

Translation



The following "Opinions," made public by the Communist Party in July 2021, outline new policies for Pudong New District in Shanghai, long a trendsetter in Chinese economic reform. The document introduces several new measures to liberalize Shanghai's capital market, including the STAR Market, where many Chinese AI companies are listed. The "Opinions" also strengthen Shanghai's university- and research laboratory-based technology transfer agencies and call for aggressive recruitment of overseas tech talent.

Title

Opinions of the CCP Central Committee and the State Council on Supporting High-Quality Reform and Opening Up in Pudong New District and Making it into a Leading Area for Socialist Modernization Construction

中共中央 国务院关于支持浦东新区高水平改革开放打造社会主义现代化建设引领区的意见

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Opinions of the CCP Central Committee and the State Council on Supporting High-Quality Reform and Opening Up in Pudong New District and Making it into a Leading Area for Socialist Modernization Construction

(April 23, 2021)

Shanghai holds a very important position in the overall work of the Party and the state, and the development and opening up of Pudong has opened a new chapter in the deepening of China's reform and opening up. Since the 18th Party Congress, under the strong leadership of the Party Central Committee with Comrade Xi Jinping as the core, Pudong has made development achievements that have attracted worldwide

attention. It provides the liveliest proof of the reality of the advantages of the system of socialism with Chinese characteristics and the most vivid practical portrayal of reform and opening up and socialist modernization. On the new journey of building China into a modernized socialist country in an all-round way, in order to support Pudong New District's high level of reform and opening up and its creation of a leading area (引领区) for socialist modernization, lead and drive the construction of Shanghai's "Five Centers" ("五个中心"), and better serve the overall situation of the country and drive the implementation of the Yangtze River Delta Integrated Development Strategy, we hereby put forth the following opinions.

I. Overall Requirements

(i) Guiding ideology: Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, we will thoroughly implement the spirit of the 19th Party Congress and the Second, Third, Fourth, and Fifth Plenums of the 19th Central Committee, adhere to the general work tone of the work of seeking progress while maintaining stability (稳中求进), scientifically grasp the new stage of development (新发展阶段), unswervingly implement the new development concept (新发展理念), serve and integrate into the new development pattern (新发展格局), support Pudong in taking on the heaviest burdens and tackling the hardest problems (啃最硬的骨头), and strive to become a pioneer of higher-level reform and opening up, a pioneer in building a modern socialist country in an all-round way, and a practical example that demonstrates the "four confidences,"¹ and better exemplify Chinese concepts, the Chinese spirit, and the Chinese path.

(ii) Strategic positioning: We will promote Pudong's high-level reform and opening up, provide an important channel for the improved use of domestic and international resources, and build a central node in domestic great circulation (国内大循环) and a strategic link between domestic and international dual circulation (国内国际双循环). In Yangtze River Delta integrated development, we will let Pudong better play its leading and radiating role and create a window for building China into a modernized socialist country in an all-round way.

– A pioneer of higher-level reform and opening up. We will adhere to systemic concepts, strengthen the organic linkage and integration of reform measures, and promote various reforms to bring us closer to a more complete system. Developing from the opening up of factors of production (要素) to the opening up of systems, we will be the first to establish a new open (开放型) economic system that is aligned with

¹ Translator's note: The "four confidences" ("四个自信") are: Confidence in the (1) path, (2) theory, (3) system, and (4) culture of socialism with Chinese characteristics (中国特色社会主义道路自信、理论自信、制度自信、文化自信).

internationally accepted rules. We will create special economic functional areas (功能区) throughout the Pudong region and increase stress testing of the risks of an open economy.

– A benchmark of the times for independent innovation (自主创新) and development. We will give full play to the institutional advantages of the new structure for leveraging national capabilities (新型举国体制) and the advantages of ultra-large-scale markets, identify focal points for the government and the market in promoting scientific and technological (S&T) innovation and elevating the level of production chains, build the core area of an international S&T innovation center, enhance independent innovation capabilities, strengthen the leading function of high-end industries, drive the upgrading of national production chains, and enhance global influence.

– A functional high ground of global resource allocation. Taking serving the co-construction (共建) of the “Belt and Road”² as an entry point and breakthrough point, we will actively allocate global capital, information, technology, talent, and other essential resources, build the core areas of Shanghai’s international financial center, trade center, and shipping center, strengthen its ability to serve the real economy, take the lead in building a high-standard internationalized system of economic and trade rules, and build up a functional high ground (功能高地) where China is deeply integrated into global economic development and governance.

