

CCP Central Committee [Resolution](#) concerning Some Major Issues in Comprehensively Deepening Reform

Passed at the 3rd Plenum of the 18th Central Committee of the Chinese Communist Party on 12 November 2013

I, The major significance of and guiding ideology for comprehensively deepening reform

(1) Reform and opening up is a new magnificent revolution that the people of all ethnicities in the entire country undertake under the leadership of the Party and under new conditions of the times, and it is the clearest characteristic of contemporary China. In the 15 years since the 3rd Plenum of the 11th Party Congress was convened, our Party has, with huge political courage, tenaciously moved forward reform of economic structures, political structures, cultural structures, social structures, ecological civilization structures and Party building structures, it has incessantly broadened openness, its determination was great, reform was deep, and its influence broad in an unprecedented manner, and its achievements have attracted worldwide attention.

The most important fruit of reform and opening up is that it initiated and developed Socialism with Chinese characteristics, and provided strong drivers and forceful guarantees for Socialist modernization construction. Facts demonstrate that reform and opening up is the crucial decision that decided the destiny of contemporary China, and is an important talisman for the undertaking of the Party and the people to catch up with the times in big strides.

Practice and development are boundless, liberating thoughts is boundless, reform and opening up are boundless. In the face of new circumstances and new tasks, in order to completely construct a moderately prosperous society, and thereby construct a wealthy, strong, democratic, civilized and harmonious Socialist modernized country, realize the Chinese Dream of the great rejuvenation of the Chinese Nation, we must comprehensively deepen reform from a new historical starting point, incessantly strengthen self-confidence about the path, self-confidence about theory and self-confidence about the system of Socialism with Chinese characteristics.

(2) To comprehensively deepen reform, we must hold high the magnificent banner of Socialism with Chinese characteristics, take Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory, the important "Three Represents" thought and the scientific development view as guidance, strengthen self-confidence, concentrate a consensus, comprehensively plan matters, move forward in a coordinated manner, persist in the reform orientation of the Socialist market economy, make stimulating social fairness and justice, and enhancing the people's welfare as starting point and stopover point, further liberate thoughts, liberate and develop social productive forces, liberate and strengthen social vitality, resolutely eliminate systemic and mechanistic abuses in all areas, and strive to open an even broader prospect for the undertaking of Socialism with Chinese characteristics.

The overall objective of comprehensively deepening reform is perfecting and developing the system of Socialism with Chinese characteristics, and moving the modernization of the country's governance structure and governance ability forward. We must pay even more attention to the systemic nature, overall nature and coordinated nature of reform, accelerate the development of the Socialist market economy, democratic politics, advanced culture, a harmonious society and ecological civilization, let all vitality in labour, knowledge, technology, management and capital compete and burst forth, let all sources creating social wealth fully gush forth, and let the fruits of development be extended to the whole body of the people in greater numbers and more fairly.

Closely revolve around ensuring that the market has a decisive role in allocating resources in deepening economic structural reform, persist in and perfect basic economic systems, accelerate the perfection of modern market systems, macro-economic regulation systems and open economic systems, accelerate the transformation of economic development methods, accelerate the construction of an innovative country, promote an even more efficient, fair and sustainable development of the economy.

Closely revolve around persisting in the organic integration of the leadership of the Party, the people mastering their own affairs and governing the country according to the law in deepening political structural reform, accelerate moving forward with the institutionalization, standardization and proceduralization of Socialist democratic politics, build a Socialist rule of law country, develop a broader, fuller and completer Socialist democracy.

Closely revolve around constructing the Socialist core value system and a strong Socialist culture country in deepening cultural structural reform, accelerate the perfection of cultural management systems and cultural production and commercial mechanisms, establish and complete modern cultural service systems and modern cultural market systems, promote the grand development and grand flourishing of Socialist culture.

Closely revolve around guaranteeing and improving the people's livelihood even better, and stimulating social fairness and justice in deepening social structural reform, reform income allocation systems, stimulate common prosperity, move institutional innovation in the social area forward, move basic public service equalization forward, accelerate the formation of scientific and effective social governance mechanisms, guarantee the society is both full of vitality, as well as harmonious and orderly.

Closely revolve around building a beautiful China in deepening ecological civilization structural reform, accelerate the establishment of ecological civilization systems, complete land space exploitation, resource use reduction, and ecology and environment protection systems, promote the formation of the construction of new and modernized structures for the harmonious development of human and nature.

Closely revolve around raising the levels of scientific governance, democratic governance and governance according to the law in deepening Party building structure reform, strengthen democratic centralism system construction, perfect Party leadership mechanisms and governance mechanisms, persist in the Party's advanced nature and purity, and provide strong political guarantees for reform and opening up, and for Socialist modernization construction.

(3) In comprehensive deepening reform, we must base ourselves on the reality that our country will remain in the preliminary stage of Socialism for a long time, persist in the major strategic judgment that development still is the key to resolve all or our country's problems, put economic construction at the centre, give rein to the pulling function of economic structural reform, promote the adaption of relationships of production with productivity, and of the superstructure with the economic base, promote the sustained and healthy development of the economy and society.

Economic structural reform is the focus of deepening reform, the core issues are dealing with the relationship between the government and the market well, ensuring that the market has a decisive function in resource allocation, and giving better rein to the function of government. The market deciding resource allocation is a common law of market economics, to complete the Socialist market economy system, we must respect this law, and strive to resolve the problems of imperfect market systems, excessive government intervention and unsatisfactory supervision and management.

We must vigorously and reliably move marketization reform forward in breadth and depth, substantially reduce direct government allocation of resources, promote that resource allocation is based on market principles, market prices and market competition, to realize productivity maximization and efficiency optimization. The duties and functions of governments are mainly to maintain macro-economic stability, strengthen and optimize public services, guarantee fair competition, strengthen market supervision and management, safeguard market order, promote sustainable development,

(4) The successful practice of reform and opening up has provided important experiences for completely deepening reform, and must be persisted in for a long time. The most important matter is persisting in the leadership of the Party, implementing the Party's basic line, not marching the old path of feudalism and closedness, nor marching the evil path of changing banners, persisting in marching the path of Socialism with Chinese characteristics, and guarantee the correct direction of reform from beginning to end; persisting in liberating thoughts, seeking truth from facts, progressing with the times, being pragmatic, starting from reality in everything, summarize successful domestic methods, learn from beneficial foreign experiences, dare to move theoretical and practical innovation forward; persist in putting people first, respecting the dominant position of the people, giving rein to the pioneering spirit of the masses, firmly rely on the people in moving reform forward, and stimulate people's comprehensive development; persist in correctly dealing with the relationship between reform and development, we must be bold, our pace must be steady, we must strengthen the integration of top-level design and crossing the river by feeling the stones, of mutually stimulating broad moves forward and making focus breakthroughs, raise the scientific nature of reform and policymaking, broadly concentrate consensus, and form joint forces for reform.

At present, our country's development has entered a new phase, and reform has entered a period of storming fortifications and an area of deep water. We must, with a strong sense of historical commitment, concentrate the wisdom of the entire Party and the entire society to the broadest extent, muster all positive factors to the broadest extent, dare to be gnaw through hard bones, dare to ford dangerous rapids, breach through fetters of ideological concepts with even greater resolution, surmount the barriers of solidified interests, and promote the self-perfection and development of the system of Socialism with Chinese characteristics.

By 2020, decisive results are to be obtained in reform of important areas and crucial segments, the reform tasks put forward in this Resolution are to be completed, institutions and systems that are structurally complete, scientifically standardized and effective in operation are to be formed, to ensure that institutions in all areas become ever more mature and finalized.

II, Persist in and perfect basic economic institutions

The basic economic system with public ownership at the centre, jointly developing with many kinds of ownership systems, is a major pillar of the system of Socialism with Chinese characteristics, and is the foundation of the Socialist market economy system. The public economy and the non-public economy are both important component parts of the Socialist market economy, and are both important bases of China's economic and social development. We must unwaveringly consolidate and develop the public economy, persist in the dominant position of the public ownership, give full rein to the guiding function of the State-owned economy, incessantly strengthen the vitality, control power and influence of the State-owned economy. We must unwaveringly encourage, support and guide the development of the non-public economy, and arouse the vitality and creativity of the non-public economy.

(5) Perfect property rights protection systems. Property rights are the core of ownership systems. Complete a modern property rights system with clear attribution, clear-cut powers and responsibilities, strict protection and smooth transfer. Property rights in the public economy may not be violated, property rights in the non-public economy may equally not be violated.

The State protects economic property rights and legal interests in all sorts of ownership systems, it guarantees that economies under all ownership systems can equally use production factors according to the law, participate in market competition in an open, just and fair manner, and equally receive legal protection, and supervises economies under all ownership systems according to the law.

(6) Vigorously develop a mixed ownership economy. A mixed ownership economy with shareholding that overlaps or mutually blends State-owned capital, collective capital, non-public capital, etc., is an important real form of the basic economic system, it benefits the enlargement of the function of State-owned capital, maintaining and increasing its value and raising competitiveness, it benefits that capital under all sorts of ownership draw on each others' strong points to offset weaknesses, stimulate each other and develop jointly. Even more State-owned economies and economies under other ownership systems are permitted to develop into mixed ownership economies. It is permitted that non-State-owned capital holds shares in State-owned capital investment programmes. It is permitted that mixed ownership economies implement enterprise personnel shareholding, to shape integrated interests among capital owners and labourers.

