

## Translation



*The following document is China's short- to mid-term strategy for expanding domestic demand in its economy. Although its theme is increasing Chinese consumer demand, the strategy is wide-ranging and includes calls to increase the quantity and quality of the supply of goods and services and to improve China's social safety net. It does not, however, set any metrics to measure how well the strategy is being implemented. Note that although this document is merely the "outline" of the plan to expand domestic demand, it is likely that this "outline" will be the fullest version of the strategy that China makes public.*

### Title

Outline of the Plan for the Strategy to Expand Domestic Demand (2022-2035)  
《扩大内需战略规划纲要（2022-2035年）》

### Author

The Chinese Communist Party (CCP) Central Committee (中国共产党中央委员会; 中共中央) and the State Council (国务院).

### Source

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*The Chinese source text is available online at:*

[http://www.gov.cn/zhengce/2022-12/14/content\\_5732067.htm](http://www.gov.cn/zhengce/2022-12/14/content_5732067.htm)

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## Outline of the Plan for the Strategy to Expand Domestic Demand (2022-2035)

Firmly implementing the strategy to expand domestic demand (扩大内需战略) and cultivating a complete domestic demand system is an inevitable choice for speeding up construction of the new pattern of development that takes domestic great circulation as the mainstay and in which domestic and international dual circulation are mutually reinforcing (以国内大循环为主体、国内国际双循环相互促进的新发展格局), and is a

strategic decision for promoting the long-term development and lasting peace and stability of China. This plan outline has been formulated in order to promote implementation of the strategy to expand domestic demand, in accordance with the *Outline of the People's Republic of China 14th Five-Year Plan for National Economic and Social Development and Long-Range Objectives for 2035*.<sup>1</sup>

## I. Plan Background

### (1) China's domestic demand expansion has achieved remarkable results

Since the beginning of reform and opening up [in 1978], and especially since the 18th Party Congress [in 2012], China has participated deeply in the international industrial division of labor, while at the same time constantly improving the quality level of domestic supply, focusing on releasing domestic market demand and promoting the formation of a strong domestic market, and the role of domestic demand in supporting economic development has been significantly enhanced.

The fundamental role of consumption has continued to strengthen. The share of final consumption expenditures in gross domestic product (GDP) has remained above 50% for 11 straight years. Traditional consumption, such as housing and transportation consumption, has grown significantly, the per capita housing floor area of urban residents has risen steadily, and our new car sales have ranked first in the world for 13 consecutive years. New business formats (新业态) and new models of consumption are developing rapidly. In 2021, online retail sales of physical goods accounted for 24.5% of total retail sales of consumer goods, and consumption spending for services accounted for 44.2% of consumption spending per capita.

Investment's key role is being played better. China's total capital formation as a percentage of GDP has remained at reasonable levels, providing strong support for optimizing the supply structure and promoting stable economic development. The level of infrastructure construction has improved across the board, the linking up of nationwide comprehensive transportation corridors has accelerated, and a number of major water conservancy facilities were completed and put into use. Construction of new infrastructure such as 5G has accelerated, major science and technology (S&T) projects have made remarkable achievements, and investment in high-tech industries has continued to grow at a relatively fast rate. Shortcomings and weaknesses in fields such as medicine and health, ecological and environmental protection, agriculture and rural areas, and education are being overcome at a faster pace.

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<sup>1</sup> Translator's note: CSET's English translation of China's 14th Five-Year Plan Outline is available online at: <https://cset.georgetown.edu/publication/china-14th-five-year-plan/>.

Domestic market operation mechanisms have improved continuously. Construction of a high-standard market system has been accelerated, reforms to "delegate authority, streamline management, and improve service" ("放管服") have been deepened, the business environment has been optimized, and steady progress has been made in key reforms in areas such as the marketized allocation of factors of production (要素) and the property rights system, among others. Improvement of the circulation system has accelerated, the social security system has been gradually refined, formation of the basic public service system in urban and rural areas has been sped up, and market vitality has been effectively stimulated.

The international and domestic markets have become more closely linked. China's GDP has surpassed 110 trillion Chinese yuan Renminbi (RMB) and become the world's second largest commodity consumption market. This has led to sustained expansion of the scale of imports and continuous structural optimization. International economic and trade cooperation has been solidly advanced, and remarkable progress has been made in building China into a bastion of opening up to the outside (对外开放). China has become one of the most attractive countries for inflows of foreign capital, the quality of foreign capital utilization has been continuously improved, and China's market has achieved further coordinated development with the global market for mutual benefit.

## **(2) Major significance**

Implementing the strategy to expand domestic demand meets the practical needs of the people's aspirations for the good life (美好生活). China's economy has shifted from the stage of high-speed growth to the stage of high-quality development, and new features have appeared in development requirements and development conditions. In particular, the people's aspirations for the good life have in general shifted from "having it or not" ("有没有") to "it being good or not" ("好不好"), and are characterized by their diversified, multi-level, and multi-faceted nature. To solve the contradiction between the people's ever-growing demands for the good life on the one hand and unbalanced and insufficient development on the other, we must firmly implement the strategy to expand domestic demand, solidify the foundation, leverage our strengths, make up shortcomings, and strengthen areas of weakness. We must meet the needs of the people by increasing the supply of high-quality goods and services, promote the overall development of people and overall social progress, and drive the virtuous cycle of supply and demand to higher levels.

Implementing the strategy to expand domestic demand is a proactive choice to fully leverage our enormous market. Large country economies have the distinctive feature of being led by domestic demand. With one end connected to economic development and the other connected to social livelihood, the domestic demand

market is the main support (主要依托) for economic development. After more than 40 years of reform and opening up, China's economy has gradually formed the advantages of an enormous market in terms of market demand, industrial systems, human resources, and soft and hard infrastructure, laying the foundation for cultivating a complete domestic demand system. To further leverage the advantages of this enormous market, it is necessary to firmly implement the strategy to expand domestic demand, expand residents' consumption and effective investment, enhance the resilience of economic development, and promote sustainable and healthy economic development.

Implementing the strategy to expand domestic demand is an inevitable requirement for dealing with the profound changes in the international environment. Great changes in the world unseen in a century are rapidly unfolding, profound adjustments in the international balance of power are underway, the impact of the COVID-19 epidemic has been broad and far-reaching, the world's economic growth is increasingly unbalanced and uncertain, and unilateralism, protectionism, and hegemonism pose threats to world peace and development. In the face of the complex and severe external environment, we must firmly implement the strategy to expand domestic demand, and effectively respond to external risks and challenges with our own stable development.

Implementation of the strategy to expand domestic demand is a key support for promoting economic circulation with higher efficiency. The key to building the new pattern of development (新发展格局) lies in smooth and unimpeded economic circulation. To promote a smoother domestic great circulation (国内大循环), we must firmly implement the strategy to expand domestic demand, open up the blockages in economic circulation, and consolidate the domestic base; to achieve mutually reinforcing domestic and international dual circulation (双循环), we must again firmly implement the strategy to expand domestic demand, better rely on the large domestic market, effectively utilize global factors of production and market resources, achieve more efficient linkage of internal and external markets, and promote the development of a higher-level domestic great circulation.

### **(3) Opportunities and challenges**

Entering the new stage of development (新发展阶段), China's domestic market foundation is more solid, but the environmental conditions for implementing the strategy to expand domestic demand have changed profoundly. Looking to the future, the domestic market-led nature of the national economic cycle will be more obvious. Consumption has become the main driving force of China's economic growth, and as the optimization and upgrading of household consumption combine with modern

technology and production methods, China's consumer market—the most promising in the world—will continue to grow and expand. China is in a stage of rapid development characterized by new-type industrialization, informatization (信息化), urbanization, and agricultural modernization. In many respects, it still has more investment space compared with developed countries, so the investment demand potential is huge. At the same time, the advantages of the system of socialism with Chinese characteristics are remarkable, macroeconomic governance capacity continues to improve, reform and innovation continue to generate new development momentum, construction of the nationally unified market has accelerated, the institutional environment for the circulation of goods and factors of production continues to improve, and the quality of China's factors of production and their allocation is improving markedly, so the domestic market space is becoming more extensive.

At the same time, it must be recognized that China's expansion of domestic demand still faces many constraints. Labor, land, the environment, and other factors are tending to tighten the constraints on investment growth, our innovation capabilities have been unable to fully adapt to the requirements of high-quality development, and effectively meeting the individualized and diversified consumer demands of the masses remains difficult. The urban-rural and regional disparities in development and income distribution are considerable, there are shortcomings in guaranteeing the people's livelihoods, hidden risks in financial and other areas cannot be ignored, and there are still rather many institutional mechanism blockages that restrict the release of domestic demand potential. International competition is also becoming increasingly fierce, and there is still a long way to go to make China a "gravitational field" for international high-end factor of production resources.

Overall, while there are new developments in both the opportunities and the challenges for China's expansion of domestic demand, on balance, the opportunities outweigh the challenges. We must: Firmly implement the strategy to expand domestic demand, accurately grasp the fundamental principles of domestic market development, prepare for rainy days, and exploit benefits while avoiding harm; find a decisive opportunity amid crisis, and usher in a new situation amid change (在危机中育先机、于变局中开新局), and constantly release potential domestic demand; fully exploit the role of domestic demand, build a stronger domestic market, and promote the smooth, healthy, and sustainable development of our economy.

## **II. General Requirements**

### **(4) Guiding ideology**

Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, persisting in the general tone of seeking progress while maintaining stability,

being grounded in the new stage of development, completely, accurately, and comprehensively implementing the new concept of development (新发展理念), and building the new pattern of development, taking promotion of high-quality development as the theme, deepening supply-side structural reform as the main thread, reform and innovation as the fundamental driving force, and meeting the growing needs of the people for the good life as the fundamental purpose, we must adhere to systematic concepts (系统观念), better integrate development and security, firmly grasp the strategic importance of expanding domestic demand, accelerate the cultivation of a complete domestic demand system, strengthen demand-side management, advance the formation of a strong domestic market, focus efforts on smoothing domestic great circulation, and promote the positive interaction of domestic and international dual circulation, so as to promote China's economic stability, social stability, and harmony, and lay a solid foundation for comprehensively building a modernized socialist country.

### **(5) Working principles**

— Persist in Party leadership and give full play to our institutional advantages. Giving full play to the Party's core leadership role of overseeing the whole situation and coordinating all parties, carry out the Party's requirements in grasping the direction, planning for the big picture, formulating policies, and promoting reform; execute the Party's leadership throughout the process of implementing the strategy to expand domestic demand; and leverage the remarkable advantages of China's state system and national governance system in many aspects, so as to provide a fundamental guarantee for the implementation of the strategy to expand domestic demand.