– An exemplar in expanding domestic demand. We will work hard to create supplies of high-quality products and services, continuously improve the level of professionalism, branding, and internationalization, cultivate new consumption models and new industrial formats, lead and drive the demand for domestic consumption upgrades, create a starting point for new products oriented to the global market and a weathervane to direct consumption trends, and build an international consumption center.

– A demonstration model of modern urban governance. We will build a comprehensive urban governance system with scientific standards and effective operations, raise the level of scientific, refined (精细化), and intelligentized (智能化) governance, increase response capabilities for major sudden incidents (突发事件), improve the development pattern of the people’s livelihoods, carry on the city’s unique

² Translator's note: The "Belt and Road" (“一带一路”) refers to the Silk Road Economic Belt (丝绸之路经济带) and the 21st Century Maritime Silk Road (21世纪海上丝绸之路).

culture, and create a model of urban governance that is friendly to both residents and businesses.

(iii) Development goals: By 2035, Pudong's modernized economic system will be fully constructed, its modernized urban area will be fully completed, its modernized governance will be fully realized, and the city's level of development energy (发展能级) and international competitiveness will be among the best in the world. By 2050, Pudong will become an important vehicle for a city with strong appeal, creativity, competitiveness, and influence in the world, a global model of urban governance capacity and governance effectiveness, and the shining pearl of a modernized socialist world power (现代化社会主义强国).

II. Make All Efforts to Strengthen the Innovation Engine and Build a Bastion of Independent Innovation

We will face the cutting edge in world S&T, face the main economic battlefield, face the major needs of the country, and face the lives and health of the people. We will strengthen basic research and applied basic research, fight the battle for key and core technologies (关键核心技术), accelerate the conversion of S&T achievements into actual productive forces (生产力), raise the level of production chains, and make more new contributions to ensure the stability of national production chains and supply chains.

(iv) Accelerate research and development (R&D) on key technologies. We will accelerate the construction of the Zhangjiang Comprehensive National Science Center (张江综合性国家科学中心), focus on fields such as integrated circuits, life sciences, and artificial intelligence (AI), accelerate the construction of national laboratories, lay out and construct a number of national S&T innovation bases such as national engineering research centers, national technology innovation centers, and national clinical medicine research centers. We will promote the establishment of ultra-large-scale open computing power and intelligent vehicle R&D and application innovation platforms. We will study import tax exemptions for drugs used in clinical research. We will allow qualified medical institutions to carry out pilot projects for self-developed in vitro diagnostic reagents in accordance with relevant requirements. We will establish a management service platform for imported trace consumables (微量耗材) used in corporate R&D and provide support for research in terms of import licensing, customs clearance facilitation, and permission for distribution. We will allow R&D institutions recognized by Pudong to enjoy exemptions from import tax on imported equipment for self-use and provide a tax rebate policy for the purchase of domestic equipment for self-use. We will actively participate in and lead the organization of major international science programs and major scientific projects and conduct global collaborative S&T innovation.

(v) Build world-class innovative industrial clusters. On the basis provided by the summary of the implementation experience from Lingang New District in the China (Shanghai) Pilot Free Trade Zone, we will investigate eligible companies engaged in production and R&D for core links in key areas such as integrated circuits, AI, biotech and pharmaceuticals, and civil aviation in specific areas of Pudong and implement a reduced corporate income tax rate of 15% for 5 years from the date of establishment. We will carry out pilot projects on preferential income tax policies for corporate venture capital enterprises in specific areas of Pudong. During the pilot period, eligible corporate venture capital enterprises will be exempted from corporate income tax based on the proportion of individual shareholders at the end of the year to encourage long-term investment. The dividends individual shareholders receive from the enterprise will be subject to personal income tax in accordance with regulations. We will strengthen the division of labor and cooperation of industrial clusters in the Yangtze River Delta region in order to make breakthroughs in a number of core components, launch a number of high-end products, and form a number of Chinese standards. We will develop a headquarters economy (总部经济) with a higher level of energy, coordinate the development of onshore and offshore businesses, and become an important hub of global production chains, supply chains, and value chains. Leveraging the advantages of the industrial clusters in the Yangtze River Delta Economic Zone, we will establish a number of pilot-scale incubation bases for the conversion of S&T achievements into practical applications (科技成果转化).

