

**SHANGHAI'S LOCKDOWN:  
ESSENTIAL SERVICES  
PROVISION**

QIAN Jiwei

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## Executive Summary

1. China's financial hub and largest city, Shanghai, was in a two-month lockdown between late March and 31 May 2022.
2. Complaints of a shortage of food and medical supplies were rife during the lockdown. Many households expected the lockdown period to last only a few days and did not maintain a food stockpile.
3. Residents face restrictions to essential services access, particularly emergency health care. Accessibility issue became a major policy issue since March 2022.
4. Under the dynamic Zero-COVID policy, the implementation of policies related to essential service provision depends on the policy capacity of lower-level governments.
5. Since March 2022, there have been several city-level policy initiatives to support healthcare provision including strengthening the capacity of appointed hospitals and mobile hospitals.
6. Food is mainly procured from government-appointed enterprises (*baogong qiye*). Major state-owned enterprises have taken the responsibility of supplying food. The last-mile delivery of food relies on communities and voluntary groups.
7. Digital technologies including health QR codes and telemedicine are used for supporting health care. Digital platforms also play a supportive role in food supply.
8. Digital technology domains exhibited both organisational and regional fragmentation. The disadvantaged groups have difficulties accessing online-based essential services.
9. One major issue in policy implementation is the lack of coordination among government agencies and information flow at the beginning of the outbreak.

Sometimes, initiatives made by bureaus were overwritten by the community-level and street-level governments.

10. Another major issue is the shortage of resources at low-level governments, medical institutions and neighbourhood committees.
11. Policy initiatives have been introduced recently to address these issues. These initiatives include the intervention of the state council to improve coordination among local governments in logistics.

# SHANGHAI'S LOCKDOWN: ESSENTIAL SERVICES PROVISION

QIAN Jiwei\*

## Essential Service Provision under the Pandemic

- 1.1 Since the outbreak of COVID-19 in 2020, several cities in China have been locked down (i.e. stay-at-home mandate).<sup>1</sup> Shanghai, as the largest city in China, also had been subject to a lockdown since the second half of March 2022 (until 31 May 2022). The provision of essential services including health care and food to residents under lockdown was a major issue in Shanghai in the spring of 2022.
- 1.2 In many countries, “essential” services including health care and food supply are considered to be critical under the social distancing regulations during the outbreak of COVID-19.<sup>2</sup> Importantly, under lockdown, residents face restrictions to essential services access; how to address the accessibility issue thus becomes a major policy issue, along with the concerns of affordability and quality of services.
- 1.3 Similar to the containment strategy used in the Wuhan lockdown in 2020 (Jan - Apr),<sup>3</sup> China’s current dynamic Zero-COVID policy is made based on non-pharmaceutical intervention including testing, contact tracing and quarantine. Additional lockdown measures in government announcements include the suspension of all public transportation and prohibition of leaving the city.

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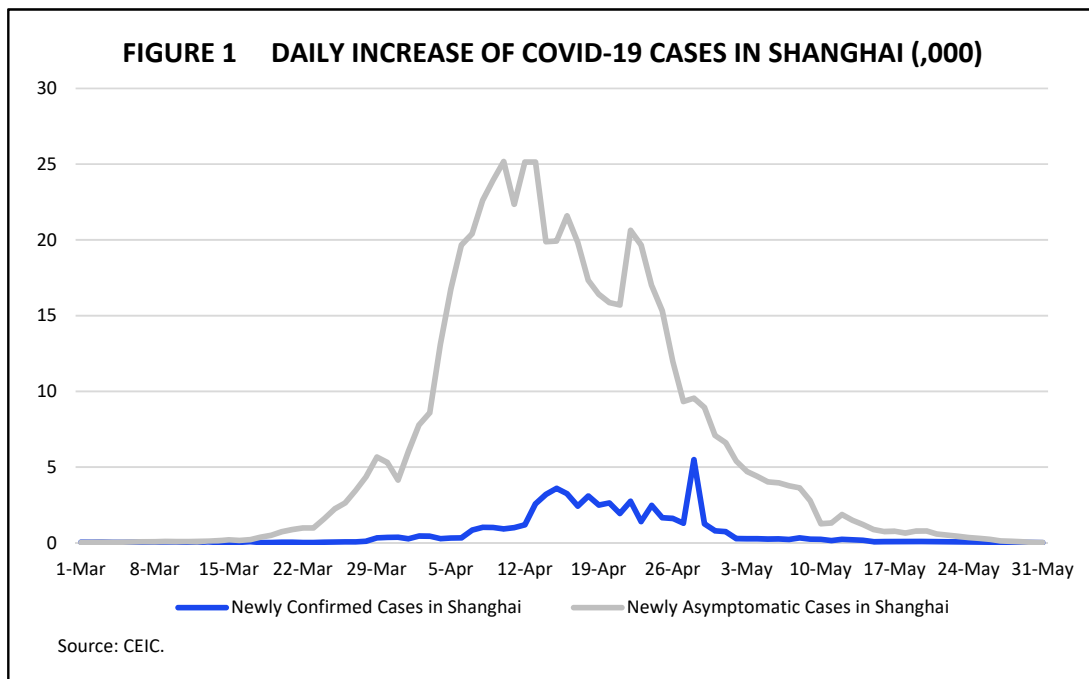
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<sup>1</sup> There were 16 cities experiencing citywide or main urban district lockdown between 2020 and January 2022, according to Chen, J, Chen, W, Liu, E, Luo, J and Song, Z M (2022). *The Economic Cost of Locking down like China: Evidence from City-to-City Truck Flows*. Working paper.

