## **Translation**



The following document is the full text of a significant Party and government reorganization plan that China's parliament, the National People's Congress, passed in March 2023. Highlights of the plan include two new commissions to oversee the financial industry, a new Party body that oversees technology policy, a weakened Ministry of Science and Technology, and the creation of a new National Data Bureau.

#### Title

Reform Plan for Party and State Institutions 党和国家机构改革方案

#### 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

Xinhua News Agency (New China News Agency; 新华通讯社; 新华社), March 16, 2023. Xinhua is China's state-run press agency.

The Chinese source text is available online at:

http://www.news.cn/politics/zywj/2023-03/16/c\_1129437368.htm

An archived version of the Chinese source text is available online at: https://perma.cc/FP4R-YFV7

Translation Date Translator Editor

April 18, 2023 Etcetera Language Group, Inc. Ben Murphy, CSET Translation Manager

Since the 18th Party Congress [in 2012], the Party Central Committee with Comrade Xi Jinping as the core has regarded deepening the reform of Party and state institutions as an important task in advancing the modernization of the national governance system and governance capacity. Persisting in the principles of upholding the Party's overall leadership, taking the people as the center (以人民为中心), optimizing coordination and efficiency, and comprehensively ruling the country according to law (依法治国), Party and state institutions have undergone systematic and overall reconstruction of their functions. This has provided a strong guarantee for the historical achievements and changes made in the cause of the Party and the state, as well as valuable experience for continuing to deepen the reform of Party and state institutions.

In the face of new tasks posed by the new era and new journey, the setup and functional configuration of Party and state institutions do not fully meet the

requirements of comprehensively building a modernized socialist country, comprehensively promoting the great rejuvenation of the Chinese nation, achieving modernization of the national governance system and governance capacity, and constructing a high-level socialist market economic system. Therefore, on the basis of consolidating the achievements of the reform of Party and state institutions, a further deepening of reform is necessary to adjust and improve systems, mechanisms, and institutional responsibilities.

The goal of deepening the reform of Party and state institutions is to construct a systematic, scientifically standardized, and highly efficient functional system of Party and state institutions. The 20th Party Congress made important arrangements for deepening institutional reform, which has significant and far-reaching implications for comprehensively building a modernized socialist country and comprehensively promoting the great rejuvenation of the Chinese nation. It is necessary to take Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era as the guide, strengthen the Party Central Committee's centralized and unified leadership, and guide the modernization of the national governance system and governance capacity. Adhering to the general principle of seeking progress while maintaining stability, we should adapt to the requirements of coordinating the overall layout of the "five-in-one" overall arrangement and promoting the coordinated development of the "Four Comprehensivelys" strategic layout. We should also adapt to the need to construct the new pattern of development (新发展格局) and promote high-quality development, persist in being problem-oriented, coordinate with Party Central Committee institutions, National People's Congress (NPC) institutions, State Council institutions, and institutions of the National Committee of the Chinese People's Political Consultative Conference (CPPCC). We should also coordinate between central and local governments, deepen institutional reform in key areas, and promote the Party's leadership in the construction of socialist modernization in institutional settings that are more scientific, functional configurations that are more optimized, systems and mechanisms that are more perfect, and management that is more efficient.

## 1. Plan for Deepening the Reform of Party and State Institutions

代化国家、全面深化改革、全面依法治国、全面从严治党).

(1) Establish a Central Financial Commission (CFC; 中央金融委员会). To strengthen the centralized and unified leadership of the Party Central Committee over

\_

<sup>&</sup>lt;sup>1</sup> Translator's note: The "five in one" ("五位一体") refers to economic development, political development, cultural development, social development, and development of ecological civilization. <sup>2</sup> Translator's note: The "Four Comprehensivelys" ("四个全面"), as defined since October 2020, are: comprehensively build a modernized socialist country, comprehensively deepen reform, comprehensively govern the country according to law, and comprehensively govern the Party strictly (全面建设社会主义现

financial work, the CFC will be responsible for top-level design, overall coordination, integrated advancement, and supervision and implementation of financial stability and development. It will also study and deliberate on major policies and issues in the financial field and serve as a decision-making and coordinating body of the Party Central Committee.

An office for the CFC will be set up as the executive body of the Commission and will be listed in the sequence of Party Central Committee institutions.

The Financial Stability and Development Commission (FSDC) of the State Council and its executive agencies will no longer be retained. The responsibilities of the office of the FSDC will be transferred to the office of the CFC.

