

**23rd PECC Meeting, September 2015, Manila, Philippines**

**SUSTAINABLE  
AND  
INCLUSIVE GROWTH**

**CHINESE ACADEMY OF SOCIAL SCIENCES**

Policy  
for Achieving Sustainable Growth

**Structure Adjustment**

**Reform and Innovation**

# The challenges for structure adjustment

- **Excess production capacity**
- **Low ratio of tertiary industry**
- **Economic downward pressure**

## Industrial Structure (%)

	2014	2013	2012	2011
<b>primary</b>	9.2	9.4	9.5	9.5
<b>secondary</b>	42.6	43.7	45.0	46.1
<b>tertiary</b>	48.2	46.9	45.5	44.3

# **The challenges for innovation**

**Total Factor Productivity (TFP) is still low**

## GDP Growth, capital & Labor Inputs, TFP

<b>year</b>	<b>potential GDP growth rate (%)</b>	<b>capital growth rate (%)</b>	<b>labor growth rate(%)</b>	<b>TFP contribution share</b>
<b>2011-2015</b>	<b>7.8-8.7</b>	<b>10-11</b>	<b>0.8</b>	<b>0.2</b>
<b>2016-2020</b>	<b>5.7-6.6</b>	<b>9-10</b>	<b>-1</b>	<b>0.3</b>
<b>2021-2030</b>	<b>5.4-6.3</b>	<b>8-9</b>	<b>-0.5</b>	<b>0.4</b>

**The fundamental way of facing those  
challenges is**

**TO DEEPEN REFORM COMPREHENSIVELY**

**For the inclusive growth  
in Asia-Pacific Area**

**Strengthen regional economic  
cooperation,  
and  
promote connectivity**



**the Belt and Road Initiative**

**the Silk Road Economic Belt**

**&**

**21<sup>st</sup> Century Maritime Silk Road**

**The CONNECTIVITY  
should be a three-way combination**

**infrastructure,  
institutions and  
people-to-people exchanges**

**The CONNECTIVITY**  
**should be a five-way progress in**  
**policy communication,**  
**infrastructure connectivity,**  
**trade link,**  
**capital flow, and**  
**understanding among peoples.**

THANKS