— Adhere to the position of the people and promote the people's well-being. Persist in taking the people as the center (以人民为中心), take meeting the growing needs of the people for the good life as the starting point and anchor point for expanding domestic demand, always make sure development is for the people, that development relies on the people, and that the fruits of development are shared by the people, and solidly promote common prosperity, constantly enhancing the people's sense of gain, happiness, and security.

— Adhere to top-level design and serve the overall strategy. Adhering to the strategic importance of expanding domestic demand, use innovation-driven, high-quality supply to lead and create new demand, so that expanding domestic demand becomes an important support for building the new pattern of development, thereby promoting change in the quality, efficiency, and drivers [of growth], and furthering the achievement of dynamic supply-demand balance at a higher level.

— Persist in reform and opening up and enhance endogenous momentum (内生动力). Unswervingly use reform methods to release and stimulate market potential, combine effective markets and purposeful (有为) government, fully utilize the market's decisive role in resource allocation and make better use of the government's role, break down the institutional and mechanism barriers that restrict the growth of domestic demand, and continuously improve the efficiency of factor of production allocation and product circulation, while implementing a higher level of opening up to the outside world, and making full use of international high-end factor of production resources, thereby continuously enhancing the vitality of the domestic market.

— Persist in systematic concepts and strengthen coordination and high efficiency. Strengthen forward-looking thinking, global planning, strategic layouts, and overall promotion, and accelerate the cultivation of a complete domestic demand system; coordinate supply and demand, consumption and investment, internal and external demand, quantity and quality, domestic and international, speed and effectiveness, efficiency and fairness, development and security, and other major relationships; and do the best we can and all that we can to achieve the unity of development quality, structure, scale, speed, effectiveness, and security, and make domestic demand expansion become a sustainable historical process.

## **(6) Development goals**

In accordance with the strategic arrangements for comprehensively building a modernized socialist country and looking ahead to 2035, the long-term goals for implementing the strategy to expand domestic demand are: The scale of consumption and investment will reach new heights and a complete domestic demand system will be fully established; the new forms of industrialization, informatization, urbanization, and agricultural modernization will be basically achieved, greater successes will be achieved in building a strong domestic market, major breakthroughs will be achieved in key and core technologies (关键核心技术), and the innovation-driven and domestic demand-driven domestic great circulation will be more efficient and smoother; the people's lives will be better, the per capita incomes of urban and rural residents will reach new higher levels, the middle-income group will expand significantly, equity in basic public services will be achieved, the development gaps between urban and rural areas and between regions, and differences in the living standards of residents, will be narrowed significantly, and more obvious and substantial progress will be made in the common prosperity of all the people; the role of reform in supporting the development of domestic demand will be greatly enhanced, the high-standard market system will be more complete, and the modern circulation system will be fully built; and China's participation in global economic cooperation and competition will be continuously

enhanced, and the international influence of the domestic market will be greatly increased.

Anchored on the 2035 long-term goals, and taking into account the development environment and development conditions, the main objectives of the 14th Five-Year Plan period [2021-2025] in terms of implementing the strategy to expand domestic demand are to:

— Promote consumption and investment to achieve a new breakthrough in the scale of domestic demand. We will further enhance the fundamental role of consumption and the key role of investment. Domestic demand development will be sustained and healthy, quality and efficiency will be significantly improved, the advantages of the enormous market will be fully exploited, the domestic market will be stronger, and significant progress will be made in cultivating a complete domestic demand system.

— By improving the distribution pattern, domestic demand potential will be continuously released. The distribution structure will be significantly improved, development gaps between urban and rural areas and between regions, and gaps in the living standards of residents, will be gradually narrowed, and real growth of per capita disposable income will be basically synchronized with economic growth. The level of equity in basic public services will continue to improve, the multi-tiered social security system will be more complete, and the development of social undertakings (社会事业) will be accelerated.

— By enhancing the quality of supply, domestic demand will be better met. Significant progress will be made in supply-side structural reform, the agricultural foundation will be more solid, the proportion of the manufacturing industry [as a percentage of the overall economy] will remain basically stable, the construction of modern service industries will be accelerated, the foundation for developing the real economy will be further consolidated, the transformation and upgrading of traditional industries will be sped up, the development of new industries and new business formats will be accelerated, the ability to innovate will be significantly improved, the industrial base will be significantly more advanced and production chains will be significantly more modernized, and the adaptability of the supply system to domestic demand will be continuously enhanced.

— By improving the market system, significant results will be achieved in stimulating domestic demand. Construction of a high-standard market system that is unified and open, with orderly competition, a complete system, and optimal governance, will be basically completed, the flow of goods and factors of production between urban and rural areas will be smoother, significant progress will be made in



reforming the property rights system and the marketized allocation of factors of production, the business environment will be continuously optimized, the fair competition system will be further refined, and the modern circulation system will be established and improved.

— By smoothing economic circulation, the efficiency of domestic demand development will be continuously improved. A higher-level new open economic system will have basically taken shape, the degree of economic cooperation between China and neighboring regions will be further deepened, and the driving effect on neighboring and global economic development will be enhanced.

### **(7) Key tasks**

Adhering to the problem-oriented approach, and centered around the promotion of high-quality development, the key tasks for implementing the strategy to expand domestic demand should be deployed to address the main problems facing China's medium- and long-term expansion of domestic demand, especially blockages and difficulties such as inadequate effective supply capability, large distribution gaps, insufficient modernization of the circulation system, deficiencies in consumption-related institutions and mechanisms, and the fact that the investment structure still needs to be optimized. We will:

Accelerate the cultivation of a complete domestic demand system. Organically combine implementation of the strategy to expand domestic demand with the deepening of supply-side structural reform, and expand the domestic demand system in accordance with reproduction of the whole chain—production, distribution, circulation, consumption, and investment; and cultivate a complete domestic demand system formed by integrating supply quality improvement, distribution pattern optimization, circulation system improvement, promotion of consumption, and investment space expansion.

Promote the formation of a strong domestic market. Strive to tap domestic demand potential, and in particular, release domestic demand potential by promoting new-style urbanization (新型城镇化) and coordinated development of urban and rural areas, thereby further increasing the size of the domestic market. Further strengthen the domestic market by optimizing market structures, improving market mechanisms, stimulating market vitality, and enhancing market resilience, thereby promoting the stable development of the domestic market and sustained increases in international influence.

Support the smooth flow of the domestic economic cycle. Further promote the organic convergence and circular flow of various factor of production combinations to form a virtuous domestic economic cycle with increasing goods and services,

accumulating social wealth, enhanced well-being of the people, and increasing national strength. With a strong domestic economic cycle as support, effort will be devoted to promoting a high level of opening to the outside, creating a "gravitational field" for international high-end factor of production resources, better linking the domestic and international markets, and using international circulation to enhance the efficiency and level of domestic great circulation, so as to achieve mutually advancing domestic and international dual circulation.

### **III. Comprehensively Promoting Consumption and Accelerating the Upgrading of Consumption Quality**

In the final analysis, consumption is the long-lasting driving force of economic growth. In line with the trend of upgrading consumption, we should: Enhance traditional consumption, cultivate new types of consumption, expand service consumption, appropriately increase public consumption, and focus on meeting demand for individualized, diversified, and high-quality consumption.

#### **(8) Continue to improve traditional consumption**

Improve the quality of basic consumption such as food and clothing. Strengthen guidance and supervision, support innovation, push to increase the supply of high-quality basic consumer goods, and promote the same production lines, standards, and quality for both domestic and foreign sales. Advocate a healthy diet structure, increase the supply of healthy and nutritious agricultural products and foods, and promote the healthy development of the food service industry. Unstintingly curb restaurant food waste.

Release travel consumption potential. Optimize the layout of urban transportation networks and vigorously develop smart transportation. Promote the transformation of automobile consumption from purchase management to use management. Promote the electrification, connectivity, and intelligentization (智能化) of automobiles, and strengthen the construction of supporting facilities such as parking lots, charging stations, switching stations, and hydrogen stations. Facilitate used car transactions.

Promote the healthy development of residential housing consumption. Adhere to the position that "houses are for living in, not for speculation," strengthen the guidance of real estate market expectations, explore new development models, and accelerate the establishment of a housing system characterized by multiple suppliers, multiple assurance channels, and renting alongside purchasing; steadily implement long-term mechanisms for the stable and healthy development of the real estate market, support residents' reasonable owner-occupation demand, and curb investment and speculative demand, so as to have stable land prices, stable housing prices, and stable

expectations. Refine the basic system of housing security and support policies, and expand the supply of affordable rental housing with a focus on large cities with net population inflows. Develop shared-ownership housing in accordance with local conditions. Refine the long-term rental housing policy, and gradually equalize the rights of renters and purchasers of housing with regard to the enjoyment of public services. Improve the housing provident fund system. Promote the construction of accessible facilities, promote home improvement consumption, increase consumption of smart home appliances, and promote the development of digital homes.

Better satisfy consumption demand for medium- and high-end consumer goods. Promote the healthy and orderly development of the duty free industry. Encourage national brands to strengthen their alignment with international standards, be fully aligned with domestic consumer demand, and increase the domestic supply of medium- and high-end consumer goods. Incubate international consumption center cities and build a number of regional consumption centers. Deeply promote the construction of an international tourism consumption center in Hainan.

### **(9) Actively develop consumption of services**

Expand culture and tourism consumption. Improve the modern cultural industry system and cultural market system, promote the development of high-quality cultural resources, and push for the creative transformation and innovative development of China's excellent traditional culture. Encourage culture and cultural relic-related work units to rely on the cultural resources of museum collections to develop various types of cultural and creative products, and thereby expand the supply of quality cultural products and services. Vigorously develop vacation and leisure tourism. Expand diversified, individualized, and customized tourism products and services. Accelerate the cultivation of island, cruise ship, low-altitude airspace, desert, and other tourism formats. Release general aviation consumption potential.

Increase consumption of elder care and childcare services. Adapting to the population aging process, promote the coordinated development of elder care undertakings and the elder care industry, and accelerate the sound establishment of an elder care service system that is characterized by coordination of home-based, community-based, and institutional services and the combining of medical care and wellness care. Develop the "silver-haired economy," promote elderly-appropriate renovation of public facilities, and develop elderly-appropriate technologies and products. Promote the integration of fertility policy with economic and social policies, reduce the burden on families of childbirth, child rearing, and education, and improve the whole range of healthy birth and healthy childcare services, so as to release the

potential of fertility policy. Increase the supply of inclusive childcare and develop centrally managed and operated community childcare services.

