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HIGHLIGHTS

- Finance Minister Lan Fo'an: Giving better play to the role of fiscal policies and making all-out efforts to promote high-quality development
- Finance Minister Lan Fo'an, accompanied by Vice Finance Minister Liao Min, attended and addressed the 30th APEC Finance Ministers' Meeting
- MOF published the *Circular on Guiding Long-term and Steady Investment of Insurance Funds and Strengthening the Long-term Assessment of State-owned Commercial Insurance Companies*
- MOF published the *Circular on Revising and Issuing the Measures for the Preparation of Government Financial Reports*
- China's cumulative general public budget revenue from January to October increased by 8.1% year on year

Brief Introduction of IEFI

Founded in 2007, the International Economics and Finance Institute (IEFI) is affiliated to the Ministry of Finance of China, specializing in international economic and financial studies. It focuses macroeconomic research on advanced economies such as U.S., Europe, Japan and emerging economies including BRICS countries, and carries out analytic work on global and regional economic and financial cooperation, global governance reform and international development cooperation. Its mandates also include participating in bilateral and multilateral financial dialogues, and conducting communication and exchanges with think tanks and government agencies around the world.

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Website: <http://iefi.mof.gov.cn>

Acronyms

ADB	Asian Development Bank
AIIB	Asian Infrastructure Investment Bank
AMRO	ASEAN+3 Macroeconomic Research Office
APEC	Asia-Pacific Economic Cooperation
ASEAN+3	Association of Southeast Asian Nations, China, Korea and Japan
BEPS	Base Erosion and Profit Shifting
BRI	Belt and Road Initiative
BRICS	Brazil, Russia, India, China and South Africa
CAAC	Civil Aviation Administration, China
CAC	Cyberspace Administration, China
CAFS	Chinese Academy of Fiscal Sciences
CAREC	Central Asia Regional Economic Cooperation
CASS	Chinese Academy of Social Sciences
CEPA	Closer Economic Partnership Arrangement
CMIM	Chiang Mai Initiative Multilateralization
CPA	Certified Public Accountant
CPC	Communist Party of China
CPI	Consumer Price Index
CPPCC	Chinese People's Political Consultative Conference
CSRC	China Securities Regulatory Commission
FDA	Food and Drug Administration
GAC	General Administration of Customs, China
GAMS	General Administration of Market Supervision, China
GAS	General Administration of Sport, China
GDP	Gross Domestic Product
IEFI	International Economics and Finance Institute, Ministry of Finance, China
IMF	International Monetary Fund
IPI	Industrial Production Index
IPR	Intellectual Property Rights
LICs	Low-Income Countries
MCA	Ministry of Civil Affairs, China
MCT	Ministry of Culture and Tourism, China
MEE	Ministry of Ecology and Environment, China
MIIT	Ministry of Industry and Information Technology, China
MNR	Ministry of Natural Resources, China
MOA	Ministry of Agriculture and Rural Affairs, China
MOE	Ministry of Education, China
MOF	Ministry of Finance, China
MOFCOM	Ministry of Commerce, China
MOHRSS	Ministry of Human Resources and Social Security, China

MOHURD	Ministry of Housing and Urban-Rural Development, China
MPS	Ministry of Public Security, China
MOST	Ministry of Science and Technology, China
MOT	Ministry of Transport, China
MVA	Ministry of Veteran Affairs, China
MWR	Ministry of Water Resource, China
NAO	National Audit Office, China
NBS	National Bureau of Statistics, China
NCP	New coronavirus pneumonia
NDB	New Development Bank
NDRC	National Development and Reform Commission, China
NEA	National Energy Administration, China
NFGA	National Forestry and Grassland Administration, China
NFRA	National Financial Regulatory Administration, China
NFSRA	National Food and Strategic Reserves Administration, China
NHC	National Health Commission of the People's Republic of China
NHSA	National Healthcare Security Administration, China
NMPA	National Medical Products Administration, China
NPC	National People's Congress, China
NRTA	National Radio and Television Administration, China
OECD	Organization for Economic Co-operation and Development
PBoC	People's Bank of China
PMI	Purchasing Managers' Index
PPI	Producer Price Index
PPP	Public-Private Partnership
QE	Quantitative Easing
QQE	Qualitative and Quantitative Ease
R&D	Research and Development
RCEP	Regional Comprehensive Economic Partnership
SAFE	State Administration of Foreign Exchange, China
SAMR	State Administration of Market Regulation, China
SASAC	State-owned Assets Supervision and Administration Commission of the State Council, China
SAT	State Administration of Taxation, China
SMEs	Small and Medium Enterprises
SOEs	State-owned Enterprises
VAT	Value-added Tax
WTO	World Trade Organization