(vi) Deepen the reform of the S&T innovation system. We will optimize the innovation and entrepreneurship ecosystem and environment, and open up a fast lane for two-way links between basic research, applied research, and industrialization. We will explore investment mechanisms for the construction and operation of major S&T infrastructure with the participation of central government fiscal funding, local funding, and social capital.³ We will support new R&D institutions (新型研发机构) in implementing management models based on articles of association management, comprehensive budget management, and performance evaluation. We will support institutions of higher education and scientific research institutes in establishing professionalized technology transfer agencies. We will establish a high-level intellectual property protection system and implement a stronger punitive compensation system for intellectual property infringement. We will support Pudong in the establishment of an intellectual property service station for companies preparing for listing on the STAR

³ Translator's note: The Chinese term 社会资本, translated literally as "social capital," and its synonyms "social funding" (社会资金), "social investment" (社会投资), and "social financing" (社会融资), refer to any source of funding outside of government budget outlays. These terms encompass investment by private individuals and private institutions. However, investment from state-funded entities such as state-owned enterprises (SOEs), including state-run banks, also falls under the umbrella of "social capital."

Market.⁴ We will allow the inclusion of design fees for scientific research technical equipment in the total investment of a project. The relevant design work expenses independently borne by the project construction can be included in the design fees. R&D institutions established by the state in Pudong may study and apply innovation-related regulations from Shanghai's S&T institutions and mechanisms.

III. Strengthen the Integration of Reform Systems and Activate New Driving Forces for High-Quality Development

We will focus on reform measures that are fundamental and have a major leading role, explore and carry out comprehensive reform pilot projects, engage the full process of physical development, the entire chain of industrial development, and the full lifecycle of enterprise development when planning design reforms, enhance major institutional innovations with ample mutual support through consolidation and grouping (衔接配套), and promote institutional improvements in all aspects.

(vii) Innovate government service management methods. We will strengthen coordinated delegation of authority, streamlined management and consolidation, and improvement of linkage services across government departments and fields. We will explore pilot commercial registration confirmation systems and market access commitment systems, formulate a list of special measures to liberalize market access in Pudong, deepen "one industry, one license" ("一业一证") reform, and take the lead in establishing a comprehensive industry licensing and comprehensive supervision system. We will deepen the reform of the administrative system and give Pudong greater autonomy in the overall planning and use of various staffing resources in accordance with procedures. We will improve the level of professionalized and refined management (专业化精细化管理) and implement a compensation system commensurate with the level of economic development.

(viii) Strengthen the foundational status of competition policies. We will fully implement the pre-access domestic treatment plus negative list management system for foreign investment (外商投资准入前国民待遇加负面清单管理制度). We will actively and steadily advance the mixed-ownership reform, integration, and restructuring of qualified state-owned enterprises (SOEs). We will bolster the property rights protection system based on the principle of fairness, comprehensively and equally protect the property rights of the private sector (民营经济) in accordance with the law, comprehensively and equally protect the legitimate rights and interests of foreign

⁴ Translator's note: The STAR Market (科创板) is also known as the Sci-Tech Innovation Board of the Shanghai Stock Exchange. It was launched in July 2019 and aims to be China's equivalent of the NASDAQ exchange in the United States.

investors in accordance with the law, strengthen law enforcement against unfair competition, and strengthen the protection of corporate trade secrets.

(ix) Improve the integrated operating mechanism for the factor of production market. We will optimize the structure and layout of construction land in combination with the formulation of national land and space (空间) plans. After the formulation of national land and space plans, we will explore the total control model (总量管控模式) implemented according to the plan period. We will support the promotion of the establishment of separate use rights on top of, on the surface of, and underneath construction land, and explore the establishment of separate use rights for the water surface, in the water body, on the seabed, and in the subsoil of sea areas. We will deepen the reform of the “standardized” transfer method for industrial land, increase the supply of mixed-use industrial land, and explore rational conversion between different industrial land types. We will implement an energy consumption control system that focuses on energy consumption intensity and maintains a moderate flexibility in total energy consumption. We will build an international data port and data exchange and promote the establishment of standards and system construction for the definition of data ownership, open sharing, transactions and circulation, and supervision and management.

