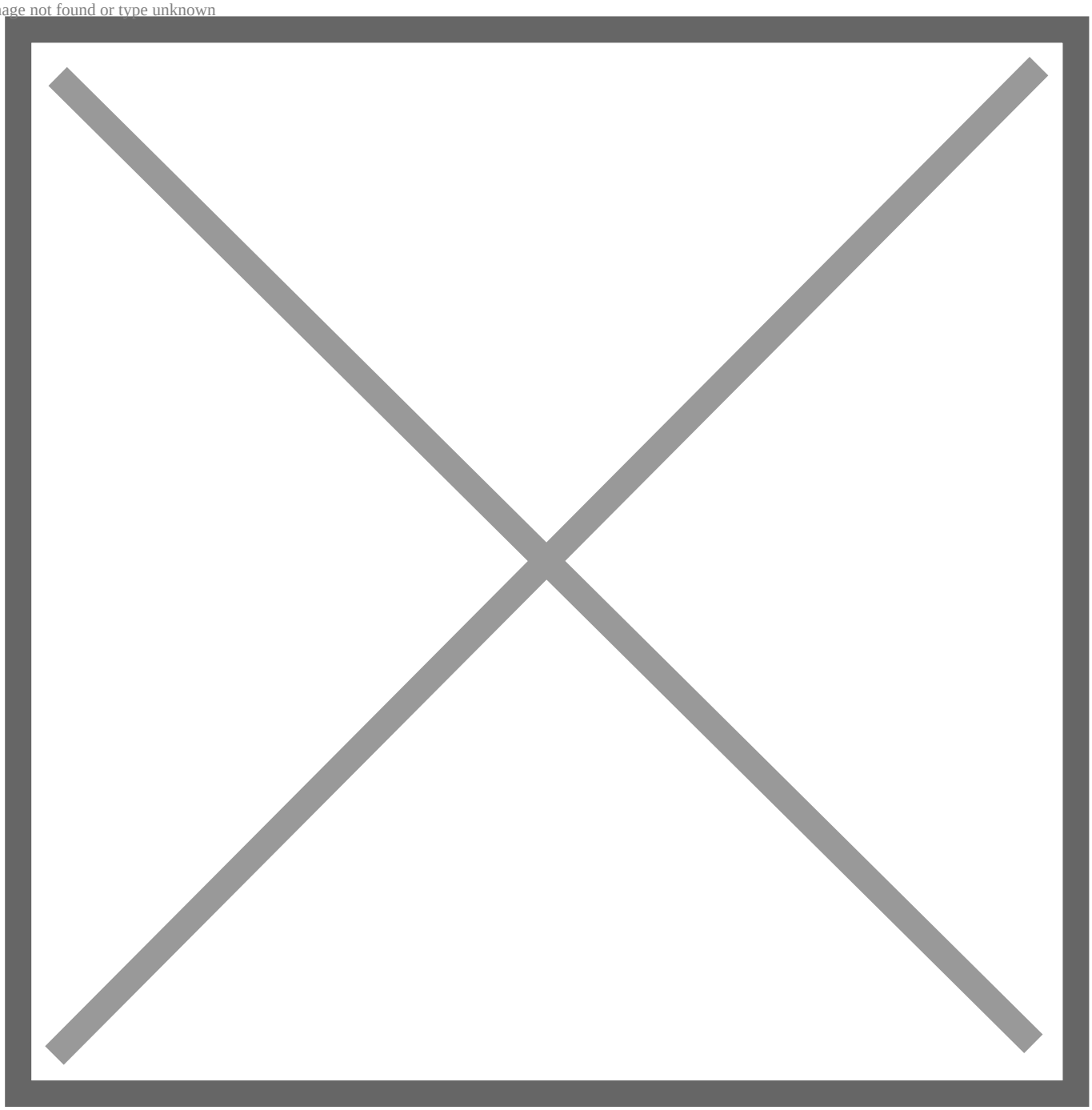
# Advocacy Newsletter - Special Issue COVID-19

**TAGS** Advocacy

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Aside from the unfortunate and at times tragic impact on China citizens and residents, the outbreak of the novel coronavirus (COVID-19) has created a series of hurdles on the operations of businesses at large. Small and medium-sized enterprises (SMEs), as more vulnerable businesses with less

resources, have been hit the hardest by this situation.

The Chinese goverment is currently taking measures at the national and local level to alleviate the burden of businesses in general and SMEs in particular. These include policies such as cities like Beijing,Shanghai and Suzhou implementing social security premium delays, rent and tax reductions and exemptions, as well as other local measures such as providing subsidies for rent, daily maintenance costs and product research and development to qualified SMEs or suspending some administrative charges. Some companies like Alibabahave also implemented measures to support SMEs at this time, including fee waiver and free services.

Additionally, the authorities are collecting input from enterprises in order to further fine-tune these policies. At this time it is extremely important to make sure your business is not only aware of the latest policy developments in order to make sure you can benefit from any temporary reprieves or preferential policies, but that also it actively provides input and policy recommendations on how to improve the situation. Thus, please find below a number of relevant updates:

**LAWS, REGULATIONS, AND NOTICES**

**MIIT: Policy to Support Small and Media-sized Enterprises throughout the Epidemic Control Period**

The Ministry of Industry and Information of Technology (MIIT) of the People's Republic of China releases 20 policies targeted towards the SMEs operating in China. Ranging from financial, banking, security, human resources, and medical necessities support from different departments at the government.

**PBOC: Policy on Facilitating the Sustainable Development of Micro, Small and Medium-sized Enterprises throughout the Epidemic Control Period**

The People's Bank of China (PBOC) declares 5 concrete measures for banks to follow to help stabilize SMEs in China, those being: to further increase credit injection to SMEs with single credit lines less than 10 million yuan; to push to reduce financing costs for micro-enterprises and SMEs by 0.5 percent compared to 2019; to launch special re-loans measures to industries involved in the sales and production of key medical devices; to improve the availability of financial services and reduce service costs through the bank enterprise docking system in Beijing; to reduce loan interests to SMEs in the top ten high-end industries.

**PGBM: Measures to Promote the Sustained and Healthy Development of SMEs by the Epidemic of New Coronavirus Infection**

The People's Government of Beijing Municipality (PGBM) releases 16 measures to follow for the easing of the impacts of the new coronavirus on the micro-enterprises and SMEs in Beijing. Some of the measures include: to halter the collection of administrative fees from the Beijing districts; to

waive February rent fees from SMEs operating on SOE properties; to delay the recollection of taxes on SMEs in real operation difficulties; etc.