

China's 37 supporting measures to transport companies*



Fiscal and tax policies

1

With effect from 1 January 2020, income earned by taxpayers

- from transporting key support materials for epidemic prevention and control;
- from providing public transport services, living services;
- from providing express-collection services and services delivering daily necessities to residents,

shall be exempted from:

- VAT
- Education surcharge
- Urban maintenance and construction tax
- Local education surcharge, etc.

2

With effect from 1 January 2020, the maximum carry-over period for losses for epidemic-hit enterprises incurred in 2020 shall be extended from five to eight years.

3

With effect from 1 March to 31 May,

- Small-scale taxpayers (with an annual turnover of less than RMB 5 million) outside Hubei Province may pay VAT at the reduced rate of 1%.

- Income of small-scale taxpayers in Hubei Province is exempted from VAT.

4

With effect from February 2020, there will be an exemption of up to five months for medium, small and micro-sized enterprises from employers' contributions towards premiums of three social-insurance types (i.e. pension, unemployment insurance and work-injury insurance).



for up to three months, the premium contributions by other social-security participating organisations (excluding State agencies and institutions) such as large enterprises shall be halved.



Enterprises that encounter serious difficulties in their operations due to the COVID-19 outbreak may apply for deferred contribution of social insurance premiums (the deferred period shall not exceed six months).

5

With effect from February 2020, employer contributions in staff medical insurance shall be halved for no more than five months.

6

Before 30 June 2020, Enterprises affected by the COVID-19 outbreak can apply for the deferred payment of housing provident fund.

7

Local authorities shall give subsidies to transport and logistics enterprises that have performed emergency transportation tasks during the epidemic prevention and control period as part of the public services procured by the government.

8

With effect from 23 January to 30 June 2020,

- The central government shall provide subsidies to Chinese and foreign airlines that operate international flights in and out of China (excluding Hong Kong SAR, Macao SAR and Taiwan), as well as airlines that carry out major flight missions assigned by the State Council's Joint Prevention and Control Mechanism.

Financial support

9

- Key enterprises that produce, transport and sell essential medical supplies and daily necessities are included in a list-based management scheme.
- Low-interest loans totalling RMB 300 billion have been issued and are aimed at supporting small businesses.
- Financial institutions are encouraged to provide credit support at preferential interest rates to enterprises on the list.
- For new bank loans issued to key enterprises for epidemic prevention and control, the central government shall subsidise 50% of the interest rate of the special re-lending scheme of the People's Bank of China (for a period of up to one year).
- Speedy arrangements for prompt provision of low-interest loans to eligible enterprises to support the expansion of their production capacity shall be facilitated.
- For personal business loans, including those to truck drivers, taxi drivers and other special groups, please refer to the policy for self-employed business owners to implement a temporary delay in the repayment of principal and interest.
- Financial leasing companies shall, on the basis of available resources and their risk tolerance, refer to the "China Banking and Insurance Regulatory Commission [2020] No. 6" document in order to implement a temporary delay in rent payment and other arrangements for corporate and personal accounts.

10

For sectors severely affected by COVID-19, such as logistics, transport, and tourism, and especially for small and micro enterprises, loans shall not be unreasonably limited, rescinded, or reduced. Enterprises that have difficulty in making payment due:

- May be granted a loan extension or renewal.
- Shall be appropriately supported by lower lending rates.
- May apply for additional credit loans as well as medium and long-term loans.

11

Financing support for enterprises that provide production, transport and logistics services of essential supplies shall include:

- Lowering financing costs.
- Providing premium financial services at preferential rates.
- Assisting enterprises to resume and expand production capacity.

12

During the toll-free period, for toll-road operators that face difficulties in debt servicing, financial institutions shall offer:

- Deferred interest payment.
- Principal rollover.
- Loan renewal and other support.

13

- The re-lending and rediscount quota shall be increased by RMB 500 billion, with the bulk channelled to small and medium-sized banks in order to increase their credit support to micro, small and medium-sized businesses.

- Policy banks shall add a RMB 350 billion special credit quota to be issued to eligible private, micro, small and medium-sized businesses at preferential rates.