Provide multi-level healthcare services. Comprehensively promote the construction of a healthy China, deepen the reform of the medical and health system, refine the public health system, and encourage the high-quality development of public hospitals. Support the provision of multi-level and diversified medical services by social forces,<sup>2</sup> encourage the development of general medical services, and increase the effective supply of specialized medical practices and other niche service areas. Actively develop traditional Chinese medicine undertakings, and focus on increasing high-quality traditional Chinese medical care, wellness care, rehabilitation, health tourism, and other services. Actively develop personalized medicine services. Strengthen occupational health protection. Refine regular epidemic prevention and control initiatives. Optimize the types of vaccines in the national immunization plan at the appropriate time, and gradually incorporate safe, effective, and fiscally reasonable vaccines into the national immunization plan.

Raise the quality of education services. Improve the national education system and promote educational fairness. Refine assurance mechanisms for inclusive preschool education and special and specialized education. For compulsory education, promote quality and balanced development and urban-rural integration. Consolidate and improve the level of universal access to high school (高中) education. Focus on building world-class universities and world-class scientific research institutes, and strengthen the construction of science education infrastructure and industry-education integration platforms. Improve the vocational and technical education and training system and enhance the adaptability of vocational and technical education. Encourage social forces to provide diversified education services, support and regulate the development of private education, comprehensively regulate the behavior of outside-of-school education and training, steadily promote the categorized management (分类改革) reform of private education, and carry out high-level Chinese-foreign cooperative education.

Promote mass sports consumption. Deepen implementation of the national fitness strategy, build a national trail system, and promote the construction of sports parks. Using soccer, basketball, and other professional sports as levers, improve sporting event quality and consumer perceptions and experience, and promote the expansion and upgrading of the competition and performance industry. Develop new business formats such as online fitness and online tournaments. Promote the

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<sup>2</sup> Translator's note: The Chinese term "social forces" (社会力量) refers to organizations other than Communist Party or government entities that play a constructive role in society, including companies, social organizations, industry groups, non-governmental organizations, and nonprofits.

"southward extension, westward expansion, and eastward introduction" of winter sports, and lead the masses to "like ice and snow."

Promote the quality improvement and expansion of household (家政) services. Encourage the household service industry to develop toward greater specialization, scale, networkization (网络化), and standardization, improve the household service standards system, and develop employee-based household service enterprises. Deepen the "leaders" program for the quality improvement and expansion of the household service industry. Raise the quality of household services and training, promote the socialization of vocational skills level certification, and strengthen the occupational risk protection of household service workers. Promote the entry of housekeeping into communities and build a 24-hour "whole life chain" service system. Encourage the development of family housekeeping and other high-end household services.

Improve the level of community public services. Build a community service system that combines public services, convenience-oriented services, and voluntary mutual aid services, enhance community service functions, guide social forces to participate in supplying community services, continuously improve the quality of community services, and improve the intelligentization level of community services. Support integration and innovation among housekeeping, elder care, childcare, property management, and other business formats. Improve the ability and level of community-based epidemic prevention and control.

#### **(10) Accelerate the cultivation of new types of consumption (新型消费)**

Support the integrated development of online and offline merchandise consumption. Accelerate the digital conversion and transformation and upgrading of traditional offline business formats. Enrich 5G network and gigabit optical network application scenarios. Speed up the development of intelligentized products, and support the application of technologies such as autonomous driving and drone delivery (无人配送). Develop new retail formats such as smart supermarkets, smart stores, and smart restaurants. Improve the standards system for technology and services in new-type consumption areas, regulate development of the platform economy in accordance with law, and enhance regulatory capacity for new business formats.

Incubate new "internet + social services" models. Strengthen and improve online learning services, and promote the joint construction and sharing of all kinds of digital education resources. Actively develop "internet + medicine and health" services, improve the fee policy for internet-based consultation and treatment, and incorporate qualified internet-based medical services into the scope of medical insurance payment in accordance with procedures. Deepen the development of online entertainment,

encourage traditional offline culture and entertainment formats to expand online, and support the creation of platforms for the dissemination of quality digital content and new digital resources. Encourage the development of smart tourism, smart radio and television, and smart sports. Support the development of easy-to-use online offices, contactless transaction services, etc.

Promote the development of new consumption formats such as the sharing economy. Expand new space for shared living, encourage intelligentized upgrading of products and business model innovation in fields such as shared travel, shared accommodation, and shared tourism, and improve standards related to shared products with public service attributes. Create new drivers of shared production, encourage enterprises to open up platform resources, and fully tap the application potential of idle resources. Encourage manufacturing enterprises to explore shared manufacturing business models and applicable scenarios. Conforming to trends in the technical progress of networks and information, support and guide the healthy development of new lifestyles and modes of consumption.

Develop the new individual proprietorship sector (新个体经济). Support diversified business models such as social media e-commerce and webcasting, and encourage the development of innovative platforms based on knowledge dissemination and experience sharing. Support the well-regulated and orderly development of online diversified social media and short-form video platforms, and encourage innovation in microapps (微应用), micro products, micro movies, etc.

### **(11) Vigorously champion low-carbon green consumption**

Actively develop low-carbon green consumption markets. Improve low-carbon green product production and promotion mechanisms. Encourage the green updating and quality upgrading of durable consumer goods. Vigorously develop energy-saving and low-carbon buildings. Improve the green procurement system, and increase government procurement of low-carbon products. Establish and improve green product standards, logos, certification systems, and ecological product value realization mechanisms. Accelerate construction of the waste material recycling system, and standardize development of the automobile, starter battery, home appliance, and electronic product recycling industry.

Advocate green lifestyles based on conservation and intensification (节约集约). Deeply carry out the forging of green living lifestyles. Promote the construction of green communities. Plan and build urban and rural infrastructure in accordance with the concept of a green low-carbon cycle. Advocate green low-carbon travel, develop urban public transportation, and improve urban slow-moving transportation systems. Improve urban ecological and ventilation corridors and upgrade urban greening.

Deepen the implementation of national water conservation action. Continue to promote the control of excessive packaging, advocate rational consumer consumption, and promote the formation of a social atmosphere of "conservation is honorable, waste is shameful."

#### **IV. Optimizing the Investment Structure and Expanding the Investment Space**

Further perfect control over the direction of investment, remove investment barriers, focus on key areas and weak links, strive to increase investment in manufacturing, ramp up efforts to make up shortcomings in key areas, systematically lay out new types of infrastructure, strive to improve investment efficiency, and promote the reasonable growth and continuous structural optimization of investment, thereby enhancing investment growth momentum.

##### **(12) Increase support for manufacturing investment**

Guide all kinds of high-quality resources and factors of production to the manufacturing industry, with the focus on promoting the manufacturing industry's high-quality development and building [China into] a manufacturing powerhouse.<sup>3</sup> Increase investment in the optimization and upgrading of traditional manufacturing industries, expand investment in advanced manufacturing fields, and improve the quality and efficiency of the manufacturing industry supply system. Increase technological transformation efforts in the manufacturing industry, and support enterprises in implementing technological transformation by applying innovative technologies and products. Improve the policy system for promoting manufacturing industry development, reduce the production and operation costs of enterprises, and boost profitability in the manufacturing industry. For manufacturing investment, strengthen assurances on the use of land, energy, and other factors of production. Innovate and improve equity and bond financing tools for manufacturing enterprises.

##### **(13) Continue to promote investment to make up shortcomings in key areas**

Accelerate the construction of transportation infrastructure. To enhance interregional, intercity, and inter-provincial transport links, improve the comprehensive three-dimensional national transportation network with railroads as the backbone and highways as the foundation, and giving full play to the comparative advantages of

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<sup>3</sup> Translator's note: This translation renders the Chinese word 强国 qiángguó—which literally means "strong nation"—as "powerhouse," as in the phrase "manufacturing powerhouse" (制造强国). For a more thorough discussion in English of the Chinese word qiángguó, see: <https://www.newamerica.org/cybersecurity-initiative/digichina/blog/lexicon-wangluo-qiangguo/>.

water transport and civil aviation, and promote the construction of the main framework consisting of "six transportation spines, seven transportation corridors, and eight transportation channels." Strengthen the construction of strategic backbone channels in the central and western regions and along rivers and coasts, promote the orderly upgrading and expansion of capacity-constrained corridors, and strengthen interconnection with neighboring countries. Accelerate the construction of the national railroad network, link up the "eight vertical and eight horizontal" high-speed rail corridors,<sup>4</sup> promote the orderly construction of regional connectors, and accelerate the construction of conventional railroads and the transformation and upgrading of existing railroads. Support key urban agglomerations taking the lead in building intercity rail networks, and promote the development of suburban rail and urban rail transit in key metropolitan areas, and their integrated development with mainline railways. Improve the highway network's backbone routes, improve the quality of the national highway network, accelerate construction of inter-provincial highways, and promote the opening up and upgrading of bottleneck sections of ordinary national and provincial roads. Continue to promote the construction of well-built, well-managed, well-maintained, and well-operated rural roads (“四好农村路”). Strengthen the construction of aviation networks, accelerate the construction of international and regional hub airports, actively promote the construction of regional airports and general purpose airports, and promote the creation of world-class airport clusters in Beijing-Tianjin-Hebei, the Yangtze River Delta, the Guangdong-Hong Kong-Macau Greater Bay Area, and Chengdu-Chongqing. Enhance the comprehensive advantages of water transport, promote the construction of world-class port clusters in coastal Tianjin-Hebei, the Yangtze River Delta, and the Guangdong-Hong Kong-Macau Greater Bay Area, support the construction of international shipping centers, and accelerate the construction of high-grade waterway networks on the Yangtze River and other inland rivers. Build a multi-level, integrated, and comprehensive transportation hub system.

Strengthen the construction of energy infrastructure. Improve the security and intelligentization of power grids, optimize the layout of power production and transmission channels, refine the layout and structure of the main grid, build key cross-provincial and interregional transmission channel projects in an orderly fashion, actively promote distribution grid transformation and rural grid construction, and enhance the ability to transmit and distribute power to remote areas. Optimize the structure of coal production and transportation, promote the intelligentized and green development of coal mines, optimize the construction of the five major coal supply guarantee bases in western Inner Mongolia, eastern Inner Mongolia, northern Shaanxi,

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<sup>4</sup> Translator's note: The "eight verticals and eight horizontals" ( “八纵八横” ) refer to China's plan to construct eight high-speed railways running roughly north-south and eight running roughly east-west across the country by 2030.



Shanxi, and Xinjiang, and improve the ability to transport coal by rail. Accelerate the construction of nationwide oil and gas trunk pipelines, promote the planning and construction, in an orderly fashion, of liquefied natural gas receiving stations and refueling stations for vehicles and ships, and intensify the layout. Greatly improve the level of clean energy use, construct multi-energy complementary clean energy bases, and accelerate the construction of large-scale wind power and photovoltaic bases focusing on the Gobi Desert and other desert and arid areas. In a coordinated fashion, promote the ultra-low emission and energy-saving transformation of existing coal-fired power plants, and enhance the clean and efficient development of coal-fired power generation. Promote the building of new-type power systems, and enhance clean energy consumption and storage abilities.

