

POLICY REVIEW

Measures to improve forex management

State Council also aims to give a boost to cross-border trade and investment

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The State Council has renewed its pledge to maintain the yuan at a stable and balanced level and cut red tape in the foreign exchange sector as part of measures to stabilize foreign trade, investment and expand opening-up.

In a statement following its executive meeting on Wednesday, the Cabinet said it had adopted 12 measures to improve foreign exchange management and boost cross-border trade and investment.

A pilot reform dealing with foreign exchange receipts and payments facilitation will be expanded, and limits on the number of foreign currency accounts under capital accounts will be removed to make foreign trade and investment easier.

Premier Li Keqiang said at the meeting that it has been the government's consistent position to maintain a stable exchange rate for the yuan and a reasonable level of foreign reserves, which were of vital importance to macroeconomic stability.

He also highlighted the importance of preventing risks from cross-border capital flows and ensuring a stable financial sector.

The country's foreign exchange reserves — the world's largest — rose by \$19.7 billion from the beginning of this year to \$3.09 trillion by the end of September, according to the State Administration of Foreign Exchange.

Wang Chunying, a spokeswoman for the administration, told a news briefing on Friday that the measures adopted at the State Council meeting were a step toward reform aimed at further cutting red tape and improving government oversight and services and pushing forward the supply-side structural reform of the financial sector.

It would simplify procedures for businesses seeking access to services, expand their funding channels and bolster support of domestic companies in conducting trade and investment overseas, she said.

"It will also further reduce corporate burdens, stimulate market vitality and unleash dividends of policies," she said.

Wang said China's economic fundamentals would continue to be a strong pillar for the stability of its foreign exchange market, and policies to expand opening-up would also play a positive role.

Chinese banks recorded net foreign exchange sales of \$48.2 billion in the first three quarters of this year, the administration said.

The reform will also give banks and foreign trade businesses greater autonomy, with measures to simplify procedures for receipts and

payments for micro-sized and small cross-border e-commerce companies and refine the foreign exchange reporting process for trade in goods, she said.

Wednesday's meeting also decided to allow enterprises to make their own decisions on whether to set up verification accounts.

It also pledged steps to facilitate the registration of foreign exchange receipts and payments for trade for enterprises and their subsidiaries and give project contractors the green light to put their overseas funds under unified management.

The reform also gives foreign companies engaged in noninvestment businesses in China the go-ahead for equity investments, a policy that Wang said will benefit 99 percent of the over 370,000 foreign-invested companies in China.

A pilot program that makes it easier for businesses to make payments in China through their capital accounts will be expanded from 12 pilot free trade zones to the six newly established free trade zones and Shanghai.

Banks based in the Guangdong-Hong Kong-Macao Greater Bay

Area and Hainan province will be allowed to transfer their credit assets, including trade finance, to overseas investors, the Cabinet said.

In another measure to improve the business environment and facilitate foreign trade, the Standing Committee of the National People's Congress endorsed a Cabinet decision to pilot adjustments in six laws, including the laws on foreign trade, road transport safety, food security and customs. The pilot program will last three years.

Approvals such as business registrations for conducting foreign trade and offering firefighting related services will be canceled. Instead of applying for approvals, businesses conducting sales of packaged food products and registering for customs clearance will only need to file records with the authorities.



SHI YU / CHINA DAILY

POLICY RESPONSE

Ministry helps ensure fair prices for bumper crops

By **MO JINGXI**
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Several ministry-level departments, including those responsible for transport, agriculture, civil affairs and healthcare security, have responded recently to issues of public concern.

Grain production to top 650 million tons this year

China's output of grain for this year is expected to see an increase in production, with the total volume to exceed 650 million metric tons, according to the Ministry of Agriculture and Rural Affairs.

Liu Lihua, an official with the ministry, said at a news conference that the bumper grain harvest was the result of improvements in planting, more environmentally friendly

production methods and improvements in development quality.

Wei Baigang, director of the ministry's development and planning department, said that the ministry will make efforts to ensure farmers can reap every single grain.

The ministry will also coordinate with related authorities to implement a policy on the floor price for wheat and rice to guarantee benefits for grain growers, Wei said.

He said China had published the floor price for wheat for next year, and set it at 112 yuan (\$15) per 50 kilograms, which is about the same level as the previous year. Wei said this had sent a positive signal on stable grain prices.

Living allowance for city dwellers hits 617 yuan

The average per capita basic living allowances for urban residents in China is 617 yuan (\$87) a month, statistics for the first three quarters of this year showed.