Perfect State-owned asset management systems, strengthen State-owned asset supervision with managing capital at the core, reform State-owned capital authorization and operation systems, build some State-owned capital operations companies, support that State-owned enterprises meeting conditions reorganize into State-owned asset investment companies. State-owned capital investment operations must serve national strategic objectives, invest more into important sectors and key areas relating to national security or key branches of the national economy, focus on providing public services, develop important and forward-looking strategic industries, protect the ecology and the environment, support scientific and technological progress and guarantee national security.

Transfer a portion of State-owned capital to replenish social security funds. Perfect State-owned capital operations and budgeting systems, raise the proportion of income from State-owned capital that is turned over to public finance, raise this to 30% by 2020, use this more to guarantee and improve people's livelihoods.

(7) Promote the perfection of modern enterprise systems in State-owned enterprises. State-owned enterprises fall under the ownership of the entire people, and are an important force to move forward national modernization and protect the common interest of the people. State-owned enterprises generally have assimilated to the market economy, they must adapt to new trends of marketization and internationalization, and further deepen State-owned enterprise reform with standardizing commercial policymaking, protecting and increasing the value of assets, fair participation in competition, raising enterprise efficiency, strengthening enterprise vitality and bearing social responsibility as focus points.

Correctly define the functions of different State-owned enterprises. State-owned capital is to expand input into public interest enterprises, and make greater contributions to providing public services. State-owned capital is to continue to control and manage sectors with natural monopolies, is to implement reform with separating government and enterprises, separating government and capital, specially-permitted operations and government supervision and main content, implement separation of networks and operations on the

basis of the characteristics of different sectors, set competitive business free, move the marketization of public resource allocation forward. Further eliminate all sorts of sector monopolies.

Complete company and legal person governance structures with coordinated operations and effective checks and balances. Establish professional manager systems, to give rein to the role of entrepreneurs even better. Deepen reform of systems concerning enterprises' internal management personnel's upward and downward mobility, personnel hiring and firing and salary increase or decrease. Establish long-lasting incentive and restraint mechanisms, strengthen responsibility investigations for State-owned enterprise operations and investment. Explore moving forward with openness of State-owned enterprise finance and budgeting, and other such important information.

State-owned enterprises must reasonably increase the proportion of marketized hiring and appointments, reasonably determine and strictly standardize state-owned enterprise management personnel salary standards, duty remuneration, duty expenses and professional expenses.

(8) Support the healthy development of the non-public economy. The non-public economy has an important role in supporting growth, stimulating innovation, broadening employment, enhancing fiscal income and other such areas. Persist in equality of rights, equality of opportunity and equality of regulations, eliminate all kinds and forms of unreasonable provisions affecting the non-public economy, eliminate all sorts of hidden barriers, formulate concrete rules for non-public enterprises to enter into specially-permitted areas of business.

Non-public enterprises are supported to participate in State-owned enterprise reform, the development of a mixed ownership economy with non-public capital shareholding is encouraged, privately-run enterprises meeting conditions are encouraged to establish modern enterprise systems.

III, Accelerating the perfection of modern market systems

Establishing a unified and open, competitive and orderly market system is the basis for the market to have a decisive function in the allocation of resources. We must accelerate the formation of modern market systems with enterprises' autonomous operations, fair competition, free consumer choice, autonomous consumption, free circulation of products and production factors, and fair exchange, strive to eliminate market barriers, raise the efficiency and fairness of resource allocation.

(9) Establish fair and transparent market regulations. Implement unified market access systems, on the basis of formulating negative lists, all sorts of market subjects may enter into areas outside of the list on an equal basis and according to the law. Explore the implementation of a management model for foreign investment with pre-entry national treatment plus the negative list. Move forward with making industry and enterprise registration systems more convenient, reduce qualification accreditation programmes, change from certification before licensing to licensing before certification, progressively change the paid-in registered capital registration system into a subscribed capital registration system. Move forward with domestic commodity distribution structure reform, build a commercial environment under the rule of law.

Reform market supervision and management systems, implement uniform market supervision and management, tidy up and arrange all sorts of regulations and methods that impede national unified markets and fair competition, strictly punish and penalize all sorts of unlawful acts of extending preferential policies, oppose local protection, oppose monopolies

and unfair competition. Establish and complete social credit system, and commend honesty. Complete a marketized withdrawal system where the fittest survive, perfect enterprise bankruptcy systems.

(10) Perfect mechanism in which prices are mainly determined by markets. All prices that can be formed by markets should be submitted to the market, governments are not to carry out improper interventions. Move forward with pricing reform in water, oil, natural gas, electricity, traffic, telecommunications and other such areas, set competitive market prices free. The government pricing scope is mainly limited to important public utilities, public interest-type services and network-type natural monopolies, raise transparency and accept social supervision. Perfect price-formation mechanisms for agricultural products, pay attention to giving rein to the function of markets in forming prices.

(11) Establish uniform urban and rural construction land markets. Under the precondition of conforming to regulations and managing the purpose of use, it is to be permitted that rural collective and construction land use is sold, rented or leased, and it is to be implemented that this equally enters the market, with equal rights and at equal prices as State-owned land. Reduce the scope of land expropriation, standardize land expropriation procedures, perfect reasonable, standardized and plural guarantee mechanisms for peasants whose land is requisitions. Broaden the scope of compensated use of State-owned land, reduce assignment of non-public interest land use. Establish mechanisms to allocate the profit from increased land values that simultaneously cater to the State, the collective and the individual, reasonably raise individual profit. Perfect secondary markets for land rents, transfers and mortgages.

(12) Perfect financial market systems. Expand domestic and international financial openness, under the precondition of strengthening supervision and management, non-governmental capital meeting conditions is permitted to sponsor the establishment of small and mid-size banks and other such financial organs according to the law. Move forward with policy-type financial organ reform. Complete multi-level capital market systems, move forward with stock distribution and registration system reform, promote many channels for equity capital, develop and standardize bond markets, raise the proportion of direct finance. Perfect compensation mechanisms in the insurance industry, establish insurance systems for huge disasters. Develop generalized preferential treatment for finance. Encourage financial innovation, enrich financial market levels and products.

Perfect mechanisms for the formation of Renminbi exchange marketization, accelerate with moving interest rate marketization forward, complete national debt yield curves that reflect the relation between market supply and demand. Promote bidirectional openness for capital markets, raise the extent of convertibility of cross-border capital and financial trading, establish and complete foreign debt and capital flow management systems under prudential macro-level management frameworks, accelerate the realization of the convertibility of Renminbi capital accounts.

Implement financial supervision and management reform measures and stability standards, perfect supervision, management and coordination mechanisms, demarcate central and local financial supervision and management duties, and risk management responsibilities. Establish deposit insurance systems, perfect marketized withdrawal mechanisms for financial organs. Strengthen financial infrastructure construction, guarantee that financial markets are operated securely and with high-efficiency, and are stable overall.

(13) Deepen science and technology structure reform. Establish and complete systems and mechanisms to encourage original creation and innovation, integrated innovation, import, absorption and re-innovation, complete market-oriented technological innovation

mechanisms, give rein to the guiding functions of markets in the direction of technological research and development, the choice of paths, production factor prices, and the allocation of all sorts of innovation factors. Establish innovation mechanisms that coordinate industry, schools and research, strengthen the dominant position of enterprises in technological innovation, give rein to the innovation backbone function of large enterprises, arouse the innovation vitality of small and mid-size enterprises, move forward with marketization and industrialization reform of applied technology research and development organs, and build a national innovation structure.

Strengthen intellectual property rights use and protection, complete technological innovation incentive mechanisms, explore the establishment of intellectual property rights courts. Smash administrative dominance and departmental fragmentation, establish mechanisms in which mainly the market decides on technological innovation programmes, funding allocation and valuation of achievements. Develop technology markets, complete technology transfer mechanisms, improve funding conditions for science and technology-type small and mid-size enterprises, perfect risk investment mechanisms, innovate commercial models, stimulate the capitalization and industrialization of scientific and technological achievements.

Integrate science and technology plans and resources, perfect government support mechanisms for basic, strategic and pioneering scientific research and general technological research. Major State scientific research infrastructure that should be opened up according to regulations is to be opened up to society without exception. Establish innovation survey systems and innovation reporting systems, build open and transparent State scientific research resource management and programme appraisal mechanisms.

Reform selection and management systems for academics, optimize the structure of discipline, raise the proportion of young and middle-aged talents, implement academics' retirement and pension systems.

IV, Accelerate the transformation of government functions

Scientific macro-level regulation and effective governance by governments are immanent needs to give rein to the superiority of the Socialist market economy system. We must realistically transform government functions, deepen administrative structural reform, innovate administrative management methods, strengthen government credibility and governance power, and build a rule of law government and a service-type government.

(14) Complete macro-level regulation systems. The main tasks of macro-level regulation are maintaining the general economic balance, stimulating coordination between major economic structures and the optimization of the structure of productive forces, attenuating the influence of the fluctuations of the economic cycle, preventing regional or systemic risks, stabilizing market expectations, and realizing sustained and healthy economic development. Complete macro-level regulation systems with State development strategies and plans as guidance, and financial policies and monetary policies as main method, move forward with formulating macro-level regulation targets and mechanizing the application of policy methods, strengthen the coordination of financial policies and monetary policies with industrial, pricing and other such policy measures, raise the levels of choosing opportunities, strengthen the forward looking nature, focus and coordination of macro-level regulation. Shape mechanisms to participate in international macro-economic policy coordination, promote the perfection of international economic governance structures.