<sup>2</sup> For example, it is the case in Canada and the United States, see [https://www2.gov.bc.ca/assets/gov/family-and-social-supports/Covid-19/list\\_of\\_essential\\_services.pdf](https://www2.gov.bc.ca/assets/gov/family-and-social-supports/Covid-19/list_of_essential_services.pdf), <https://www.mass.gov/info-details/Covid-19-essential-services>, accessed 25 June 2022.

<sup>3</sup> See discussion on Wuhan Lockdown, Qian, Jiwei. (2020). *China’s Health Initiatives in the Covid-19 Outbreak*, *EAI Background Brief*, No 1511, 5 March 2020.

- 1.4 However, the dynamic Zero-COVID policy is different from the containment strategy. The gist of the dynamic Zero-COVID policy is to have precise and comprehensive measures within a geographic region to deal with local cases (“find one, end one”). Restriction policy could be set at the community level which was much more precise than the provincial or city-based policy measurement at the beginning of the COVID-19 outbreak.<sup>4</sup>
- 1.5 According to the policy made by the *Lianfang Liankong* mechanism under the state council, those lockdown restrictions are imposed on communities within the “sealed” zones (*fengkong*).<sup>5</sup> These zones are those where locally infected cases reside, work or commute. All residents in the controlled zone have to stay at home. Another two types of zones include “controlled” (*guankong*) and “guarded” (*fangfan*).
- 1.6 Since mid-March 2022, COVID-19 cases in Shanghai had shot up dramatically. Newly increased cases went up from about 200 on 15 March to 3,500 on 27 March (Figure 1).

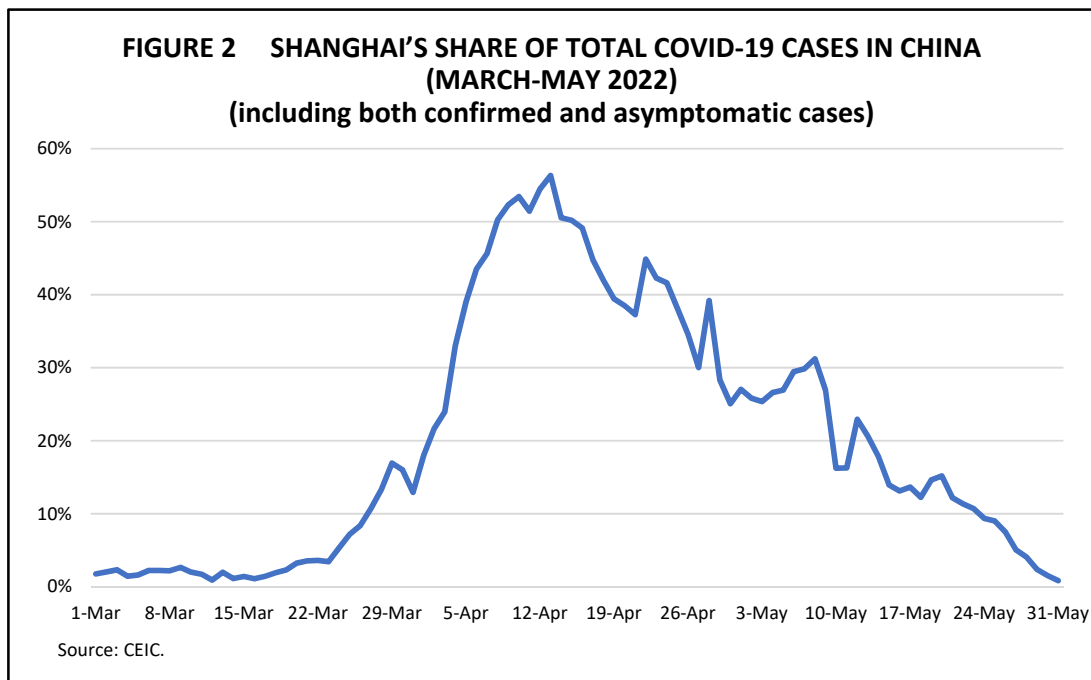


<sup>4</sup> <http://www.nhc.gov.cn/xcs/fkdt/202112/35901f68c72441abbc7505aec86826aa.shtml>, accessed 18 April 2022.

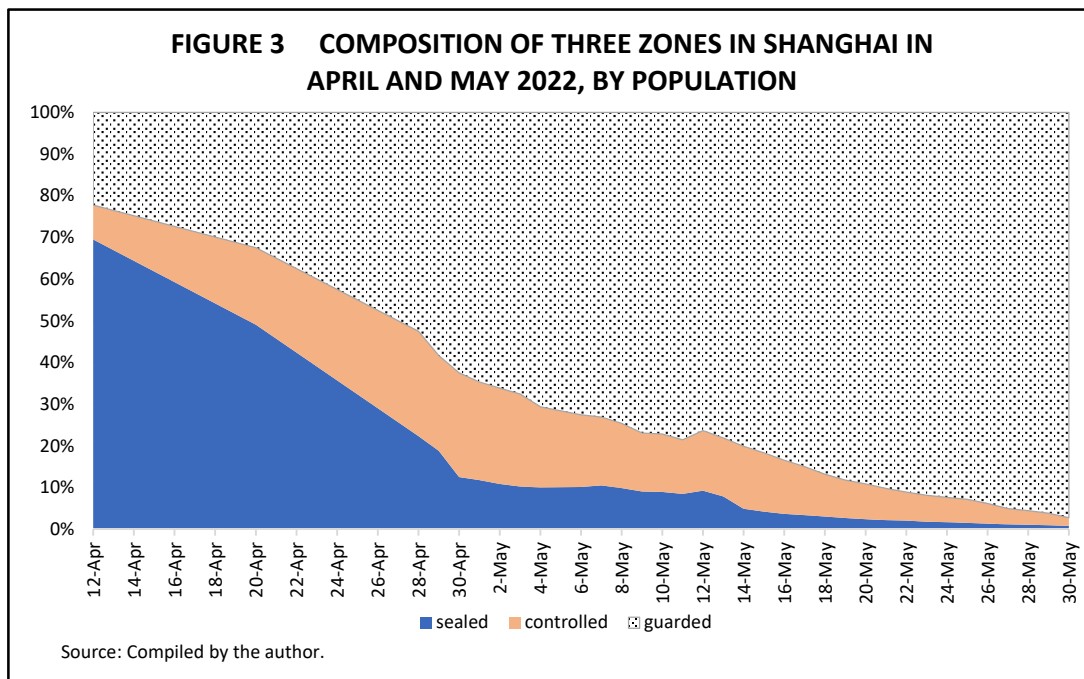
<sup>5</sup> <http://www.gov.cn/xinwen/gwylflkjz167/index.htm>, accessed 18 April 2022.