Accelerate the construction of water conservancy infrastructure. Accelerate the construction of a comprehensive water network integrating flood prevention and mitigation, water resource allocation, water ecological protection, and other functions to increase the ability to assure national water security. Promote the construction of comprehensive water conservancy hubs and storage projects, accelerate the construction of cross-basin cross-regional water resource allocation projects based on overall basins and balanced spatial allocation of water resources, and implement water diversion projects that play important roles in regional development, so as to enhance the ability to optimize water resource allocation. Strengthen the construction of water-saving infrastructure. Improve flood and drought disaster prevention capabilities, accelerate the making up of shortcomings in the flood control of large rivers and lakes, promote the construction of embankment reinforcement, river management, control-oriented engineering projects, flood storage and detention areas, etc., and strengthen the management of small and medium rivers, the prevention and control of mountain flood disasters, and the reinforcement of dangerous reservoirs. Promote the construction of water supply, irrigation, and water source projects, and strengthen joint dispatching between water supply regions. In qualified areas, villages around towns can be incorporated into urban water supply systems. Strengthen the construction of small- and medium-size water supply projects in rural areas and the protection of drinking water sources, and promote the construction and modernization of large and medium-size irrigation areas. Promote the construction of large seawater desalination facilities in water-scarce coastal cities.

Improve the logistics infrastructure network. Coordinate the layout and construction of national logistics hubs, national backbone cold chain logistics bases, and logistics demonstration parks, optimize the backbone logistics infrastructure network at the national level, improve interregional logistics service ability, and support the construction of a "channels + hubs + network" modern logistics operation

system. Optimize the network of trade logistics facilities supported by integrated logistics parks, professional distribution centers, and final delivery facilities. Accelerate the construction of cold chain logistics facilities for the storage and preservation of agricultural products, raise the coverage level of the rural-urban cold chain facilities network, and promote the full coverage of the cold chain for the production, marketing, and supply of food.

Step up construction of ecological and environmental protection facilities. Comprehensively increase the level of ecological and environmental infrastructure, build a unified environmental infrastructure system combining collected sewage, garbage, solid waste, hazardous waste, and medical waste treatment and disposal facilities and monitoring and supervision capabilities, and form an environmental protection infrastructure network with coverage extending from cities to towns and villages. Implement major projects to protect and restore important ecosystems. Promote the establishment of an ecological protection compensation system. Comprehensively promote the efficient use of resources and the construction of ecological and environmental protection facilities that promote higher levels of clean energy use and lower carbon dioxide emissions.

Improve social and people's livelihood infrastructure.<sup>5</sup> Make up the shortcomings in medical field construction, improve the urban infectious disease treatment network, comprehensively improve the treatment capability of county hospitals, continuously improve the conditions of county hospital facilities, make up gaps in basic medical equipment at township health centers and village health clinics, comprehensively improve conditions in disease control institutions with respect to facilities and equipment, improve the public health prevention and control system at ports of entry and exit, and improve public health [problem] prevention and control and treatment abilities. Accelerate the making up of shortcomings in educational resources, strengthen the construction of educational infrastructure, and improve the conditions of schools at all levels. Increase inclusive elder care and medical care service facilities. Improve maternal and child health service facilities, and actively plan and build service institutions and facilities for infant and child care and protection of minors. Upgrade public cultural facilities at the county level, and strengthen the construction of facilities such as those for radio and television transmission coverage. Accelerate the construction of high-quality and distinctive tourist attractions, resorts, and leisure streets and districts. Upgrade the level of sports venues and facilities, and continuously improve fitness facilities close to the masses.

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<sup>5</sup> Translator's note: The Chinese term "people's livelihood industry" (民生基础设施) refers to infrastructure that affects the health and wellbeing of the Chinese population as a whole, such as relates to food and beverages, real estate and housing, education, healthcare, and tourism.

#### **(14) Systematically lay out new types of infrastructure**

Accelerate construction of information infrastructure. Construct high-speed, ubiquitous, space-ground integrated, interconnected, and secure and efficient information infrastructure, and enhance data sensing, transmission, storage, and computing capabilities. Accelerate construction of the Internet of Things (IoT), industrial internet, satellite internet, and gigabit fiber-optic network (千兆光网), build a nationally integrated big data center system, lay out and construct national hubs for China's big data centers, promote artificial intelligence (AI), cloud computing, and other extensive and in-depth applications, and promote the mutual integration and intelligent configuration of "cloud-network-terminal" resource factors of production. Taking a demand-oriented approach, enhance the service capability of the national wide-area quantum secure communication backbone.

Comprehensively develop integrated infrastructure. Promote the deep integration of 5G, AI, big data, and other technologies with transportation and logistics, energy, ecological and environmental protection, water conservancy, emergency response, public services, and so on, and assist relevant industries in improving their governance capacity. Support the use of 5G technology for the transformation and upgrading of cable TV networks. Actively and steadily develop the internet of vehicles (IoV).

Be forward-looking in laying out innovation infrastructure. Support the construction of regional innovation hubs in places where conditions permit, and appropriately advance the layout and construction of major S&T infrastructure. Optimize and upgrade the national industrial innovation centers, national manufacturing industry innovation centers, national engineering research centers, national technology innovation centers, and other industrial innovation infrastructure to bolster the supply of general purpose basic technology.

#### **V. Promoting the Coordinated Development of Urban and Rural Areas to Release Domestic Demand Potential**

Urbanization being an important support for the expansion of domestic demand, the strategy to expand domestic demand will be linked with the new-style urbanization strategy in an orderly manner, so that it becomes an important driving force for economic development. Promoting the coordinated development of urban and rural areas is an important measure for releasing domestic demand potential and encouraging industrial upgrading. Persisting in "playing the same game of chess nationwide" (全国一盘棋), we will comprehensively implement the rural revitalization strategy; and persisting in the implementation of major regional strategies and the coordinated regional development strategy, we will enhance the integrity and

coordination of development, so as to fully release the potential energy of domestic demand.

### **(15) Promote new forms of people-focused urbanization**

Promote the process of granting city residency to the rural transfer population (农业转移人口市民化). Deepen the reform of the household registration system, establish and improve the system of providing basic public services at the place of regular residence, promote the full integration of the rural transfer population into cities, and improve the quality of the process of granting city residency. Improve the policies related to linking government transfer payments to the process of granting city residency to the rural transfer population. In accordance with law, guarantee the "three rights"<sup>6</sup> of rural residents who settle in cities, establish a rural property rights transfer market system, and improve marketized exit mechanisms and supporting policies for the "three rights" of rural households.

Foster city clusters and metropolitan areas. Promote construction of the Chengdu-Chongqing Economic Circle and other urban agglomerations, improve institutional mechanisms for the integrated development of urban agglomerations, and comprehensively promote the coordinated layout of infrastructure, industrial division of labor and collaboration, public service sharing, and ecological co-construction and environmental co-governance. Relying on central cities with strong radiating and driving ability, improve the level of coordinated development of areas within commuting range, and cultivate the development of modern metropolitan areas with a high degree of urban integration. Promote "slim and healthy" megacities, and strictly control the disorderly growth of central cities. Improve the function of large and medium-size cities as ideal for both living and working, and support the fostering of new small and medium-size cities. Improve urban systems, strengthen the ecological restoration and functional improvement of cities in accordance with law, and rationally determine the size, population density, and spatial structure of cities.

Promote urbanization in which county seats serve as an important vehicle. Promote the upgrading and capability expansion of public service, environmental health, municipal utilities, industrial support, and other facilities of county seats, thereby enhancing their overall carrying capacity and governance capacity. Encourage the eastern urbanized areas to speed up the development of county seats, support county seat construction in urbanized areas of the central, western, and northeastern regions, and rationally guide the construction of county seats in the main agricultural

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<sup>6</sup> Translator's note: The "three rights" ( “三权” ) refer to collective ownership rights over rural land, the right of rural residents to contract out their land, and their right to use their land for business purposes (农村土地集体所有权、农户承包权、土地经营权).

production areas and key ecological function regions. Guide the development of small cities and towns on a differentiated basis according to their locational conditions, resource endowments, and development foundations. Promote the well-regulated and healthy development of characteristic small towns (特色小镇).

Promote urban renewal and the planning and construction of urban facilities. Strengthen the systematic construction of municipal water, electricity, gas, roads, heating, and communications [infrastructure], promote construction of sponge cities and underground integrated pipeline corridors<sup>7</sup> and other facilities, strengthen control of waterlogging in cities, strengthen the construction of urban sewage and garbage collection and treatment systems, and build livable, innovative, smart, green, humanized, and resilient cities. Strengthen renovation of old urban communities and community construction, and make up the shortcomings of residential community facilities, so as to improve the living environment of communities. Accelerate the seismic strengthening and renovation of housing facilities in earthquake-prone areas, and strengthen urban safety monitoring. Strengthen the protection of history and culture, shape the appearance of cities, and preserve the historical heritage of cities.

#### **(16) Actively promote rural modernization**

Implement rural construction initiatives. Rationally determine the layout and scale of villages, giving comprehensive consideration to the principles underlying the evolution of villages, as well as their clustering characteristics and current distribution, combined with the [geographic] radius of farmers for production and living. Improve rural infrastructure and comprehensive service facilities, and improve farm housing quality and strict safety standards for building houses. Strengthen the construction of rural ecological civilization and rural habitat improvement. Promote the rectification of outmoded habits and customs in rural areas. Step up protection of cultural heritage in rural areas, and protect traditional villages, ethnic minority villages, and rural landscapes, so that residents can "see the mountains, see the water, and recall their hometown attachment."

Refine the rural market system. Improve the agricultural product circulation network, strengthen construction of the rural commerce system, and smooth the two-way circulation channels for industrial products going to the countryside and agricultural products going to towns and cities. Improve the three-level county and rural logistics node facilities system, with county-level logistics nodes as the core, township service sites as the backbone, and village-level distribution outlets as the

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<sup>7</sup> Translator's note: An "underground integrated pipeline corridor" (地下综合管廊) is a public utility tunnel built to house, all in one place, pipelines that provide services such as electricity, telecommunications, drinking water, sewage, heat, and gas to cities.

extensions, and improve rural e-commerce support services. Cultivate online brands of agricultural products. Encourage rural residents to upgrade their consumption of cars, home appliances, furniture, and home furnishings. Guide counties in introducing new urban consumption formats and models to fully meet the demand of county and township residents for individualized, diversified, and medium-to-high-end consumption. Continuously crack down on counterfeit and shoddy products in accordance with law, and regulate the order of rural markets.

