

CHINA'S 2025 PARLIAMENTARY SESSIONS: TECH-DRIVEN ECONOMIC BOOST

CHEN Gang & SHI Haoqi

EAI Background Brief No. 1824

At the 2025 National People's Congress and Chinese People's Political Consultative Conference sessions from 4 to 11 March, often referred to as the "two sessions" or *lianghui*, Premier Li Qiang set a gross domestic product growth target of around 5%, underpinned by ongoing economic stimulus and innovation support like the "AI Plus Initiative". The draft law to promote the private sector was neither deliberated nor passed, highlighting challenges in rebooting the private sector. Tensions with Taiwan and military purges underscore security concerns, while China's foreign policy emphasises stability and cooperation, particularly through the Belt and Road Initiative. On the economic front, fiscal policies are addressing challenges by expanding budget deficits and government bonds, while monetary policy remains moderately loose to support key sectors like real estate and consumption. Overall, the sessions reflected China's strategic vision for sustainable growth, but no clear strategy has surfaced to cope with Donald Trump's punitive tariffs.

(Click on the link to read the above in [Chinese](#), [French](#) and [Spanish](#))

Chinese:

中国 2025 年人大会议：科技驱动经济增长

在 3 月 4 日至 11 日举行的 2025 年全国人大和中国人民政治协商会议（通常称为“两会”或“*lianghui*”）期间，李强总理设定了约 5% 的国内生产总值增长目标，以持续的经济刺激和创新支持如“AI Plus Initiative”为基础。促进私营部门的草案法律既未审议也未通过，突显出重振私营部门的挑战。与台湾的紧张关系和军事清洗突显了安全问题，而中国的外交政策则强调稳定与合作，特别是通过“一带一路”倡议。在经济方面，财政政策通过扩大预算赤字和政府债券应对挑战，而货币政策保持适度宽松，以支持房地产和消费等关键领域。总体而言，此次会议体现了中国对可持续增长的战略愿景，但尚未出现应对唐纳德·特朗普惩罚性关税的明确策略。

French:

LA DOUBLE SESSION PARLEMENTAIRE DE 2025 EN CHINE: STIMULER L'ÉCONOMIE PAR LA TECHNOLOGIE

Lors de la double session de l'Assemblée nationale populaire et de la Conférence consultative politique du peuple chinois de 2025, qui se sont tenues du 4 au 11 mars et souvent appelées les “deux sessions” ou *lianghui*, le Premier ministre Li Qiang a fixé un objectif de croissance du produit intérieur brut d'environ 5 %, soutenu par des mesures de relance économique et un soutien à l'innovation, comme l'initiative “AI Plus”. Le projet de loi visant à promouvoir l'économie privée n'a été ni examiné, ni adopté, soulignant les défis liés à la relance de ce secteur. Les tensions avec Taïwan et les purges militaires accentuent les préoccupations en matière de sécurité, tandis que la politique étrangère de la Chine met l'accent sur la stabilité et la coopération, notamment à travers l'initiative des nouvelles routes de la soie. Sur le plan économique, les politiques fiscales s'attaquent aux défis actuels en augmentant les déficits budgétaires et les obligations d'État, tandis que la politique monétaire reste modérément souple pour soutenir des secteurs clés comme l'immobilier et la consommation. De manière générale, les deux sessions ont reflété la volonté d'orienter l'économie chinoise vers une croissance durable, mais aucune stratégie claire n'a en revanche émergé pour faire face aux droits de douane punitifs de Donald Trump.

Spanish:

LAS SESIONES PARLAMENTARIAS DE CHINA 2025: IMPULSO ECONÓMICO IMPULSADO POR LA TECNOLOGÍA

En las sesiones del Congreso Nacional del Pueblo y la Conferencia Consultiva Política del Pueblo Chino de 2025, del 4 al 11 de marzo, a menudo referidas como las “dos sesiones” o “*lianghui*”, el Primer Ministro Li Qiang estableció un objetivo de crecimiento del producto

interno bruto de alrededor del 5%, respaldado por un estímulo económico continuo y apoyo a la innovación como la “Iniciativa AI Plus”. La propuesta de ley para promover el sector privado no fue deliberada ni aprobada, lo que resalta los desafíos para reactivar el sector privado. Las tensiones con Taiwán y las purgas militares subrayan las preocupaciones de seguridad, mientras que la política exterior de China enfatiza la estabilidad y la cooperación, particularmente a través de la Iniciativa de la Franja y la Ruta. En el frente económico, las políticas fiscales están abordando desafíos mediante la expansión de los déficits presupuestarios y los bonos del gobierno, mientras que la política monetaria permanece moderadamente flexible para apoyar sectores clave como bienes raíces y consumo. En general, las sesiones reflejaron la visión estratégica de China para un crecimiento sostenible, pero no ha surgido una estrategia clara para enfrentar los aranceles punitivos de Donald Trump.

Executive Summary

1. **Economic Target:** China announced a growth target of around 5% for 2025 at the National People's Congress (NPC) sessions ("two sessions" or *lianghui*), underpinned by continued economic stimulus and innovation support like the "AI Plus Initiative" to achieve this goal.
2. **Fiscal and Monetary Policies:** An increase in the budget deficit to 4% of gross domestic product and expansion of government bonds aim to address economic challenges, with monetary policy remaining moderately loose.
3. **Real Estate and Consumption:** Policies are in place to stabilise the real estate market and boost domestic demand, with a focus on consumption and investment efficiency.
4. **Austerity Campaign:** A Party-wide austerity campaign has been relaunched to implement the central leadership's eight-point decision, emphasising thrift and efficiency. This may weaken the stimulus aimed at boosting domestic demand.
5. **Private Sector Promotion Law:** The draft law to promote the private sector was not deliberated or passed, highlighting challenges in rebooting the private sector amidst geopolitical risks and domestic consumption downturn.
6. **Defence Budget:** China announced a 7.2% hike in defence spending for 2025, consistent with that of the previous year and exceeding the targeted GDP growth. The continual increase in defence spending suggests that China is committed to steadily enhance its military capabilities.
7. **Taiwan:** NPC Chairman Zhao Leji led a symposium marking the 20th anniversary of the Anti-Secession Law immediately following the end of the two sessions. The symposium was held a day after Taiwan President Lai Ching-te, for the first time, labelled China a "foreign hostile force".

8. **Military Purge:** The military delegation to the NPC was reduced by 14 members, reflecting an intensified purge against generals from the military's Eastern Theatre Command, the unit responsible for operations on Taiwan.
9. **Foreign Policy:** China aims to position itself as a stable partner in global diplomacy through high-quality development under the Belt and Road Initiative and by maintaining friendly relations with Russia.