1.7 In line with the Zero-COVID policy, Shanghai announced on 27 March the lockdown of the east side of Huangpu River (Pudong) from 28 March and the west side of Huangpu River (Puxi) from 1 April.<sup>6</sup> Public transport was suspended during the lockdown.

1.8 The pandemic situation worsened in early April when the number of new cases in Shanghai accounted for more than half of the total number of cases in China (Figure 2). Over 70% of Shanghai residents stayed in sealed zones in mid-April (Figure 3). Most of the lockdown policies continued to be implemented in Shanghai until 31 May 2022.



<sup>6</sup> <https://www.channelnewsasia.com/asia/Covid-19-china-shanghai-reports-record-asymptomatic-cases-lockdowns-begin-2590171>, accessed 25 June 2022.



### Capacity of Essential Service Supply in Shanghai

- 2.1 Under the dynamic Zero-COVID policy, the implementation of policies related to essential service provision is contingent on the policy capacity of the lower-level governments.
- 2.2 The administrative structure in Shanghai, a city with 25 million residents,<sup>7</sup> is divided into five levels including city, district, subdistrict (*jiedao*), neighbourhood committees (*juweihui*) and communities. Based on 2020 statistics, Shanghai has about 13,000 local communities (approximately 2,000 people in each community on average).<sup>8</sup> The total number of neighbourhood committees was about 4,563 in Shanghai.<sup>9</sup> Above these neighbourhood committees were 107 subdistricts and 16 districts.<sup>10</sup>

<sup>7</sup> <https://sh.cctv.com/2021/05/18/ARTI5tdejE7pc318MLTbxO6L210518.shtml>, accessed 25 June 2022.

<sup>8</sup> <http://news.cctv.com/2020/02/10/ARTIFSr2YprQYQKZmfRsLkGg200210.shtml>, accessed 25 June 2022.

<sup>9</sup> <http://sh.sina.com.cn/news/m/2021-01-06/detail-iiznctkf0326817.shtml>, accessed 25 June 2022.

<sup>10</sup> <http://sh.sina.com.cn/news/m/2021-01-06/detail-iiznctkf0326817.shtml>, accessed 25 June 2022.

- 2.3 Before the recent wave of COVID-19 outbreak, in Shanghai, it was city-level bureaus that arranged admission and transportation of positive cases. With the rapid rise in the number of COVID-19 cases since mid-March 2022, tasks such as the admission and transportation of COVID patients have been delegated to the district-level government. For example, it was announced on 1 May 2022 that district governments have the discretion to adjust policies for “guarded” zones if those policies are thought to be necessary.<sup>11</sup>
- 2.4 District level governments in Shanghai also played an important role in building mobile hospitals to treat COVID cases.<sup>12</sup> Local government (district level and even lower-level governments) is responsible for food procurement and distribution. For example, in Xuhui district, it was subdistrict level (*jiedao*) governments that were responsible for food procurement and distribution.<sup>13</sup>
- 2.5 In Shanghai’s lockdown, medical institutions are required to allocate resources between COVID patients and non-COVID patients. As there might be a large number of COVID cases after an outbreak, hospitals will allocate some of their resources for COVID-19 treatment and prevention. As most restaurants and supermarkets were closed under lockdown, food would have to be supplied to households via collective procurement and delivery is critical.
- 2.6 Based on 2020 statistics, Shanghai had 57 tertiary hospitals and 121 secondary hospitals.<sup>14</sup> The number of outpatient and inpatient visits per day were a respective 594,000 and 11,000 on average in 2020. There were about 77,700 doctors and 97,000 nurses in 2019, of which 3,400 doctors and 2,400 nurses were in public health institutions.<sup>15</sup>

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<sup>11</sup> <https://j.021east.com/p/1651371617037424>, accessed 25 June 2022.

<sup>12</sup> <http://news.xinmin.cn/2022/05/06/32160502.html>, accessed 25 June 2022.

<sup>13</sup> <http://www.chinanews.com.cn/sh/2022/05-12/9752594.shtml>, accessed 25 June 2022.

<sup>14</sup> <https://wsjkw.sh.gov.cn/zxghjh/20211022/50bb0973811b44469af11e55bd983e95.html>, accessed 25 June 2022.

<sup>15</sup> *Shanghai Statistical Yearbook 2020*.



