

**CHINA'S PARLIAMENTARY SESSIONS
2023: NEW ADMINISTRATIVE
LEADERSHIP AND GOVERNMENTAL
RESTRUCTURING**

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EAI Background Brief No. 1702

Date of Publication: 30 March 2023

Executive Summary

1. During the National People's Congress session in March 2023, Xi Jinping's precedent-busting third term as China's president was formalised, and Li Qiang became China's premier.
2. China lowered the growth target for 2023 to "around 5%", indicating the country's emphasis on the quality rather than quantity of economic growth in Xi's new era.
3. Special funding to support chip development and other key industrial sectors increased by nearly 50% to RMB13.3 billion (US\$1.9 billion) this year from that of 2022.
4. Although Foreign Minister Qin Gang said Taiwan was the "first red line" that must not be crossed in China-US relations, China's current focus is still on diplomatic means rather than military actions in its cross-strait policy.
5. This was indicated by the strong growth of 12.2% in China's diplomacy budget in 2023, much higher than the increase of 7.2% in defence budget.
6. Ding Xuexiang, ranked sixth in the Politburo Standing Committee, succeeded Han Zheng as executive vice-premier. Politburo members He Lifeng, Zhang Guoqing and Liu Guozhong became vice premiers.
7. Li Qiang, Ding Xuexiang, Zhang Guoqing and Liu Guozhong are science and engineering degree holders. He Lifeng received his college degree in finance from Xiamen University.
8. The re-appointment of the US-educated economist Yi Gang as central banker provides continuity to Beijing's financial and monetary policies and indicates China's engagement with international financial organisations.

9. China announced the establishment of the Central Science and Technology (S&T) Commission to beef up the Party's centralised leadership over S&T-related work, and to move faster towards greater self-reliance in S&T.
10. With the help of technocrats of S&T backgrounds, Xi in his third term is accelerating efforts to optimise and align every step of the innovation process.
11. The Central Commission for Finance and the Social Work Department were set up to tighten the Party's control over financial and social management.
12. The government established the National Financial Regulatory Administration, National Data Bureau and revamped the Ministry of Science and Technology.
13. China's two sessions sent harsh warnings to the United States against a cold-war-style confrontation. Xi slammed the United States in a rare way for leading Western countries to implement "all-round containment, encirclement and suppression" against China.
14. At home, China will host two major diplomatic events this year — the first China-Central Asia Summit and the third Belt and Road Forum for International Cooperation.