(2) Establish a Central Financial Work Commission (CFWC; 中央金融工作委员会). To unify the leadership of the Party in the financial system and guide the political, ideological, organizational, work style, and disciplinary construction of the Party in the financial system, the CFWC will serve as a forward-deployed (派出) agency of the Party Central Committee and share office space with the office of the CFC.

The financial system-related responsibilities of the Work Committee for Organs Directly Under of the Central Committee and the Work Committee for Organs Directly Under the State Council will be transferred to the CFWC.

(3) Establish a Central Science and Technology Commission (CSTC; 中央科技委员会). To strengthen the centralized and unified leadership of the Party Central Committee over S&T work, the CSTC will coordinate the construction of the national innovation system and the reform of the S&T system. It will also study and deliberate on major strategies, plans, and policies for national S&T development, coordinate the resolution of major strategic, directional, and overall issues in the field of S&T, determine national strategic S&T tasks and major scientific research projects, and coordinate the layout of strategic S&T forces such as national laboratories. The CSTC will also coordinate the integration of military and civilian S&T development and serve as a decision-making and coordinating body of the Party Central Committee.

The executive body of the CSTC will be taken over by the restructured Ministry of Science and Technology (MOST).

The National Science and Technology Advisory Commission (国家科技咨询委员会) will be retained to serve the major S&T decisions of the Party Central Committee and will report on its work to the CSTC.

The National Science and Technology Ethics Commission (国家科技伦理委员会), as an academic and professional expert committee under the leadership of the CSTC, will no longer serve as a decision-making and coordinating body of the State Council.

The Central Leading Group for National Laboratory Construction, the State Science and Technology Leading Group, the State Leading Group for Science and Technology Structural Reform and Innovation System Construction, and the State Leading Group for Work on the Medium- to Long-Term Plan for Science and Technology Development and their offices will no longer be retained.

Provincial Party committees will establish decision-making and coordinating bodies in the S&T field according to local conditions.

(4) Establish a Central Social Work Department (中央社会工作部). Responsible for coordinating and guiding the people's petition (信访) work, guiding the collection of people's suggestions, coordinating and promoting Party building to lead grassroots governance and grassroots political power construction, unified leadership of national industry associations and chambers of commerce, coordinating and promoting the deepening of reforms and transformation of industry associations and chambers of commerce, guiding the Party building work of mixed-ownership (混合所有制) enterprises, non-publicly owned (非公有制) enterprises, new economic organizations, new social organizations, and new employment groups, and guiding the construction of social work talent teams, the Central Social Work Department will serve as a functional department of the CCP Central Committee.

The Central Social Work Department will unify leadership of the National Public Complaints and Proposals Administration (国家信访局). The National Public Complaints and Proposals Administration, managed by the General Office of the State Council, will be adjusted to a directly affiliated agency of the State Council.

The Central Social Work Department will be responsible for guiding the construction of urban and rural community governance systems and governance capacity building, formulating social work policies, and coordinating and promoting Party building to lead grassroots governance and grassroots political power construction. It will also be responsible for national industry associations and chambers of commerce party building duties under the purview of the Work Committee for Organs Directly Under of the Central Committee, the Work Committee for Organs Directly Under the State Council, and the Party Committee of the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council, and the overall planning, coordination, guidance, and inspection of national volunteer service work under the Office of the Central Guidance Committee for Spiritual Civilization Construction.

Provincial, city, and county party committees will establish social work departments, and their corresponding "Two News" work committee responsibilities will be transferred to the party committee organization departments at the same level.

(5) Establish a Central Hong Kong and Macao Work Office (中央港澳工作办公室). Responsible for investigating and studying the implementation of the "One Country, Two Systems" directive, implementing the central government's comprehensive governance authority, administering Hong Kong and Macao in accordance with the law, maintaining national security, ensuring the people's livelihoods and welfare, the office will support Hong Kong and Macao's integration into the national development picture and other related responsibilities. The Central Hong Kong and Macao Work Office will be established on the basis of the Hong Kong and Macao Affairs Office of the State Council and will serve as a working body of the CCP Central Committee, while retaining the name "Hong Kong and Macao Affairs Office of the State Council."

The Hong Kong and Macao Affairs Office of the State Council will no longer be an independent agency.