- 2.7 Nevertheless, the capacity of healthcare services in Shanghai has been tight, with fully occupied hospital beds a common phenomenon even before the pandemic. Bed occupation rate in Shanghai's hospitals was 100.77% in 2019,<sup>16</sup> exacerbated by the fact that the number of hospital beds in Shanghai was not even high among Chinese cities. The total number of beds in medical institutions in Shanghai was 141,000 or about 5.7 per 1,000 residents, compared to 6.6 for the national average.
- 2.8 Shanghai is considered as one of the most developed cities in China for food and catering services. In 2019, the number of restaurants in Shanghai was more than 100,000, ranked first among all cities in China. The retail industry is also well developed in Shanghai. While Shanghai and Beijing have similar population size, Shanghai had more than 2,700 supermarkets and 6,319 convenience stores in 2019, compared to a respective 1,529 and 2,394 in Beijing.<sup>17</sup> One of China's leading food delivery platforms, Ele.me is also located in Shanghai.

### **Policies Supporting Essential Service Provision in Shanghai**

- 3.1 A new version of the treatment protocol for Omicron was released by the National Health Commission in March 2022.<sup>18</sup> The test and treatment procedures were simplified in this version. Mild cases are no longer required to be admitted to hospitals but need to be quarantined.
- 3.2 Since March 2022, issues related to accessing essential services have emerged in Shanghai. For example, many patients have difficulties accessing emergency health care after lockdown. For hospitals that remained open, the demand for emergency services almost doubled.<sup>19</sup>
- 3.3 Food supply is also a critical issue in Shanghai too. Many households expected the lockdown period to last for only a few days and did not stockpile on food. The

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<sup>16</sup> *Shanghai Statistical Yearbook 2020.*

<sup>17</sup> CEIC.

<sup>18</sup> [http://www.gov.cn/zhengce/zhengceku/2022-03/15/content\\_5679257.htm](http://www.gov.cn/zhengce/zhengceku/2022-03/15/content_5679257.htm), accessed 25 June 2022.

<sup>19</sup> [http://news.cyol.com/gb/articles/2022-04/25/content\\_PKjO4cxqA.html](http://news.cyol.com/gb/articles/2022-04/25/content_PKjO4cxqA.html), accessed 25 June 2022.

restrictions imposed by the lockdown had hampered last-mile delivery of food. Many residents have difficulties ordering food online. Food prices shot up significantly and there were complaints of poor food quality.<sup>20</sup>

- 3.4 Since March 2022, several city-level policy initiatives have been introduced to support healthcare provision including strengthening the capacity of appointed hospitals and mobile hospitals.<sup>21</sup> By April 2022, there were 40 appointed hospitals with around 23,000 beds in Shanghai for COVID-19 cases (including eight municipal level hospitals).<sup>22</sup> These appointed hospitals focus on treating severe COVID-19 cases.
- 3.5 Mobile hospitals are responsible for treating minor COVID-19 cases. By mid-April 2022, there were about 203,000 beds in mobile hospitals. Two weeks thereafter as at the end of April, the number of beds reached 300,000. At the peak of the outbreak in April, the total number of patients in mobile hospitals had reached over 270,000.<sup>23</sup>
- 3.6 Improving the accessibility to health care is a major concern for ‘sealed’ zones in Shanghai. Patients face restrictions when commuting to medical institutions. From the supply side, the capacity of medical institutions to treat other types of diseases are likely to be lower as hospitals will have to set aside some resources for COVID-19 treatment and prevention.
- 3.7 Food is mainly procured from government-appointed enterprises (*baogong qiye*). To support food logistics, vehicles and delivery personnel of appointed enterprises were granted certificates for commuting in “sealed” zones in Shanghai to deliver food to the communities. Food supply including vegetables was boosted and delivered from neighbouring cities

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<sup>20</sup> <https://www.chinanews.com.cn/cj/2022/04-01/9717493.shtml> & <https://www.bbc.com/news/world-asia-china-61019975>, accessed 25 June 2022.

<sup>21</sup> Qian (2020) Wuhan lock down.

<sup>22</sup> [http://www.news.cn/local/2022-04/30/c\\_1128611446.htm](http://www.news.cn/local/2022-04/30/c_1128611446.htm), accessed 25 June 2022.

<sup>23</sup> [https://www.sohu.com/a/552610879\\_267106](https://www.sohu.com/a/552610879_267106), accessed 27 June 2022.

- 3.8 State-owned enterprises (SOEs) including Bailian Group (the company managing government-owned departmental stores and supermarkets) and Bright Food (a major food producer based in Shanghai) have taken the responsibility of supplying food. Bailian Group provided food to disadvantaged groups (including the elderly and pregnant women) in Pudong and Bright Food is responsible for those in Puxi.
- 3.9 During the lockdown, the last-mile delivery of food in Shanghai relied on communities and voluntary groups.<sup>24</sup> Volunteers comprised local residents who are party members, SOE employees and civil servants.<sup>25</sup>

### **Role of Digital Technologies in Essential Service Delivery**

- 4.1 Digital technology was applied during the COVID-19 outbreak. One major application was to support essential service provision. Health QR codes and itinerary codes (*xingchengma*) were used to evaluate the health risks of individuals and their locations. Data sharing via health QR codes among different databases is important for contact tracing and mass tests.
- 4.2 As in many cities, the health risks of individual residents in Shanghai could be checked via the health QR code (*suishenma*). Individual's health QR code is generated by accessing the health cloud data (*jiankangyun*). Digital QR codes for public facilities and public transportation are also used to support contact tracing.
- 4.3 A person's COVID-19 test results are uploaded to the health QR code by big data authorities.<sup>26</sup> The code could also provide other information such as whether there is close contact and whether the person needs to be quarantined. The colour of the code will change if a person's test result and related information change. A person's

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<sup>24</sup> Li, B, Qian, J, Xu, J and Li, Y. (2022). Collaborative governance in emergencies: community food supply in Covid-19 in Wuhan, China. *Urban Governance*.

