A summary of the policy responses targeting the resumption of work and economic recovery in six Chinese cities:

- Beijing
- Shanghai
- Guangzhou
- Shenzhen
- Hangzhou
- Chengdu
Policies for Work Resumption and Economic Recovery: Beijing

1. Progress with the resumption of work and general policies

Work resumption in Beijing started around 8th February when the State Council issued its Notice for Carrying out the Work of Enterprise Resumption. On 16th March, the Beijing Government then issued its Measures to Ensure the Orderly Resumption of Production (summarised in section 2 below). According to the Beijing Bureau of Commerce, by 19th March the rate of work resumption for foreign-funded enterprises in the city had reached more than 70%.

2. General requests and support measures for businesses

- **Epidemic prevention is a prerequisite**
  Before returning to work, enterprises need to formulate an epidemic prevention and control work plan, as well as an emergency plan.

- **Assistance for enterprises in purchasing epidemic prevention materials**
  Municipal and district governments have established a supply and guarantee mechanism for necessary epidemic prevention materials such as masks and body temperature detectors.

- **Meeting the employment needs of enterprises**
  Municipal and district human resources and social security departments are promoting the online Employment Supermarket for enterprises to share details of urgent employment needs.

- **Promoting industrial chain collaboration**
  The Beijing Government is able to coordinate relevant supporting enterprises in other provinces, regions, and cities. It has also set up a demand matching platform for industrial chains using the China Beijing Equity Exchange platform and has set up a mobile phone client to serve enterprises, which can release supply and demand information about raw materials, parts, and equipment.

- **Logistics and transportation support**
  Specific docking information was announced on the Beijing Government’s Window of the Capital to provide emergency support for the transportation needs of enterprises.

- **Serving the basic dining needs of enterprises**
  The Beijing Government has announced and updated the list of food supply and distribution enterprises and direct transportation enterprises for vegetables with point-to-point distribution capacity using the Window of the Capital.

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1. 国务院联防联控机制印发通知要求切实加强疫情科学防控有序做好企业复工复产工作
2. 关于全力做好疫情防控工作保障企业有序复工复产的若干措施

Prepared by Charlie Zeng (Assistant Director, Stakeholder Relations, North China; Charlie.Zeng@cbbc.org.cn) for the China-Britain Business Council, Beijing Office, March 2020
• Helping enterprises solve the problem of temporary accommodation for employees
  Each district is publishing and punctually updating the list of hotels with centralised accommodation conditions, medical observation facilities, and relatively favourable prices.

• Encouraging enterprises to adopt remote working
  The Beijing Government has released service products via the Windows of the Capital, such as remote office and video conference software provided by network office service providers free of charge.

• Risk guarantees
  The Beijing Government is supporting insurance companies with launching comprehensive epidemic prevention and control insurance for enterprises returning to work and resuming production in Beijing.

3. Other measures and support

• Tax incentives
  There has been a phased reduction of VAT for small-scale taxpayers, such that the rate on taxable sales income has fallen from 3% to 1%; support for lessors to reduce and remit property rents for individual businesses through reducing and remitting urban land use tax and other means.³

• Social insurance reductions and exemptions
  Medium-sized, small, and micro companies are exempt from paying social insurance contributions between February and June, while large companies will see their social insurance contributions halved from February to April.⁴ Basic medical insurance for employees paid by the employer is also being reduced in a phased manner to 50% of standard contributions from February to June.⁵

• Financial services postponements and reductions
  SMEs' loan repayments (either on the principal or the interest) due between January 1st and 30th June can be postponed to June 30th.⁶ The Beijing Government’s guarantee agency has reduced the comprehensive rate by 0.5 percentage points for SMEs.⁷

• Support for SMEs
  On 5th February, the Beijing Government issued 16 measures supporting SMEs including partial exemption of administrative fees, rent reduction, deferred tax payment, and R&D cost subsidies.⁸

• Support hotline
  Companies in Beijing may call 12345 for assistance when resuming operations if they encounter any obstacles or problems.