I. Policy Update

1. MOF published the *Circular on Guiding Long-term and Steady Investment of Insurance Funds and Strengthening the Long-term Assessment of State-owned Commercial Insurance Companies*

On October 30, MOF published the *Circular on Guiding Long-term and Steady Investment of Insurance Funds and Strengthening the Long-term Assessment of State-owned Commercial Insurance Companies*, which provided the following. First, state-owned commercial insurance companies should carry out investments in accordance with laws and regulations, comply with the solvency, risk management and other relevant provisions required by the regulators, and develop their own investment management capabilities, risk control capabilities and related qualifications. Second, state-owned commercial insurance companies should balance investment returns and risks, optimize asset allocation, and reasonably determine investment targets, investment scales, term structures, and liquidity arrangements. Third, state-owned commercial insurance companies should formulate dedicated investment management system, establish transparent and standardized investment decision-making procedures, and set up scientific and effective investment risk assessment system.

2. MOF published the *Regulations on Treatment of Issues Related to the Transition from Old to New Accounting Rules of Rural Collective Economic Organizations*

On November 1, MOF published the *Regulations on Treatment of Issues Related to the Transition from Old to New Accounting Rules of Rural Collective Economic Organizations*, which provided the following. First, starting from January 1, 2024, rural collective economic organizations should strictly follow the new rules for accounting and preparation of financial accounting reports, and do a good job in handling the transition of accounting rules. Second, rural collective economic organizations should take stock of their assets, and further verify and classify asset data related to inventory, biological assets, fixed assets, and intangible assets. Third, rural collective economic organizations should update and adjust the old accounting information system in a

timely manner in accordance with the requirements of the new rules, realize accurate data conversion, and ensure the orderly connection of new and old accounts.

3. MOF published the *Circular on Revising and Issuing the Measures for the Preparation of Government Financial Reports*

On November 8, MOF published the *Circular on Revising and Issuing the Measures for the Preparation of Government Financial Reports*, which provided the following. First, government financial reports, including government department financial reports and government comprehensive financial reports, are prepared on an accrual basis. Second, MOF is the competent ministry for the administration of the preparation of government financial reports, and its responsibilities are mainly about formulating rules and measures for the preparation of government financial reports; developing a unified national system of government financial reports and statements; and organizing and providing guidance for the collection, review, consolidation, aggregation and submission of nation-wide government financial reports. Third, the measures will come into force on January 1, 2024.

4. MOF published the *Circular on Revising and Issuing the Operational Guidelines for the Preparation of Government Department Financial Reports*

On November 8, MOF published the *Circular on Revising and Issuing the Operational Guidelines for the Preparation of Government Department Financial Reports*, which provided the following. First, the government department financial reports are prepared on an accrual basis to mainly reflect the financial status and operation of government departments, and consist of financial statements and financial analysis. Second, financial statements include accounting statements and notes to the statements. Financial analysis of government departments mainly includes the analysis of financial status and operation, changes and trends of relevant indicators, as well as the main measures taken and outcomes achieved by government departments in financial management. Third, the scope of preparation of government department financial reports includes government departments and affiliated public administrative institutions but excludes public institutions affiliated to enterprises (groups); and also

includes social groups that receive budgetary allocation from finance department at the same level. Fourth, the guidelines will come into force on January 1, 2024.