<sup>25</sup> [https://politics.gmw.cn/2022-04/10/content\\_35647549.htm](https://politics.gmw.cn/2022-04/10/content_35647549.htm), accessed 25 June 2022.

<sup>26</sup> <https://wsjkw.sh.gov.cn/xwfb/20220426/0e3254906c5b47aea8dc2f474ba12b30.html>, accessed 25 June 2022.

itinerary code will come with an asterisk if the person has commuted to a city evaluated as middle or high risk in the past 14 days.<sup>27</sup>

- 4.4 Essential workers such as health workers and deliverymen use the digital health QR codes to work/commute. For example, truck drivers need to have a digital certificate (*dianzi tongxinzheng*), which also provides the recent results of nucleic acid tests and other health information, for entering or leaving the “sealed” communities.<sup>28</sup>
- 4.5 Location QR code (*changsuoma*) and digital guard code (*shuzi shaobin*) are applied to public places. With these codes, an individual’s commuting information will be recorded. A nucleic acid test code (*hesuanma*) is needed for a quick registration of residents before an acid test.<sup>29</sup>
- 4.6 Another application of digital technology in service delivery is telemedicine (*hulianwang yiyuan*). In Shanghai, there are over 100 hospitals (including 89 public hospitals) providing services over the internet. Between 1 March and 17 May 2022, internet-based hospitals had provided services to more than 1.16 million people.<sup>30</sup> The volume of healthcare services provided by internet-based hospitals in Shanghai in April 2022 was 5.2 times more than that in April 2021.<sup>31</sup>
- 4.7 Digital platforms also play an important role in food supply. Platforms in general can be defined as “mechanisms bringing together a set of parties to interact”.<sup>32</sup> Digital platforms such as Alibaba, JD.com, Meituan and Ele.me provide online infrastructure for the interactions between groups such as consumers and

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<sup>27</sup> <http://finance.people.com.cn/n1/2022/0117/c1004-32333198.html>, accessed 25 June 2022.

<sup>28</sup> <https://m.yicai.com/news/101400011.html>, accessed 25 June 2022.

<sup>29</sup> <https://wsjkw.sh.gov.cn/xwfb/20220426/0e3254906c5b47aea8dc2f474ba12b30.html>, accessed 25 June 2022.

<sup>30</sup> [http://www.cnr.cn/shanghai/tt/20220517/t20220517\\_525828850.shtml](http://www.cnr.cn/shanghai/tt/20220517/t20220517_525828850.shtml), accessed 25 June 2022.

<sup>31</sup> [http://www.cnr.cn/shanghai/tt/20220425/t20220425\\_525805738.shtml](http://www.cnr.cn/shanghai/tt/20220425/t20220425_525805738.shtml), accessed 25 June 2022.

<sup>32</sup> UNCTAD. (2019). *Digital Economy Report 2019: Value creation and capture—Implications for developing countries*.

producers.<sup>33</sup> By the end of April 2022, the number of daily orders in the food delivery platforms reached 3.4 million or 54% of pre-lockdown level.<sup>34</sup>

- 4.8 People within a community can form a club to buy products online from digital platforms or other wholesalers (Community Group buying, *shequ tuangou*). Customers can form WeChat groups and purchase food from the suppliers as a group. Group-buying leaders (*tuanzhang*) in the WeChat group will recode the quantity of food ordered by households and order them from the platforms.
- 4.9 Some digital platforms established preposition warehouses to store fresh vegetables and seafood during the lockdown. In Shanghai, there were reportedly 862 preposition warehouses by late April 2022 to support the food supply.<sup>35</sup>
- 4.10 Unlike traditional centralised warehouses which take a long time to execute the last-mile delivery, preposition warehouses were located close to the local community (average distance from households ranged from 1 to 3 km), and platforms could provide fresh food to households in an hour.

### **Ineffective Coordination and Shortage of Resources**

- 5.1 In places where policy initiatives have been introduced to support the provision of essential services, many problems in policy implementation have emerged during the lockdown in Shanghai. One major issue is in the lack of coordination among government agencies and information flow at the beginning of the outbreak.
- 5.2 While neighbourhood committees (*juweihui*) need to work closely with public health authorities, the coordination among these agencies has been problematic. For example, some patients remained in the local community after the public health authority had informed them that they were diagnosed as positive cases.<sup>36</sup>

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<sup>33</sup> Qian, Jiwei. (2020) China Promotes Its Digital Economy, *EAI Background Brief*, No 1541, 25 June 2020.

<sup>34</sup> <https://m.yicai.com/news/101399142.html>, accessed 25 June 2022.

<sup>35</sup> <https://m.yicai.com/news/101399142.html>, accessed 25 June 2022.

<sup>36</sup> [https://politics.gmw.cn/2022-04/09/content\\_35646997.htm](https://politics.gmw.cn/2022-04/09/content_35646997.htm), accessed 25 June 2022.

- 5.3 At times, initiatives made by bureaus were overwritten by the community-level and street-level governments. The lower-level governments topped up restrictions for accessing health care and food supply under lockdown (*cengceng jiama*). Residents in the guarded zones, for example, do not need to stay at home. However, in many local communities in Shanghai, they were still required to stay at home and subject to restrictions to access health care and food supply.<sup>37</sup>
- 5.4 Based on government regulation, health workers are exempted from the stay-at-home mandate.<sup>38</sup> However, many of them were quarantined in their communities.<sup>39</sup> Even when some of them can get out of their communities, they could not commute as they do not have a certificate to drive.<sup>40</sup> A similar situation is also evident in food supply. Thousands of deliverymen were reportedly quarantined in their community in the early stage of lockdown in Shanghai.<sup>41</sup>
- 5.5 Horizontal coordination among city-level government is also problematic. Under social distancing regulations in neighbouring cities, many highway tolls and service zones in these cities were closed.<sup>42</sup> The closure hampered the delivery of goods including food from neighbouring cities to Shanghai.
- 5.6 Besides coordination issues is the shortage of resources. The situation is particularly serious for medical institutions. Many health workers had been assigned to do mass testing in local communities.<sup>43</sup> Further, to accommodate the increasing number of COVID cases in April (Figure 4), many hospitals in Shanghai closed their inpatient, outpatient or emergence services to divert physical and human resources to deal with COVID-19 cases.