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1. 支持疫情防控和经济社会发展税费优惠政策指引
2. 关于做好北京市阶段性减免企业社会保险费工作的通知
3. 关于阶段性减轻职工基本医疗保险单位缴费的通知
4. 关于进一步落实中小微企业贷款临时性延期还本付息政策的措施
5. 北京市财政局关于加强金融服务支持做好新型冠状病毒肺炎疫情防控工作的通知
6. 北京市财政局关于进一步落实中小微企业阶段性延期还本付息政策的通知
7. 北京市财政局关于进一步落实中小微企业阶段性延期还本付息政策的通知
8. 北京市财政局关于进一步落实中小微企业阶段性延期还本付息政策的通知

Prepared by Charlie Zeng (Assistant Director, Stakeholder Relations, North China; Charlie.Zeng@cbbc.org.cn) for the China-Britain Business Council, Beijing Office, March 2020
1. Progress with the resumption of work and general policies

The resumption of work in Shanghai has gathered pace since early February: statistics from the Shanghai Government show that as of 16th March, 90% of major construction projects have resumed, whilst almost all large industrial enterprises and 81% of SMEs have restarted operations.¹

The Shanghai Municipal Commission of Economy and Informatization (SMCEI) has issued the fourth version of its Work Resumption Guide, which states that companies can now resume work without filing, although this does not apply to activities that involve large gatherings such as those held in theatres or offline educational classes.²

On 18th March, the SMCEI held a meeting to review its work in 2019 and to plan ahead for 2020's economic development, during which it decided that its key foci would be the resumption of work and economic recovery.³ The local government will therefore facilitate the development of contactless industries, attract more foreign investment, and prioritise the development of integrated circuits, AI, and the bioscience industries.

The Shanghai Municipal Government is keen to nurture a friendly environment for new business growth areas, hence the Municipal Commission of Commerce has announced five key priority areas for boosting the post-epidemic recovery: the night economy, tax free shopping, online platform development, building up strong brands, and encouraging product launches in Shanghai.⁴

2. Support measures for businesses

On 10th February, the Shanghai Municipal Government announced 28 supporting measures to boost service enterprises, including funding support, tax breaks, and rent reductions.⁵ Following this, relevant departments have announced implementation measures, including those listed below:

- Utility cost reductions
  On 17th March, Shanghai Development and Reform Commission announced that the pipeline rate for imported LNG through Yangshan Port would be reduced from RMB 0.26 to RMB 0.16 per cubic metre from 22nd February to 30th June, so as to support the resumption of work, and the cost of natural gas for industrial users was reduced on the same day.⁶ All users except energy-intensive

¹ 上海重大工程项目复工率超九成中小企业复工率已达八成
² 上海复工指南 4.0 版（3.16）
³ 上海市发布“五个经济”，恢复企业精准服务
⁴ 上海市发布“五个经济”，减轻疫情影响，支持企业复产复市
⁵ Notice of Shanghai Municipal People’s Government on Issuing Several Policies and Measures for Fully Controlling the Epidemic Situation and Supporting the Smooth and Healthy Development of Service Enterprises in Shanghai
⁶ 上海市发展和改革委员会关于阶段性降低洋山港进口液化天然气气化管输费支持企业复工复产的通知

Prepared by Weifeng Ma (Director, Shanghai Stakeholder Relations and Deputy Chief Representative; Weifeng.Ma@cbbc.org.cn) for the China-Britain Business Council, Shanghai Office, March 2020
users now benefit from a 95% discount on electricity rates between 1st February and 30th June.  

- **Foreign trade support**
  On 17th March, Shanghai Municipal Commission of Commerce announced 11 measures to support foreign trading companies, including those covering financing, cross-border payments, expanding international markets, and legal assistance.  

- **Social insurance contribution exemptions and reductions**
  Medium-sized, small, and micro companies are exempt from paying social insurance contributions between February and June, while large companies will see their social insurance contributions halved from February to April.  

- **Employment safeguarding**
  On 11th March, Shanghai Human Resources and Social Security Bureau announced the implementation of measures designed to safeguard employment during the Covid-19 outbreak.  

- **Funding support from banks**
  On 5th March, Shanghai Municipal Commission of Commerce and the Bank of China’s Shanghai Branch jointly launched a dedicated financial services plan to assist enterprises in dealing with the adverse effects of Covid-19.  