Deepen reform of investment structures, establish the dominant position of enterprises in investment. Apart from where enterprise investment programmes relate to national security

and ecological security, involve the structure of major production forces nationwide, strategic resource exploitation and major matters of public interest, etc., enterprises are to make autonomous decisions according to regulations without exception, and government is no longer to examine and approve this. Strengthen market access in energy saving, land saving, water saving, environmental, technological, security and other such markets, establish and complete long-term mechanisms to prevent and resolve overcapacity.

Perfect assessment and appraisal systems for development achievements, correct the tendency of evaluating officials' achievements merely by the speed of economic growth, expand the power of targets concerning resource depletion, environmental damage, ecological benefits, overcapacity, scientific and technological innovation, save production, debt growth, etc., pay more attention to the situation of labour and employment, residents' incomes, social security and the people's health. Accelerate the establishment of national uniform economic accounting systems, compile national and local asset balance sheets, establish uniform platforms for housing, credit and other basic data for the entire society, move departmental information sharing forward.

(15) Completely and correctly implement government functions. Further streamline the administration and decentralize powers, deepen administrative examination and approval structure reform, reduce central government management over micro-level matters to the broadest extent, examination and approval is to be cancelled without exception for economic activities that market mechanisms can effectively regulate, the retained administrative examination and approval matters must be managed in a standardized manner, and efficiency must be raised; economic and social matters that directly concern the grass roots, that are large in quantity and extensive in coverage, that can be more conveniently and effectively managed by the localities, are to be transferred to local and grass roots levels for management without exception.

Government must strengthen the formulation and implementation of development strategies, planning, policies, standards, etc., strengthen supervision and management over market activities, and strengthen all sorts of public service provision. Strengthen macro-level regulation duties and capacities of the central government, strengthen public service, market supervision and management, social management, environmental protection and other such duties of local governments. Extend government procurement services, all routine management matters must in principle be brought under competitive mechanism, and purchased from society through contracts, contracting and other such methods.

Accelerate the categorization and reform of undertaking work units, expand the public service strength of government procurement, promote that publicly run undertaking work units rationalize their relationships with their controlling departments and get rid of administrativization, create conditions to progressively remove the administrative levels of schools, scientific research institutes, hospitals and other such work units. Establish legal person governance structures for undertaking work units, moving forward with transforming undertaking work units meeting conditions into enterprises or social organizations. Establish uniform registration and management systems for all categories of undertaking work units.

(16) Optimize the structure of government organizations. To transform the functions of government, organic reform must be deepened. Optimize government organ establishment, functional deployment and workflows, perfect administrative operation mechanisms that both mutually restrain and mutually coordinate policymaking power, government power and supervision power. Straiten result management, give prominence to the implementation of duties, guarantee consistency of power and responsibility.

Comprehensively plan Party, government and mass organ reform, rationalize relationships of responsibility between departments. Vigorously and reliably implement a large department system. Optimize administrative delineation setups, localities meeting conditions are to explore moving forward with structural reform in which provinces directly manage counties (cities). Strictly control organs' personnel allotments, allocate leading cadres strictly according to the provided post numbers, reduce the quantity of organs and the quantity of leaders, strictly control the total amount of personnel supported by the financial administration. Move forward with the scientization, standardization and legalization of organs' personnel allotments.

V, Deepening fiscal structural reform

Finance is the basis and an important pillar for governing the nation, a scientific fiscal structure is an institutional guarantee for optimizing resource allocation, safeguarding market unity, stimulating social fairness and realizing a long period of peace and order for the country. We must perfect legislation, clarify duties and responsibilities, reform the tax system, stabilize tax burdens, make budgets transparent, raise efficiency, establish modern financial administration systems and give rein to the vigour of both the Centre and the localities.

(17) Improve budget management systems. Implement completely standardized, open and transparent budget systems. The focus of budget verification is to be expanded from the situation of balance and the extent of red numbers to appropriation budgets and policy. Tidy up the coupling of standardized focus payments with the growth rates of financial revenue and expenditure or the overall growth rate, generally, the coupling method is not to be used. Establish carry-over budget balancing mechanisms, establish a comprehensive governmental financial affairs reporting system with a power and responsibility structure, establish standardized and rational debt management and risk warning mechanisms for Central and local governments.

Perfect general transfer payment growth mechanisms, focus on increasing transfer payments to old revolutionary regions, ethnic regions, border regions and poor regions. Local financial shortcomings shaped because of transfer payment policies published by the Centre, are to be adjusted in principle through general transfer payments. Tidy up, integrate and standardize special transfer payment programmes, progressively abolish earmarks for competitive areas and local funding supplements, strictly control guidance, relief and emergency response programmes, re-examine retained earmarks, matters falling under local affairs are to be brought under general transfer payments.

(18) Perfect the tax revenue system. Deepen tax revenue system reform, perfect local taxation systems, progressively raise the proportion of direct taxation. Move forward with value-added tax reform, appropriately reduce rates. Adjust the collection scope, segments and rates of consumption tax collection, bring high-energy consumption and high-pollution products and a part of high-end consumption goods into the scope of tax collection. Progressively establish an individual income tax system that integrates being comprehensive and categorized. Accelerate real estate tax legislation and move reform forward in a timely manner, accelerate resource tax reform, promote the change of environmental protection fees into taxes.

According to the principles of a uniform fiscal system, fair tax burdens, and stimulating fair competition, strengthen standardization and management over preferential taxation and especially over regional preferential taxation policies. Preferential taxation policies are to be uniformly provided through special taxation laws and regulations, tidy up and standardize

preferential taxation policies. Perfect national taxation and local taxation collection and control mechanisms.

(19) Establish systems in which duties and payment responsibilities are mutually adapted. Appropriately strengthen Central duties and payment responsibilities, national defence, foreign affairs, national security and regulation and management involving national uniform markets, etc., are Central duties; a part of social security, cross-regional major programme construction safeguards, etc., are joint duties of the Centre and the localities, and duty responsibilities are to be progressively rationalized; regional public services are local duties. Payment responsibilities are to be borne and divided between the Centre and the localities according to their duties. The Centre may entrust the localities with a number of payment responsibilities through arranging transfer payments. With regard to cross-regional public services or those that have a relatively large influence on other regions, the Centre is to bear a number of local duties and payment responsibilities through transfer payments.

Maintain the existing general stability of the Central and local financial resource structure, combine this with tax system reform, consider the properties of taxation categories, further rationalize the income division between the Centre and the localities.

VI, Complete systems and mechanisms for unified urban and rural development.

The binary structure of town and country is a main obstacle restraining unified urban and rural development. We must complete systems and mechanisms, shape new types of relationships between industry, agriculture, cities and the countryside in which industry stimulates agriculture, cities drive the countryside, and industry and agriculture are mutually beneficial, let the broad peasants equally participate in the process of modernization, and jointly share the fruits of modernization.

(20) Accelerate the building of new forms of agricultural operations systems. Persist in the basic position of household operations in agriculture, move forward with agricultural operational method innovation that jointly develops household operations, collective operations, cooperative operations and enterprise operations. Persist in the collective ownership of rural land, safeguard the land contracting and operational rights of peasants according to the law, develop and expand the collective economy. Stabilize rural land contraction relationships and maintain them unchanged for a long time, under the precondition of persisting in and perfecting the strictest arable land protection systems, endow peasants with the powers of possession, use, profit, transmission, mortgage and guarantee of contracting and operational powers with regards to their contracted land, peasants are permitted to develop industrialized agricultural operations with the income from contracting operational rights. It is encouraged that contracting and operational rights are transferred to specialized large households, household farms, peasants' collectives and agricultural enterprises on the open market, develop operations in many kinds, forms and scales.

Villages are encouraged to develop the cooperative economy, support the development of upscaled, specialized and modernized operations, financial programme funds are permitted to directly invest in cooperatives meeting conditions, it is permitted that the assets formed with financial subsidies are transferred to cooperatives for possession and management, it is permitted that cooperatives launch credit cooperations. Industrial and commercial capital is to be encouraged and guided to go to villages and develop modern types of cultivation sectors with suitable modernized operations, and to bring modern production factors and operational models into agriculture.

(21) Endow peasants with more property rights. Guarantee the membership rights of peasants in collective economic organizations, vigorously develop peasant shareholding cooperation, endow peasants with rights of possession of shares in collective assets, profit, compensated withdrawal as well as mortgage, guarantee and inheritance rights. Guarantee peasants' usufruct rights over their homestead land, reform and perfect village homestead land systems, select some trial points, cautiously and reliably move forward with peasant housing property right mortgage, guarantee and transfer, explore the expansion of property-type income channels for peasants. Establish village property rights transfer and trade markets, promote the open, fair and standardized operation of village property rights transfer and trade.

(22) Move forward with equal exchange of production factors between town and country and balanced allocation of public resources. Safeguard peasants' production factor rights and interests, guarantee that peasants and labourers receive equal pay for equal work, guarantee that peasants fairly share in the increased value of land, guarantee that financial organs' village deposits are mainly used for agricultural villages. Complete agricultural support and protection systems, reform agricultural subsidy systems, perfect profit compensation mechanisms for main grain producing areas. Perfect agricultural insurance systems. Social capital is encouraged to invest in village construction, enterprises and social organizations are permitted to set up all sorts of undertakings in villages. Comprehensively plan urban and rural infrastructure construction and community construction, move forward with the equalization of basic public services in town and country.