5. MOF published the *Circular on Revising and Issuing the Operational Guidelines for the Preparation of Government Comprehensive Financial Reports*

On November 8, MOF published the *Circular on Revising and Issuing the Operational Guidelines for the Preparation of Government Comprehensive Financial Reports*, which provided the following. First, the government comprehensive financial reports include the comprehensive financial reports of the government at the same level and the comprehensive financial reports of the administrative government. Second, the government comprehensive financial reports are prepared on an accrual basis to mainly reflect the government's overall financial status and operation as well as fiscal sustainability in the medium and long term, and specifically consist of financial statements, government fiscal and economic analysis and analysis of government financial management. Third, the guidelines will come into force on January 1, 2024.

6. MOF and the Cyberspace Administration of China jointly published the *Interim Measures for Data Security Management of Accounting Firms (Draft for Comments)*

On November 13, MOF and the Cyberspace Administration of China jointly published the *Interim Measures for Data Security Management of Accounting Firms (Draft for Comments)*, which provided the following. First, the measures are applicable to accounting firms established in China in accordance with laws that provide audit services for listed companies, unlisted state-owned financial institutions and central enterprises and carry out cross-border audit business. Second, the data security management responsibilities that accounting firms should fulfill include: establishing and improving the data security management system as well as the data operation and control mechanism; improving the organizational structure of data security management and clarifying the rights and responsibilities of data security management; and conducting data classification and tiered management in light of business characteristics. Third, MOF, in conjunction with Cyberspace Administration of China, is responsible for the data security supervision of accounting firms nationwide.

7. MOF published the *Interim Measures for Administration of Budget Review*

On November 14, MOF published the *Interim Measures for Administration of Budget Review*, which provided the following. First, budget review refers to the review activities carried out by finance authorities at all levels over the financial needs and expenditure standards of departmental budget projects, so as to provide technical support for budget preparation and budget performance management. Second, budget review should focus on the necessity, feasibility, completeness, compliance, rationality, economy, performance objectives and expenditure standards of projects, and comprehensively use policy evaluation, comparative analysis, workload calculation, cost-benefit analysis, market inquiry, expert consultation, on-site verification and other methods to conduct the review. Third, the principal responsibilities of finance authorities include formulating budget review procedures, operational guidelines and other work regulations, and defining the scope of projects subject to budget review at the corresponding level.

8. MOF and the National Cultural Heritage Administration jointly published the *Measures for Administration of the Funds for Protection and Utilization of Cultural Relics Belonging to the Central Government*

On November 21, MOF and the National Cultural Heritage Administration jointly published the *Measures for Administration of the Funds for Protection and Utilization of Cultural Relics Belonging to the Central Government*, which provided the following. First, cultural relics belonging to the central government refer to the immovable cultural relics managed and used by the departments of the CPC Central Committee, the ministries and commissions of the State Council, the state organs directly under the State Council, the General Office of the Standing Committee of the NPC, the General Office of the National Committee of the CPPCC, the Supreme People's Court, the Supreme People's Procuratorate, the central committees of the democratic parties, the organs of relevant people's organizations, and their administrative institutions at all levels, including national key cultural relics for protection, cultural relics for protection at or below the provincial level, and general immovable cultural relics. Second, the annual budget for the funds for protection and utilization of cultural relics belonging to

the central government shall be approved by the central finance authorities in accordance with the relevant programs and annual work plans for protection and utilization of cultural relics belonging to the central government, and availability of financial resources of the central government. Third, MOF shall review the project fund budget in accordance with the relevant provisions of budget management, supervise and guide the use of project funds and their performance management, and carry out key performance evaluations as needed.

9. MOF published the *Guidelines on Strengthening and Improving Bookkeeping Agency Business in the New Era*

On November 21, MOF published the *Guidelines on Strengthening and Improving Bookkeeping Agency Business in the New Era*, which provided the following. First, it is important to further improve the legal system, accelerate the revision of the Accounting Law, formulate basic work specifications for bookkeeping agency business, and introduce unified national normative document for practicing. Second, efforts will be made to step up supervision and management, improve the national supervision and service platform for bookkeeping agency industry, and establish and improve the credit information collection, use and management system of bookkeeping agency industry. Third, it is necessary to encourage local governments to promote the implementation of policies that support the development of micro, small and medium-sized enterprises on the basis of bookkeeping agency services. Fourth, MOF will strengthen the overall planning of the national bookkeeping agency work, carry out top-level design, and establish and improve the related work coordination mechanism.