## 2. Deepening the reform of National People's Congress (NPC) institutions

(6) Establish a National People's Congress Standing Committee Deputy Work Committee (全国人大常委会代表工作委员会). Responsible for the allocation and qualification review of NPC deputies, liaison services, and coordination of representative inspections, special investigations, and contact with the masses, it will oversee the management of NPC deputy proposals and be responsible for the supervision and management of NPC deputies' performance of their duties, coordinating NPC deputy training, guiding the work of provincial-level people's congress standing committee deputy work, and undertaking the specific work of the NPC Standing Committee Deputy Qualification Review Committee as the work committee of the NPC Standing Committee.

## 3. Deepening the reform of State Council institutions

(7) Reorganize the Ministry of Science and Technology (MOST). To strengthen its functions of promoting the establishment of the new structure for leveraging national capabilities (新型举国体制), optimizing the management of the entire chain of S&T innovation, promoting the conversion of S&T achievements into practical applications (科技成果转化), and integrate S&T with economic and social development, MOST will

<sup>&</sup>lt;sup>3</sup> Translator's note: The "two news" ("两新") refer to new economic organizations (新经济组织) and new social organizations (新社会组织). Chinese Communist Party (CCP) writers typically use this term in the context of establishing and strengthening Party groups in non-state-run companies and associations.

strengthen its macro-management responsibilities, including strategic planning, institutional reform, resource allocation, comprehensive coordination, policy and regulation, and supervision and inspection. MOST will retain its responsibilities for national basic research and applied basic research, national laboratory construction, national S&T major special projects, national technology transfer system construction, the transfer and conversion of S&T achievements and industry-academia-research institute integration, the construction of regional innovation systems, the construction of S&T supervision and evaluation systems, the construction of scientific research integrity, international S&T cooperation, the construction of S&T talent teams, and national S&T awards. MOST will remain a component ministry of the State Council.

The responsibility for formulating policies and guiding rural S&T progress will be transferred from MOST to the Ministry of Agriculture and Rural Affairs. The responsibilities for formulating policies to promote social development through S&T will be divided and transferred to the National Development and Reform Commission (NDRC), the Ministry of Ecology and Environment, the National Health Commission, and other departments. The responsibility for formulating plans and policies for the development and industrialization of high-tech industries, as well as guiding the construction of national demonstration zones for independent innovation (自主创新) and national high-tech industrial development zones, and the development of S&T service industries, technology markets, and S&T intermediary organizations (科技中介组织) will be transferred to the Ministry of Industry and Information Technology (MIIT). The responsibility for recruiting foreign brainpower will be transferred to the Ministry of Human Resources and Social Security (MOHRSS), with the State Administration of Foreign Experts Affairs (SAFEA) being attached to MOHRSS.

Deepen the reform of the allocation and use of financial resources for S&T projects, improve the execution of central government S&T plans, and adjust the coordination and management responsibilities of the MOST for central government S&T plans (special projects, funds, etc.) and the coordination and evaluation of research project funding. Transfer the China Rural Technology Development Center (中国农村技术开发中心) from MOST to the Ministry of Agriculture and Rural Affairs, and the China National Center for Biotechnology Development to the National Health Commission. Transfer the management of the Administrative Center for China's Agenda 21 and the MOST High Technology Research and Development Center (科学技术部高技术研究发展中心) to the National Natural Science Foundation of China (NSFC).

NSFC will continue to be managed by MOST.

MOST will no longer have SAFEA attached to it.

The responsibilities of local government S&T departments will be adjusted based on actual needs.

(8) Establish a State Administration for Financial Supervision and Management (国家金融监督管理总局). Responsible for regulating the financial industry excluding the securities industry, the Administration will strengthen institutional supervision, behavioral supervision, functional supervision, comprehensive supervision, and continuous supervision. It will also be responsible for protecting the rights and interests of financial consumers, strengthening risk management and prevention and punishment, and investigating and punishing illegal and irregular behavior. It shall be an institution directly under the State Council.

The State Administration for Financial Supervision and Management will be established based on the China Banking and Insurance Regulatory Commission (CBIRC). The daily regulatory responsibilities of the People's Bank of China regarding financial holding companies and other financial groups, relevant responsibilities for protecting financial consumers, and the investor protection responsibilities of the China Securities Regulatory Commission will be transferred to the State Administration for Financial Supervision and Management.

The CBIRC will no longer be retained.

