

Consumption key to poverty relief

Government departments and State-owned enterprises urged to make purchases from poor regions

By HU YONGQI
huyongqi@chinadaily.com.cn

China will encourage urban residents to purchase services and agricultural products from people living in poverty-stricken areas to increase their incomes in a sustainable way and help them emerge from poverty.

The goal was unveiled in a 17-clause notice released by the State Council, China's Cabinet, last week that, in particular, urged government departments, State-owned enterprises, public institutions, universities and urban healthcare institutions to purchase products from poverty-stricken regions.

Supply chains for agricultural goods will be built up in less-developed rural areas, with improved infrastructure focusing on e-commerce and logistics. Developed regions have been told they should build partnerships for

long-term supply with disadvantaged areas.

The quality of agricultural goods in poverty-stricken areas should be improved to build famous regional brands, the notice said, while logistics will be enhanced to expand sales of such products. Private enterprises are also encouraged to purchase goods and services from disadvantaged areas.

It is a form of poverty alleviation known as consumption-led poverty relief, which will see people from developed regions and cities buy more services and agricultural products from economically deprived regions and families.

The notice is the latest endeavor in China's poverty alleviation campaign. Experts said consumption-led poverty relief can stimulate the enthusiasm of people living below the poverty line and, more importantly, boost the sustainable development of local industries.

“Measures in the notice are not only designed to lift people above the poverty line, but also further improve the quality of life in these regions, and lay a good foundation for economic growth by cultivating industries.”

Mao Shoulong, professor in public policy at Renmin University of China

According to a three-year action plan released by the Central Committee of the Communist Party of China and the State Council in August, China still has about 30 million people to lift out of poverty by the end of next year.

In many poverty-stricken areas, government has built new houses for poor families or given them subsidies. However, questions remain about how they can make a long-term living after such assistance.

On many occasions, good harvests did not lead to increased incomes because farmers did not know how to sell their fruits and vegetables, said Yang Xiaobang, a poverty alleviation official in Majiahe village in Huoshan county, Anhui province.

Purchases of services and agricultural goods are an essential part of targeted poverty alleviation that will give stable incomes to locals living on one or two major means, Yang said.

The notice aims to build a better bridge between poverty-stricken families and consumers, the National Development and Reform Commission said last week. Even though poor regions produce many high-quality agricultural goods, they find it hard to sell them and often see

harvests go to waste in their warehouses, the commission said.

Meanwhile, many consumers in cities also face high prices and problems finding supplies of good-quality food.

Therefore, the notice said, a number of model enterprises will be supported in large cities and poor regions to build supply chains that take agricultural products “from the farmland to the table” in a more efficient way, the commission said.

Mao Shoulong, a professor in public policy at Renmin University of China, said the notice is expected to benefit producers in less-developed areas, logistics companies and consumers in cities.

The participation of specialized companies will help improve branding and quality control for local producers, which can help them win bigger markets, Mao said. By using new logistics channels such as e-commerce companies, agricultural products from poor regions can be transported more quickly and sold at stable prices to consumers, he said.

For consumers, it may become easier to buy agricultural products of guaranteed quality at acceptable prices, while new means of poverty relief can help reduce costs for farmers and improve quality, Mao said. In this way, people in poverty-stricken areas can look forward to increasing incomes in the long term, he said.

“Measures in the notice are not only designed to lift people above the poverty line, but also further improve the quality of life in these regions, and lay a good foundation for economic growth by cultivating industries,” he said.



SHI YU / CHINA DAILY

POLICY RESPONSE

Shadow banking, school buses and Spring Festival prices under scrutiny

By XU WEI
xuwei@chinadaily.com.cn

Several ministry-level departments, including the China Banking and Insurance Regulatory Commission, the Ministry of Education and the National Development and Reform Commission, have responded recently to issues of public concern.

Efforts to prevent financial risks stepped up

The China Banking and Insurance Regulatory Commission said on Wednesday that it will step up efforts to prevent systemic risks and better serve the real economy this year.

The commission will unwaveringly target wrongdoing in the financial market, better curb violations of laws and regulations and defuse shadow banking risks in an orderly manner, the commission said in a statement released after a work conference.

Illegal financial activities will be punished stringently, and a campaign will be launched targeting risks involving internet finance and online lending activities, the statement said.

The commission will also bol-

ster measures to serve the real economy, push forward the development of inclusive finance, and enhance support for private businesses and small and micro-sized enterprises so that financing costs can be kept at a reasonable level.