Diversify the economic modalities in rural areas. Deeply implement the strategy of rejuvenating agriculture through high-quality development, and promote the integrated development of primary, secondary, and tertiary industries in rural areas, and the high-quality development of the modern agricultural products processing industry, so as to extend agricultural production chains. Develop modern rural industries with distinctive features to enrich the people, and expand leisure agriculture, rural tourism, the homestay economy, the rural culture industry, and other industries with distinctive features. Improve benefit linkage mechanisms so that farmers can share in more of industry's value-added income. Develop the new rural collective economy, support various new agricultural business entities, and improve the efficiency of agricultural operations and the appeal of the farming occupation. Promote rural talent revitalization, optimize the environment for rural innovation and entrepreneurship, and stimulate the vitality of rural innovation and entrepreneurship.

Improve institutional mechanisms for the integrated development of urban and rural areas. Reinforce the use of industry to supplement agriculture and urban areas to support rural development, and promote the formation of new types of industrial-agricultural and urban-rural relationships characterized by mutual promotion, urban-rural complementarity, coordinated development, and common prosperity. Coordinate urban and rural planning layout and construction management, so that the unique beauty of both urban and rural areas is discovered while benefiting from the complementarities between them. Promote the mutual integration and collaborative development of urban and rural areas in the allocation of factors of production, industrial development, safety standards, public services, ecological protection, and other aspects, promote the equal exchange of factors of production, two-way free flows, and reasonable allocation of public resources between urban and rural areas, and gradually narrow the development gap between urban and rural areas and the gaps in the living standards of residents.

### **(17) Optimize the regional economic layout**

Rely on major regional strategies to create new growth poles for domestic demand. Using the dispersing of Beijing's non-capital functions (非首都功能) as the

"bull's nose" (“牛鼻子”), continue to promote the coordinated development of the Beijing-Tianjin-Hebei region. Comprehensively promote the high-quality development of the Yangtze River Economic Belt, adhering to green development with ecology as the priority, and making an all-out effort to protect the Yangtze together and stop over-development. Support the better integration of Hong Kong and Macau into the overall development of the country, and actively and steadily promote the construction of the Guangdong-Hong Kong-Macau Greater Bay Area. Adhere closely to "integration" and "high quality" to improve the level of the Yangtze River Delta's integrated development. Solidly promote the ecological protection and high-quality development of the Yellow River basin, coordinating the upper, middle and lower reaches in making an all-out protection effort together. Support regions with economic development advantages in enhancing their economic and population carrying capacity, and increase their ability to act as innovation hotbeds and allocate global resources; and promote interregional integration, interaction, accommodation, and supplementation, thereby cultivating new growth poles and driving the overall improvement of economic efficiency nationwide.

Promote coordinated regional development and improve the spatial pattern of domestic demand growth. Within the framework of the nationwide unified market (全国统一大市场), give full play to the comparative advantages of each region, strive to achieve differentiation-based competition and eccentric development (错位发展), and thereby unleash the huge domestic demand potential of regionally coordinated development. Deeply promote the western region's all-out development effort, the northeast's comprehensive revitalization, the central region's rise, and the eastern region's taking the lead in development; support the less developed areas, the old revolutionary base areas, and other special types of areas in accelerating development, and increase support for the development of ethnic minority areas. Promote the effective linking of rural revitalization with the fruits of consolidating and expanding poverty alleviation, and refine mechanisms to help low-income rural populations and less-developed areas. Improve mechanisms for promoting regional coordinated development, such as interregional benefit compensation. Actively expand the development space of the maritime economy.

## **VI. Improving the Quality of Supply to Drive Better Realization of Demand**

Effective smoothing on the supply side can open circulation blockages and eliminate bottleneck constraints to meet existing demand and further lead the creation of new demand. We must face the structural changes in demand and the revolution in supply, conform to trends of the new rounds of S&T revolution and industrial transformation, strengthen S&T self-reliance (自立自强), use innovation-driven,

high-quality supply to lead and create new demand, and promote the achievement of a virtuous supply and demand cycle at a higher level.

**(18) Accelerate the development of new industries and new products**

Achieve a high level of S&T self-reliance. Guided by the nation's strategic requirements, optimize the overall layout of the national innovation system, and strengthen the strategic S&T forces led by national laboratories. Promote the optimal allocation of scientific research forces and sharing of resources among scientific research institutes, institutions of higher education, and enterprises. Improve the new nationwide [S&T resource allocation and organization] system, determine the direction and focus of S&T innovation, and improve the organization and management of scientific research projects. Implement a number of major forward-looking and strategic national S&T projects in cutting-edge areas such as AI, quantum information, brain science, etc. Focusing on core basic parts and components, key basic materials, key basic software, advanced basic processes, and the industrial technology base, guide the upstream and downstream segments of production chains in jointly tackling research problems. Persistently strengthen basic research, and properly leverage the role of the “national team” (国家队) of important institutes and universities, focusing on the layout of a number of centers for research in basic disciplines. Strengthen the effective links between scientific research and market applications, support industry-academia-research institute collaboration, and promote the integrated synergistic development of production chains, innovation chains, and ecosystem chains. Strengthen the main role of enterprises in S&T innovation.

Strengthen strategic emerging industries. Deeply promote the development of national strategic emerging industry clusters and build national-level bases for strategic emerging industries. Comprehensively enhance the core competitiveness of the information technology (IT) industry, and promote innovation and application of technologies such as AI, advanced communications, integrated circuits, new displays, and advanced computing. Accelerate the industrialization of biotechnology, medicine, pharmaceuticals, bio-agriculture, biomanufacturing, genetic technology application services, etc. Develop and expand new energy industries. Promote the development and application of cutting-edge new materials. Promote the application and industrialization of major equipment engineering, accelerate the research and development (R&D) of large aircraft, aircraft engines, and airborne equipment, and promote the construction of satellites and their application infrastructure. Develop digital creative industries. In cutting-edge S&T and industrial transformation fields, organize and implement future industry incubation and acceleration programs, and make forward-looking plans for future industries. Promote the development of advanced manufacturing clusters, build national new industrialization industry



demonstration bases (国家新型工业化产业示范基地), and incubate world-class advanced manufacturing clusters.

Strengthen the application of innovative products. Relying on China's enormous market and complete industrial system, create unique advantages conducive to rapid large-scale application and iterative upgrading of new technologies, and accelerate the conversion of S&T achievements into real productivity. Refine the incentive and risk compensation mechanisms for promoting the demonstration and application of the first pieces (sets) of equipment, the first batches of materials, etc. Establish a rapid review and approval mechanism for important products.

Accelerate promotion of digital industrialization and industrial digitalization. Strengthen construction of the digital society and digital government, develop inclusive [initiatives for] "Migrating to the Cloud, Using Digital Tools, and Enabling Intelligence" ("上云用数赋智"), and constantly improve the level of digital governance. Establish and improve mechanisms for cross-sectoral and cross-regional data resource circulation and application, strengthen the ability to assure data security, and optimize the environment for data factor of production circulation. Accelerate the development and utilization of data resources and the construction of related institutional norms, create internationally competitive digital industry clusters, and increase the digital empowerment of small and medium-size enterprises, especially those in the manufacturing industry. Actively participate in the setting of international rules and standards for digital fields.

Stimulate the innovative vitality of talents. Conforming to the fundamental principles of talent growth and scientific research activity, develop and create more international world-class leading talents. Strengthen the development of innovative, application-oriented, and skilled personnel to swell the ranks of high-level engineers and highly skilled personnel. Encourage large enterprises and research institutes to jointly train S&T talents. Complete the construction of an S&T talent evaluation system oriented towards innovation ability, quality, effectiveness, and contribution, and refine the evaluation system for skilled talents. Champion the scientific spirit and the spirit of craftsmanship, and enhance the quality of science for all.

### **(19) Actively promote the transformation and upgrading of traditional industries**

Vigorously develop modern agriculture. Continuously strengthen the foundational position of agriculture, accelerate establishment of the industry system, production system, and operation system for modern agriculture, and develop the provision of specialized and society-oriented (社会化) agricultural services. Improve the agricultural support and protection system, optimize the regional layout of agricultural production,

and strengthen the construction of grain production functional areas, protected areas for important agricultural products, and areas favorable for producing characteristic agricultural products. Optimize the structure of agricultural production and expand the production of agricultural products in short supply. Strengthen the construction of high-standard farmland, strengthen the protection and fertility restoration of black soil lands in the northeast, and enhance food production capacity. Promote the transformation and upgrading of animal husbandry, develop standardized large-scale production, strengthen the prevention and control of animal disease risks, and promote the resource utilization of livestock and poultry production waste. Promote green and healthy aquaculture, and regulate the orderly development of marine fisheries. Strengthen support of agricultural S&T and equipment, promote agricultural mechanization and the intelligentization of agricultural equipment. Promote the development of smart agriculture.

Promote the high-end, intelligentized, and green transformation of the manufacturing industry. Deeply implement the industrial internet innovation and development strategy. Promote the convergence of data, talent, technology, and other factors of production in traditional industries, and push enterprises to accelerate their digital transformation. Develop smart manufacturing and green manufacturing, and promote the transformation of production methods to become more flexible, intelligent, and refined. Build an efficient multi-level resource recycling system, promote the comprehensive utilization of bulk solid waste, and regulate the development of the remanufacturing industry.

Optimize the layout of regional industrial capacity. Giving full play to the comparative advantages of each region, optimize the regional division of labor and coordination pattern. Optimize the planning and layout of the petrochemical, chemical, iron and steel, and other important basic industries, and strictly control the construction of high-energy-consuming, high-emission projects. Continuously improve the Guidance Catalog for Industrial Restructuring, the Catalog of Encouraged Industries for Western China, etc., support and guide the central and western regions and northeastern region in relying on resource factor of production endowments, and absorbing industrial gradient-based transfers of domestic industry in full consideration of their resource and environmental carrying capacities. Promote the rebuilding of the manufacturing competitive advantage of the old industrial bases. Strengthen unified planning and macro guidance for the layout of major productive forces so as to prevent blind investment and redundant construction.