IV. Deepen the Promotion of High-Level Systemic Opening Up and Create New Advantages in International Cooperation and Competition

We will make efforts to promote institutional opening up in terms of rules, regulations, management, and standards, provide high-level institutional supply, high-quality product supply, and high-efficiency capital supply, and better participate in international cooperation and competition.

(x) Promote the pioneering role of the China (Shanghai) Pilot Free Trade Zone and Lingang New District. We will make better use of the role of the China (Shanghai) Pilot Free Trade Zone and Lingang New District as a “test field,” set benchmarks for the highest standards and levels, implement a greater degree of stress testing, take the lead in achieving breakthroughs in certain key areas, and take the lead in promoting and implementing relevant achievements throughout Pudong when conditions are met. We will carry out pilot institutional opening up in Pudong to explore and accumulate experience for promoting institutional opening up nationwide. We will promote the construction of special customs supervision zones and support the application of Yangshan Special Comprehensive Bonded Zone (洋山特殊综合保税区) policies in specific areas of Pudong with eligible special customs supervision zones. We will optimize electronic account book management in special customs supervision zones. Focusing on strategic emerging industries and fields and based on the actual needs of

enterprises, we will explore innovative regulatory arrangements in Lingang New District of the China (Shanghai) Pilot Free Trade Zone and allow those eligible to enjoy the relevant policies for customs clearance facilitation of the Yangshan Special Comprehensive Bonded Zone. We will strengthen the alignment of commercial disputes and other fields with internationally accepted rules. We will allow foreign service providers to provide more cross-border professional services in the form of cross-border delivery or movement of natural persons, provided domestic regulatory requirements and conditions are satisfied. We will support Pudong's commercial banking institutions in the independent optimization of their review processes for the offshore resale businesses of trustworthy enterprises that comply with regulations. We will study and explore tax policies suitable for overseas investment and offshore business development in eligible areas in Pudong. Provided risks can be controlled, we will study and explore value-added tax policies that support the export of services by Pudong enterprises. Given information sharing and risk control by the supervising government department, we will encourage key enterprises outside of special customs supervision zones to carry out bonded maintenance services for high added value and high-tech products "with both ends overseas"⁵ that comply with environmental protection requirements. We will attract more international economic organizations and corporate headquarters to settle in the China (Shanghai) Pilot Free Trade Zone. Provided it does not lead to tax base erosion and profit shifting (BEPS), we will explore tax arrangements for pilot free trade accounts. In designated areas of Yangshan Special Comprehensive Bonded Zone, we will explore the establishment of consumer service facilities that provide supporting services for production and operation activities in the area and do not involve tax-exempt, bonded, and tax-refunded goods and articles, and we will establish a bonded display and transaction platform.

(xi) Accelerate the co-construction of a shipping hub with global influence. We will accelerate the co-construction of a global shipping hub with the Yangtze River Delta Economic Zone and enhance its overall competitiveness and influence. We will strengthen the integrated development of the Port of Shanghai, Pudong International Airport, and the Yangtze River Delta port cluster and airport cluster, strengthen close connections by river, sea, land, and air, and explore innovative integrated management institutions and mechanisms. We will carry out pilot implementation of a ship registration management system in line with international practices in Yangshan Port. Under the condition of reciprocity, we will study allowing international sailing vessels (国际航行船舶) registered at Yangshan Port to carry out the coastal carriage (沿海捎带) business of foreign trade containers using Yangshan Port as an international transfer

⁵ Translator's note: "With both ends overseas" (“两头在外”) refers to Chinese manufactured goods that are made from imported raw materials and are then exported to foreign markets for sale.

port. We will promote the expansion of air traffic rights arrangements between Pudong International Airport and relevant countries and regions, further liberalize airspace control, and expand the supply of airspace resources.

(xii) Establish a “through train” (“直通车”) system for the recruitment of global high-end talents. We will take the lead in implementing a more open and convenient talent recruitment policy in Pudong. We will further study policies for the decentralization of review authority for high-end talents in Pudong investment work and facilitate the entry, exit, and residence of “high-level, elite, cutting-edge, and in-demand” (高精尖缺) overseas talents. We will gradually loosen restrictions on the employment of foreign talent in professional fields, view them as enjoying the same treatment as citizens in the fully marketized competitive industries in Pudong, and establish a list system for recognized international vocational qualification certificates. We will support Pudong in the trial implementation of stronger personnel entry and exit policies and other supporting policies during the China International Import Expo and promote normalization and institutionalization.