- **Support for SMEs**
  On 13th March, the SMCEI and Shanghai Pudong Development Bank’s Shanghai Branch jointly announced special lending support measures for companies involved in preventing epidemics and severely-impacted SMEs.  

  On 13th March, the SMCEI announced measures to support the healthy development of SMEs, including reducing their burdens and special lending measures.  

  On 9th March, Shanghai Municipal Financial Regulatory Bureau published 26 financial support measures to help SMEs resume work.  

  On 4th March, Shanghai Finance Bureau stated that municipality-level state-owned properties will exempt SMEs from paying rent from February to March.  

3. **Other useful information**

More information at both municipality and district levels can be found via the Shanghai Municipal Government’s [Covid-19 Prevention and Business Support Policy Portal](#).  

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7. 上海市发展和改革委员会关于阶段性降低本市企业用电成本支持企业复工复产复市的通知  
8. Policy Measures to Support the Steady Development of Foreign Trade Companies in Response to COVID-19 (Draft Version and Subject to Revision)  
9. 上海市人力资源和社会保障局、上海市财政局关于本市实施阶段性减免企业社会保险费的通知  
10. 关于给予本市相关企业就业补贴应对疫情影响稳定就业岗位的通知  
11. Shanghai, BOC launch dedicated financial service for resumption of work  
12. 上海经济信息化委员会、上海浦东发展银行股份有限公司上海分行关于推出专属金融服务方案支持企业有序复工复产的通知  
13. 上海市经济信息化委员会关于印发《关于应对疫情影响进一步加强企业服务促进中小企业平稳健康发展若干措施》的通知  
14. 上海26条金融举措发布 支持中小微企业复工复产复市  
15. 上海市财政局关于做好疫情防控期间市级行政事业单位减免中小企业房屋租金相关工作的通知
1. Progress with the resumption of work and general policies

The Guangzhou Government published its Measures for Controlling the Pandemic and Realising Economic and Social Development Goals in March to support the resumption of work.\(^1\) According to government statistics, by 16\(^{th}\) March 99.8% of enterprises in the industrial, software, and information technology industries above a designated size had resumed work.\(^2\)

On 24\(^{th}\) March, the Guangzhou Government held a meeting to emphasise the importance of simultaneously promoting pandemic control and the resumption of work.\(^3\)

2. Support measures for businesses

On 7\(^{th}\) February, the Guangzhou Government published 15 measures to support SMEs. Since then, 11 district governments and different government departments have published supportive measures, including funding support, tax breaks, and rent reduction. These and a selection of others are detailed below:

- **Utility cost reduction**
  The Guangzhou Finance Bureau announced that SMEs, as well as enterprises with operations related to daily necessities and pandemic control that are leasing state-owned properties, will be exempt from paying rent in February and March.\(^4\) Qualifying enterprises will also benefit from a 5% discount on electricity bills, while SMEs can delay paying bills for electricity, gas, and water.\(^5\)

- **Foreign trade support**
  On 12\(^{th}\) February, Guangzhou Customs published 30 measures to support foreign trade, including tax reductions and faster customs clearance.\(^6\)

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\(^1\) Guangzhou Foreign Trade Bureau. (2020). Guangzhou Government about the implementation of Guangzhou’s determination to win the COVID-19 pandemic prevention and control work and efforts to achieve经济社会 development goals. Notice.


\(^3\) Guangzhou Foreign Trade Bureau. (2020). Guangzhou Government about the implementation of economic and social development goals. Notice.


• Social insurance contribution exemptions and reductions
  Guangzhou Healthcare Security Administration has published the Announcement on Phased Reduction and Exemption of Enterprise Social Insurance and the Announcement on Further Phased Reduction and Exemption of Insurance Premiums for Primary Medical Treatment, which include medical insurance expenditure reduction and contribution rate reduction measures.\(^7\)

• Employment safeguarding
  On 20\(^{th}\) February, Guangzhou Municipal Human Resources and Social Security Bureau announced the implementation of measures designed to safeguard employment during the Covid-19 outbreak.\(^8\)

• Funding support from banks
  On 8\(^{th}\) March, the Guangzhou Government published financial services measures for supporting the tourism industry, including special credit fund guarantees and the speeding up of the financing process.\(^9\)

• Support for SMEs
  On 7\(^{th}\) February, the Guangzhou Government announced measures to support the healthy development of SMEs, including reducing their burdens and special lending measures.\(^10\)

3. Other useful information

More information at both municipal and district levels can be found via the Guangzhou Government’s Support for Enterprises from the Guangzhou Government.