The statistics, released by the Ministry of Civil Affairs on Oct 24, also showed that the average per capita basic living allowance for rural residents increased by 7.4 percent to 5,247 yuan a year.

By the end of last month, there were 42.83 million residents entitled to basic living allowances and the country's expenditure on basic living allowances was 11.65 billion yuan, according to the ministry's statistics.

Zhang Weixing, spokesman for the ministry, said it had made continuous efforts to guide local authorities on policies to improve basic living allowances and to cover eligible poor people.

According to the ministry, from June to September, a total of 928,000 households with 1.85 million people who were not entitled to the basic living allowances were removed from the scheme.

Another 965,000 households with 1.85 million people who were entitled to coverage were given the allowance.

Coding standards soon for healthcare security

China will speed up the testing of information service coding for healthcare security, with 15 coding standards expected to be gradually put into use next year.

According to Shi Zihai, deputy head of the National Healthcare

Security Administration, the coding standard is like the "mandarin", or common language, of data coding.

As the basic language for exchanges of data between different systems, coding standards are crucial for improving China's healthcare security governance, Shi said at a training class held by the ministry on Oct 21 in Beijing.

China has established a healthcare network that covers more than 1.3 billion people, but the lack of coding standards has hindered the recognition and sharing of business data among different regions and departments.

According to Shi, the application of nationwide or region-level big data analysis will provide support for making policies in several areas, including the bidding for and purchasing of drugs and medical equipment.

Thousands of traffic signs improved nationwide

A total of 283,000 traffic signs have been added or adjusted on China's national expressways and highways, according to an official with the Ministry of Transport.



Related data on the internet and navigation systems had also been updated, Zhou Rongfeng, deputy head of the ministry's road network management department, said at a news conference in Beijing on Oct 24.

The ministry officially launched the work to improve traffic signs on the national highway network in March last year, Zhou said.

Over 18 months, 76,000 traffic signs on national expressways and 207,000 on ordinary national highways had been added or adjusted, Zhou said.

The changes will make travel more convenient for drivers as they will be able to more easily recognize road information and better understand traffic signs which will aid navigation, he said.

Policy digest

Guideline issued to bolster TCM



The Communist Party of China Central Committee and the State Council have issued a guideline to improve the development of traditional Chinese medicine.

TCM hospitals and other institutions should improve their capacities, according to the guideline.

TCM services should include disease prevention, treatment and rehabilitation, and should be universally accessible and cover the whole span of a human life.

TCM services should also be consolidated at the grassroots level.

Colleges should enroll more students from rural areas to major in TCM who promise to go back to work after graduation. Conditions for promotion should be relaxed for TCM physicians who have been working at the grassroots level for a long time.

There should also be a sound training system of TCM knowledge and skills for general practitioners as well as doctors in rural areas.

The guideline also calls for the construction of databases of digital TCM medical records and prescriptions, as well as online TCM hospitals as part of measures to digitize TCM services.

TCM should play fully to its advantages in treatment of diseases including bone injuries, pediatrics, gynecology and cardiovascular diseases, and establish its own approaches in treating such diseases, the guideline said.

Family physicians are encouraged to provide TCM services to prevent diseases.

The guideline also urges efforts to enhance the quality of TCM ingredients and related medicines, and to strengthen the development of TCM talent.

The country should work to rediscover and carry on the essence of TCM through efforts such as improving research in TCM classic literature. Scientific research and innovation in the field should also be sped up.

Li signs decree to boost business environment

Premier Li Keqiang has signed a decree for a regulatory law to improve the business environment, which will take effect on Jan 1.

The draft of the law was passed in a State Council executive meeting earlier this month.

China is continuing its campaign to streamline administrative procedures, as well as efforts to reduce governments' direct distribution of market resources and their direct intervention in market activities, the law said.

Governments at various levels and their departments should uphold transparency in their affairs, and work to make their decision-making, policy implementation and services known to the public, according to the regulation.

Also, the country will speed up efforts to build a modern market system that is unified, open, competitive and orderly, promote the free flow of all kinds of factors of production according to law, and guarantee that all market entities compete in a fair manner, it said.

The country will keep on easing market access and implement a nationwide negative-list system for market access, it said. As for business areas that are not on the list, all market entities can enter the areas equally in accordance with the law.

The regulation also requires government departments to strengthen enforcement of anti-monopoly and anti-unfair competition laws, among other stipulations.

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