

:: Title :: China expected to achieve above 2% GDP growth despite Covid-19 ::

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Caption :: China sets GDP growth target of above 6 % in 2021, in show of post-COVID confidence. Graphic: Xu Zihe/GT ::

Despite facing a number of challenges such as global economic uncertainty due to the COVID-19 pandemic, constrained domestic consumption and lagging investment growth, China is expected to achieve its annual social economic growth target in 2021, which is set at above 6 percent, Chinese officials said.

Ning Jizhe, vice chairman of the National Development and Reform Commission, China's economic planner, said at a press briefing in Beijing on Monday on the 14th Five-Year Plan (2021-2025) that the GDP target for 2021 has fully taken into account the recovery of economic activity, how the epidemic has affected

economic development and the economic transition between 2020 and 2021.

Ning said that most issues in the domestic economy are those "emerging during the recovery process," and could be addressed by pushing forward development.

He noted that China's economic growth in the first two months has continued a steady recovery momentum since the second quarter of 2021.

For example, retail and catering consumption grew 28.7 percent year-on-year during this year's Spring Festival holidays, up 4.9 percent from that of 2019. In February, box office revenues reached 12.27 billion yuan, setting a global monthly record.

The NDRC will revise and release the 2021 negative list for market entry to continuously remove "hidden barriers," while formulating and rolling out special measures to further relax market entry into South China's Hainan Province and Shenzhen, South China's Guangdong Province.

In 2021, China's macroeconomics policies will be stable, continuous and sustained, and there will be no "sharp turns," Ning said. Policies will retain the necessary strength to support the economy.

More policies on directing tech industrial development will be launched, such as measures on promoting software and integrated circuit development, and tax exemption for advanced manufactures.

Ning also said that China will make expanding domestic consumption a priority in 2021, including the purchase of large commodities, services, health, information, internet and green products.

Last year, China's average per capita consumption expenditure contracted by 4 percent, lower than a 2.1-percent actual growth rate of per capita disposable income due to epidemic prevention measures that curbed consumption in gathering places, according to Ning.

Hu Zucai, an NDRC official, said that China's decision to not set a specific economic growth target for the 14th Five-Year Plan period takes into account internal and external uncertainties, while leaving space for coping with them.

"It will be conducive for the country to actively and calmly tackle challenges with flexibility, and will help the government to focus on improving development quality and benefits," Hu said.

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