- (9) Deepen the reform of the local financial regulatory system. Establish a local financial regulatory system mainly composed of local branches of central financial management departments. Optimize the setup and staffing of local branches of central financial management departments. Financial regulatory agencies established by local governments will be solely responsible for regulatory responsibilities and will no longer be affiliated with financial work bureaus, financial offices, and the like.
- (10) The China Securities Regulatory Commission (CSRC) will be reorganized as an institution directly under the State Council. The CSRC will be reorganized as an institution directly under the State Council, strengthening its regulatory responsibilities for the capital market. Its responsibility for reviewing corporate (enterprise) bond issuance will be transferred to NDRC, and the CSRC will be responsible for the unified review of corporate (enterprise) bond issuances.
- (11) Promote the reform of the People's Bank of China's branch system. Revoke the regional branches and branch operation management departments of the People's Bank of China, as well as the head office's directly affiliated operations management departments and central branches in provincial capitals. Establish provincial-level branches in 31 provinces (including autonomous regions and municipalities directly under the central government), and plan to establish branches in Shenzhen, Dalian, Ningbo, Qingdao, and Xiamen. The People's Bank of China Beijing Branch will retain

the People's Bank of China's operations management department, and the People's Bank of China Shanghai Branch will share offices with the People's Bank of China Shanghai Headquarters.

County (city) branches of the People's Bank of China will no longer be retained, and relevant functions will be incorporated into the central branches of the People's Bank of China in the respective regions (cities). For regions with significant cross-border or foreign trade foreign exchange transactions, relevant management services may be provided by local central branches of the People's Bank of China.

- (12) Improve the management system for state-owned financial capital. According to relevant regulations on the management of state-owned financial capital investors, market-operating institutions (市场经营类机构) managed by central financial management departments will be separated, and relevant state-owned financial assets will be transferred to entrusted (受托) state-owned financial capital management institutions. They will perform investor responsibilities uniformly authorized by the State Council.
- (13) Strengthen the unified and standardized management of staff in financial management departments. The People's Bank of China, the State Administration for Financial Supervision and Management, the China Securities Regulatory Commission, the State Administration of Foreign Exchange, and their branches and forward-deployed agencies, will all use administrative positions. Staff will be included in the unified and standardized management of national civil servants and will receive the standard salary and benefits of national civil servants.
- (14) Establish a National Data Bureau (国家数据局). Responsible for coordinating and promoting the development of data infrastructure, coordinating the integration, sharing, and utilization of data resources, and promoting the planning and construction of Digital China, the digital economy, and a digital society, the bureau shall be managed by NDRC.

The responsibilities of the Office of the Central Cyberspace Affairs Commission for researching and formulating the plan for the construction of Digital China, coordinating the promotion of public service and social governance informatization (信息化), promoting smart city construction, coordinating the development and sharing of national important information resources, and promoting interconnectivity of information resources across industries and departments shall be transferred to the National Data Bureau. The responsibilities of NDRC for coordinating the development

8

<sup>&</sup>lt;sup>4</sup> Translator's note: The Office of the Central Cyberspace Affairs Commission (中央网络安全和信息化委员会办公室; 中央网信办) is effectively the same organization as the Cyberspace Administration of China (CAC; 国家互联网信息办公室; 国家网信办), as they share the same personnel and the same offices.

of the digital economy, organizing the implementation of the national big data strategy, promoting the development of data infrastructure, and promoting the construction of digital infrastructure will be transferred to the National Data Bureau.

Provincial-level government data management agencies will be established according to the actual situation.

(15) Optimize the responsibilities of the Ministry of Agriculture and Rural Affairs. To coordinate all aspects of the "three rural" [issues]<sup>5</sup> and accelerate building [China into] an agricultural powerhouse,<sup>6</sup> the responsibilities of the National Rural Revitalization Administration will be transferred to the Ministry of Agriculture and Rural Affairs. These responsibilities include leading the prevention of falling back into poverty, organizing the development of key assistance policies for rural revitalization, organizing coordination, counterpart support (对口支援), and assistance from society between the eastern and western regions, researching and proposing suggestions for central financial support for rural revitalization-related funds allocation, guiding and supervising the use of funds, promoting the development of the rural assistance industry, rural social undertakings, and public services. The National Rural Revitalization Administration will be attached to the Ministry of Agriculture and Rural Affairs.

After the completion of the national poverty alleviation goals, during the transitional period, relevant assistance policies, fiscal support, and project arrangements will maintain overall stability, and fund projects will operate independently.

The stand-alone National Rural Revitalization Administration will no longer be retained.