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\(^7\) 广州多举措、阶段性减征职工医保 支持企业复工复产
\(^8\) 广州市人力资源和社会保障局等 5 个部门关于做好疫情防控期间有关就业工作的通知
\(^9\) 广州专项金融服务措施助文旅企业复工复产
\(^10\) 广州市人民政府办公厅关于印发支持中小微企业在打赢疫情防控阻击战中健康发展的十五条措施的通知
1. Progress with the resumption of work and general policies

Since the start of February the rate at which work has resumed in Shenzhen has been increasing. According to local government statistics, as of 8th March, 97% of major construction projects have resumed and 68.7% of workers have resumed work.¹

The resumption of work is progressing smoothly: government statistics show that as of 12th March, 246,000 enterprises had issued VAT invoices totalling RMB 585.9 billion, which was 75% of the number of enterprises that had issued VAT invoices by the same point in 2019, as well as 75% of the total value of VAT invoices issued by the same point in 2019.²

2. Support measures for businesses

On 7th February, Shenzhen Municipal Government announced 16 support measures to boost service enterprises, including funding support, tax breaks, and rent reductions.³ Since then, relevant departments have announced implementation measures, a number of which are listed below:

- **Funding for controlling Coronavirus from the Shenzhen Finance Bureau**
  As of 2nd March, the total amount of funding for Coronavirus control for Shenzhen was RMB 1.9 billion, of which RMB 66 million was from the central government, RMB 870,000 was from the provincial government, RMB 690 million was from the Shenzhen Municipal Government itself, and RMB 1.15 billion was from district governments.⁴

- **Funding to enterprises from the Shenzhen Bureau of Human Resources and Social Affairs**
  RMB 868 million has been spent to help employees keep their jobs at 45,000 enterprises, as well as to fund unemployment insurance.⁵

- **Rent exemptions/reductions for property owned by Shenzhen-owned SOEs from the Shenzhen State-owned Assets Supervision and Administration Commission (Shenzhen SASAC)**
  Shenzhen SASAC is supporting SOEs by issuing policies regarding rent exemptions and reductions for the properties SOEs own, as the financial statuses of SOEs are under the management and supervision of Shenzhen SASAC, with the total exempted/reduced amount reaching RMB 1.35 billion.⁶

- **Water charge reduction from the Shenzhen Water Bureau**
  Enterprises that have been affected by Covid-19 will be exempt from paying six months of water charges.⁷ The estimated total subsidy for water charges is around RMB 420 million, which will benefit 220,000 enterprises, according to initial calculations.

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¹ 全市复工复产进入“快车道” 规模以上工业企业开工率 97.5%
² 税务大数据平台折射各行业发展情况 深圳复工复产率稳步提升
³ 权威 | 深圳惠企 16 条全政策解读
⁴ 深圳惠企 16 条——市财政局
⁵ 深圳惠企 16 条——市人社局
⁶ 深圳惠企 16 条——市国资委
⁷ 深圳惠企 16 条——市水务局
• **Subsidies for property management and public housing from the Shenzhen Housing and Construction Bureau**
  Subsidies for property management companies to the value of RMB 576 million will be made available, as will two months of rent exemptions for public housing, totalling RMB 160 million.8

• **Tax exemptions and reductions from the Shenzhen Tax Bureau**
  RMB 1.5 billion of tax will be exempt from January to March, according to initial calculations.9

• **Foreign trade support**
  The processing of export tax rebates in Shenzhen has been sped up by 20%, and rebates totalled RMB 16.2 billion between early January and 10th March.10 In addition, Shenzhen Customs will exempt and reduce the fees levied for delays in declarations.11

• **Social insurance contributions**
  Social insurance fees worth over RMB 21.2 billion will be exempted or reduced.12

