB 0. This included eight key performance evaluation pilot items with departments as their primary entities, involving a general public budget appropriation of RMB 1,801,260,200 and a fund budget of RMB 0. In 2019, there are 216 performance target management items, involving a general public budget appropriation of RMB 48,622,595,100 and a fund budget of RMB 0. This includes three key performance evaluation pilot items, involving a general public budget appropriation of RMB 1,392,027,800 and a fund budget of RMB 0.

Part 4: Glossary

(i) Income Items

1. **Fiscal appropriation income (财政拨款收入):** Budget funds allocated by the central government in the current year.
2. **Business income (事业收入):** Income earned by business units through professional business activities and auxiliary activities.
3. **Business unit operating income (事业单位经营收入):** Income obtained by business units through non-independent accounting (非独立核算) business activities other than professional business activities and auxiliary activities.
4. **Other income:** Income other than the above-mentioned "financial appropriation income," "business income," and "business unit operating income." This income is mainly derived from property sales and interest on deposits as per the relevant regulations.
5. **Business funds used to make up shortfall (用事业基金弥补收支差额):** When the fiscal appropriation income, business income, business unit operating income, and other income is not expected to cover the expenditures of a business unit for the current year, business funds accumulated in the previous year can be drawn on to make up the shortfall in the current year. Specifically, after the income and expenditures of a business unit break even for a given year, additional funds are withdrawn according to national regulations and used to make up differences between income and expenditures in subsequent years.
6. **Carried over from previous year:** Funds that were not used up in the previous year and carried forward to the current year to serve their original purpose.

(ii) Expenditure Items

1. **General public service expenditures (category):** Expenditures on general public services, which mainly involve basic expenditures for ensuring normal operation. This category includes one sub-category-level budget item: Discipline inspection and supervision.
 - (1) **Discipline inspection and supervision:** Expenditures on discipline inspection and supervision.
2. **Diplomatic expenditures (category):** Expenditures for diplomatic affairs. This category includes four sub-category-level budget items: Institutions abroad, foreign aid, international organizations, and other diplomatic expenditures.
 - (1) **Institutions abroad:** Expenditures for embassies and consulates, government offices, office spaces, left-behind groups (留守组), and the delegations and representative offices of international agencies abroad.
 - (2) **Foreign aid:** Various types of aid and technical cooperation expenditures provided to foreign governments (regions).
 - (3) **International organizations:** Payment of membership fee, donations, UN peacekeeping assessments, share capital (股金), fund capital (基金), and other expenditures to international organizations.
 - (4) **Other diplomatic expenditures:** Other expenses related to diplomacy not

included in the above items.

3. Educational expenditures (category): Expenditures related to education. This category includes one sub-category-level budget item: Education and training.

4. S&T expenditures (category): Expenditures related to S&T. This category includes nine sub-category-level budget items: S&T management, basic research, applied research, technology R&D, S&T conditions and services, S&T popularization, S&T exchange and cooperation, major S&T projects, and other S&T expenditures.

(1) S&T management: Expenditures on S&T management affairs by administrative institutions (including business units that perform civil servant management) and institutional service centers.

(2) Basic research: Expenditures by research institutions on basic research and applied research that will not produce practical value in the near future, special scientific research expenditures, and expenditures of key laboratories and major scientific projects.

(3) Applied research: Expenditures on innovative research work building on the achievements of basic research to achieve specific practical purposes or goals.

(4) Technology R&D: Expenditures for technology research and development, including expenditures on technology development research and special technology development research that is expected to achieve practical value in the near future and expenditures on the application and promotion involved in transforming S&T achievements into real productivity (现实生产力).

(5) S&T conditions and services: Expenditures to improve S&T conditions and provide the foundational and general services for work related to S&T standards, measurement, and testing; collection, processing, and services for S&T data, germplasm resources, specimens, and genetic data; collection, preservation, processing, and services for S&T literature and information resources; and other S&T activities.

(6) S&T popularization: Expenditures for Science and Technology Week and other S&T popularization efforts.

(7) S&T exchange and cooperation: Expenditures on S&T exchanges and cooperation, including expenditures on research and scientific exchanges with foreign governments and international organizations to improve China's S&T level as well as special expenditures on major international S&T cooperation projects.

5. Social security and employment (category): Expenditures related to social security and employment. This category includes one sub-category-level budget item: Severance and retirement from administrative units, which reflects institutional severance and retirement expenditures.

6. Energy conservation and environmental protection (category): Expenditures related to energy conservation and environmental protection. This category includes one sub-category-level budget item: Energy conservation and use, which includes expenditures for energy conservation and usage.

7. Resource exploration information and other expenditures (category): Expenditures on resource exploration, manufacturing, construction, industrial information, and other such

efforts. This category includes one sub-category-level budget item: Small- and medium-size enterprise (SME) development and management support expenditure, which reflects expenditures related to the management of SMEs and support for SME development.

8. Housing (category): Expenditures related to housing. This category includes one sub-category-level budget item: Housing reform expenditures. Housing reform expenditures include three items: the housing provident fund, rent subsidies, and house purchase subsidies (subsidies for personnel with no housing or non-compliant housing). Among these, the housing provident fund is a long-term housing savings contribution paid by the unit and its employees in accordance with the provisions of the *Regulations on Management of the Housing Provident Fund*. This policy began in the mid-1990s and is generally implemented among employees in government agencies, enterprises, and institutions across the country. The minimum contribution ratio is 5% and the maximum contribution ratio is 12% of the employee's salary from the previous year. This program has been implemented for nearly 20 years. The contribution base of administrative units includes the civil service position salary, grade salary, government agency worker position salary and technical grade (job title) salary, one-time year-end bonuses, special position allowance, and hardship and remote area allowances, as well as working allowances and living allowances issued after standardization. The contribution base of business units includes position wages, salary wages, performance-based wages, hardship and remote area allowances, and special post allowances according to unified national regulations. The rent subsidy was approved by the State Council and subsidies for the increase in the rent standard for public housing of central units in Beijing began in 2000. Central units (中央单位) in Beijing determine the rent subsidy according to the number of active employees and retirees and the corresponding subsidy standard. The monthly subsidy per capita is RMB 90. House purchase subsidies are paid in accordance with the provisions of the *Circular of the State Council on Further Deepening the Urban Housing System Reform and Accelerating Housing Construction* (1998 No. 23). Since the discontinuation of housing allocation in kind in the second half of 1998, subsidy funds for the monetization reform of housing distribution are disbursed to employees without housing or with non-compliant housing in areas with a housing price-to-income ratio of more than four. Central administrative units have been issuing house purchase subsidy funds since 2000, and local administrative units successively started to issue house purchase subsidy funds from 1999. Enterprises will determine the issuance of this subsidy according to the situations of their units. Central units in Beijing implement this subsidy in accordance with the standard stipulated in the *Notice of the General Office of the Central Committee of the Communist Party of China Communicating the Ministry of Construction and other units 'Several Opinions on Improving the Housing System of Central and State Organs in Beijing'* (2005 No. 8). Central units outside Beijing implement this subsidy in accordance with the policy provisions and standards of the monetization reform of housing distribution of the local people's government.

(iii) Institutional Operation Expenditures (机关运行经费)

This refers to funds used to purchase goods and services in order to ensure the operation of administrative units (including business units managed with reference to the Civil Service Law), including office and printing fees, postage and telecommunications fees, business travel expenses, conference fees, benefit expenses, daily maintenance fees, special materials and general equipment purchase fees, office space utilities fees, office space heating fees, office

space property management fees, official vehicle operation and maintenance fees, and other expenses.