Continuously promote the extension of productive service industries to the high-end. Develop service-oriented manufacturing, encourage manufacturing enterprises to develop the productive service industry, expanding value-added services

such as R&D and design, supply chain coordination, system solutions, flexible customization, and whole life cycle management, and promote the transformation of manufacturing enterprises going from providing products to providing "products + services" transformation, so as to enhance the value chain. Promote the integrated development of modern service industries and advanced manufacturing industries. Actively develop the S&T services industry. Support the development of new specialized service institutions in fields such as smart manufacturing and process reengineering. Develop outsourcing of R&D, design, testing, and other productive services, and encourage e-commerce and other service industry enterprises to expand into the manufacturing sector. Guide R&D and design enterprises to cooperate with manufacturing enterprises in an embedded manner. Incubate specialized and internationalized intellectual property services and branding institutions. We will focus on improving the efficiency of factor of production allocation and promote the innovative development of supply chain finance, information data, human resources, and other services.

## **(20) Focus on strengthening standards, quality, and brand building**

Improve the standards system for goods and services. Establish and improve the nationally unified mandatory national standards system. Build a standards system for the whole production chain of modern agriculture, improve the standards system for high-end manufacturing, dynamically adjust consumer safety standards, and improve the standards systems for tourism, elder care, trade and commerce, and other service industries. Optimize the enterprise standards "front runner" ("领跑者") system. Vigorously develop advanced social organization standards. Accelerate the construction of a modern and advanced national measurement system. Strengthen construction of the inspection and testing system.

Continually improve the quality of goods and services. Strengthen quality and safety supervision, promote quality grading, and steadily improve the quality and safety levels of consumer goods. Improve the quality certification system and refine the quality certification acceptance mechanism. Accelerate construction of an online-offline traceability system for important products, and implement the quality service mark (优质服务标识) administration system, thereby promoting quality consumption.

Deeply implement the trademark and brand strategy. Create Chinese brands, and cultivate and develop older Chinese brands and distinctive traditional culture brands. Continue to hold China Brand Day activities, provide propaganda and promotion for national products, enhance the brand development awareness of the whole society, and incubate more world-renowned Chinese brands through fair competition in the market and independent selection by consumers.

## **VII. Improving the Modern Market and Circulation System, and Promoting the Organic Linkage of Production and Demand**

A perfected market system can drive the allocation of resources to achieve benefit maximization and efficiency optimization, and an efficient circulation system can organically link production and consumption more broadly and deeply. We must promote the formation of a nationally unified market, accelerate the improvement of basic market system institutions, construct the modern circulation system, optimize the allocation of factors of production, effectively improve market operation and circulation efficiency, and promote the close connection of production and demand.

### **(21) Enhance the market-based allocation of factors of production**

Promote the orderly flow of labor. Create a fair employment environment, ensuring that urban and rural workers enjoy equal employment rights. Establish a coordinated and interlinked policy system and exchange and cooperation mechanisms for flows of labor and talent, improve the unified and standardized human resource market system, improve nationally unified public service platforms for human resources and social security, and promote the transformation of public resources in going from allocation mainly according to the administrative level of cities to allocation mainly according to the actual size of the service and management population.

Promote the market-based allocation of commercial-use land. Improve the unified urban-rural market for construction land, and rationally adjust land value-added income. Explore the establishment of a nationwide cross-regional trading mechanism for construction land indicators and supplementary cultivated land indicators. Accelerate the cultivation and development of the secondary market for construction land, promote the market-based allocation of industrial land, promote the reasonable conversion of different industrial land types, and explore increasing the supply of mixed industrial land. Refine the system for setting and publishing urban and rural benchmark land prices and standardized land prices, and gradually form a dynamic adjustment mechanism linked to market prices. Fully utilize the market mechanism to revitalize reserved land (存量土地) and low-utility land.

Improve the mechanisms for allocating knowledge, technology, and data factors of production. Deepen the reform of the right to use, dispose of, and derive income from S&T achievements, and refine the incentive mechanism for the conversion of S&T achievements into practical applications (科技成果转化). Increase the reform of scientific research organizations, and support scientific research organizations in trying out more flexible management systems for job positions, salaries, etc. Establish and improve a mechanism for the free and orderly flow of innovation resources among higher education institutions, research institutes, and enterprises. Build national

intellectual property rights and S&T achievement property rights trading institutions. Refine mechanisms for the market-oriented allocation of data factors of production, and establish basic systems and standards specifications for the property rights, trading and circulation, cross-border transmission, and security protection of data resources.

## **(22) Accelerate the establishment of a fair and unified market**

Refine the fair competition-based market order. Give equal treatment to enterprises of all types of ownership in terms of access to factors of production, access and licensing, business and operation, standards setting, bidding, government procurement, etc. Establish fair, open, and transparent competition rules, build a competition policy implementation mechanism covering the whole process (before, during, and after), improve the fair competition review mechanism, and strengthen the rigid constraints of fair competition review. Strengthen and improve anti-monopoly and anti-unfair competition enforcement, and refine laws and regulations. Improve the system for assessing market competition status.

Accelerate construction of a unified national market. Break down local protection and market segmentation, build a unified domestic market that is efficient and well-regulated and allows fair competition, break down institutional barriers that impede the market-based allocation of factors of production and circulation of goods and services, so as to reduce transaction costs for the whole society. Improve the market access negative checklist (市场准入负面清单) system and enhance the effectiveness of market access across the board. Promote marketization-based reform of competitive segments in the energy, rail, telecommunications, and public utility industries. Deepen integration and sharing among public resource trading platforms. Rationally divide market supervision powers among different levels of government, and construct a cross-regional market supervision mechanism to effectively prevent the abuse of administrative power to limit competition.

## **(23) Construct a modern circulation system**

Optimize the modern commerce and trade system. Improve the level of urban commerce, develop smart business districts, build a hierarchical and categorized (分层分类) urban business pattern, and create "15-minute" community convenience circles ("一刻钟"便民生活圈). Strengthen construction of county-level commerce, and establish and improve the rural commerce system. For technologies such as IoT and AI, accelerate innovation and integration with the commerce and trade circulation industry, while paying attention to preventing monopolies and security risks.

Develop the modern logistics system. Focusing on making excellent service chains, stronger service functions, and better supply chain synergies, improve the intensive and efficient modern logistics service system. Promote the modern logistics industry's integrated development with agriculture, manufacturing, and commerce and trade. Actively develop road-rail-water intermodal transport (联运), river-sea intermodal transport, and rail express transport. Explore the establishment of a logistics coordination mechanism for city clusters, and cultivate organic and synergistic logistics clusters. Optimize international shipping routes, strengthen the international air cargo network, consolidate and upgrade international railroad transport organizations such as China-Europe Railway Express, promote the development of cross-border road transport, support optimization of the global layout of overseas warehouses, and accelerate the construction of international logistics trunk routes that are efficient, smooth-flowing, and diversified, thereby forming a safe and efficient logistics network with internal and external connectivity.

## **VIII. Deepening Reform and Opening Up to Build Momentum for Domestic Demand Development**

Making full and proper use of reform as the key mover and implementing a higher level of openness can provide a strong impetus for tapping domestic demand potential more deeply and for expanding and enlarging final demand (最终需求). We must focus on key areas and issues, strengthen the systematic integration and synergistic effectiveness of reform and opening up initiatives, and improve the institutional arrangements for promoting consumption and expanding investment, so as to provide a constant source of momentum and vitality for developing the domestic market.

### **(24) Improve institutional mechanisms for promoting consumption**

Continuously release service consumption potential. Implement easy access and strict regulation, and remove access restrictions for service consumption fields that can rely on fully competitive markets to improve the quality of supply. For service fields with natural monopoly properties in the electricity, oil and gas, and other industries, implement the separation of networks from operations (网运分开) according to the characteristics of different industries, and relax the access threshold for relatively competitive upstream and downstream service industries. In accordance with the requirements of the separation of public institutions<sup>8</sup> from government departments,

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<sup>8</sup> Translator's note: "Public institutions" (事业单位) are organizations created and led by Chinese government departments that provide social services. Unlike state-owned enterprises (SOEs), public institutions do not create material products and are non-profit. Public institutions are not considered government agencies, and their employees are not civil servants. Most public institutions are fully or partially government-funded, but some fully privately funded (but still government-led) public

separation of public institutions from enterprises, and separation of supervision and work functions, continue to promote the reform of institutions in the fields of education, S&T, culture, health, sports, etc.

Strengthen the protection of consumer rights. Establish and improve new types of regulatory mechanisms adapted to the development characteristics of new forms and models of consumption. Establish a system of large punitive damages for counterfeit and shoddy products. Improve the systems for recalling defective products, monitoring product injuries, guaranteeing product quality, etc., and refine diversified consumer rights protection mechanisms and dispute resolution mechanisms. Strictly supervise food and drugs to ensure safety. Strengthen price regulation in key commodity and service fields to maintain market price order.

### **(25) Promote reform of the investment and financing system**

Increase support and guidance for private investment. Adhere to the unwavering consolidation and development of the publicly owned sector (公有制经济), unwaveringly encourage, support, and guide the development of the non-publicly owned sector (非公有制经济), and promote the complementary advantages and joint development of the publicly owned sector and non-publicly owned sector. Improve support policies, leverage the guidance and driving roles of government funds, and guide private capital (民间资本) to participate in new infrastructure, new-style urbanization, transportation, water conservancy, and other major types of engineering projects and construction in fields with shortcomings to be made up. Encourage private enterprises (民营企业) to increase investment in R&D, promote updating and technological transformation of equipment, expand investment in strategic emerging industries, improve independent innovation (自主创新) capability, and master core technologies with independent intellectual property rights. Encourage and guide non-state-owned investment entities to participate in the restructuring and reorganization of state-owned enterprises (SOEs) through equity participation or control, asset acquisition, and other forms. Effectively protect the legitimate rights and interests of private enterprises, and foster and maintain a level playing field for investment. Strengthen services for, and guidance and well-regulated management of, private enterprises.

Continuously refine investment management models. Collaboratively promote reform of the investment approval system; in a regulated and orderly fashion, extend investment approval innovation and experience such as the enterprise investment

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institutions exist. Public institutions typically provide services in areas such as education, science and technology, culture, health, and sanitation.

project commitment system, regional assessment, and "standard land"<sup>9</sup> reform, strengthen the institutional linkages between investment decision-making and planning, land use, and environmental assessment. Refine the investment regulation system and enforcement mechanisms, and improve local supporting institutional systems. Strengthen supervision during and after investment projects, especially for filing-type (备案类) projects. Establish and improve a mechanism for the interdepartmental sharing of investment approval data, promote "one nationwide list" ("一张清单") for authority and responsibility over investment approval, "one integrated sharing platform" ("一体共享") for approval data, and "one-stop administrative services" ("一网通办") for approval matters.