10. MOF published the *Basic Work Specifications for Bookkeeping Agency Services (Trial)*

On November 24, MOF published the *Basic Work Specifications for Bookkeeping Agency Services (Trial)*, which provided the following. First, the specifications apply to bookkeeping agencies that are entrusted to handle bookkeeping business. Second, bookkeeping agencies shall comply with the specifications when carrying out bookkeeping agency business, and at least perform the basic procedures such as

business undertaking, work plan, data transfer, accounting, quality control, and file management. Third, bookkeeping agencies shall strictly implement the relevant laws and regulations, improve the standard of bookkeeping business, and ensure the quality of accounting information. Fourth, the specifications will come into force on January 1, 2024.

II. Facts & Figures

1. Lottery sales in China totaled 52.774 billion RMB in September

The data published by MOF on October 30 showed that lottery sales in China totaled 52.774 billion RMB in September, an increase of 19.442 billion RMB year on year, or 58.3%. Among them, welfare lottery sales were 18.213 billion RMB, an increase of 5.894 billion RMB year on year, or 47.9%; sports lottery sales were 34.561 billion RMB, an increase of 13.548 billion RMB year on year, or 64.5%.

2. China's manufacturing PMI in October was 49.5%

The data published by NBS on October 31 showed that China's manufacturing PMI in October was 49.5%, down by 0.7 percentage points from the previous month. Among them, the PMI of large-sized enterprises was 50.7%, down by 0.9 percentage points month on month, and the PMI of medium and small-sized enterprises was 48.7% and 47.9% respectively, down by 0.9 and 0.1 percentage points month on month.

3. China's CPI in October fell by 0.2% year on year

The data published by NBS on November 9 showed that China's CPI in October fell by 0.2% year on year. Among them, prices in urban areas fell by 0.1% and prices in rural areas fell by 0.5%; food prices fell by 4.0% and non-food prices fell by 0.7%; consumer goods prices fell by 1.1% and services prices rose by 1.2%.

4. China's PPI in October fell by 2.6% year on year

The data published by NBS on November 9 showed that China's PPI in October fell by 2.6% year on year. Among them, prices of extractive industries fell by 6.2%, prices of raw materials industries fell by 2.3%, prices of processing industries fell by 3.0%, food prices fell by 1.2%, prices of apparel and general daily necessities both rose by 0.4%, and prices of durable consumer goods fell by 2.0%.

5. China's cumulative general public budget revenue from January to October increased by 8.1% year on year

The data published by MOF on November 15 showed that China's cumulative general public budget revenue from January to October was 18.7494 trillion RMB, up by 8.1% year on year. Among them, tax revenue was 15.7841 trillion RMB, up by 10.7% year on year, and non-tax revenue was 2.9653 trillion RMB, down by 3.8% year on year. In terms of central and local revenues, central general public budget revenue was 8.587 trillion RMB, up by 7.3% year on year, and local general public budget revenue was 10.1624 trillion RMB, up by 8.8% year on year.

6. China's cumulative general public budget expenditure from January to October increased by 4.6% year on year

The data published by MOF on November 15 showed that China's cumulative general public budget expenditure from January to October was 21.5734 trillion RMB, up by 4.6% year on year. In terms of central and local expenditures, central general public budget expenditure was 3.0271 trillion RMB, up by 6.8% year on year, and local general public budget expenditure 18.5463 trillion RMB, up by 4.2% year on year.

7. Value-added of China's industrial enterprises above designated size in October increased by 4.6% year on year

The data published by NBS on November 15 showed that value-added of China's industrial enterprises above designated size in October increased by 4.6% year on year. In terms of the three major categories, value-added of mining industries increased by 2.9% year on year, value-added of manufacturing industries increased by 5.1% year on year, and value-added of electricity, heating, gas and water production and supply industries increased by 1.5% year on year. By types of economic ownership, value-added of state-controlled enterprises increased by 4.9% year on year, value-added of joint-stock enterprises increased by 5.6% year on year, value-added of foreign-funded enterprises and Hong Kong, Macao and Taiwan-invested enterprises increased by 0.9% year on year, and value-added of private enterprises increased by 3.9% year on year.

