

**CHINA'S PARLIAMENTARY SESSIONS  
2022: PRIORITISING STABILITY  
AMIDST COVID, UKRAINE  
CHALLENGES**

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## Executive Summary

1. Despite 8.1% growth in 2021, Chinese Premier Li Keqiang lowered the gross domestic product (GDP) growth target to “around 5.5%” from last year’s target of above 6% at the annual National People’s Congress (NPC) session.
2. The NPC and CPPCC (Chinese People’s Political Consultative Conference) sessions, also known as *lianghui*, are especially important this year as the Communist Party of China (CPC) will hold the 20th Party Congress and policymakers are facing challenges like the Russia-Ukraine war and the Mainland and Hong Kong’s COVID-19 wave.
3. Li confirmed his plan to step down as premier after his current term expires next March. He said China will continue to make its COVID-19 response “more scientific and targeted” based on new developments and features of the virus, hinting that the government is ready to be more flexible and loosen restrictions gradually.
4. On the Russia-Ukraine war, China is maintaining its neutrality. As territorial and sovereignty integrity is one of the guidelines for China’s foreign policy, it will not support Russia’s recent military actions in Ukraine.
5. However, Xi consolidated relationship with Russia in February to counterbalance the United States and to alleviate the West’s geopolitical pressure on itself.
6. Although Wang Yi said that China’s relations with Russia were “rock solid”, he hoped the war in Ukraine could stop as soon as possible. The issue was rarely discussed at *lianghui* as such policy debates were reserved mostly for top CPC leaders.
7. Defence spending would hike by 7.1% in 2022, up from 6.8% last year, well ahead of the projected GDP growth of 5.5%. Li said the government would speed up the modernisation of the military’s logistics and asset management system and build a modern weaponry and equipment management system.

8. Most Hong Kong delegates, including Chief Executive (CE) Carrie Lam, attended the *lianghui* virtually from Shenzhen or Hong Kong due to the pandemic.
9. By 10 March, total infections had surged to about 600,000 in Hong Kong, including more than 2,800 deaths, registered mostly in the past two weeks. The dire epidemic situation proved to be the biggest test for its “dynamic zero-COVID” policy.
10. The Hong Kong government has postponed its CE election due to the pandemic. Li said that “the Hong Kong government needs to fulfil its primary responsibility in tackling the situation and the Central Government will give full support”.
11. Meanwhile, China has also seen a rise in locally transmitted COVID infections at 402 on 9 March, nearly doubling the daily count a day earlier. The once-effective “dynamic zero-COVID” policy in both the Mainland and Hong Kong will continue to be tested by the rapid spread of the Omicron variant in 2022.
12. Chinese leaders sent similar signals to the United States as they did in last year’s *lianghui*. The Chinese government expressed readiness to step up communications with the United States while managing their differences reasonably and constructively.