Improve investment project financing mechanisms. Continuously optimize the government investment structure and increase support for areas with shortcomings to be made up. In an orderly fashion, promote the healthy development of real estate investment trust (REIT) funds in the field of infrastructure. Revitalize stock assets through various ways in order to form a virtuous cycle of stock assets and new investments. In a well-regulated and orderly fashion, promote cooperation between government and social capital.<sup>10</sup> Encourage financial institutions to provide more financial products and services directly to the real economy in accordance with laws and in compliance with regulations. Improve the governmental financing guarantee system. Enhance the capital market's financing function for the real economy and raise the proportion of direct financing, especially equity financing. Expand the scale of bond financing and promote the connectivity of the bond market.

## **(26) Optimize the business environment to stimulate market vitality**

Deepen reforms to "delegate authority, streamline management, and improve service." Continue to deepen reforms of the administrative approval system and the commercial (商事) system, reduce and optimize business licensing matters, reform and refine the production licensing system, and simplify the approval process for industrial product production licenses. Accelerate the establishment of a comprehensive, multi-level, and three-dimensional regulatory system, and achieve whole-chain

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<sup>9</sup> Translator's note: The phrase "standard land" ( "标准地" ) refers to a reform in which clear standards are set for land that is leased out to corporations for development. In "standard land" transactions, the investment, construction, taxes, energy consumption associated with a particular parcel of land are clearly spelled out so as to delimit what developers may or may not do with the land.

<sup>10</sup> 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."



(before, during, and after) supervision of entire fields. Increase the standardization, normalization, and ease of the business start-up process, simplify the ordinary cancellation procedures, and establish and improve the corporate bankruptcy and personal bankruptcy systems. Accelerate the cross-departmental sharing of market data and regulate the public use and release of the data of commercial organizations. Improve the business environment evaluation system.

Improve the modern property rights system. Reinforce property rights protections and incentives, refine the property rights protection system based on the principle of fairness, refine the judicial protection system for property rights enforcement, and fully protect all kinds of property rights equally according to law. Strengthen the whole-chain protection of intellectual property rights, enhance the ability to review intellectual property rights, and establish and improve rapid response and punitive damages mechanisms for intellectual property rights infringement. Strengthen property rights system construction in the fields of data, knowledge, the environment, etc., and improve the property rights system and laws and regulations for natural resource assets. Refine the state-owned property rights trading system and the system for confirming and protecting rural collective property rights.

Refine the social credit system. Promote the rule of law with respect to credit, and improve the system of social credit-related laws, regulations, and policies. In accordance with laws and regulations, strengthen the collection, sharing, disclosure, and application of credit information, and establish a mechanism for sharing and integrating public credit information and financial information. Establish and improve new credit-based regulatory mechanisms, strengthen the comprehensive evaluation of corporate credit status, promote the credit commitment and notification-commitment system, and, in accordance with laws and regulations, improve mechanisms for encouraging trustworthiness and punishing untrustworthiness. Strengthen consumer credit system construction. Strengthen construction of a culture of integrity and related propaganda and education, so as to create a fair and honest market environment and social environment.

## **(27) Leverage the role of opening up to the outside in promoting domestic demand**

Jointly build the "Belt and Road Initiative" (BRI)<sup>11</sup> with high quality. Promote infrastructure connectivity and expand third-party market cooperation. Construct a mutually beneficial supply chain cooperation system, deepen international cooperation on production capacity, expand two-way trade and investment, and improve the

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<sup>11</sup> Translator's note: The "Belt and Road Initiative" ( “一带一路” ), abbreviated BRI, 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).

diversified investment and financing system. Accelerate the high-quality development of the new western land-sea corridor, improve the quality of China-Europe Railway Express, and promote the setting of international land transport and trade rules. Support localities in deepening exchanges and cooperation with countries that are jointly building the BRI.

Continuously raise the level of foreign investment. Promote investment facilitation, steadily promote institutional openness with respect to rules, regulations, management, and standards, improve the pre-access domestic treatment plus negative checklist 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), fully and deeply post-access domestic treatment (准入后国民待遇), and promote fair competition between domestic and foreign enterprises. Encourage foreign investment in the medium and high-end manufacturing, high technology, and modern service industries. Strengthen protection of the legitimate rights and interests of foreign investors. Promote the better combining of investment attraction and intellectual talent recruitment, and encourage foreign-funded enterprises to further integrate into China's innovation system.

Create new heights of opening to the outside at a high level, broadly, and deeply. Insist on promoting the combination of higher levels of openness with coordinated regional development, and collaboratively promote the expansion of the opening up of the interior, acceleration of opening up along the borders, and enhancement of the level of opening up along coasts. Build various development and opening up platforms and vehicles, and accelerate the cultivation of more bastions of opening up in the interior. Give full play to the pioneering and demonstration effects of areas such as Beijing-Tianjin-Hebei, the Yangtze River Delta, and the Guangdong-Hong Kong-Macau Greater Bay Area, and create open cooperation gateways along the borders facing Northeast Asia, Central Asia, South Asia, and Southeast Asia. Grant pilot free trade zones greater autonomy on reform. Steadily promote the construction of Hainan Free Trade Port, and establish a free trade port policy and institutional system with Chinese characteristics.

Steadily promote multilateral and bilateral trade cooperation. Implement the free trade zone upgrading strategy, do a good job of implementing the Regional Comprehensive Economic Partnership after its entry into force, and promote the negotiation and signing of more high-standard free trade agreements and regional trade agreements. Promote deepening cooperation with neighboring countries and regions in fields such as agriculture, energy, trade in services, and high technology. Promote the construction of the New International Land-Sea Trade Corridor (国际陆海贸易新通道). Optimize government fiscal and tax policies to promote the development

of foreign trade, and continuously refine the tariff system to be aligned with China's level of economic development.

Expand the importation of important goods and services. Broaden the import channels for high-quality consumer goods, advanced technology, important equipment, key components, and important energy resources. Support the importation of technology, equipment, and components needed for the transformation and upgrading of domestic industries, and encourage the importation of productive services such as R&D, design, energy conservation and environmental protection, and environmental services. Expand the importation of high-quality goods, medical products, and rehabilitation services that are closely related to the people's lives. Support the innovative development of border trade. Continue to hold the China International Import Expo, the China Import and Export Fair ("Canton Fair"), China International Fair for Trade in Services, China International Consumer Products Expo, etc., to promote the expansion and structural optimization of imports and diversification of sources.

## **IX. Solidly Promoting Common Prosperity to Build up Domestic Demand Development Potential**

Common prosperity is an essential requirement of socialism and an important feature of Chinese-style modernization (中国式现代化). We will: Persist in the development ideology of taking the people as the center, promote common prosperity amid high-quality development, correctly handle the relationship between efficiency and fairness, improve the income distribution pattern, and build a basic institutional arrangement that coordinates primary distribution, redistribution, and tertiary distribution; increase adjustments of taxation, social security, and transfer payments, and improve their precision; expand the relative size of the middle-income group, increase the income of low-income groups, reasonably adjust high incomes, and suppress illegal income; and promote social fairness and justice, and all-round human development, thereby enhancing the momentum of domestic demand development.

### **(28) Continuously optimize the primary distribution pattern**

Improve the quality of employment and increase the labor income of workers. Continuously implement the employment-first strategy, adhere to the employment orientation of economic development, expand employment capacity, improve the quality of employment, and promote full employment. Focus on alleviating structural employment conflicts, accelerate the quality improvement of workers' skills, develop modern vocational education, and improve the lifelong vocational skills training system. Accelerate the deep integration of new generation information technology with manufacturing industries, tap the employment potential of new industries and new business formats and models, and create more higher-quality and higher-income jobs.

Improve the public employment service system and labor relations coordination mechanism, and refine the employment support system for key groups. Accelerate the revitalization of rural industries, actively promote the employment of migrant workers (农民工), and increase the wage income of rural residents.

Increase the proportion of labor compensation in the primary distribution. Adhere to the growth of people's income being basically synchronized with economic growth, and increases in labor remuneration being basically synchronized with increases in labor productivity, and increase labor remuneration for workers, especially front-line workers. Refine the enterprise salary survey and information release system, improve mechanisms for determining, reasonably increasing, and assuring payment of workers' wages, and improve the mechanism for adjusting the minimum wage standard. Reform and refine the wage distribution systems of public institutions and SOEs. Actively implement the collective wage negotiation system. Implement progressive increases in the statutory retirement age.

Improve mechanisms for various factors of production to participate in distribution. Construct a mechanism for innovation factors of production such as knowledge, technology, and data to participate in the distribution of earnings, strengthen distribution policies oriented towards increasing the value of knowledge, giving full play to the role of wages in providing incentives and assurance. Refine the remuneration incentive policy for S&T talents in SOEs. Refine the dividend distribution system for joint-stock enterprises, especially listed companies. Refine stock issuance, information disclosure, and other systems, and promote the well-regulated and healthy development of the capital market. Innovate more financial products that meet the needs of family wealth management, so as to increase residents' investment income. Explore increasing the factor of production income of middle and low-income groups through the right to use and earn proceeds from land, capital, and other factors of production.

Expand the size of the middle-income group. Explore effective paths for solidly promoting common prosperity through carrying out construction of demonstration zones, etc. Promote steady increases in income for groups such as university and vocational college graduates, skilled laborers, and migrant workers, cultivate high-quality farmers, refine support policies for small and micro entrepreneurs, and support efforts of groups such as individual entrepreneurs and flexibly employed people to achieve prosperity through hard work, so that more ordinary workers can enter the middle-income group through their own efforts. Improve the public service system, and reasonably reduce the burdens of the middle-income group.

## **(29) Gradually improve redistribution mechanisms**

Increase the adjustment of income distribution by means of the fiscal and taxation system. Improve the direct taxation system, refine the comprehensive and differentiated individual income tax system, and strengthen tax adjustment and supervision of high-income earners. Improve the division of government fiscal powers and expenditure responsibilities between the central and local governments, and promote the equalization of basic public services such as education, elder care, healthcare, and housing security. Improve the transfer payment system, focusing on increasing transfer payments to relatively underdeveloped areas. Increase investment in the domains of social welfare and the people's livelihoods in an orderly fashion, and optimize the structure of education spending.

Improve the social security system. For basic old age insurance, promote going from full institutional coverage to full coverage of the legally eligible population, and refine the system for flexibly employed persons to participate in social insurance for employees. Develop corporate pensions and occupational pensions, and develop the third pillar of old age insurance in a well-regulated fashion. Refine the basic health insurance system, improve the system of medical insurance and assistance for serious diseases, and support the development of commercial health insurance. Achieve the nationwide coordination of basic pension insurance for enterprise employees, promote the provincial-level coordination of basic health insurance and unemployment insurance, and consolidate and refine the provincial-level coordination of work-related injury insurance. Improve the social security treatment adjustment mechanism. Refine the subsistence coverage function of the social assistance system. Refine the social welfare system for helping the disabled, orphans, and others. Improve employment and support systems for veterans.

