XI JINPING AND THE 13TH FIVE-YEAR PLAN

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Executive Summary

- 1. The 13th Five-year Plan (13FYP) will be the first five-year plan handled entirely by the Xi Jinping leadership, reflecting its policies and political vision. The plan comes at a historic juncture when China's high-growth era is over and a "new normal" is setting in. A key mission of the plan is to leap-frog the "middle-income trap" and lift Chinese development to the next level.
- 2. The plan period (2016-2020) roughly coincides with President Xi Jinping's second term in office, by the end of which China must attain the goal of "comprehensively building a moderately prosperous society". Xi personally takes charge as the head of the team drafting the 13FYP.
- 3. Two bodies are primarily in charge of the planning, the National Development and Reform Commission (NDRC) and the office of the Central Financial and Economic Leading Small Group headed by Liu He, Xi's top economic adviser.
- 4. The key document is the Chinese Communist Party (CCP) Central Committee's Suggestions on the Making of the 13th Five-year Plan for National Economic and Social Development (henceforth "Suggestions"). It sets the basic principles, guidelines and main objectives for the 13FYP.
- 5. The entire process will take two and a half years to complete, starting with a progress assessment of the 12th Five-Year Plan in mid-2013 and ending with the passage of the 13FYP by the National People's Congress in March 2016.
- 6. It went through rounds of research, consultations, meetings, conferences and involving thousands of people both within and outside the CCP. However, the "Suggestions" bears clear mark of Xi's style, values and preferences.
- 7. The "Suggestions" was passed by the Fifth Plenum of the CCP's 18th Party Congress on 29 October 2015. The details of the 13FYP are being worked out by

the NDRC and additional rounds of discussions and consultations are expected. Technocrats and experts are more involved at this stage.

- 8. Hundreds of sectoral and local five-year plans will be drawn based on this master plan. They will be further translated into annual plans for implementation.
- 9. Changes in circumstances and the priority of the top leadership sometimes render these plans superfluous, especially at lower levels of the party-state hierarchy. However, the real value of the exercise is consensus building.
- 10. The lengthy and elaborate process of making the five-year plan forces the Party and the government to pay attention to details, work out their priorities, set the targets and build consensus around them. It also conveniently serves to maintain the hierarchical order of the party-state. It is its way of existence.