• **Employment safeguarding**
  Shenzhen Human Resources and Social Affairs Bureau is helping companies that are experiencing Covid-19-related staff shortages to find employees.13 As well as this, on 20th March Shenzhen Market Supervision Bureau issued new supported measures to further control Covid-19 and to promote economic and social development.14

• **Funding support from banks**
  On 20th March, Shenzhen Bureau of Commerce announced that:
  - For the first quarter of 2020, it will provide RMB 700 million to support foreign trade;
  - It will provide insurance to a number of export enterprises with exports that reached a certain level in the previous year, so as to build confidence;
  - Together with the Bank of China’s Shenzhen branch and Merchants Bank’s Shenzhen branch, it will establish a fund worth RMB 25 billion and provide low-interest loans to local companies.15

• **Support for SMEs**
  On 18th March, the Director General of the Shenzhen SME Bureau announced a series of support measures for SMEs at an online press conference.16

3. **Other useful information**

More information at both municipal and district levels can be found via the Shenzhen Municipal Government’s [Covid-19 Prevention and Business Support Policy Portal](#).
1. Progress with the resumption of work and general policies

The resumption of work in Hangzhou started gradually in early February. According to statistics from the Hangzhou branch of the State Grid, as of 16th March, overall daily consumption of electricity in Hangzhou surpassed 100 million kWh, thereby returning to the level achieved before the Chinese New Year.¹

On 20th March, Hangzhou Municipal Government’s response group for epidemic prevention and control held a meeting to launch its next steps for epidemic prevention and control, as well as for economic development in 2020. Its key priorities are to fully restore normal production and daily life and to minimise the damage caused by the epidemic. Hangzhou Municipal Government is keen to promote the full recovery of the service industry, particularly in the area of consumption.²

2. Support measures for businesses

On 10th February, in addition to Zhejiang Provincial Government’s 17 support measures for small and micro enterprises, Hangzhou Municipal Government announced its 1+12 Support Measures to help enterprises resume work and production, including reducing financing costs, reducing rent, and offering support to ensure the supply of epidemic prevention materials.³ On 10th March, Zhejiang Provincial Government then announced 18 new support measures to assist small and micro enterprises in surmounting the difficulties caused by the epidemic.⁴ Relevant departments have also announced additional measures, some of which are listed below.

- **Utility cost reduction**
  On 16th February, Hangzhou Development and Reform Commission announced that the price of natural gas and water will be temporarily decreased by 10% for urban enterprises from 1st February to 30th April in order to support the resumption of work.⁵ On 10th March, Zhejiang Provincial Government announced that the price of electricity for small and micro enterprises

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¹ 全社会用电负荷曲线昂扬向上开年以来首超去年同期
² 担当作为 精准施策 力推经济社会秩序全面恢复
³ 杭州出台“1+12”惠企政策 真情实意、真金白银、真抓实干帮扶企业发展
⁴ 浙江发布关于进一步支持小微企业渡过难关的意见
⁵ 杭州临时下调企业用气用水用电价格 预计可为市区企业减负近 4000 万元
would be discount by 5% from 1\textsuperscript{st} February to 30\textsuperscript{th} June.\textsuperspace{6}

- **Foreign trade**
  On 9\textsuperscript{th} March, Hangzhou Municipal Government announced that it would provide a number of financial subsidies to support foreign trade companies, including financing subsidies, overseas exhibition booth subsidies, and cross-border logistics subsidies.\textsuperspace{7}

- **Social insurance contributions**
  Medium-sized, small, and micro companies will be exempt from paying social insurance contributions from February to June, and large companies’ contributions will be halved from February to April.\textsuperspace{8}

- **Employment**
  Zhejiang Human Resources and Social Security Bureau and five other departments jointly released an announcement on 19\textsuperscript{th} February regarding measures for safeguarding employment during the outbreak.\textsuperspace{9}

- **Funding Support from Banks**
  On 26\textsuperscript{th} February, Hangzhou Municipal Government announced detailed regulations to help enterprises resume work and production, including decreasing financing costs and offering exemptions from financing guarantee charges, so as to assist small and micro enterprises in dealing with the adverse effects of the epidemic.\textsuperspace{10}

3. **Other useful information**

More information can be found on the [Covid-19 Prevention and Business Support Policy Portal](#) and the Hangzhou Municipal Government’s digital government-business service platform [Qingqing Online](#), which includes information about local government policies regarding the resumption of work at both municipal and district levels.