8. Lottery sales in China totaled 47.341 billion RMB in October

The data published by MOF on November 24 showed that lottery sales in China totaled 47.341 billion RMB in October, an increase of 17.622 billion RMB year on year, or 59.3%. Among them, welfare lottery sales were 15.488 billion RMB, an increase of 4.497 billion RMB year on year, or 40.9%, and sports lottery sales were 31.853 billion RMB, an increase of 13.125 billion RMB year on year, or 70.1%.

III. MOF Events

1. On October 30, Vice Finance Minister Zhu Zhongming met with Ms. Asmaa Resmouki, President of the International Federation of Accountants (IFAC). The two sides exchanged views on topics such as the development of global CPA profession, the promotion of sustainable development, and the deepening of interaction and cooperation between Chinese CPA profession and IFAC.

2. On November 5, Vice Finance Minister Liao Min met with NDB President Dilma Rousseff at the headquarters of NDB and exchanged views on the role of NDB in BRICS and international cooperation, membership expansion of NDB, and local currency investment and financing.

3. On November 6, Finance Minister Lan Fo'an met with NDB President Dilma Rousseff and exchanged views on the role of NDB in BRICS and international cooperation, membership expansion of NDB, local currency investment and financing, and cooperation between China and NDB.

4. On November 10, Vice Finance Minister Liao Min made a press briefing in San Francisco, U.S. to update on the visit of He Lifeng, a member of the Political Bureau of the CPC Central Committee, Vice Premier of the State Council and China's lead person for China-U.S. economic and trade affairs, and answered questions from reporters.

5. On November 12 and 13, Finance Minister Lan Fo'an, accompanied by Vice Finance Minister Liao Min, attended and addressed the 30th APEC Finance Ministers' Meeting. The meeting discussed global and regional economic and financial situation, modern supply-side economics, sustainable finance, digital assets, and other topics. During the meeting, Finance Minister Lan Fo'an also met with U.S. Treasury Secretary Janet Yellen, Indonesian Finance Minister Sri Mulyani Indrawati, Australian Treasurer Jim

Chalmers, and Singaporean Minister in the Prime Minister's Office and Second Minister for Finance and Second Minister for National Development Indranee Rajah to exchange views on multilateral and bilateral economic and financial issues of mutual interest.

6. On November 16, Vice Finance Minister Zhu Zhongming met with Chairman of the International Sustainability Standards Board Emmanuel Faber to exchange views on issues related to IFRS.

7. On November 17, Vice Finance Minister Liao Min met with World Bank Vice President for East Asia and Pacific Manuela V. Ferro, and exchanged views on China's economic situation, World Bank Group Evolution, cooperation between China and the World Bank, and the World Bank Executive Directors group visit to China.

8. On November 20, Vice Finance Minister Liao Min attended and addressed the opening ceremony of the Workshop on Climate-Smart Connectivity Infrastructure: Financing Innovations and Best Practices. Co-organized by MOF, MCDF, AIIB and the World Resources Institute, the seminar invited representatives from developing countries and financial institutions to exchange views on climate-smart infrastructure financing and practices, and released the report *Climate-Smart Connectivity Infrastructure: Best Practices and Case Studies*.

IV. Local Finance

1. Jiangxi Finance: Building the “most beautiful shoreline” of the Yangtze River to contribute to the high-quality development of the Yangtze River Economic Belt

According to the news released by MOF on October 31, the Finance Bureau of Jiujiang City has earnestly performed fiscal functions and mobilized financial resources to build the “most beautiful shoreline” of the Yangtze River with beautiful natural environment and strong industrial economy, so as to contribute to the development of the Yangtze River Economic Belt. First, provide policy guidance and mobilize nearly 1.5 billion RMB of funds at all levels to support infrastructure construction related to development of the Yangtze River Economic Belt, as well as carbon peaking and carbon neutrality. Second, promote high-quality water conservancy development and restoration of the ecological environment of the Yangtze River at the same time, and solidly take forward the joint action for protection of the Yangtze River Economic Belt. Third, safeguard and improve people's livelihood in the process of development, fully implement the compensation mechanism for ecological protection, and encourage and guide eligible counties (cities and districts) to sign river basin compensation agreements.

