(Translation)

**Speech by H.E. Li Keqiang**

**Premier of the State Council of the People’s Republic of China**

**At the 21st Meeting of the Council of Heads of Government of**

**Member States of the Shanghai Cooperation Organization**

**Beijing, 1 November 2022**

Dear Colleagues,

I am delighted to attend with you the 21st meeting of the Council of Heads of Government of Member States of the Shanghai Cooperation Organization (SCO). I wish to thank you for your strong support and active cooperation extended to China in hosting the meeting.

Over the past 21 years since its inception, the SCO has made important contributions to peace and stability in the region and to the development and prosperity of our countries. It has grown into an important platform for regional cooperation on the Eurasian continent. At the meeting of the Council of Heads of State held in Samarkand last September, the parties reached new common understandings on the development of the SCO. President Xi Jinping called for joint efforts to build our region into a peaceful, stable, prosperous and beautiful home. The SCO has long been a priority on China’s diplomatic agenda. China will continue to deepen political trust, win-win cooperation and friendly exchanges with members of the SCO family, to jointly deliver greater benefits to the people of our countries.

Colleagues,

The regional and global landscapes are undergoing profound and complex changes. Global growth is languid. Destabilizing factors and uncertainties are interwoven. Nonetheless, upholding peace and pursuing development remain the trend of our times and the people’s aspirations. China is ready to work with all parties to champion the Shanghai Spirit and boost the development and invigoration of all our countries. With this in mind, I wish to make the following proposals:

**First, we need to safeguard security and stability to foster a sound environment for development**. Security and stability form the basis for development and prosperity. Faced with a shifting regional security situation, China wishes to deepen law enforcement and security cooperation with all parties. Our cooperation mechanisms between the competent authorities must live up to their role in tackling unconventional security threats, including drug trafficking and cross-border organized crimes, to provide safeguards for our economic and social development.

**Second, we need to expand trade and investment to bolster regional economic recovery**. The SCO members are all participants, builders and beneficiaries of economic globalization. We need to jointly uphold the WTO-centered multilateral trading regime and support the development of an open world economy. We need to further tap our potential for economic cooperation and trade, harmonize our rules of trade and explore institutional arrangements, to enhance trade and investment facilitation. The business environment is the soil for companies to emerge and grow. We need to take strong and effective steps to improve policies, clear obstacles and build platforms to provide our businesses with a sound environment for cross-border investment.

China proposes that we advance the implementation of the Framework for Cooperation in Trade in Services between our competent authorities, update the content of cooperation and scale up trade in services. China will work with all parties on the formulation of a plan of action for promoting e-commerce among the member states. All parties are welcome to participate in the upcoming fifth China International Import Expo and the China-SCO online shopping festival. With continuous efforts to advance mutually beneficial cooperation on e-commerce in our region, we could all share in the fruits of a growing digital economy.

**Third, we need to enhance connectivity to realize integrated development of the region.** Broader and easier connectivity among regional countries is crucial for generating more win-win outcomes. We need to further align the Belt and Road Initiative with our national development strategies and regional cooperation initiatives, and enhance policy communication and coordination. We need to build up infrastructure hardware in transportation and communications and enhance “soft connectivity” of information and data in an integrated manner, to speed up regional economic integration. China suggests that we all pitch in to develop the Smart Customs, Smart Borders and Smart Connectivity, engage in customs clearance facilitation programs for rail transportation, promote mutual recognition of Authorized Economic Operators (AEOs), and build more “single window” platforms for international trade, to raise the efficiency of clearance at ports of entry.

China suggests that we continue to expand the scale of local currency settlement and craft new models of investment and financing, to better support our major projects and industrial cooperation. China looks forward to your active support and participation in the SCO industrial and supply chains forum that China will host next year, as a joint effort to preserve the resilience and stability of regional industrial and supply chains and promote smooth economic circulations in the region.