14

For vehicles of logistics companies that transport anti-epidemic supplies and essential daily necessities, insurance companies shall:

- Offer support by appropriately extending the insurance period and deferring payment of motor insurance premiums.
- Lower or exempt premiums for commercial vehicles, ships and aircraft that have suspended operations amid the COVID-19 outbreak

15

Using available resources, insurance institutions are encouraged to provide preferential insurance coverage of accident, health, pension and medical services to health workers at the frontline of the epidemic prevention and control.

Reduction of various fees and costs

16

With effect from 00:00 on 17 February 2020 until the end of the COVID-19 prevention and control period,

- All toll roads across the country shall be free for all vehicles.

17

With effect from 1 January 2020,

- The civil aviation development funds that airlines have to pay shall be waived until the epidemic is over. Further dates shall be announced.

18

With effect from 1 March to 30 June 2020,

- The port construction fees for imported and exported goods shall be exempted, and the oil pollution damage compensation fund shall be halved.
- Cargo dues and port facilities fees that are set by the government shall be reduced by 20%.
- Emergency response services and charges for non-tanker cargo ships shall be scrapped.

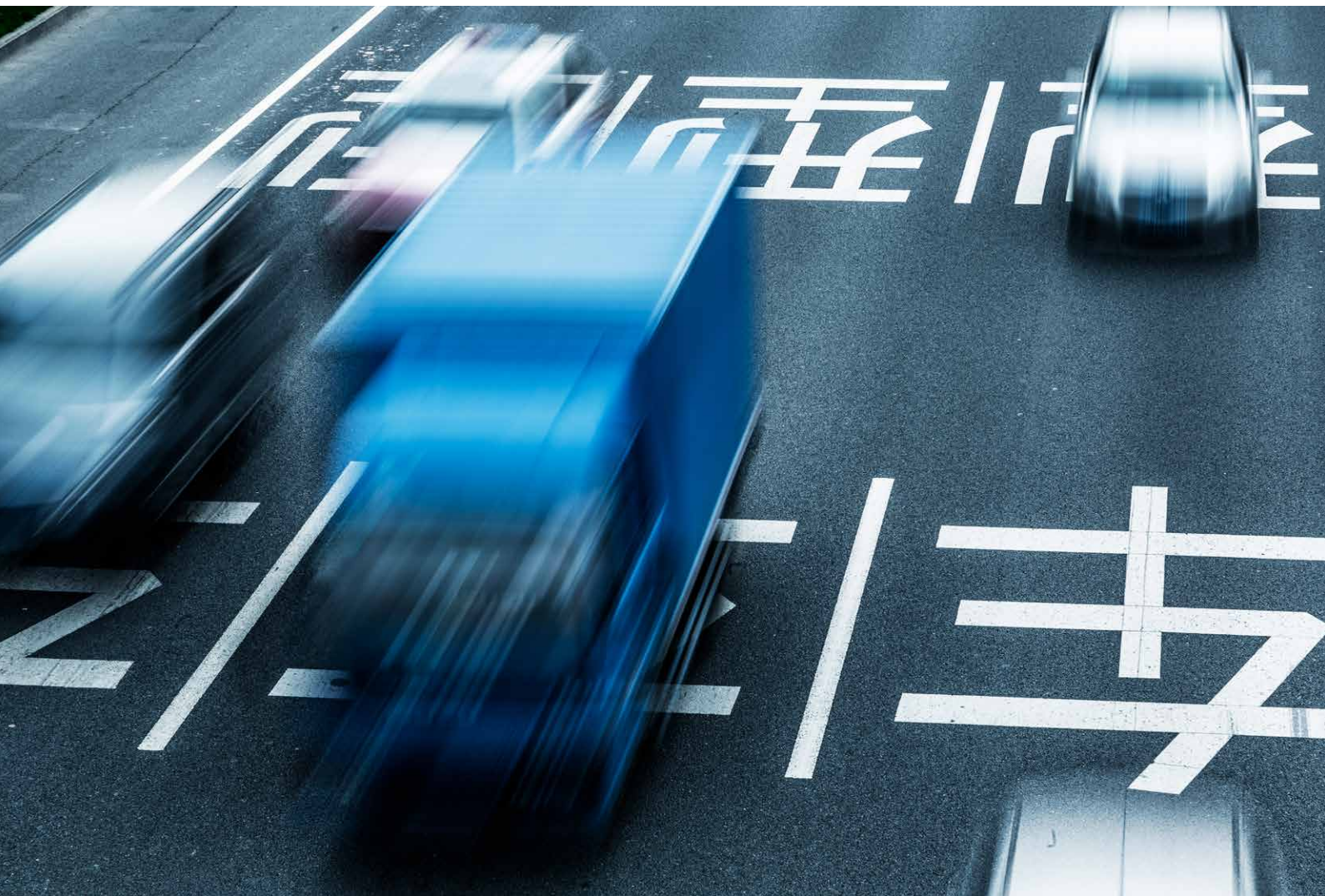
19

Before the end of June 2020, fees for cancelling railway and flight tickets shall be waived starting from 00:00 on January 24, 2020.

- The cost of railway insurances, charges on extended use of containers and truck detention fees shall be halved.

20

Certain fees for airport support services under the government management shall be reduced.



Other support

21

For train driving licences and business licences of transport equipment manufacturers scheduled to expire during the coronavirus outbreak, the expiration date shall be extended until the epidemic ends.

22

Chartered transport arranged by local governments to facilitate migrant workers' return to work amid the COVID-19 outbreak shall be included in the scope of the "green lanes" policy for emergency transport. Highway toll exemptions apply.

23

Vehicles that transport emergency supplies and personnel in emergency situations:

- Shall not be stopped for checks or charged for any fees.
- Shall be given priority passage.

24

The annual commercial vehicle inspections and the validity period of the qualification certificates of relevant personnel shall be extended to 45 days after the COVID-19 outbreak ends.

25