V. Enhance Global Resource Allocation Capacity and Serve the Construction of the New Development Pattern

We will improve the financial market system, product system, institutional system, and infrastructure system, support Pudong in the development of offshore Renminbi (RMB) trading, cross-border trade settlement, and overseas financing services, build an international financial asset trading platform, increase the price influence (价格影响力) of important commodities, and better serve and lead the development of the real economy.

(xiii) Further increase the intensity of financial opening up. We will support Pudong in taking the lead in exploring the implementation path of capital account convertibility. We will support banks in Pudong in the facilitation of cross-border fund collection and payment for trustworthy enterprises that comply with regulations, in line with the requirements of “anti-money laundering, anti-terrorist financing, anti-tax evasion” and trade authenticity review. We will innovate internationally oriented RMB financial products, expand the scope of RMB-denominated domestic investment financial products for foreign investors, and promote the cross-border two-way flow of RMB funds. We will study and explore the implementation of pilot programs for RMB foreign exchange futures trading at the China Foreign Exchange Trading Center and other sites. We will promote cooperation between the financial futures market and other markets including the stock, bond, foreign exchange, and insurance markets, and jointly develop financial market products and tools that meet the needs of investors. We will build an offshore financial system compatible with the Shanghai International

Financial Center and support Pudong in the development of offshore RMB trading, provided risks can be controlled.

(xiv) Build important investment and financing platforms in China and abroad. We will support the establishment of an international financial asset trading platform in Pudong and allow qualified foreign institutional investors to use RMB to participate in the issuance and trading of shares on the STAR Market on a pilot basis. We will support pilot reforms for simplifying foreign debt registration in Pudong. We will improve the foreign debt management system and expand the space for cross-border financing. We will promote the interconnectivity and interoperability of infrastructure in the Shanghai bond market. We will accelerate the unified opening of China's bond markets to the outside, including the inter-bank and exchange bond markets, and further facilitate the participation of qualified foreign institutional investors in the Chinese bond market.

(xv) Improve financial infrastructure and systems. We will study the steady implementation of a registration system centered on information disclosure throughout the entire securities market and the introduction of a market maker system in the Science and Technology Innovation Board. We will give full play to the active role of the Shanghai Insurance Exchange and build an international world-class reinsurance center. We will support the Shanghai Futures Exchange in exploring the establishment of an exchange-trading (场内) national commodity warehouse receipt registration center, develop futures bonded warehouse receipt businesses, and provide or implement supporting cross-border financial and tax policies. We will build a national large-scale exchange-trading precious metal storage warehouse. We will build an international oil and gas trading and pricing center and support the Shanghai Petroleum and Natural Gas Exchange in the launch of more trading varieties. We will establish a system of standards for trade and finance blockchain and carry out a legal digital currency pilot program. On the basis of summarizing and evaluating relevant pilot program experiences, we will conduct timely research on the establishment of a private equity and venture capital equity share transfer platform in Pudong in accordance with laws and regulations and promote the development of the secondary trading market for private equity and venture capital equity shares. We will support the establishment of national-level financial technology research institutions and financial market academies in Pudong. We will support the construction of a transaction report database covering the entire financial market.

VI. Raise the Modernization Level of Urban Governance and Create a New Situation in the Construction of a People's City (人民城市)

We will promote innovation in governance methods, governance models, and governance concepts, accelerate smart city construction, take the lead in building a

governance system that comprehensively promotes and organically connects economic governance, social governance, and urban governance, and build cities into beautiful homes where people coexist harmoniously with other people and with nature.

(xvi) Innovate and improve the urban governance system. We will apply the full lifecycle management concept throughout every stage in the complete process of urban planning, construction, and management and promote “one network, unified management” (“一网统管”) for urban operations in an in-depth manner. We will support Pudong in the exploration of population management mechanisms that meet the needs of economic and social development. We will promote the sinking of social governance and resources to the grassroots level, strengthen the governance and service functions of neighborhoods and communities, and open up the “last mile” for contacting and serving the masses.