(23) Perfect healthy development systems and mechanisms for urbanization. Persist in marching the path of a new type of urbanization with Chinese characteristics, move forward with an urbanization that puts people at the centre, promote the coordinated development of small and mid-size cities and small towns, and the integrated development of industries and cities, stimulate a coordinated push towards urbanization and new village construction. Optimize urban space structuring and management structures, strengthen comprehensive urban carrying capacity.

Move forward with urban construction and management innovation. Establish transparent and standardized urban construction investment mechanisms, local governments are permitted to broaden urban construction financing channels through issuing debt and many other methods, social capital is permitted to participate in urban infrastructure investment and operations through special permission operations, etc., research the establishment of urban infrastructure and housing policy-type financial organ. Perfect urban planning standards, straiten examination and approval procedures, counties meeting conditions for division into administrative districts may change into cities in an orderly manner. Towns that attract a large population, with strong economic power, may be endowed with management powers suited to the scale of their population and economy. Establish and perfect cross-regional coordinated urban development mechanisms.

Move forward with changing people transferred away from agriculture into townspeople, progressively change people transferred away from agriculture who meet conditions into urban residents. Innovate population management, accelerate household registration system reform, completely lift restrictions on settling in administrative townships and small cities, lift restrictions on settling into mid-size cities in an orderly manner, rationally determine settlement conditions for large cities, strictly control the scale of the population in especially large cities. Steadily move forward with a complete coverage of the permanent population of cities and towns with basic urban public services, bring peasants who settled in cities into urban housing and social security systems, link up old-age insurance and medical insurance standards joined in villages with urban social security systems. Establish

mechanisms to couple financial transfer payments with peasants transferring into townspeople, strictly and rationally provide urban construction land, raise the use rate of urban land.

VII, Build new and open economic structures

To adapt to the new trends of economic globalization, we must promote a mutual stimulation of domestic and foreign openness, integrate bringing things in and marching out even better, stimulate the orderly and free flow of international and domestic production factors, high-efficiency deployment of resources and deep market integration, accelerate the fostering of, participating in and leadership of new competitive advantages in international cooperation, in order to make opening up stimulate reform.

(24) Broaden investment input. Unify domestic and foreign capital laws and regulations, maintain foreign capital policy stability, transparency and predictability. Move forward with the orderly opening up of finance, education, culture, healthcare and other service areas, lift limits on foreign investment in childcare, care for the elderly, architectural design, accounting and auditing, commerce and logistics, electronic commerce and other such service areas, further open up the general manufacturing industry. Accelerate the integration and optimization of Customs Special Supervision and Management Zones.

Establishing the China Shanghai Free Trade Trial Zone is a major measure to move reform and opening up forward under new circumstances, it must be realistically built well and managed well, and explore new channels for and accumulate new experiences of deepening reform and broadening openness. On the basis of moving existing trials forward, select some localities meeting conditions to develop free trade park (port) zones.

Broaden enterprise and individual foreign investment, establish the dominant position of enterprises and individuals in foreign investment, they are permitted to give rein to their own advantages, go abroad and launch investment cooperation, they are permitted to go to all countries and all regions, taking their own risks, to freely contract projects and business cooperation programmes, they are permitted to innovate methods of marching out and launching green-field investment, merger and acquisition investment, negotiable security investment, joint investment, etc.

Accelerate the signing of investment agreements with relevant countries and regions, reform examination and approval systems for foreign-related investment, perfect consular protection systems, provide rights and interests guarantees, investment stimulation, risk prevention and many other services, broaden the space for investment cooperation.

(25) Accelerate the construction of free trade zones. Persist in the rules of the global trading system, persist in launching bilateral, multilateral and regional cooperation, broaden points of converging interests with all countries and all regions, accelerate the implementation of the free trade strategy with the periphery as the basis. Reform market access, Customs supervision and management, inspection and quarantine and other such management systems, accelerate negotiations on environmental protection, investment protection, government procurement, electronic commerce and other such new topics, form high-level free trade zone networks faced to the entire world.

Broaden openness towards and cooperation with the Hong Kong SAR, the Macau SAR and the Taiwan region.

Broaden inland border openness. Support inland cities to build international passenger and freight air lines, develop many kinds of through transport, form foreign economic corridors traversing the East, the Centre and the West, and link up the South and the North. Promote coordinated customs clearance inland, along the coasts and along borders, realize information exchange, mutual supervision and management recognition and mutual law enforcement assistance between port management and corresponding departments.

Accelerate the pace of opening borders, it is permitted that focus border posts, border towns and economic cooperation zones implement special methods and policies in personal travel, processing and logistics, tourism and other such area. Establish open financial organs, accelerate joint construction of infrastructure with surrounding countries and regions, move forward with the construction of the Silk Road economic belt and the Sea Silk Road, form new structures that are open on all sides.

VIII, Strengthen the construction of the Socialist democratic political system.

To develop Socialist democratic politics, we must make guaranteeing the fact that the people master their own affairs into the basis, persist in and perfect the People's Congress system, the system of multi-party cooperation under the leadership of the Chinese Communist Party and the political consultative conference system, the ethnic region autonomy system as well as the grass roots masses' autonomy system, pay more attention to completing democratic institutions and enrich democratic forms, broaden citizens' orderly political participations at all levels and in all areas, and fully give rein to the superiorities of our country's Socialist political system.

(27) Promote that the People's Congress system progresses with the times. Persist in the dominant position of the people, move forward with theoretical and practical innovation of the People's Congress system, give rein to the basic political institutional function of the People's Congress system. Perfect a Socialist legal system with Chinese characteristics, complete legislative drafting, argumentation, coordination and deliberation mechanisms, raise the quality of legislation, prevent the legalization of local protection and departmental interests. Complete the "one government, two houses" [the People's Governments, the People's Courts and the People's Procuratorates] system, which is generated by People's Congresses, are responsible to People's Congresses and accept the supervision of People's Congresses. Complete systems for People's Congresses to discuss and decide on major affairs, all levels' governments are to report to the same level's People's Congress before publishing major policy decisions. Strengthen People's Congress budget and accounting inspection and supervision functions, and State-owned asset supervision functions. Implement statutory tax collection principles. Strengthen the link of People's Congress Standing Committees with People's Congress representatives, fully give rein to their representative function. Tighten the relationship between representatives and the popular masses through establishing and completing representative contact organs, network platforms and other such forms.

Perfect People's Congress work mechanisms, broaden citizens' orderly participation in the legislative process through forums, hearings, assessments, publication of legal drafts, etc., vigorously respond to social concerns through inquiries, interpellations, investigations on designated issues, file examination, etc.

(28) Move forward with the broad, multi-level and institutionalized development of consultative democracy. Consultative democracy is a special form and unique superiority of our country's Socialist democratic politics, and is a major reflection of the Party's mass line in the political area. Under the leadership of the Party, and with major issues in economic and social development as well as real issues that involve the masses' personal interests as

content, launch broad consultation in the whole society, persist in consulting before policy decisions and during the implementation of policy decisions.

Build an orderly and rational consultative democracy system with integrated segments, broaden coordination channels between State organs, consultative organizations, party organizations, grass roots organizations and social organizations. Deeply launch legislative consultation, administrative consultation, democratic consultation, participatory consultation and social consultation. Strengthen the construction of new think tanks with Chinese characteristics, establish and complete policymaking consultancy systems.

Give rein to the important role of the united front in consultative democracy. Perfect political consultation between the Chinese Communist Party and all democratic parties, earnestly listen to the opinions of the democratic parties and non-party individuals. The CCP Central Committee puts forwards plans on the basis of annual focus work points, and conducts consultation through consultative meetings, heart-to-heart talks and forums. Perfect systems for democratic parties' central committees to directly put suggestions to the CCP Central Committee. Implement the Party's ethnic policies, guarantee the lawful rights and interests of ethnic minorities, consolidate and develop Socialist ethnic relations of mutual assistance and harmony.

Give rein to the important channelling function of People's Political Consultative Conferences in consultative democracy. Focus on moving the institutionalization, standardization and proceduralization of political consultation, democratic supervision and participation in government affairs forward. All levels' Party Committees, governments and Consultative Conferences are to formulate and organize the implementation of annual work plans, and listen to the opinions of Consultative Conferences on a number of important policy decisions. Perfect People's Political Consultative Conference systems, standardize the content and procedures of consultation. Expand the forms of consultative democracy, organize topical consultations, specialized consultation, consultation with different sectors and consultation on dealing with motions in an even more dynamic and orderly manner, increase the density of consultation, raise the effect of consultation. Complete contact organs for committee members in Consultative Conferences, perfect contact systems for Consultative Conference members.

(29) Develop grass roots democracy. Smoothen democratic channels, complete grass roots election, political discussion, openness, reporting, accountability and other such mechanisms. Launch grass roots democratic consultation in many forms, move forward with the institutionalization of grass roots coordination, establish and perfect residents' and villagers' supervision mechanisms, stimulate the masses' self-management, self-service, self-education and self-supervision in urban and rural community governance, grass-roots public affairs and public interest undertakings, according to the law. Complete democratic management systems in enterprise and undertaking work units with employees' representative committees as the basic form, strengthen the construction of democratic mechanisms in social organizations, guarantee the democratic rights of staff to participate in management and supervision.