2. Shanxi Finance: Lending full support for the development of agriculture and rural areas

According to the news released by MOF on November 2, the Finance Bureau of Datong City has given full play to its fiscal functions to contribute to the realization of rural revitalization. First, actively seek funds from higher-level government, increase financial support for agriculture, and promote the development of agriculture and rural areas in Datong. Second, continue to strengthen funding, increase investment in rural revitalization, and ensure the steady growth of financial input in agricultural and rural development. Third, enhance the coordination between fiscal and financial resources to jointly support the investment in rural revitalization. Fourth, improve the fund management mechanism, speed up the release of budgets for agricultural and rural funds, and improve the efficiency of fund usage.

3. Inner Mongolia Finance: Actively implementing the “dual carbon” policy to ensure people will enjoy “clean heating in winter”

According to the news released by MOF on November 6, the Finance Bureau of Qingshan District, Baotou City has taken multiple measures to support the implementation of the clean heating policy in Northern China and continuously advance the ecological protection. First, raise the political stance, consciously approach the clean heating work from the point of enforcing political requirements, protecting people’s livelihood, protecting ecological environment and promoting development, and effectively enhance the sense of responsibility and mission in taking forward the clean heating work. Second, beef up efforts to establish effective mechanisms, and foster and build the work synergy to provide sound institutional guarantee for promoting the effective implementation of clean heating policies. Third, step up budget implementation, improve the effectiveness of the use of funds and the budget implementation rate, and provide strong support for the smooth progress of clean heating projects through measures such as dynamic monitoring of funds, performance evaluation, and on-site supervision and inspection.

4. Guangxi Finance: Promoting steady recovery of economy with improved services and enhanced responsibilities

According to the news released by MOF on November 7, the Finance Bureau of Liuzhou City has taken the initiative to provide services and integrate into the new development paradigm with a high sense of political responsibility, thus providing solid fiscal and financial guarantee for making new ground in the development of Liuzhou in the new era. First, establish a diversified and sustainable funding mechanism, promote strategic cooperation between government and banks, and fully implement the policy of tax and fee reduction. Second, improve the role of financial services in the real economy, continue to deepen fiscal and tax reforms, accelerate the establishment of a modern fiscal system, and further advance financial reforms and innovation. Third, continue to increase investment in areas related to people’s livelihood, effectively resolve the most pressing difficulties of high concern to the people, and tighten the belt of government organs for the benefits of people.

5. Zhejiang Finance: Support for treatment of rural sewage to achieve win-win result in building green and prosperous countryside

According to the news released by MOF on November 15, the Finance Bureau of Yongkang City has followed the ecological development philosophy that “lucid waters and lush mountains are invaluable assets”, making continuous efforts to improve the living environment of rural areas and create prosperous and beautiful countryside. First, advance smart treatment with digital technology to promote full coverage of pipe networks, full diversion of sewage and full control of pollution, so as to improve treatment effectiveness. Second, advance scientific treatment with effective management, and draw on the advanced experience of Yiwu to bring in excellent third-party operation and maintenance agencies in the province for operation and management. Third, advance treatment innovation to enhance the economic role of ecological improvement, provide support for technical, conceptual and construction innovation to carry out targeted work on rural sewage treatment and sewage pipe network construction and improve the quality and efficiency of treatment.

6. Yunnan Finance: Introducing nine measures to strengthen the supervision of fiscal funds

According to the news released by MOF on November 16, the Finance Bureau of Kunming City has introduced nine measures to strengthen the supervision of fiscal funds in order to effectively ensure the safe operation and efficient use of fiscal funds. First, strengthen the principal responsibility of finance authorities in providing fiscal funds, and fulfill the responsibility as purchasers in carrying out government procurement in accordance with laws and regulations. Second, regulate the management of budget preparation, budget implementation and final accounts, prepare budgets in light of the availability of financial resources, and prepare budget implementation reports and annual final account reports in accordance with laws and regulations. Third, implement the whole-process performance management of fiscal funds, strengthen effective management of government procurement of services, budget integration, and fiscal fund supervision and accountability, and improve the fiscal and accounting supervision system.