(xvii) Create cities in the characteristic style of the times. We will strengthen the guidance and constraints on building structure, color, volume, height, and spatial environment. We will carry out renovation projects for old industrial zones and build spaces for cultural creativity and leisurely consumption. We will link to the old city, coordinate the promotion of the urban organic renewal of Pudong, accelerate the transformation of old communities, strengthen the protection of historical buildings and cultural relics, create building complexes that have Chinese characteristics, and promote organic integration with the modern city. We will strengthen the overall planning and utilization of underground space, promote the construction of a sponge city and integrated pipeline corridors, and improve urban climate resilience.

(xviii) Build a harmonious and beautiful ecological environment. We will implement the strictest environmental protection system and improve the environmental protection systems for prevention at the source, process control, damage compensation, and accountability. We will optimize corporate ecological information collection and evaluation standards and build an ecological credit system. We will deepen comprehensive administrative and law enforcement reform for environmental protection and improve the environmental public interest litigation system. We will assess and adjust the red lines for ecological protection along the Huangpu River and the ocean. We will strictly implement a system for garbage categorization and for its reuse as resources. We will promote green and low-carbon travel and develop a public transportation system centered on networked rail transit.

(xix) Improve the quality of life of residents. We will coordinate with the Yangtze River Delta region to deploy high-quality education, healthcare, elder care, culture, and other public service resources, increase the supply of high-quality and internationalized education, healthcare, and other high-quality resources, and continuously improve the level of balance and quality of public services. We will establish a system for allocating

public service resources based on the permanent resident population. We will carry out initiatives to compensate for shortcomings in the construction of urban residential communities, improve the environment of alleyways, and increase the construction of basic service facilities such as parking lots and charging facilities, street parks, and public activity spaces. We will carry forward red culture (红色文化), carry forward the Shanghai culture and the Jiangnan culture, and expand and strengthen the cultural and creative industries.

VII. Improve the Quality of Supply and Rely on the Powerful Advantages of the Domestic Market to Increase the Quality and Scope of Domestic Demand

We will accelerate the construction of Shanghai as an international consumption center city, cultivate and promote the Shanghai services, Shanghai manufacturing, Shanghai shopping, Shanghai culture, and Shanghai tourism brands, and adapt to, lead, and create new demand through high-quality supply.

(xx) Increase the supply of high-quality goods and services. We will leverage Pudong's advantages as an advanced manufacturing and trade and shipping hub and promote the construction of consumption platforms and circulation centers (流通中心). We will study and explore the liberalization of restrictions on foreign investment access in telecommunication services, healthcare, and other consumer service markets, and promote the upgrading of the service supply system. We will establish and improve the standard systems for elder care, housekeeping services, culture and tourism, and other service-type consumption. We will further deepen the implementation of "tax refund upon purchase" ("即买即退") measures for foreign travelers leaving the country. We will support the holding of a series of activities to promote consumption in Shanghai during the China International Import Expo.

(xxi) Cultivate a new model of green and healthy consumption. We will enrich and broaden online consumption formats such as telemedicine and online culture and sports and promote the two-way acceleration of online and offline integrated consumption. We will promote the construction of non-contact smart facilities and resource sharing for terminals. We will establish a fast and effective mechanism for handling consumer complaints and carry out inclusive and prudent supervision on new consumer formats.

VIII. Establish a Strong Awareness of Risk Prevention and Coordinate Development and Security

We will maintain a bottom-line mindset, establish and improve a risk prevention and control system that aligns with greater efforts in reform and opening up, carry out simultaneous deployment, simultaneous advancement, and simultaneous

implementation of risk prevention and development promotion, and maintain the bottom line that systemic risks shall not occur.

(xxii) We will improve financial risk prevention and control mechanisms. We will improve the modern financial supervision system, establish a sound risk monitoring and evaluation framework, and explore an inclusive and prudential supervision model that is compatible with the international financial system. Under the current regulatory framework, we will carry out a financial innovation pilot campaign in accordance with the law. We will establish sound systems for monitoring and early warning of cross-border capital flows, macro-level prudential assessment, and coordination and linkage. We will improve the information sharing platforms for enterprises, governments, and third-party professional institutions and increase the strength of authenticity verification for offshore trade.