### **(30) Emphasize leveraging the role of tertiary distribution**

Develop charitable undertakings. Establish and improve institutional mechanisms for the development of charitable undertakings, and cultivate the development of charitable organizations in a well-regulated fashion. Refine the charity commendation system, and guide and support willing and able enterprises and social groups in actively participating in public charitable undertakings.

Improve the volunteer service system. Develop social work service agencies and volunteer organizations, swell the ranks of volunteers, build more volunteer service platforms, and improve the level of volunteer services across the board. Broadly carry out volunteer service and charitable activities. Explore the establishment of banks for accumulating good citizenship points (文明实践积分银行), and include volunteer service activities, good citizenship behavior, etc., within points management, so as to promote the formation of a good social atmosphere for volunteer service.

## **X. Enhancing Security Assurance Capabilities to Form a Solid Foundation for Domestic Demand Development**

Have security development permeate all areas and the whole process of work on expanding domestic demand, focus on improving supply assurance ability in food, energy, strategic mineral resources, and other areas, effectively maintain the stability of production chains and supply chains, and constantly improve the ability to respond to emergencies, thereby providing strong security assurance for the smooth development of the domestic market.

### **(31) Provide assurance for food security**

Promote the stable and increasing production of grain. Deeply implement the strategy of "preserving farmland and improving agricultural technology" (藏粮于地、藏粮于技), adhere to the most stringent cultivated land protection system, strictly adhere to the red line of 1.8 billion *mu*<sup>12</sup> of cultivated land, resolutely curb the "non-agricultural conversion" of cultivated land, and strictly control "conversion to non-grain-producing use." Promote a rational layout, maintain the [planted] areas and yields of the main production areas, main consumption areas, and areas where production and consumption are in balance, and step up support for food production policies, so as to ensure the absolute security of staple foods and basic self-sufficiency in grain. Implement the assurance strategy for important agricultural products, and achieve basic self-sufficiency in live pigs and sufficient supplies of other important agricultural and sideline products.

Improve food production, purchasing, storage, and marketing systems. Implement the requirements of the co-responsibility of the Party and government for food security. Deepen the reform of the collection and storage system for grain and other important agricultural products, speed up the incubation of diversified market trading entities, scientifically determine the scale, structure, and layout of grain reserves, and improve the grain reserve management system and operation mechanism. Strengthen the construction of storage and logistics facilities for grain, cotton, sugar, and other important agricultural products. Strengthen construction of the local reserve system, and improve the agricultural reserve system with a clear hierarchy and efficient operation. Deeply promote high-quality grain projects and accelerate the construction of a modern grain industry system. Continuously advocate grain conservation and loss reduction.

Strengthen seed security assurance. Establish and improve the modern seed industry system, strengthen the protection and utilization of germplasm resources and

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<sup>12</sup> Translator's note: A *mu* (亩) is a Chinese measurement of surface area equal to 0.164737 acres.

construction of seed banks, increase capabilities in resource protection, breeding innovation, variety testing, and improved variety propagation, and implement major S&T projects in agricultural biological breeding. While respecting science and maintaining strict supervision, promote the industrialized application of biological breeding in an orderly fashion.

### **(32) Strengthen assurance of energy resource security**

Enhance domestic production and supply ability. Promote domestic oil and gas storage and production, and strengthen the development of onshore and offshore oil and gas. Promote the stable and increasing production of shale gas, and increase the scale of shale oil development. Guide and encourage social capital to enter the field of oil and gas exploration and exploitation. Steadily promote coal-based oil and gas, and plan and construct strategic bases for coal-based oil and gas. Deeply implement the Strategic Initiative for Breakthroughs in Prospecting (找矿突破战略行动), carry out current status surveys and evaluation of potential of strategic mineral resources, and actively carry out ore prospecting beneath and surrounding existing mines, so as to extend the service life of mines. Continue to promote the intelligentized and green construction of mines.

### **(33) Enhance production chain and supply chain security assurance capability**

Promote the supplementing and strengthening of chains in the manufacturing industry. Implement industrial foundation reengineering projects, improve the industrial foundation support system, and strengthen construction of the industrial technology standards system. Consolidate and expand production chain and supply chain cooperation with neighboring countries, and jointly maintain the stable operation of international production and supply chains. Implement manufacturing supply chain improvement projects and build manufacturing supply chain ecosystems. Enhance supply chain flexibility and reliability, focusing on key raw materials, technologies, and products in the production chains and supply chains of key industries.

Provide assurance for the secure and stable operation of basic industries related to China's ruling stratagem (国计) and the people's livelihoods. Focus on assuring the secure and stable operation of coal, electricity, oil, gas, and transportation, and strengthen the stable supply of key instruments and equipment, key basic software, software for large-scale industry, industrial application software and industrial control systems, and important components, so as to guarantee the operational security of core systems. Assure the security of production chains for the basic necessities of life, and thereby achieve minimal impact on the basic life of the masses during extreme situations.

### **(34) Promote emergency management capacity building**

Enhance emergency response capability for major emergencies. Strengthen construction of the assurance system for emergency response supplies and equipment, strengthen the assurance of emergency supplies in the fields of public health, disasters, and accidents, and improve the five-level (central, provincial, city, county, and township) emergency supplies reserve network. Construct national reserves of emergency supplies, upgrade local warehouses for reserves of emergency supplies and for rescue equipment, and tilt the central reserves of emergency supplies toward the central and western regions and disaster-prone areas. Optimize the regional production capacity layout for important emergency supplies, implement reserve production capacity projects for emergency products, guide enterprises to actively fulfill their social responsibility in establishing necessary reserves of production capacity, build regional production assurance bases for emergency supplies, and improve the national emergency response resource management platform. Improve the emergency response decision-making support system, and build R&D laboratories for emergency response technology and equipment. Accelerate the improvement of emergency logistics delivery and rapid response capabilities, and improve the emergency broadcasting system.

Strengthen construction of emergency rescue forces. Improve the aviation emergency rescue system, and promote R&D on new smart equipment, large aerial firefighting aircraft, special rescue equipment, and special engineering machinery and equipment. Increase efforts to build comprehensive fire rescue, professional rescue, and civilian (社会) rescue teams, and promote the modernization of rescue team capabilities. Promote the construction of public firefighting facilities in urban and rural areas, and promote the renovation of firefighting systems in key places. Strengthen protection of life in areas such as dangerous chemicals, mines, and road traffic, and improve the ability to prevent and control major production safety risks.

Promote capacity building for the prevention and control of disasters and accidents. Support construction of urban and rural disaster prevention infrastructure, and improve backbone facilities for flood and drought control, earthquake mitigation, wind and tide protection, forest and grassland fire prevention, and earthquake and geological disaster prevention and control. Improve urban flood control and drainage capacity, and gradually establish and refine the flood control and drainage system. Optimize the layout of disaster prevention, mitigation, and relief facilities in our territorial space (国土空间), promote the reinforcement of public infrastructure safety, and accelerate the construction of urban and rural emergency shelter systems. Strengthen S&T and informatization support capabilities for production safety and disaster prevention, mitigation, and relief, and accelerate the construction of the



integrated space-air-ground disaster and accident monitoring and early warning system and the emergency response communication system. Develop catastrophe insurance.

## **XI. Implementation and Assurance**

### **(35) Strengthen the Party's overall leadership**

All regions and departments should study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, enhance the "Four Consciousnesses,"<sup>13</sup> firmly establish the "Four Confidences,"<sup>14</sup> and achieve the "Two Upholds,"<sup>15</sup> continuously improve their political judgment, political comprehension, and political implementation, and constantly improve their political ability, strategic vision, and professional level in grasping the new stage of development, implementing the new concept of development, and constructing the new pattern of development, and do a good job of major tasks and policy implementation. The enthusiasm, initiative, and creativity of all relevant parties should be fully mobilized to implement the strategy to expand domestic demand, thereby providing strong organizational assurance for achieving the main goals set out in this plan outline.

### **(36) Refine organizational coordination mechanisms**

All relevant departments should strengthen interdepartmental coordination on implementing the strategy to expand domestic demand, giving full play to their coordinating role, and promote the implementation of each task in expanding domestic demand; and should regularly prepare plans for implementing the strategy to expand domestic demand, further refining and actualizing the major tasks and major policies specified in this plan outline. Local governments at all levels should take positive action in accordance with local conditions, incorporate implementation of the strategy to expand domestic demand into their economic and social development plans, formulate strategies to expand domestic demand policy measures for their regions taking into account actual conditions, consolidate local responsibility for putting the

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<sup>13</sup> Translator's note: The "Four Consciousnesses" ( "四个意识" ) are: (1) political consciousness, (2) consciousness of the big picture, (3) consciousness of the core leadership, and (4) consciousness of falling in line with Party directives (政治意识、大局意识、核心意识、看齐意识).

<sup>14</sup> 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).

<sup>15</sup> Translator's note: The "two upholds" ( "两个维护" ) are: (1) firmly uphold General Secretary Xi Jinping's status as the core of the Chinese Communist Party (CCP) Central Committee and the core of the entire Party; and (2) firmly uphold the authority of and the centralized unified leadership of the CCP Central Committee (坚决维护习近平总书记党中央的核心、全党的核心地位, 坚决维护党中央权威和集中统一领导).

strategy to expand domestic demand into practice, innovate ways to organize and implement the plan outline, give full play to the roles played by various parties, and resolutely put an end to formalism and bureaucracy.

**(37) Strengthen policy coordination and cooperation**

Refine macroeconomic governance, constantly innovate and improve macro-control, and strengthen macro-level policy support for implementation of the strategy to expand domestic demand. Focusing on leveraging the guidance role of the plan outline, strengthen the coordination of fiscal, monetary, employment, industrial, investment, consumption, environmental protection, regional, and other policies, and promote the formation of policy synergies for expanding domestic demand. Closely track and analyze policy implementation circumstances and changes in the domestic demand situation, strengthen the study and reserving of policies to expand domestic demand, improve policy formulation and implementation mechanisms, and strengthen the evaluation of policy effectiveness, so as to assure the smooth achievement of the strategy's objectives.

**(38) Step up propaganda and guidance efforts**

All relevant departments in all regions should strengthen propaganda and guidance on the strategy to expand domestic demand, make comprehensive use of all kinds of media, and use popular formats to provide in-depth interpretation of the new initiatives and new requirements for the strategy to expand domestic demand, thereby further creating a strong social atmosphere for it. They should summarize the effectiveness of the plan outline's implementation in a timely fashion, fully tap the successes of various regions and different industries and enterprises in the expansion of domestic demand, and use a variety of forms to summarize and promote positive experiences and good practices in a timely fashion.