Unregistered school buses to be seized, ministry says



The Ministry of Education said on Friday that measures will be bolstered to investigate and punish those operating unregistered school buses and other illegal school bus practices to ensure the safety of students.

Primary and middle school students and preschoolers are forbidden from riding school buses that are not registered by the authori-

ties, a notice jointly released by the ministry and several other departments said.

School bus drivers will face severe punishment if found speeding, overloading or driving off designated routes. Unregistered school buses will be seized, the notice said.

Departments are also required to conduct a thorough investigation of students' commutes and to keep long-term records of the models and plate numbers of school buses. Monitoring of private or unqualified kindergartens should be strengthened, and parents should be well-informed of such issues, the notice said.

More personnel should be dispatched to patrol roads near schools and kindergartens during rush hours to ensure students' safety, it said.

The authorities also called for local governments to better implement laws and regulations related to school bus safety.

Action called for to ensure stable commodity prices

The National Development and Reform Commission has called for efforts to ensure stable commodity prices during the Spring Festival holiday period, which falls

between Feb 4 and 10 this year.

Local economic regulators should closely monitor the prices of daily necessities and transport and tourism services during the festival, and provide timely warnings of potential problems, the NDRC said in a statement issued on Thursday.

In areas frequently hit by bad weather, the authorities should come up with work plans to stabilize market prices and ensure the supply of key commodities related to public livelihood, it said.

The commission also required local authorities to step up price monitoring and oversight of shopping malls and supermarkets. Vio-



lations such as manipulating market prices, hoarding and profiteering will be targeted. Typical cases of violations involving commodity prices must be made public in accordance with the law, the commission said.

Online petitioning channels to be expanded

The National Public Complaints and Proposals Administration said on Thursday that it will expand online petitioning channels to improve the efficiency of such work.

Shu Xiaoqin, head of the administration, said in a meeting that departments should promote online petitioning and further integrate online platforms with the database of petition information, while ensuring the transparency of their procedures to allow for public supervision.

She added that an intelligent assistant system utilizing big data and artificial intelligence technologies should be developed to improve petitioning procedures.

Local authorities and departments should work closely to handle petitions in a timely and swift manner to avoid repeated petitioning, Shu said.

Policy digest

Medicine procurement program to be launched



A pilot program for the pooled procurement of pharmaceuticals will be launched in 11 cities as part of measures to cut the prices of key medicines, according to a guideline published on Thursday.

The pilot program will operate in Beijing, Shanghai, Chongqing, Tianjin and seven other cities, the guideline issued by the General Office of the State Council said.

The pilot pooled procurement mechanism will enable reductions in drug prices, reduce the cost of business transactions and guide the use of drugs by medical institutions, the guideline said. Procurement will be open to all approved enterprises that can produce drugs on the procurement list in the Chinese mainland.

A coalition will be established among public medical institutions to conduct the pooled procurement. The scope of the pilot program will be expanded after a summary of its efforts, the guideline said.

As part of the program, healthcare security authorities will conduct pooled procurement of drugs based on the amount required by public medical institutions in targeted regions. The total procurement amount will be between 60 and 70 percent of the total amount of drugs required at such institutions.

The guideline also called for efforts to ensure the quality and supply of drugs. A whole-chain quality supervision system will be implemented, covering the production, circulation and use of drugs selected in the procurement. Pharmaceutical companies selected in the procurement will have the quality of their products and supply capacities assessed, and emergency reserves of drugs will also be established.

It also called for medical institutions to settle drug payments on time with producers to reduce the cost of transactions.

A working group will be established by the General Office of the State Council, State Medical Insurance Administration, National Health Commission and State Food and Drug Administration to lead the 12-month pilot program.

Regulation on political and legal affairs

The Communist Party of China Central Committee published a new regulation on its work related to political and legal affairs on Friday.

The regulation, which translates the Party's long-term successful experience in leading the nation's political and legal work into institutional achievements, stresses the absolute leadership of the CPC Central Committee over political and legal affairs.

Party committees above county level are also responsible for leadership of political and legal affairs in their regions under the regulation.

It also highlighted the need to support Party's units related to political and legal affairs in assuming their duties in accordance with the law and to ensure the judicial organs assume their duties independently.

It also called for Party units to safeguard national political security, ensure social stability and promote social equality and justice.

The regulation, which took effect on Jan 13, also made clear the duties and work rules of the Commission for Political and Legal Affairs of the CPC Central Committee.