Key point

• The National Development and Reform Commission in China is an example of a well-performing inter-ministerial organization that could be a model for other developing countries to adapt for implementing green growth policies.

There was an institutional gap...

The State Planning Commission was established in 1952 as a central economic planning and management agency. However, the transition of the Chinese economy from a command system to the socialist market economy system in the late 1990s called for establishing an institution to coordinate between the macroeconomic and microeconomic affairs, to create a competitive but fair market environment and to draft national development strategies for adapting to the new economic system.¹

What was done?

In 1998, the National Development and Reform Commission² was launched as the government agency devoted to generating economic and social policies while maintaining a balance between economic arrogation and economic restructuring. With supervision from the State Council, the National Development and Reform Commission has 26 functional departments, bureaus and offices.

Figure 1: Historical development of the NDRC


The major functions of the National Development and Reform Commission:

• Establish and implement national economic and social development strategies, long-term and annual plans, and industrial and price policies


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Results

The National Development and Reform Commission is treated as a “super ministry” due to its broad scope of authority over national medium- to long-term economic plans, approving foreign investment projects and coordinating and monitoring various other economic development policies. The National Development and Reform Commission developed the Twelfth Five-Year Plan (announced in March 2011), which leans heavily towards environmentally sustainable growth as well as equitable wealth distribution and increasing domestic consumption.