《Premier Li urges more financial support for industrial upgra》

BEIJING, Jan. 27 (Xinhua) -- Premier Li Keqiang on Wednesday called for more financial support for industrial upgrades as the country strives to restructure its economy.

"Making good,creative use of financial tools to support industrial upgrades is an important way for the financial sector to better serve the real economy," read a statement issued after an executive meeting of the State Council chaired by Premier Li.

The government will encourage financial institutions to offer credit support to high and new tech enterprises, major technical equipment manufacturers, and projects that aim to strengthen China's industrial foundation, the statement said.

China expects more financial support in the shape of "green loans" that help enterprises improve energy efficiency and boost trade of pollution discharge right, the statement said.

The government encourages enterprises to raise money to reform old growth drivers through merger and revamping. Big enterprises will receive support for creating venture capital fund while local governments will help cover or compensate the bank guarantee when small and medium-enterprises seek funding, according to the statement.

Financial support will phase out for those enterprises that are mired in long-term losses, fail to meet environment or safety standards and with no prospect of amelioration, and whose production capacity is outmoded, the statement said.

The government will continue to straighten arbitrary and unreasonable financial charges, and at the same time support banks to deal with non-performing loans as soon as possible to defuse financial risks, the statement said.

To help realize medium and high-end manufacturing, an important part of China's supply-side structural reform, breakthroughs in connecting "made in China" with "the Internet" are needed, the statement said. The government will promote digitized, Internet-based and intelligent manufacturing in a bid to create new business models and products.

A fund that supports the implementation of the "Made in China 2025" plan will be established, the statement said, without elaborating on the exact amount. A number of major technological transformation projects will start.

China will strengthen its national standards to facilitate the production of high quality products to meet the needs of consumers, the statement said, adding that the country will work for closer international cooperation.

Burdens on enterprises will be further reduced. From February 1, the government will cut, cancel or streamline various charges including new vegetable plot development fees and price adjustment fund. The exemption threshold for education and water conservancy taxes will be raised to a monthly revenue of 100,000 yuan (15,200 U.S. dollars) from the current 30,000 yuan. The new measure translates to an annual saving of 26 billion yuan for enterprises, the statement said.

The meeting also highlighted the importance to taking care of left-behind children, whose parents work away from home and rarely spend time with their children.

The family should have the main responsibility of raising children while local governments, village committees and philanthropic organizations must work to ensure their safety and education, read the statement.

The government will do more to crack down on illegal activities that harm left-behind children and reduce the number of these children by helping migrant workers be admitted into cities or to start their own businesses in the countryside.