"Green lanes" shall be applied for the rapid flow of essential goods by water, and ships that transport key supplies for production and living shall be provided with:

- Priority crossing and navigation.
- Priority anchoring.

26

The domestic water transport permits that are scheduled to expire during the COVID-19 outbreak shall be extended to 30 June 2020.

27

The qualification certificates of enterprises for water transport engineering and construction (Grade 1 or Special Grade) with an expiration date between 1 March to 30 June 2020 shall be extended to July 31, 2020.

28

The administrative procedures for relevant certificates of ships, crew members and shipping companies of Chinese nationality on domestic voyages to be issued (approved) by the maritime management authorities and ship inspection agencies will be postponed.

29

During the COVID-19 outbreak period, arrangements shall be made for the remote revalidation of certificates for seafarers on international voyages who meet relevant requirements.

30

With effect from 23 February 2020, during the epidemic, on-site information registration of seafarer appointment or dismissal shall be replaced by remote registration.

31

The seafarer online training platform with optimised functions shall be launched ahead of schedule in order to provide seafarers, either on board or at home, with free remote-learning resources.

32

During the epidemic, localities already equipped with the necessary equipment may conduct pilot online theory training sessions for seafarers.

33

Information regarding institutions that carry out occupational health check-ups of seafarers amid the COVID-19 outbreak shall be published promptly.

34

"Guidance on the Prevention and Control of COVID-19 on Board" shall be published in order to provide advice for seafarers.

35

The method of information collection for the renewal of seafarer's passports shall be adjusted in order to facilitate remote passport renewal for crew members on board, whose seafarer's passport is valid for less than six months during the COVID-19 outbreak.

36

Work shall be undertaken with the Ministry of Human Resources and Social Security to ensure the proper crew replacement of Chinese ships on international voyages during the epidemic prevention and control period.

37

For administrative examination and approval of "Civil Aircraft Pilot Licences" and other civil aviation related matters:

- Certain procedures shall be suspended.
- Applications can be filed online.
- Applications shall be processed and handled remotely.
- Extension or renewal of certificates shall be granted.