7. Shaanxi Finance: Working on four fronts to promote high-quality fiscal development

According to the news released by MOF on November 20, the Finance Bureau of Xunyang City, with strong sense of political responsibility in carrying out fiscal work, has gone all out to ensure effective delivery of fiscal work. First, conduct thorough analysis of key industries, major projects and key tax sources, refine targets and measures month by month, step up fiscal revenue and tax collection and management, and improve funding capabilities. Second, focus on safeguarding the bottom line, ensure expenditures for the “three priorities” expenditure, and highlight the protection of people’s basic livelihood. Third, keep tabs on project and funding information, and actively seek funding from higher level government to support economic development. Fourth, conduct regular training, build learning-oriented institutions, and improve the comprehensive quality of staff.

8. Hebei Finance: Promoting standardized, transparent and efficient government procurement

According to the news released by MOF on November 20, the Finance Bureau of Chengde City has worked on three fronts to promote the scientific, targeted, transparent and efficient government procurement in the city. First, standardize the preparation of the demand plan of procurement, and put forward detailed requirements for the plan prepared by purchasers before carrying out procurement activities. Second, standardize the filing materials of government procurement plans, and clarify the materials required for the filing of procurement plans for various procurement projects in view of the different situations involved in the filing, review and approval of government procurement projects. Third, standardize the implementation of policies to optimize the business environment, enforce the assurance for optimizing the business environment for government procurement, and further consolidate the principal responsibilities of purchasers.

V. Remarks & Opinions

1. Zhu Guangyao: Maintaining effective improvement of “quality” and the reasonable growth of “quantity” in the process of high-quality development and aiming at the 5% target for the next year’s economic growth

On October 28, former Vice Finance Minister Zhu Guangyao stated at the Conference on High-quality Development of Listed Companies of Sichuan University Alumni that the global economic and political dynamics are closely linked, and the global productivity competition is intense. Although the global economy is still in the process of globalization, the process itself has been disrupted by trade protectionism. In this complex and challenging environment, the healthy and sustained growth of China, the world's largest developing country and second largest economy, is of great importance to the improvement of the lives of Chinese people, the development of the global economy as well as the peace and prosperity of the world.

Zhu Guangyao stressed that in order to meet the long-term goals of 2035, China needs to maintain its economic growth above the 4.7% level and achieve the effective improvement of “quality” and the reasonable growth of “quantity” in the process of high-quality development. We have a growth rate of 1.5%-2% in total factor productivity, and the new wealth created by accumulated assets is between 3.5%-4%, so our potential growth rate should be between 5% and 6%. We have a socialist market economic system, a strong political system backup, and the world's most sound production system and structure, which is the most powerful supply-side guarantee, while the immense domestic market is the demand-side guarantee. In addition, we have a large high-quality labor force and numerous entrepreneurs, which is the guarantee of our human resources. Therefore, we have the basis to deliver economic growth of around 5 percent next year.

2. Lan Fo’an: Giving better play to the role of fiscal policies and making all-out efforts to promote high-quality development

On November 5, in his interview with Xinhua News Agency, Finance Minister Lan Fo'an stated that since the beginning of this year, MOF has resolutely implemented the decisions of the CPC Central Committee and the State Council, earnestly carried out proactive fiscal policies, strengthened close cooperation with monetary, industrial and other policies, vigorously enhanced policy effectiveness, and endeavored to promote the overall recovery and high-quality development of economy. The first is to support business entities, reduce their burdens and stabilize expectations; the second is to expand domestic demand, stabilize investment and stimulate consumption; the third is to boost innovation, strengthen growth drivers and optimize structure; and the fourth is to safeguard people's livelihood, step up basic support and improve well-being.

Since this year, many places across China have suffered from torrential rains, floods, typhoons and other disasters, the task of post-disaster recovery and reconstruction in localities is, therefore, relatively heavy. The issuance of an additional 1 trillion RMB of treasury bonds is a major decision made by the CPC Central Committee to take the people-centered approach to strengthen weak links and benefit people's livelihood, so as to better promote high-quality development and balance development and security. Such move testified to the advantages of China's socialist system in concentrating resources on priority matters, and will help strongly support post-disaster recovery and reconstruction, make up for the weak links in disaster prevention, mitigation and relief capacity building, and better protect the safety of people's lives and property. MOF will firmly act on the people-centered development philosophy, fully implement the decisions of the CPC Central Committee and the State Council, and earnestly conduct and deliver its work to ensure that the funds raised from the treasury bonds are well managed and used.