The responsibilities of provincial, municipal, and county-level rural revitalization institutions will be incorporated into agriculture and rural departments at the corresponding levels.

(16) Improve the elder care work system. To implement the national strategy of actively coping with an aging population and to promote the enjoyment of basic elder care services by all elderly people, the responsibility for organizing the formulation and coordination of policies and measures to deal with the aging population and for

<sup>&</sup>lt;sup>5</sup> Translator's note: The "three rural" issues ("三农"问题) are: developing agriculture, raising farmer income, and developing the rural economy.

<sup>&</sup>lt;sup>6</sup> Translator's note: This translation renders the Chinese word 强国 qiángguó—which literally means "strong nation"—in English as "powerhouse," as in the phrase "agricultural powerhouse" (农业强国). For a more thorough discussion in English of the Chinese word qiángguó, see: https://www.newamerica.org/cybersecurity-initiative/digichina/blog/lexicon-wangluo-giangguo/.

carrying out specific work of the National Working Committee on Aging (全国老龄工作委员会) will be transferred to the Ministry of Civil Affairs (MCA) from the National Health Commission. The Office of the National Working Committee on Aging will be established in MCA to strengthen its comprehensive coordination, supervision and guidance, and organization of the development of the elder care industry.

The National Working Committee on Aging will be managed by the MCA.

(17) Improve the intellectual property management system. To accelerate the construction of [China into] an intellectual property powerhouse (知识产权强国) and comprehensively improve the level of creating, using, protecting, managing, and servicing intellectual property, the China National Intellectual Property Administration, which is currently managed by the State Administration for Market Regulation, will be adjusted to be an institution directly under the State Council. The enforcement responsibilities in the fields of trademarks and patents will continue to be undertaken by the comprehensive law enforcement team of the market supervision department, and relevant law enforcement work will be under the professional guidance of the China National Intellectual Property Administration.

# 4. Deepening the reform of Chinese People's Political Consultative Conference National Committee institutions

(18) Optimize the setup of the National Committee of the Chinese People's Political Consultative Conference (CPPCC). Add the "Environment and Resources" sector. Integrate the "Communist Youth League of China" and the "All-China Youth Federation" sectors into the "Communist Youth League of China and All-China Youth Federation" sector. Optimize the composition of the "Specially Invited Guests" sector.

## 5. Optimize the allocation of organizational resources.

(19) Streamline the staffing of central and state organs. The staffing of personnel in each department of central and state organs will be streamlined uniformly by 5%, and the reclaimed positions will be mainly used to strengthen key areas and important work. The staffing of central supervision and inspection agencies and overseas offices will not be included in the scope of this uniform downsizing. Existing staffing resources will be utilized flexibly based on industry and system (系统) requirements.

The reduction of personnel in local Party and government agencies will be determined by the provincial (autonomous region, municipality) Party committees according to local conditions. A reduction at the county and township levels is not required.

All regions and departments should fully recognize the importance and urgency of the Party and state institution reform from the perspective of national development, deeply understand the decisive significance of the "Two Establishes," enhance the "Four Consciousnesses," firm up the "Four Confidences," do the "Two Upholds," consciously unify their thinking and actions with the decisions and arrangements made by the Party Central Committee, firmly uphold the authority and seriousness of the Party Central Committee's decisions and arrangements, strengthen their confidence and determination to carry out reform, strengthen organizational leadership, fulfill their work responsibilities, and resolutely implement the institutional reform tasks.

Under the leadership of the CCP Politburo Standing Committee, the Central Commission for Comprehensively Deepening Reform (中央全面深化改革委员会) will organize and implement the reform of Party and state institutions. Local institutional reforms will be uniformly led by provincial-level Party committees, and the reform plan will be submitted to the Party Central Committee for the record. We will strive to complete the reform tasks at the central level by the end of 2023, and we will strive to complete the reform tasks at the local level by the end of 2024. Progress in the reform of institutions and significant problems encountered will be reported to the Party Central Committee in a timely manner.

<sup>&</sup>lt;sup>7</sup> Translator's note: The "Two Establishes" ("两个确立") are: (1) establish Comrade Xi Jinping's status as the core of the Chinese Communist Party (CCP) Central Committee and the core of the entire Party, and (2) establish the guiding status of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era (确立习近平同志党中央的核心、全党的核心地位,确立习近平新时代中国特色社会主义思想的指导地位).

<sup>&</sup>lt;sup>8</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>&</sup>lt;sup>9</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>&</sup>lt;sup>10</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 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).