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<sup>37</sup> [http://sh.news.cn/2022-05/27/c\\_1310605931.htm](http://sh.news.cn/2022-05/27/c_1310605931.htm), accessed 25 June 2022.

<sup>38</sup> <https://gaj.sh.gov.cn/shga/wzXxfbGj/detail?pa=f41aa3d5accbfad14fcfb784730c1c7f0c16683653e0ed4c4422d04fa042265d4e072b108f61b7c97787d11291b41188f89cd8d0bb43e938>, accessed 25 June 2022.

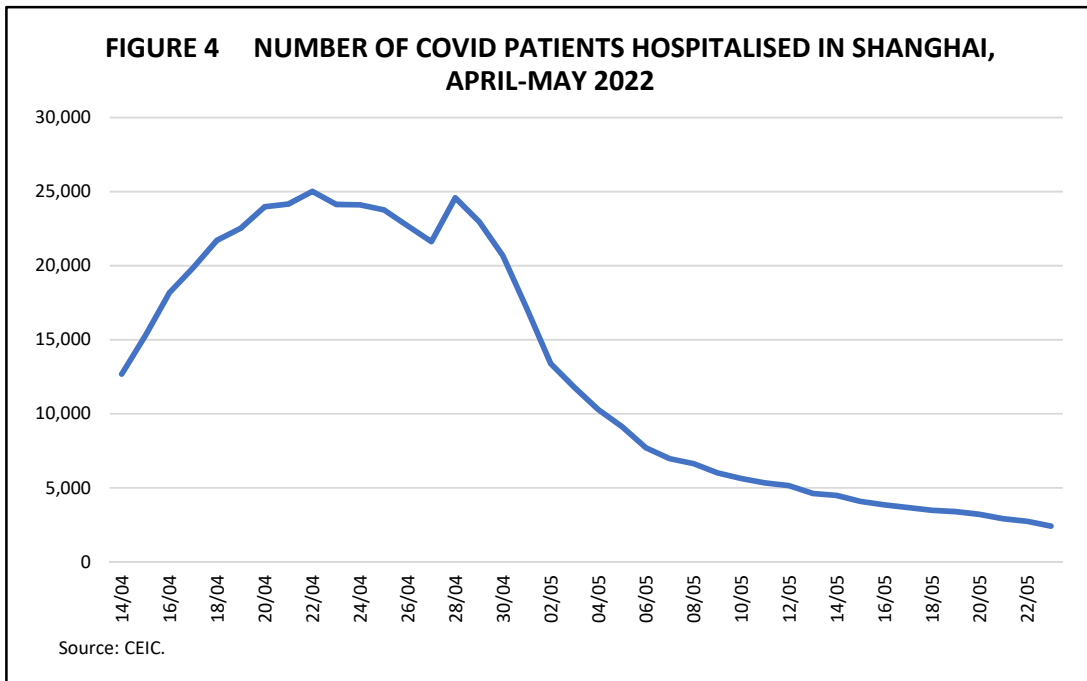
<sup>39</sup> <https://news.ifeng.com/c/8FO5oWrg4r6>, accessed 25 June 2022.

<sup>40</sup> <https://news.ifeng.com/c/8FO5oWrg4r6>, accessed 25 June 2022.

<sup>41</sup> <http://www.workercn.cn/34168/202204/15/220415074912676.shtml>, accessed 25 June 2022.

<sup>42</sup> <https://finance.sina.com.cn/chanjing/gsnews/2022-04-06/doc-imcwipii2743318.shtml>, accessed 25 June 2022.

<sup>43</sup> <https://www.sh.chinanews.com.cn/yljk/2022-04-01/97567.shtml>, accessed 25 June 2022.



5.7 In April, over 20 secondary and tertiary hospitals stopped providing inpatient, outpatient or emergency services. Given the huge demand for service provision in Shanghai, many non-COVID patients have been severely affected under the lockdown. Until 1 June 2022, 26 hospitals were still suspending inpatient, outpatient and emergency services.

5.8 The shortage of resources was also evident in lower-level governments. For example, many districts are short of resources to build mobile hospitals,<sup>44</sup> while some of the district level mobile hospitals also lack facilities and personnel.

5.9 In neighbourhood committees, the shortage of resources is particularly severe. Major services such as coordinating the government departments, essential service providers and residents are labour-intensive tasks; in many cases there were not enough people to cover these tasks. For example, in a neighbourhood committee, there were less than 10 people but they need to provide services to more than 6,000 people.<sup>45</sup>

<sup>44</sup> <https://www.yicai.com/news/101403608.html>, accessed 25 June 2022.

<sup>45</sup> [http://news.cnhubei.com/content/2022-05/16/content\\_14752122.html](http://news.cnhubei.com/content/2022-05/16/content_14752122.html), accessed 25 June 2022.

