

China to ease controls on investment approval

China will ease government controls this year to stimulate private-sector investment amid an economic slowdown, the top economic planner said in an online statement Monday.

The government would narrow the scope of projects requiring approval "by the maximum extent," the National Development and Reform Commission said in its 2009 plan on deepening economic reforms.

It said the plan had been approved by the State Council, or Cabinet.

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The power of approval will also be transferred to lower government levels to spur private investment.

The government encourages the use of non-governmental capital in such key sectors as petroleum, railways, power generation, telecommunications and public facilities.

China hopes investment and consumer spending will support its slowing economy, as exports have slumped under the impact of the global downturn.

The government announced a stimulus package in November to spend four trillion yuan (\$586 billion) by the end of 2010. It has spent 230 billion yuan so far.

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