IX, Moving the construction of a rule of law China forward

To construct a rule of law China, we must persist in moving governing the country according to the law, governance according to the law and administration according to the law forward jointly, and persist in the integrated construction of a rule of law country, a rule of law government and a rule of law society. Deepen judicial structural reform, accelerate the construction of a fair, high-efficiency and authoritative Socialist judicial system, safeguard

the people's rights and interests, let the popular masses feel fairness and justice in every judicial case.

(30) Safeguard the authority of the Constitution and the laws. The Constitution is the basic law that guarantees that the Party and the country flourish and grow, and will know a long period of peace and order, and has the highest authority. We must further complete mechanisms and procedures for constitutional implementation and supervision, and raise the comprehensive implementation of the Constitution to a new level. Establish and complete systems by which the entire society is faithful to, respects, safeguards and utilizes the Constitution. Persist in the fact that everyone is equal in the face of the law, that no organization or individual may exceed the authority of the Constitution and the law, and that all acts violating the Constitution and the law must be punished.

Universally establish legal advice systems. Perfect mechanisms for examining the legality of normative documents and major policy decisions. Establish scientific rule of law construction indicator systems and assessment standards. Complete filing and inspection systems for laws, regulations and normative documents. Complete social law popularization and education mechanisms, strengthen the rule of law conception of the entire population. Progressively increase the quantity of relatively large cities that have local legislative powers.

(31) Deepen administrative law enforcement structure reform. Integrate law enforcement subjects, concentrate related law enforcement powers, move comprehensive law enforcement forward, strive to resolve issues of overlapping responsibilities and many-headed law enforcement, and establish administrative law enforcement systems with unified powers and high-efficiency authority. Reduce administrative law enforcement levels, strengthen grass roots law enforcement strength in food, drugs, production safety, environmental protection, labour protection, maritime islands and other such focus areas. Rationalize urban management law enforcement systems, raise law enforcement and service levels.

Perfect administrative law enforcement procedures, standardize free discretionary law enforcement powers, strengthen supervision over administrative law enforcement, comprehensively implement administrative law enforcement responsibility systems and systems to ensure that law enforcement expenses are guaranteed by the financial administration, ensure that law enforcement is strict, standardized, fair and civilized. Perfect mechanisms to link administrative law enforcement with the criminal judiciary.

(32) Guarantee that judicial powers and prosecutorial powers are exercised according to the law, independently and fairly. Reform judicial management systems, promote the unified management of human resources in courts and procuratorates at the provincial level and lower, explore the establishment of judicial jurisdiction systems that are suitably separated from administrative areas, guarantee the uniform and correct implementation of State laws.

Establish judicial personnel management systems that conform to professional characteristics, complete mechanisms for the uniform recruitment, orderly circulation and gradual selection of judges, prosecutors and People's Police, perfect categorized judicial personnel management systems, complete professional guarantee systems for judges, prosecutors and People's Police.

(33) Complete operational mechanisms for judicial power. Optimize the allocation of judicial powers, complete mechanisms for division of work responsibilities, mutual coordination and mutual restraint of judicial powers, strengthen and standardize legal supervision and social supervision over judicial activities.

Reform the trial committee system, perfect case handling responsibility systems for presiding judges and collegiate benches, let those hearing the case judge, and those judging the case be responsible. Clarify the functions and positions of all levels' courts, standardize the hierarchical trial supervision relationship between higher and lower courts.

Move forward with open trials and open prosecutions, record and maintain materials from the entire court process. Strengthen the rationality of legal documents, promote openness of valid court judgment documents. Straiten and standardize punishment commutation, parole and medical bail procedures, strengthen supervision systems. Broadly implement the people's assessor and people's supervisor systems, broaden channels for the popular masses to participate in the judiciary in an orderly manner.

(34) Perfect structures for the judicial protection of human rights. The State respects and protects human rights. Further standardize judicial procedures for detention, custody, asset freezing and dealing with assets involved in cases. Complete mechanisms to prevent and correct misjudged cases, and to pursue responsibility, it is strictly prohibited to extort confession by torture, engage in corporal punishment or abuse, strictly implement the rule that illegal evidence is thrown out. Progressively reduce the use of charges carrying the death penalty.

Abolish the re-education through labour system, perfect punishment and execution laws for unlawful and criminal acts, complete community correction institutions.

Complete State judicial aid systems, perfect legal assistance systems. Perfect mechanisms to guarantee lawyers' professional rights and structures to punish legal businesses violating laws and regulations, strengthen professional moral construction, give rein to the important function of lawyers in safeguarding citizens' and legal persons' lawful rights and interests according to the law.

X, Strengthening restraining and supervision systems for the operationalization of power

Persist in using structures to manage power, manage affairs and manage people, letting the people supervise power and letting power be exercised in the sunlight are basic policies to ensure that power is locked up in a cage of rules. We must build power exercise structures with scientific policymaking, firm implementation and powerful supervision, complete corruption punishment and prevention structures, build clean politics, and strive to realize that cadres are just, government is clean and politics are clear.

(35) Shape scientific and effective power restraint and coordination mechanisms. Perfect Party and State leadership mechanisms, persist in the democratic centralism system, fully give rein to the leading core role of the Party. Standardize the limits to the power of main leading cadres at all levels of Party and government, scientifically deploy the powers and functions of Party and government departments and their internal organs, clarify responsibilities, positions and work tasks.

Strengthen and improve restraints of and supervision over main leading cadres' exercise of power, strengthen administrative supervision and auditing supervision.

Implement a system in which all local levels of governments and their work departments' powers are clearly listed, open up power exercise procedures according to the law. Perfect openness systems for Party affairs, government affairs and conducting work in all areas, move forward with open policymaking, open management, open service and open results.

(36) Strengthen anti-corruption structure and mechanism innovation and institutional guarantees. Strengthen the Party's unified leadership over a clean and honest Party work style construction and anti-corruption work. Reform the Party's discipline inspection system, complete leadership structures and work mechanisms for anti-corruption work, reform and perfect the functions of anti-corruption coordination groups at all levels.

Implement a responsibility system for the construction of a clean and honest Party work style, Party Committees bear the main responsibility, Discipline Inspection Committees bear a supervisory responsibility, formulate and implement realistic and feasible responsibility investigation mechanisms. All levels' Discipline Inspection Committees must implement their duties of assisting Party Committees with strengthening Party work style construction and organizing coordinated anti-corruption work, strengthen supervision over Party Committees at the same level and especially the members of Standing Committees, and give better rein to their function as the specialized intra-Party supervision organs.

Promote the concretization, proceduralization and institutionalization of double-headed leadership systems over Party discipline inspection work, strengthen the leadership of higher levels' Discipline Inspection Committees over lower-level Discipline Inspection Committees. First place is to be given to higher-level Discipline Inspection Committees in handling corruption cases, handling clues and investigating cases must be reported to higher-level Discipline Inspection Committees at the same time when they are reported to the same level's Discipline Inspection Committee. First place is to be given to the higher-level Discipline Inspection Committee and Organization Department in the nomination and assessment of all levels' Discipline Inspection Committee secretaries and vice-secretaries.

Comprehensively implement the posting of Central Discipline Inspection Committee staff to Central first-level Party and State organs, to inspect the discipline in those organs, implement uniform designations and uniform management. The organ where they are posted is responsible to the organ sending them out for implementing the supervisory duties. Implement Central, provincial and city inspection systems, ensure complete coverage over localities, departments, enterprise and undertaking work units.

Complete anti-corruption and pro-honesty law and regulation institutions and systems, perfect laws and regulations to punish and prevent corruption, guard against risks for clean government, prevent conflicts of interest, for leading cadres to report relevant personal matters, position avoidance and other such areas, implement trials for openness in relevant matters of newly-promoted leading cadres. Complete democratic supervision, legal supervision and public opinion supervision mechanisms, utilize and standardize Internet supervision.

(37) Completely improve normalized work style institutions. Revolve around opposing formalist, bureaucratist, hedonist and extravagant tendencies, accelerate the reform and construction of structures and mechanisms. Complete mechanisms for leading cadres to take the lead in improving work styles and go deeply into the grass roots for inspection and observation, perfect systems to directly contact and serve the masses. Reform meeting document systems, set the example in reducing meetings and documents starting from the Centre, strive to improve meeting styles and writing styles. Complete strict financial budgeting, verification and auditing systems, strive to control the "three officials'" expenses and payments, and the construction of official buildings. Perfect special inspection and responsibility investigation systems to select and appoint people, strive to correct the unhealthy tendencies of craving important positions. Reform officials' achievement appraisal mechanisms, strive to resolve issues such as "image projects", "officials' achievement projects" as well as lack of accomplishments, chaotic activities, etc.

Standardize and strictly implement leading cadres' work and life guarantee systems, it is not permitted to occupy many houses and office rooms, it is not permitted to allocate office rooms and living rooms in excess of quota, it is not permitted to allocate public cars in violation of regulations, it is not permitted to allocate secretaries in violation of regulations, it is not permitted to retain security guards in excess of quota, it is not permitted to conduct public receptions in excess of standards, strictly investigate and prosecute issues such as enjoying treatment in violation of regulations or in excess of standards, etc. Explore the implementation of an official residence system.