## Digital Divide in Accessing Essential Services

- 6.1 While digital technologies have played an important role in contact tracing, digital technology domains exhibited both organisational and regional fragmentation. Some of these fragmented digital solutions are related to the ineffective coordination of government bureaus.
- 6.2 The first relates to data sharing in digital governance among different government departments. For example, in April 2022, the QR code of residents in a community in Xuhui district were given a yellow code (with health risks) when they were supposed to be a low risk group (green code) based on government rules.<sup>46</sup> It could be attributed to a coordination problem between the public health authority and big data authority.
- 6.3 A similar issue arose between Shanghai and neighbouring cities. Truck drivers' health QR codes are marked with asterisks when they travel from high-risk areas such as Shanghai. However, as essential workers, truck drivers are supposed to be allowed to travel even if the QR code is marked with an asterisk.<sup>47</sup>
- 6.4 The second concerns the robustness of the digital system in contact tracing and mass test. For example, the servers supporting nucleic acid test code broke down during a city-level mass test when it was applied in April 2022.<sup>48</sup>
- 6.5 The third pertains to the inadequacy of digital platforms in supporting essential service delivery. For example, food delivery service in JD.com became less efficient when its warehouses in neighbouring cities were closed down after the Shanghai lockdown.<sup>49</sup>

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<sup>46</sup> [https://m.gmw.cn/2022-05/01/content\\_1302925935.htm](https://m.gmw.cn/2022-05/01/content_1302925935.htm), accessed 25 June 2022.

<sup>47</sup> <https://www.bjnews.com.cn/detail/165226213114056.html>, accessed 25 June 2022.

<sup>48</sup> <https://www.chinanews.com.cn/sh/2022/04-09/9724494.shtml>, accessed 25 June 2022.

<sup>49</sup> <https://www.163.com/dy/article/H51FEPEL0519DDQ2.html>, accessed 25 June 2022.



- 6.6 The fourth involves accessing online-based essential services for the disadvantaged groups such as the elderly who do not have smartphones, and the disabled.<sup>50</sup> For example, the elderly may not be tech savvy enough to join the community group buy via mobile apps.
- 6.7 The fifth concerns the price and quality of food supply via digital platforms. Food ordered via the community group buy from the digital platforms are much more expensive than the retail price<sup>51</sup> and sometimes the quality of food leaves much to be desired.<sup>52</sup>

### **Government Responses and Remaining Issues**

- 7.1 On 11 April, the state council announced prohibitions to blocking highways, highway service areas and other transportation infrastructures without authorisation. Following this announcement, some highway service areas and tolls have been reopened. However, by 16 April, 92 tolls and 38 service areas remained closed in three provinces in the Yangtze River Delta even though it was a clear improvement of 60% from that of 10 April.
- 7.2 After the lockdown restrictions were relaxed on 1 June, the Shanghai government has forbidden lower level authorities from adding restrictions (*cengceng jia*).<sup>53</sup>
- 7.3 Essential service workers from other provinces have also extended their support for their counterparts in Shanghai. Up to mid-May, about 73,000 health workers from other provinces went to Shanghai to support health care for COVID-19 cases in Shanghai.<sup>54</sup> In April 2022, Alibaba and JD.com transferred 3,000 and 2,000 workers

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<sup>50</sup> <http://m.eeo.com.cn/2022/0421/531396.shtml>, accessed 25 June 2022.

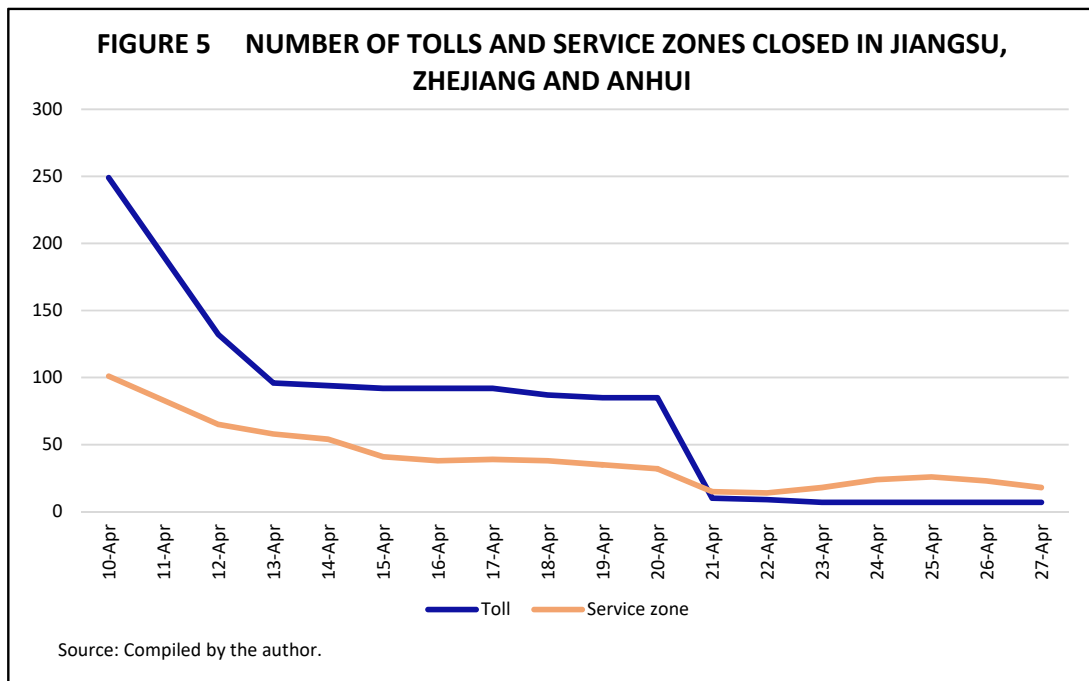
<sup>51</sup> <https://finance.sina.com.cn/jjxw/2022-04-13/doc-imcwiwst1646830.shtml>, accessed 25 June 2022.