(xxiii) Improve the public health emergency management system. We will increase investment in the construction of dedicated facilities for public health emergencies and strengthen systems and capacity building for disease prevention and control, monitoring and early warning, outbreak management and control, emergency material support, treatment of major diseases, and scientific research on prevention, control, and treatment. We will coordinate the establishment of a public health emergency management system with the Yangtze River Delta region and improve the joint prevention and control (联防联控) and group prevention and control (群防群控) mechanisms. We will improve medical mutual assistance mechanisms in response to major epidemics, establish a database of experts in the Yangtze River Delta region, build telemedicine and Internet diagnosis and treatment platforms, and promote the sharing of medical resources such as negative pressure wards.

(xxiv) Prevent and defuse major risks in safe production and other fields. We will establish an urban 5G security smart brain (智慧大脑), improve early warning mechanisms for port and airport security, large-scale power outages, and natural disasters, and strengthen the safety risk prevention and emergency response for maritime transportation of hazardous chemicals. We will strengthen the construction of a professional emergency rescue team for major risks and improve the level of response to major emergencies. We will strengthen the construction of cybersecurity and information security management systems.

IX. Improve Organization and Implementation

(xxv) Uphold and strengthen the Party's comprehensive leadership. We will uphold and strengthen the Party's leadership over all fields, aspects, and links of Pudong's high-level reform and opening up and improve the Party's capability and determination to control the direction, investigate the overall situation, set policies, and

promote reforms. We will persist in taking the Party's political construction as our command, persist in the close integration of ideological Party building and institutional Party governance, strengthen the construction of Party style (党风) and clean government, and lead Pudong's development through first-rate Party building. We will focus on improving organizational strength, highlight political functions, strengthen the construction of grassroots party organizations, and guide grassroots party organizations and the broad masses of party members to play the roles of a fighting fortress and vanguard model in promoting Pudong's high-level reform and opening up. We will improve and implement incentive and constraint mechanisms with precise evaluation and clear rewards and punishments, specify the requirements of the "three distinctions,"⁶ establish and improve incentive and protection mechanisms for cadres who take responsibility, and work hard to create an atmosphere that encourages people to take on responsibility and innovate.

(xxvi) Strengthen rule of law (法治) safeguards. We will establish and improve a rule of law assurance system that is compatible with supporting Pudong's bold experimentation, bold ventures, and independent reform. In accordance with the laws and regulations for special economic zones, we will authorize the Shanghai Municipal People's Congress and its Standing Committee to formulate regulations, make modifications to the laws, administrative regulations, and departmental rules, and implement them in Pudong based on the practical needs of Pudong's reform and innovation and in compliance with constitutional provisions as well as the basic principles of laws and administrative regulations. For areas where there are currently no laws, regulations, or clearly defined provisions, we will support Pudong in the formulation of relevant management measures in advance, make reports for implementation in accordance with procedures, and explore and form good experiences and practices to be solidified in the form of laws and regulations at the appropriate time. The various reform measures proposed in these *Opinions* that involve adjustments to the application of current laws and administrative regulations shall be handled in accordance with legal procedures.

(xxvii) Improve the implementation mechanism. We will establish a work mechanism featuring central coordination, the Municipality taking overall responsibility, and implementation by Pudong. Under the leadership of the Leading Group for

⁶ Translator's note: The "three distinctions" (“三个区分开来”) are: (1) Draw a distinction between (a) cadres who fail and make mistakes in advancing reform due to inexperience and being the first to try something new and (b) those who deliberately violate the law and discipline. (2) Draw a distinction between (a) those who fail and make mistakes in exploratory trials because limits are not clearly defined and (b) those who go their own way and violate the law and discipline even after clear prohibitions are announced. (3) Draw a distinction between (a) those who make inadvertent errors in order to promote development and (b) those who violate the law and discipline in pursuit of selfish gains.

Promoting the Integrated Development of the Yangtze River Delta (推动长三角一体化发展领导小组), the National Development and Reform Commission will coordinate all aspects of the formulation and implementation of major plans, major policies, and major engineering research. The relevant departments of Central Committee and state agencies must grant Pudong greater reform and development authority in accordance with the principle of liberalization, and Shanghai must strengthen the guidance and services provided to Pudong. Pudong New District must further strengthen its main responsibilities, refine the implementation of various key tasks, strengthen overall coordination in the implementation of policy measures, and form policy synergies. Important matters should be reported to the Party Central Committee and State Council to request instructions in a timely manner.