Perfect and strictly implement rules and regulations concerning leading cadres' relatives engaging in business, holding public positions or duties in social organizations, going to live abroad and other such matters, to prevent that leading cadres use public power or their own influence to provide personal gains to their relatives or other specific related persons, firmly oppose privileged thinking and work styles.

XI, Move cultural structural and mechanisms innovation forward

To build a strong Socialist culture country and strengthen national cultural soft power, we must persist in the progressive orientation of advanced Socialist culture, persist in the cultural development path of Socialism with Chinese characteristics, foster and practice the Socialist core value system, consolidate the guiding position of Marxism in the ideological area, and consolidate a common ideological basis of the united struggle of the entire Party and the people of all ethnicities in the entire country. Persist in the work orientation of putting people central, persist in putting social effect first, and in the organic integration of social effects and economic effects, make arousing the entire nation's cultural creative vitality into a central link, further deepen cultural structural reform.

(38) Perfect cultural management structures. According to the principles of separating government and enterprises, and separating government and undertakings, promote that government departments shift from running culture to managing culture, promote that Party and government relations further rationalize relations with their subordinate cultural enterprise and undertaking work units. Establish organs for Party Committees and government to supervise and manage the management of State-owned cultural assets, implement the integration of managing people, managing affairs, managing assets and managing orientations.

Complete structures and mechanisms to persist in the correct public opinion orientation. Complete joint mechanisms for basic management, content management, sector management as well as prevention of and attack against unlawful and criminal acts online, and other such work, complete mechanisms to deal with sudden incidents online, shape an online public opinion structure that integrates positive guidance with management according to the law. Integrate news media resources, promote the converged development of traditional media and new media. Promote the institutionalization of news dissemination. Straiten news workers' professional qualification systems, pay high regard to the operation and management of new media, and standardize communication order.

(39) Establish and complete modern cultural market systems. Perfect cultural market access and exit mechanisms, encourage all sorts of market subjects to compete fairly, with the fittest surviving, stimulate that cultural resources circulate across the entire country. Continue moving forward with transforming State-owned commercial cultural work units into enterprises, accelerate transformation of corporate systems and shareholding systems. Explore the implementation of special management and share systems for important State-owned media enterprises that transform according to regulations. Promote cross-regional,

cross-sectoral and cross-ownership mergers and acquisitions of cultural enterprises, raise the level of scale, intensification and specialization of cultural industries.

Non-public cultural enterprises are encouraged to develop, lower access thresholds for social capital, participation in foreign-oriented publishing and online publishing is permitted, participation in the transformation and operation of State-owned film and television production organs and literature and art troupes is permitted through the form of share control. The development of sorts of micro-culture enterprises is supported.

Under the precondition of persisting in the operation of publishing powers and broadcasting power under special permission, it is permitted to separate production and publishing, and production and broadcast. Establish a multi-level cultural product and production factor market, the integration of financial capital, social capital and cultural resources is encouraged. Perfect cultural economic policies, broaden government subsidies for culture and cultural procurement, strengthen copyright protection. Complete cultural product appraisal systems, reform award, push out even more excellent cultural products.

(40) Build modern public cultural service systems. Establish coordination mechanisms for the construction of a public cultural service system, comprehensively plan the construction of service facilities and networks, and stimulate the standardization and equalization of basic public cultural services. Establish mass appraisal and feedback mechanisms, promote the effective linkage of public welfare cultural programmes and the masses' cultural demands. Integrate grass roots propaganda and culture, Party member education, science dissemination, physical education and other facilities, to build comprehensive cultural service centres.

Clarify the functions and positions of different cultural undertaking work units, establish legal person governance structures, perfect outcome assessment mechanisms. Promote that public libraries, museums, cultural centres, science and technology institutes, etc., organize councils, attract representatives from all sides, specialists and masses from all walks of life to participate in management.

Introduce competition mechanisms, promote the socialized development of public cultural services. Social forces and social capital are encouraged to participate in the construction of public cultural service systems, and foster non-profit cultural organizations.

(41) Raise cultural openness levels. Persist in government guidance, enterprise in the main role, market operations and social participation, broaden foreign cultural exchange, strengthen the construction of international communication capacity and foreign-oriented discourse systems, promote that Chinese culture marches towards the world. Rationalize domestic and foreign propaganda systems, support focus media in facing domestic and international developments. Foster foreign-oriented cultural enterprises, support cultural enterprises in going abroad and expanding markets. Social organizations, intermediary organs, etc., are encouraged to participate in the construction of Confucius Institutes and overseas cultural centres, and to undertake humanities exchange programmes.

XII, Move forward with social undertaking reform and innovation

To realize that the fruits of development are extended to the whole body of the people in ever greater numbers and more fairly, we must accelerate the reform of social undertakings, resolve questions of the interests that concern the people most, are most direct and most real well, strive to provide diversified services to society, and satisfy the people's needs even better.

(42) Deepening comprehensive reform in the educational area. Completely implement the Party's educational policies, persisting in cultivating the young to achieve virtue, strengthen education about the Socialist core value system, perfect education about China's excellent traditional culture, shape effective forms and long-term mechanisms for activities of loving learning, loving work and loving the motherland, strengthen students' sense of social responsibility, pioneering spirits and practical abilities. Strengthen physical education classes and extracurricular exercise, stimulate the young to be healthy in mind and body, and have a strong physique. Improve aesthetics education, raise students' aestheticism and accomplishment in the humanities. Forcefully stimulate fairness in education, complete student subsidy systems for households in difficulties, build effective mechanisms to utilize informatized methods to broaden the coverage of excellent educational resources, progressively reduce the differences between regions, between town and country and between schools. Comprehensively plan the balanced deployment of compulsory education resources across town and country, implement the standardized construction of state-run schools and rotational headmaster and teacher exchanges, do not set up focus schools and focus classrooms, reduce difficulties in choosing schools, lighten students' schoolwork burdens by both treating symptoms and root causes. Accelerate the construction of modern vocational education systems, deepen the mixing of education and industry, and cooperation between schools and enterprises, and foster high-quality workers and skilled talents. Innovate higher education talent fostering mechanisms, stimulate higher education to produce their characteristics and strive to become first-rate. Promote the reform and development of preschool education, special education and continuous education.

Move forward with the reform of the examination admissions system, explore operational mechanisms in which student admissions and examinations are relatively separated, with multiple choice student examinations, in which schools autonomously admit students according to the law, where special organs organize implementation, with macro-level government management and social participation and supervision. Fundamentally resolve the abuse of one examination determining one's whole life. Allow entry without examinations in compulsory education, try out school districting systems and specialized student recruitment all along nine years. Implement lower middle school proficiency tests and comprehensive quality appraisal. Accelerate moving forward with categorized admissions and applications for vocational schools or for study registration. Progressively implement comprehensive appraisal and plural recruitment mechanisms for common higher education based on results in the uniform higher education exams and proficiency tests in higher middle school. Explore the reduction of courses in the nationwide uniform examinations, do not distinguish humanities and sciences, foreign languages and other disciplines, organize socialized exams multiple times per year. Try out credit transfer between general higher education schools, higher vocational schools and adult higher education, broaden life long learning channels.

Deeply move forward with the separation of management, running and appraisal, broaden the comprehensive education planning powers of provincial-level governments and the autonomy of schools to run courses, perfect intra-school governance structures. Strengthen State education supervision, entrust social organizations with launching education evaluation and monitoring. Complete government subsidy, government procurement service, tutoring loans, funding and award, donation encouragement and other such systems, encourage social forces to set up education.

(43) Complete structures and mechanisms to stimulate employment and entrepreneurialism. Establish joint mechanisms for economic development and broad employment, complete government responsibility systems to stimulate employment. Standardize employment and appointment systems, eliminate institutional barriers and employment discrimination on the basis of town and countryside, sector, identity, sex and all

other matters that influence fair employment. Perfect preferential policies to support employment, shape new mechanisms for government to support entrepreneurship, for society to support entrepreneurship, and for labourers to dare to set up businesses. Perfect public employment and entrepreneurship service systems that are equal across town and country, build lifelong professional training systems for labourers. Strengthen unemployment insurance systems, prevent unemployment, and stimulate the function of employment, perfect employment and unemployment monitoring and statistic systems. Innovate labour relation coordination mechanisms, smoothen channels for workers to express reasonable appeals.

Stimulate youth employment and employment of labourers migrated from villages, urban inhabitants in difficulties and military veterans with higher education graduates as the focus point. Integrate industrial upgrading with developing even more employment position that suit higher education graduates. Government procurement grass roots public management and social service positions are to be used more to attract higher education graduates. Complete service guarantee mechanisms to encourage higher education graduates to go and work at the grass roots, raise the proportion of directed appointment of civil servants and of preferred appointment in undertaking work units. Implement policies to encourage higher education graduates to set up autonomous businesses, develop State and provincial-level higher education graduate employment and entrepreneurship funds in an integrated manner. Implement employment stimulation plans for higher education graduates who have left schools but have no job, bring the unemployed into the scope of employment probation, technical training and other activities preparing for employment, implement services across the complete process of employment for those in special difficulties.

