

## **POVERTY REDUCTION**

1. We felicitate that government of China for pursuing an effective programme towards eradication of poverty. It entails a set of supporting policies and mechanisms as well as full participation of the entire society. Since 2012 the Chinese government has kept up funding for poverty alleviation and reduction, implemented reforms and innovations to the working mechanism, encouraged all sectors of society to participate in poverty alleviation efforts, and improved the democratic supervision mechanism to ensure the effectiveness of poverty reduction.

2. Government funding for poverty alleviation keeps increasing. Since 2012 the government has proactively adjusted its fiscal expenditure structure to increase funding for poverty reduction and worked to improve the fiscal policy system for poverty alleviation funding. From 2011 to 2015, the government assigned special poverty alleviation funds amounting to RMB189.84 billion, with an average annual growth rate of 14.5 percent; it also assigned RMB5.03 billion from public lottery welfare funds to support anti-poverty development in disadvantaged former revolutionary base areas. Moreover, the government has created innovative fiscal systems and mechanisms for poverty alleviation, strengthened management of government funds for poverty alleviation, and through government funding and the market system leveraged financial capital in support of population relocation projects for poverty alleviation.

3. China has endeavoured to promote inclusive finance in impoverished areas and improve the payment service systems in rural areas to reach out to villages and households. The government has improved targeted financial measures for poverty alleviation, set up a poverty alleviation relending program, which offers loans to the poor at even lower interest rates than those of the agricultural relending program, leveraged multiple financial policy tools, and directed more financial resources to the impoverished areas and people. The government has also explored methods to alleviate poverty through insurance. Land use policy toward development for poverty alleviation has been

further improved. We are thankful for providing us the opportunity to share our contribution in assessing Chinese endeavours.