<sup>52</sup> [https://www.stcn.com/xw/sd/202204/t20220412\\_4350829.html](https://www.stcn.com/xw/sd/202204/t20220412_4350829.html), accessed 25 June 2022.

<sup>53</sup> <https://m.yicai.com/news/101430058.html>, accessed 25 June 2022.

<sup>54</sup> <https://www.163.com/dy/article/H832R769051482MP.html>, accessed 25 June 2022.

respectively to Shanghai to support food delivery.<sup>55</sup> Meituan had also transferred over 1,000 workers to Shanghai to sort food supply.<sup>56</sup>



7.4 In the meantime, the Shanghai authorities have also begun investigations into the skyrocketing food prices during the lockdown. In April 2022, the Shanghai bureau of the State Administration for Market Regulation announced that it will regulate the practice of setting price markup on digital platforms.<sup>57</sup>

7.5 While many lockdown policies were still in force until end May, the government relaxed measures for certain social groups. Citizens including university graduates were allowed to take trains to leave Shanghai since mid-May.<sup>58</sup> The relaxation of the policies is to relieve the resource constraints for community-level governments in coordinating and supplying essential services.

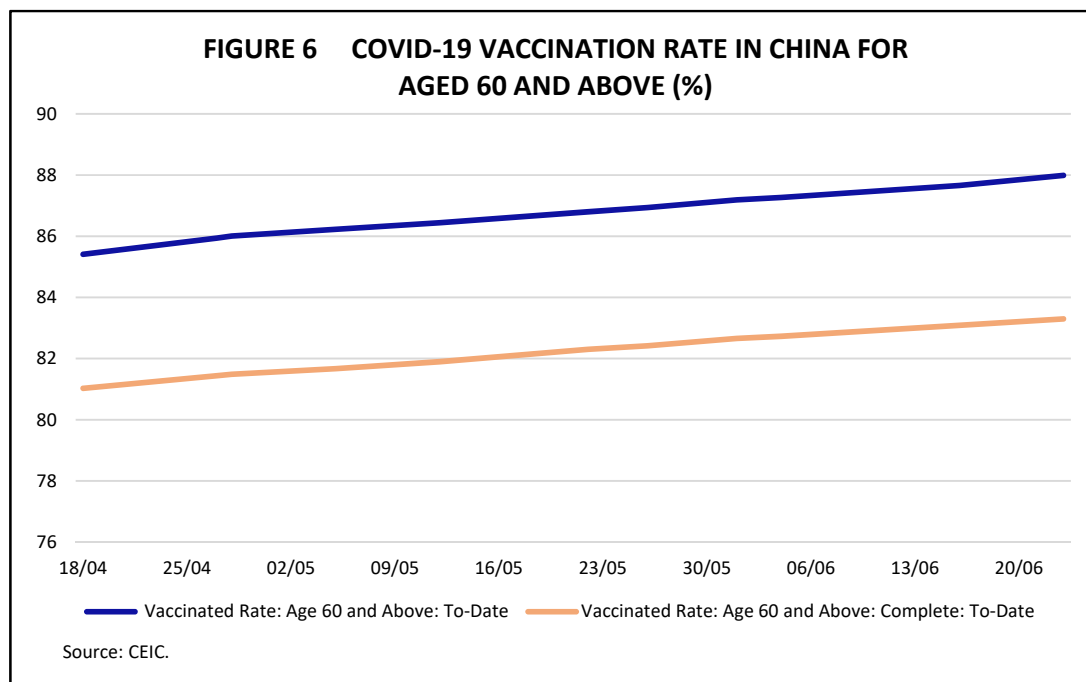
<sup>55</sup> <https://news.sina.com.cn/c/2022-04-09/doc-imcwipii3202728.shtml>, accessed 25 June 2022.

<sup>56</sup> [http://www.cnr.cn/shanghai/tt/20220407/t20220407\\_525788169.shtml](http://www.cnr.cn/shanghai/tt/20220407/t20220407_525788169.shtml), accessed 25 June 2022.

<sup>57</sup> <https://news.cctv.com/2022/04/13/ARTIiCsLTEfaN2NBxfAOqoMT220413.shtml?spm=C94212.P4YnMod9m2uD.ENPMkWvfnaiv.357>, accessed 25 June 2022.

<sup>58</sup> <https://www.jfdaily.com/news/detail?id=486626>, accessed 25 June 2022.

7.6 The major concerns for relaxing the measures under Zero-COVID policies include the low vaccination rate and under-development of public health infrastructure in China. Figure 6 shows that the vaccination rate (complete) for those aged 60 and above in China was about 81% in early April, compared to over 95% in Singapore.<sup>59</sup> By the second half of June, vaccination rate (complete) increased to 83%. According to a report in March 2022, only 50% of the population aged 80 and above in China completed their primary vaccinations.<sup>60</sup>



7.7 It is still uncertain if the health system will be overwhelmed after relaxing the Zero-COVID policy. Intensive Care Unit (ICU) beds per 100,000 population in China was about 3.6, much lower than Singapore’s 11.4 or Germany’s 25.<sup>61</sup>

<sup>59</sup> <https://www.moh.gov.sg/Covid-19/vaccination/statistics>, accessed 25 June 2022.

<sup>60</sup> <https://www.reuters.com/business/healthcare-pharmaceuticals/Covid-vaccination-rate-people-aged-over-80-china-relatively-low-official-2022-03-18/>, accessed 18 April 2022.

<sup>61</sup> Qian, Jiwei. (2022) *Health Reform in China: Recent Developments*, EAI Background Brief, No 1646.

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