**Fourth, we need to promote sustainable development to build up resilience against risks.** As we speak, looming food and energy security risks are posing challenges to sustainable development in the region. We need to fully implement the two statements on food and energy security adopted at the SCO summit earlier this year, to enhance the capacity of regional countries for food and energy supply. We need to harness existing platforms, including relevant SCO ministerial meetings and the SCO Demonstration Base for Agricultural Technology Exchange and Training, to deepen cooperation in modern agriculture. Through joint implementation of the SCO program of cooperation on renewable energy, we need to pursue a balanced and orderly transition to green and low-carbon development, and see that the transition contributes to economic development and people’s wellbeing while ensuring stable and secure energy supply.

**Fifth, we need to enhance people-to-people and cultural exchanges to strengthen the bond between the people**. People-to-people and cultural exchanges under the SCO framework hold great promise, as evidenced by the success of the signature programs including the Women’s Forum, the Forum on People-to-people Friendship, and the Youth Campus. We need to fully leverage the cooperation mechanisms on education, culture, science, technology and press, and carry out more cooperation programs that are popular among the people, to deepen our mutual understanding and friendship.

China is ready to host an SCO forum on sister cities next year, continue with programs on youth development cooperation, and carry out activities such as SCO TV festival and exhibitions of radio and television technologies. We will partner with all sides to ensure the success of activities under the SCO Year of Tourism next year, and create new highlights for people-to-people and cultural cooperation.

Colleagues,

The Chinese economy has gone through an unusual journey this year. Confronted with complex and intricate factors at home and abroad, the economy once came under downward pressures beyond expectation, with a notable decline early in the second quarter. We responded swiftly and resolutely, and introduced a policy package for stabilizing the economy and follow-up measures. Our macro policies were both robust and effective, well-calibrated and appropriate, without compromising the prospects of future growth. We focused our efforts on helping market entities stay afloat and keeping employment and prices stable. This helped us to keep the major economic indicators within an appropriate range. We stepped up policy support to businesses to provide them with greater relief in the tough times. The total volume of tax and fee cuts, deferrals and tax refund in the first three quarters rose by over 3.4 trillion yuan, and is expected to reach four trillion yuan for the whole year. This is mainly enabled by the funds saved in the past two years. The policy intensity has exceeded that of 2020, and burdens on market entities have been effectively lessened. To address flagging effective demand, we employed multiple tools in fiscal, financial and other policy arenas to expand effective investment and revive consumption as the main driver of the economy. Meanwhile, we continued to rely on reform to break development bottlenecks, took innovative measures to enhance the effectiveness of macro policy implementation, and worked consistently to foster a market-oriented and law-based business environment up to international standards, to better unlock market vitality and social creativity. Through these efforts, the Chinese economy reversed the downward trend in time. It registered a positive growth in the second quarter and expanded by 3.9 percent in the third quarter, showing a stabilizing and upward momentum. Employment and prices were generally stable. In the first three quarters of this year, 10 million new urban jobs were created, and the consumer price index rose by 2.8 percent year-on-year in September. Going forward, we will take strong measures to promote the steady, sound and sustainable growth of the economy. China has over 160 million market entities, and a hardworking and intelligent people. This is the greatest source of resilience and confidence for our economic development. We will continue to work for the full delivery of all the policy measures introduced for stabilizing the economy, work to maximize their effects, keep major economic indicators within the appropriate range, and strive for better results.

Not long ago, the Communist Party of China (CPC) convened its 20th National Congress, during which strategic plans were laid out for building a modern socialist country in all respects and advancing China’s rejuvenation on all fronts. We will fully and faithfully apply the new development philosophy in its entirety, accelerate the creation of a new development paradigm, and focus on high-quality development, to improve the people’s wellbeing and raise their quality of life. We will stay committed to the fundamental national policy of reform and opening-up and the win-win strategy of opening-up. China’s door will open still wider. We will continue on the path of peaceful development, take an active part in the reform and development of the global governance system, and work with all parties to advance world peace, stability, development and prosperity.

Colleagues,

As a Chinese saying goes, the flame runs high when everyone adds wood to the fire. China is ready to join hands with all parties to forge ahead with a unity of purpose, enterprise and fortitude, to jointly usher in an even brighter future.

Thank you.