(44) Form rational and orderly income allocation structures. Focus on the protection of labour income, strive to realize that labour remuneration growth and labour productivity increases have the same pace, and raise the proportion of labour remuneration in primary allocation. Complete salary decision and regular increase mechanism, perfect minimum wage and wage payment guarantee systems, and perfect collective wage bargaining systems in enterprises. Reform salary, allowance and subsidy systems in organs and undertaking work units, perfect allowance growth systems for difficult and remote regions. Complete remuneration mechanisms for capital, knowledge, technology, management, etc., that are decided by the factor market. Expand investment and leasing services and other such channels, optimize mechanisms to repay investors in publicly traded companies, protect the lawful rights and interests of investors and especially small and mid-size investors, increase residents' property-type income through many channels.

Perfect redistribution and adjustment mechanisms with tax revenue, social security and transfer payments as the main methods, expand tax revenue adjustment strength. Establish reasonable sharing mechanisms for income from the sales of public resources. Perfect structures for tax remittances for philanthropic donations, support charitable undertakings to give rein to their positive function in helping the poor and the needy.

Standardize income allocation procedures, perfect income allocation and adjustment systems and mechanisms and policy systems, establish individual income and asset information systems, protect lawful rights and interests, adjust overly high incomes, tidy up and standardize hidden income, ban illegal income, increase the income of low wage earners, broaden the proportion of middle income earners, strive to reduce the income gap in town and country, in regions and in sectors, progressively form an olive-shaped distribution structure.

(45) Establish fairer and more sustainable social security systems. Persist in the basic old-age insurance system that integrates comprehensive social planning and individual

accounts, perfect individual account systems, complete incentive mechanisms so that those who pay more, get more, guarantee the rights and interests of the insured, realize comprehensive planning of basic pensions across the country, persist in the principles of accurate calculations and balance. Move forward with the reform of old-age insurance systems in organs and undertaking work units. Integrate basic old-age insurance systems and basic health insurance systems for urban and rural residents. Move the comprehensive development of minimum living guarantee systems forward. Establish and complete reasonable social security treatment standards and regular adjustment mechanisms that simultaneously deal with various categories of people. Perfect policies to continue social security relationships after migration, broaden insurance participation and fee payment coverage, reduce social security fees appropriately and timely. Research the formulation of policies to gradually raise the retirement age. Accelerate the completion of social security management systems and service systems. Complete housing support and supply systems that conform to national circumstances, establish open and standardized public housing funding systems, improve public housing funding collection, user and supervision mechanisms.

Complete financial input systems for social security, perfect social security budget systems. Strengthen social security fund investment management and supervision move marketized and pluralist investment operations of funds forward. Formulate and implement tax exemption or tax deferral policies and other such preferential policies, accelerate the development of enterprise annuities, professional annuities and commercial insurance, build multi-level social security systems.

Vigorously respond to population aging, accelerate the establishment of social service systems to care for the elderly and the development of service industries for the elderly. Complete welfare and service systems for children, women and the elderly who have remained behind in villages, complete mechanisms to guarantee the rights and interests of the disabled, and of children in difficulties.

(46) Deepen medical and hygiene structure reform. Comprehensively move forward with overall reform in healthcare security, healthcare services, public hygiene, drug provision, supervision and management structures. Deepen comprehensive reform of grass roots healthcare and hygiene organs, complete networked urban and rural grass roots healthcare and hygiene service and operation mechanisms. Accelerate reform of public hospitals, implement governmental responsibilities, establish scientific healthcare outcome appraisal mechanisms and talent fostering and human rights resource systems that are suited to the characteristics of the sector. Perfect reasonable hierarchical diagnosis and treatment models, establish service relationships with community doctors and resident charter services. Fully utilize informatized means to stimulate high-quality healthcare resources to flow up and down. Accelerate the completion of medical insurance and aid systems for major and large diseases. Perfect policies and mechanisms for the development of the Chinese medicine sector.

Society is encourage to run hospitals, optimize organs to support the running of non-commercial healthcare. Social capital may directly be invested into areas where resources are rare and it is necessary to satisfy multiple demands for services, and may participate in reform and reorganization of public hospital in many forms. Doctors are permitted to set up shop in multiple places, people-run healthcare organs are permitted to be brought into the scope of focus health insurance.

Persist in the basic national policy of birth planning, start the implementation of a policy where it is permitted to have two children if either a husband or a wife is an only child,

progressively adjust and perfect birth policies, stimulate the balanced development of the population for the long run.

XIII, Innovate social governance systems.

To innovate social governance, we must fix our eyes upon safeguarding the basic interests of the broadest people, enhancing harmonious factors to the broadest extent, strengthening social development vitality and raising social governance levels, we must completely move the construction of a peaceful China forward, safeguard national security, ensure that the people live and work in peace and contentment, and that society is stable and orderly.

(47) Improve social administration methods. Persist in systematic governance, strengthen the leadership of Party Committees, give rein to the guiding function of government, encourage and support all walks of society to participate, realize a positive interaction between government governance, social self-governance and residents' self governance. Persist in governance according to the law, strengthen rule of law guarantees, use rule of law thinking and rule of law methods to dissolve social contradictions. Persist in comprehensive governance, strengthen moral restraint, standardize social actions, moderate relationships of interests, coordinate social relationships and resolve social problems. Persist in governing from the source, dealing with both symptoms and root causes, focus on dealing with the roots, make networked management and socialized management into the direction, complete comprehensive grass roots service management platforms, timely reflect and coordinate the interests and appeals of the popular masses in all areas and at all levels.

(48) Arouse the vitality of social organizations. Correctly deal with the relationship between government and society, accelerate the implementation of the separation between government and society, move forward with clarifying social organizations' duties and responsibilities, their being autonomous according to the law, and giving rein to their function. Public services and matters to be resolved that are suited to be done by social organizations are to be handed over to social organizations. Support and develop volunteer service organizations. Realize a genuine disconnection between sector associations and chambers of commerce, and administrative organs, focus on fostering and give priority to developing sector associations and chamber of commerce, science and technological, public interest and philanthropy, urban and rural community service social organizations, who directly apply for registration according to the law when they are established. Strengthen management over social organizations and foreign non-governmental organizations, guide them to launch their activities according to the law.

(49) Innovate effective mechanisms to prevent and dissolve social contradictions. Complete social stability risk assessment mechanisms for major policy decisions. Establish open and orderly mechanisms to express appeals, intervene psychologically, mediate contradictions and guarantee rights and interests, ensure that the problems of the masses can be reflected, contradictions can be dissolved and rights and interests are guaranteed.

Reform administrative redress structures, complete administrative redress case trial mechanisms, correct unlawful or improper administrative acts. Perfect joint work systems with people's mediation, administrative mediation and judicial mediation, establish comprehensive mechanisms to mediate and dissolve contradictions and disputes.

Reform letters and petitions work systems, implement systems for the online reception of letters and petitions, complete mechanisms to resolve the masses' reasonable appeals timely and on the spot. Bring letters and petitions relating to the law and to trials onto role of

law tracks and resolve them there, establish final rules for letters and petitions involving the law and trials according to the law.

(50) Complete public security systems. Perfect uniform and authoritative food and drug security organs, establish the strictest supervision rules that cover entire processes, establish traceability rules for the original production location of foodstuffs and quality symbol systems, to guarantee food and drug security. Deepen safe production management system reform, establish danger inspection and governance systems and security prevention and control systems, restrain major and large safety accidents. Complete disaster prevention, disaster reduction and disaster relief systems. Strengthen comprehensive social order governance, innovate solidified social order prevention and control systems, strictly guard against and punish all sorts of unlawful and criminal activities according to the law.

Persist in the policy of positive use, scientific development , management according to the law and ensuring safety, expand forces to manage the network according to the law, accelerate the perfection of leading structures for Internet management, guarantee the security of the national network and of information.

Establish a National Security Committee, perfect national security structures and national security strategies, guarantee national security.

XIV, Accelerate the construction of ecological civilization institutions.

To build and ecological civilization, we must establish systematic and integrated ecological civilization institutions and systems, implement the strictest source protection systems, damage compensation systems and responsibility investigation institutions, perfect environmental governance and ecological restoration institutions, and use institutions to protect the ecology and the environment.

(51) Complete natural resource property right systems and use management systems. Conduct uniform rights determination and registration for natural ecological spaces such as rivers, forests, mountain ranges, grasslands, undeveloped land, shoals, etc., shape natural resource property right systems with clear assignments [of property rights], clear duties and responsibilities and effective supervision and management. Establish spatial planning systems, draw control boundaries for production, living and ecological space exploitation, implement use management structures. Complete energy, water and land savings and intensified use structures.

Complete national natural resource management systems, uniformly exercise the duties of the entire people as owners of natural resources. Perfect natural resource supervision and management systems, uniformly exercise all land space use management and control powers.

(52) Draw red lines for ecological protection. Unwaveringly implement main function area systems, establish land space exploitation and protection rules, strictly promote development according to the position of main function areas, establish national park systems. Establish natural resource and environmental carrying capacity monitoring and warning mechanisms. Implement restrictive measures concerning water and land resources, environmental capacity and overloaded oceanic resource areas. Cancel regional GDP assessment in restricted development regions and national focus countries for poverty alleviation and development work where the environment is weak.

Explore the compilation of natural resource balance sheets, implement natural resource audits when leading cadres leave their posts. Establish lifelong ecological and environmental harm responsibility investigation systems.