In the next step, MOF will continue to implement the proactive fiscal policies, work to enhance policy effectiveness, and give better play to the role of fiscal policies. First, continue to exert efforts on spending. We will accelerate the issuance and use of new treasury bonds, make good use of the funds from the additional local government special bonds, and maintain reasonable expenditure intensity. At the same time, we will strengthen the management of fiscal funds, strictly enforce financial and economic

discipline, and improve the efficiency and effectiveness of the use of funds. Second, strengthen the implementation of policies. We will see to it that various policies, especially the tax and fee policies introduced before are effectively implemented so that the policy benefits could be fully enjoyed by the people, and will also make every effort to promote the implementation of the CPC Central Committee's decisions on optimizing the real economy, building a modern industrial system, and safeguarding and improving people's livelihood. Third, strictly prevent risks in fiscal operation. We will further strengthen the responsibilities of governments at all levels and firmly safeguard the "three priorities" at the grassroots level. At the same time, we will implement a package of debt resolution plans to actively and steadily defuse local government debt risks.

3. Lan Fo'an: Efforts should be made to forge closer regional industrial and supply chains and jointly build an open Asia-Pacific and world economy

On November 12 and 13, Finance Minister Lan Fo'an attended and addressed the 30th APEC Finance Ministers' Meeting. Lan Fo'an pointed out that the momentum of world economic recovery is still unstable, growth remains weak, trade and investment is anemic, and the task of sustainable development is arduous. All parties should, therefore, strengthen macroeconomic policy coordination, promote trade and investment liberalization and facilitation, forge closer regional industrial and supply chains, and jointly build an open Asia-Pacific and world economy.

Lan Fo'an stressed that since the beginning of this year, China's economy has continued to rebound, especially since the third quarter, as positive changes have further increased, and endogenous momentum has been continuously enhanced. It is expected that China's economy will maintain a positive trend in the fourth quarter, and China remains an important engine for the steady growth of the world economy.

Lan Fo'an pointed out that supply-side structural reform is an indispensable way to achieve high-quality development. China will fully act in the spirit of President Xi Jinping's recent important speech at the 3rd Belt and Road Forum for International

Cooperation, actively implement the eight major steps for high-quality Belt and Road cooperation, support Asia-Pacific economies in deepening supply-side reforms, and accelerate its process of modernization, so as to provide new impetus for global common development.

Lan Fo'an shared China's experience in promoting the realization of the dual-carbon goals and the development of sustainable finance, and also called on APEC economies to strengthen cooperation, jointly take practical actions to advance green development and energy transition in the region, and accelerate the implementation of the 2030 Agenda for Sustainable Development.

4. Zhu Guangyao: We must continue to promote high-quality economic development and achieve effective enhancement of quality and reasonable increase of quantity in growth

On November 21, former Vice Finance Minister Zhu Guangyao stated at the 21st Century Financial Development Annual Conference that the world is facing major changes unseen in a century, and the abrupt occurrence of some international political and economic events, especially geopolitical conflicts, have precipitated the evolution of such changes. The international economic relations are also undergoing drastic changes in terms of economic strength. While there appears a trend of rising strength in the East and falling strength in the West, the West still enjoys an advantage position. Therefore, we must continue to promote high-quality economic development and achieve effective enhancement of quality and reasonable increase of quantity in growth.

Zhu Guangyao pointed out that the commitment to the direction of trade liberalization and to the multilateral trading system based on the WTO serves China's interests and is also in line with the direction of world development. The 30th APEC Economic Leaders' Meeting in 2023 reached important consensus, including, among others, the determination to create a free, open, fair, non-discriminatory, transparent, inclusive and predictable trade and investment environment and the reaffirmation of the importance of a rules-based multilateral trading system with the WTO at its core, which would be

helpful for sustaining the rapid growth of our region.

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