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\textsuperspace{6}浙江省发布关于进一步支持小微企业渡过难关的意见
\textsuperspace{7}杭州市疫情期间助力外贸企业共克时艰(附相关政
\textsuperspace{8}浙江省关于阶段性减免企业社会保险费有关问题的通知
\textsuperspace{9}浙江省人力资源和社会保障厅等6部门关于做好疫情防控期间就业工作的通知
\textsuperspace{10}杭州市关于下发《中共杭州市委杭州市人民政府关于严格做好疫情防控帮助企业复工复产的若干政策》实施细则的通知

Prepared by Michelle Pan (Assistant Director, East China and Chief Representative, Hangzhou; Michelle.Pan@cbbc.org.cn) for the China-Britain Business Council, Hangzhou Office, March 2020
1. Progress with the resumption of work and general policies

By 19th March, 98.1% of workers (272,307 individuals) had returned to work for 1,000 major projects in Chengdu.

On 26th February, the Chengdu New Economic Development Commission, Deyang Science Technology Bureau, Meishan Digital Economy Development Bureau, and Ziyang Economic and Information Bureau hosted a press conference to release the List of Urban Opportunities, focusing on AI, smart manufacturing, and healthcare, among other industries.1

On 17th March, the first meeting to promote the construction of the Chengdu-Chongqing Double City Economic Circle was held online by representatives from Sichuan and Chongqing, and both sides agreed that this would be a great opportunity for Chengdu and Chongqing. Key projects such as Pilot Free Trade Zone construction, a Belt and Road Initiative import and export commodities distribution centre, and the planning of an international exhibition will be included in this initiative.2

On 20th March, the Chengdu Investment promotional conference was held. Mayor Luo Qiang of Chengdu attended and delivered a speech highlighting new areas of investment, including new infrastructure, healthcare, 5G, big data, and hydrogen energy.3

The service industry is gradually resuming normal operations. As of 16th March, banks, public transportation, telecommunications, and other key sectors are completely back to normal, and as of 17th March, the catering service industry was 57.62% recovered. When the outbreak is over, Chengdu will organize the Summer and Autumn Shopping Festival to boost consumption.4

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1 城市机会清单发布
2 推动成渝地区双城经济圈建设
3 罗强出席成都市投资促进工作推进会
4 全市服务业企业复工复产正加快推进

Prepared by Wendy Wei (Chief Representative, Chengdu Office; WendyWei@cbbc.org.cn) for the China-Britain Business Council, Chengdu Office, March 2020
2. Support measures for businesses

On 6th February, the Chengdu Municipal Government announced 20 policies and measures to effectively respond to the epidemic and stabilise economic operations. Some of the main points of these policies and measures are listed below:5

- **Provision of daily necessities**
  The Chengdu Bureau of Commerce will provide subsidies of 50% to companies supplying daily necessities, so as to cover logistical expenses and staff protection fees up to a value of RMB 2 million.

- **Utility cost reduction**
  Water and gas expenses for retail businesses, wholesale businesses, catering businesses, and the hotel industry for the months of February and March will enjoy a 10% discount. SMEs producing medical devices and epidemic prevention drugs have been offered electricity subsidies of 30% from the local government where the enterprise is registered.

- **Supply chain and import/export contingency mechanisms**
  The Chengdu Bureau of Commerce and Investment Promotion Bureau will stabilise railway, road, and airline transportation for the biological medicine and electronic information industries. It will also assist foreign traders that fail to deliver goods on time due to the epidemic in applying for proof of force majeure from the relevant import and export chamber of commerce.

- **Financial support**
  The Chengdu Finance Bureau will ensure an increase in total financing for medium-sized, small, and micro businesses with lower interest rates.

- **Procurement from SMEs**
  The Chengdu Finance Bureau will enhance government procurement of SMEs’ goods and services, so as to comprise 80% of total procurement.

- **HR services support**
  The payment of social security will be delayed and provident fund payments will be reduced.

3. Other useful information

More information about what is taking place in Chengdu following COVID-19 can be found at Invest Chengdu.