(53) Implement paid-for resource use systems and ecological compensation systems. Accelerate pricing reform of natural resources and their products, to completely reflect market supply and demand, the extent of resource scarcity, costs through ecological and environmental harm and the benefit of restoration. Persist in using resource fees the principle of who pollutes the environment, or who destroys the ecology must pay, progressively expand resource taxes to include all sorts of natural and ecological spaces. Steadily and broadly return grain plots to forestry, and turn pastures back into grasslands, adjust the use of farmland in gravely polluted areas and areas where ground water has been overused, implement farmland, river and lake recuperation and rebuilding in an orderly manner. Establish effective mechanisms to regulate reasonable prices for industrial land and residential land, raise the price of land for industrial use. Persist in the principle of who profits, compensates, perfect ecological compensation mechanisms for focus ecology function areas, promote interregional establishment of horizontal and vertical ecological compensation structures. Develop environmental protection markets, implement energy saving, carbon emission rights, waste discharge rights and water rights trading schemes, establish marketized mechanisms to attract social capital to invest in ecological and environmental protection, implement third-party governance for environmental pollution.

(54) Reform ecological civilization protection and management systems. Establish and perfect strict environmental protection management structures to supervise and manage all pollutant emissions, and to independently conduct environmental supervision and management, and administrative law enforcement. Establish joint mechanisms for comprehensive land and sea ecosystem protection, restoration and pollution prevention regions. Complete State-owned forest regions' operations and management systems, perfect the reform of collective forestry rights systems. Publish environmental information in a timely manner, complete reporting systems, strengthen social supervision. Perfect licence systems for pollutant emissions, implement enterprise and undertaking work unit pollutant emission quantity control systems. Implement strict compensation systems for those responsible for creating ecological or environmental damage, investigate criminal liability according to the law.

XV, Deepen national defence and military reform

Closely revolve around the strong army objective of the Party under new circumstances of building a line of people's troops that heed the Party's command, can be victorious and have a fine work style, strive to resolve prominent contradictions and problems that restrain the construction and development of national defence and the military, innovate theories to develop military affairs, strengthen military strategic guidance, perfect military strategies and policies for the new period, build modern military force systems with Chinese characteristics.

(55) Deepen the adjustment and reform of military structures and personnel allocation. Move leadership and management structure reform forward, optimize the deployment of leadership organ functions and the organic deployment of the Military Commission and General Headquarters, perfect leadership and management structures for all service branches. Complete joint operations organs and joint theatre operations command systems within the Military Commission, move forward with the reform of joint operations training and guarantee systems. Perfect leadership systems for new types of combat forces. Accelerate the unified management of informatized construction and centralization. Optimize the structures of Armed Police forces and command and management structures.

Optimize the scale and structure of the military, adjust and improve the proportions of the different services, the proportion of officers and their ranks and the proportion of troops and organs, reduce non-combat organs and personnel. Reform the formation of units on the basis of security needs in different directions and combat tasks. Accelerate the construction of new types of combat forces. Deepen military academy reform, complete new types of military talent fostering systems that unite military academy education, unit training practice and military professional education.

(56) Move military policy system adjustment and reform forward. Complete and perfect military manpower resource policy systems that are suited to the needs of the functions and tasks of the military and of national policy system innovation. With establishing officer professionalization systems as driver, progressively shape scientific and standardized military cadre institutions and systems. Complete and perfect non-military personnel systems. Perfect military service systems, NCO systems, veteran arrangement systems and reform supplementary policies.

Complete military expenditure management systems, establish mechanisms where needs drive planning, and where planning leads resource allocation. Complete and perfect management standard systems and structures for material expenses. Deepen budget management, concentrate income and payments, material purchases and the reform of soldiers' healthcare, insurance, housing and other systems.

Complete military regulatory institutions and systems, explore, the improvement of scientific military management methods and means.

(57) Promote the deep development of military-civilian integration. Establish mechanisms for unified leadership, coordination between the military and localities, linking needs and resource sharing at the national level, to promote the joint development of the army and the people. Complete national defence industry systems, perfect national defence science and technology coordination and innovation systems, reform national defence research, development, production and management, and arms purchasing systems and mechanisms, guide superior people-run enterprises to enter into areas of military material research, development, production and maintenance. Reform and perfect policy systems relying on compulsory education to foster military talents. Broaden the socialized area of military guarantees. Deepen national defence education reform. Complete national defence mobilization structures and mechanisms, perfect ordinary commandeering and wartime mobilization law and regulation systems. Deepen the reform of the militia reserve system. Restructure and rationalize border, sea and air defence management systems and mechanisms.

XVI, Strengthen and improve the Party's leadership over comprehensive deepening of reform

To completely deepen reform, we must strengthen and improve the Party's leadership, fully give rein to the overall picture in which the Party assumes all responsibility, coordinate its leading core function in all areas, establish a study-type, service-type and innovative Marxist governing party, raise the Party's leadership levels and governance capacity, to ensure that success is achieved in reform.

(58) The comrades in the entire Party must unite their thoughts and actions around the Centre's major policy decisions and deployments concerning comprehensively deepening reform, correctly deal with the relationships between the Centre and the localities, the overall picture and parts of the picture, the present and the distant future, they must correctly deal with the adjustment of interest structures, fully carry intra-Party democracy

forward, persist in safeguarding the authority of the Centre, guarantee that decrees are smoothly implemented, firmly and unwaveringly realize the Centre's reform policy decisions and deployments.

The Centre establishes a Leading Small Group for the Comprehensive Deepening of Reform, to be responsible for the general design, comprehensive coordination, overall pushing forward and stimulating implementation of reform.

All levels' Party Committees must realistically implement their leading responsibilities concerning reform, perfect scientific and democratic policymaking mechanisms, take major issues as guidance, and satisfactorily implement all reform measures. Strengthen the construction of leadership ranks at all levels, perfect cadre education, training and practical training systems, incessantly raise the ability of leadership ranks and leading cadres to push reform forward. Innovate grass roots Party building work, complete the Party's basic organizational system, fully give rein to the fighting fortress function of grass roots Party organizations, guide the broad Party members to vigorously throw themselves into the undertaking of reform, carry forward a spirit of "driving nails", let them leave traces when they grasp iron and leave marks when they tread on stones, and make vigorous contributions to the comprehensive deepening of reform.

(59) Comprehensive deepening of reform requires forceful organizational guarantees and talent support. Persist in the principle that the Party manages cadres, deepen the construction of human resource systems for cadres, and build effective and efficient, simple and convenient selection and appointment mechanisms, to ensure that excellent cadres fully emerge in large numbers from all sides. Give rein to the leading and gatekeeping function of Party organizations, strengthen the power of Party Committees (Party Organizations), leaders in charge and Organization Departments in cadre selection and appointment, and their responsibility in cadre assessment, reform and perfect cadre assessment and appraisal systems, improve competitive methods for cadre selection, improve excellent young cadre fostering and selection mechanisms, implement selection systems and appointment systems as methods for cadre promotion in a differentiated manner, persist in correcting phenomena such as only appointing people on the basis of ballots or only appointing people on the basis of points, appoint cadres of all ages well, truly select good cadres with firm convictions, who serve the people, who are assiduous and pragmatic in government affairs, who dare to undertake work, are upright and just.

Break through cadre departmentalization, broaden visions and channels to select people, strengthen exchange across horizontal and vertical lines and across areas. Do away with "managing one's own position" concepts move forward that cadres can rise and fall in position, can be appointed and can be removed. Perfect and implement leading cadre accountability systems, perfect institutions and systems to strictly manage cadre teams. Deepen civil servant classification reform, implement that civil servants' duties and grades run parallel, and their duties and levels are coupled to their treatment, accelerate the establishment of management systems for special technological and administrative law enforcement civil servants and appointed personnel. Perfect basic civil servant employment systems, appropriately lower entry barriers in remote and difficult regions.

Establish systems and mechanisms to concentrate talent, pick outstanding talents from everywhere under heaven and appoint them. Smash institutional barriers, eliminate identity obstacles, let everyone have channels to grow into useful talents and come to the fore, let all kinds of talent have a broad space to put their talents to full use. Perfect institutions and systems for the smooth circulation of talent across Party and government organs, enterprise and undertaking work units and all sides of society. Complete incentive mechanisms for talents to move towards the grass roots, move towards difficult regions and posts, and do

pioneering work on the first line. Accelerate the formation of talent system superiorities that have international competitiveness, perfect talent appraisal mechanisms, strengthen the openness of talent policy broadly attract excellent talents who are abroad to return to the country or to come to China, start an undertaking and develop.

(60) The people are the subjects of the revolution, we must persist in the Party's mass line, establish social participation mechanisms, fully give rein to the vigour, initiative and creativity of the popular masses, fully give rein to the function of labour unions, the Communist Youth League, the Women's Federation and other such people's organizations, make concerted efforts to move reform forward. The localities, the grass roots and the masses are encouraged to explore boldly, strengthen major reform trial work, timely summarize experiences, pardon mistakes made in reform, strengthen propaganda and public opinion guidance, and create a good social environment for the comprehensive deepening of reform.

The comrades in the entire Party must firmly unite around the Party Centre with Comrade Xi Jinping as General Secretary, forge ahead tenaciously, storm fortifications and overcome difficulties, compose a new historical chapter in the magnificent undertaking of reform and opening up, and struggle for the comprehensive construction of a moderately prosperous society, to incessantly obtain new victories for Socialism with Chinese characteristics, and realize the Chinese Dream of the great rejuvenation of the Chinese nation!