

Opinions of the General Office of the State Council on Further Optimizing Payment Services to Facilitate Payments

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The People's Government of Each Province, Autonomous Region, and Municipality Directly under the Central Government; Ministries and Commissions of the State Council; and Institutions Directly under the State Council:

Improving payment services, removing payment obstacles, promoting people-centric payment services, and achieving seamless domestic-international connectivity are an integral part of optimizing the business environment, an important means of supporting high-quality development, and a necessary component of promoting high-standard opening up. In recent years, mobile payment has developed rapidly in China and significantly benefited businesses and the people, invigorated transactions, and fueled market prosperity. At the same time, given the preference for cash transactions among the elderly and other population groups, and how unfamiliar mobile payment can be for some foreign visitors who are accustomed to paying with bank cards and cash, the payment services need to be more inclusive. With the approval of the State Council, the following opinions are hereby issued to better address the diverse payment service needs of such groups as the elderly and foreign visitors; promote the parallel growth and complementarity of mobile payment, bank cards, cash, and other payment methods; further enhance the payment services; better serve the public; improve the business environment; and promote high-standard opening up.

I. General Requirements

(I) General Guidelines

Guided by the Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and in the context of the new development stage, we aim to fully and faithfully apply the new development philosophy on all fronts and move faster to create a new pattern of development. In line with the payment habits of different population groups, we will coordinate efforts to remove the obstacles in accessing payment services and bridge the digital divide, in order to build a diverse, multi-dimensional payment service system to provide higher quality, more efficient, and more convenient payment services to such groups as the elderly and foreign visitors.

(II) Basic Principles

—Adhere to a goal-oriented and problem-oriented approach to effectively remove the key obstacles.

With the goal of making payment more convenient for such groups as the elderly and foreign visitors, and focusing on key areas and service stages including bank card acceptance, cash payment, mobile payment, account services, and service promotion, we will introduce targeted policies and measures to develop payment service scenarios, expand payment service offerings, and progressively improve payment services.

—Underscore central planning and coordination to integrate an efficient market with a proactive government.

We will boost collaboration among the government departments and build synergy between central and local governments to create positive interactions between the departments of the central government, between the central and local governments, and between the government and the market. We will galvanize payment service providers such as banking institutions (“banks”), non-bank payment institutions (“payment institutions”), clearing organizations, and currency exchange institutions to be more proactive and to invest more human, financial, and technical resources, to together implement the various optimization measures.

—Effectively enhance the compatibility and inclusiveness of various payment methods and offer diverse payment services to domestic and overseas consumers.

Continuing to pursue progress while ensuring stability, we will fully account for the payment habits of different population groups, preserve the traditional services such as cash, passbooks, and bank cards, and maintain the availability and upgrade service infrastructures such as bank card acceptance terminals (POS devices) and automated teller machines (ATMs). We support innovation by payment service providers that engage in mobile and internet payment businesses to together build a payment service system where payment services of all types can be mutually compatible and coexist and thrive.

—Ensure both development and security and balance service optimization with risk control.

We will support and help payment service providers to optimize business workflows on an ongoing basis and to introduce facilitation measures to steadily raise the convenience and satisfaction levels of payment services for such groups as the elderly and foreign visitors. We will conduct effective transaction monitoring and risk assessment and bolster internal risk prevention and control.

II. Primary Tasks

(I) Improving Bank Cards Acceptance

We will steadily make bank card use more convenient for such groups as the elderly and foreign visitors, including supporting bank card payments in day-to-day settings

such as paying for public utilities and healthcare and at tourist sites and shopping centers. Local governments are to each establish a list of key locations and key merchants encompassing catering, accommodation, transportation, tourism, shopping, entertainment, and healthcare establishments, including large shopping districts, tourist sites, resorts, nighttime cultural and tourism areas, cultural sites and museums, entertainment venues, hotels, transport hubs, and hospitals, and ensure the gradual acceptance of overseas bank cards at those locations and merchants. Banks and payment institutions should expedite the software and hardware upgrades of overseas bank card acceptance equipment, and concurrently plan for the adoption of contactless payment options, in accordance with the lists of key merchants. We will supervise and help bank card clearing organizations to achieve interconnectivity with international payment platforms. The Ministry of Commerce and the Ministry of Culture and Tourism are to strengthen guidance and incorporate merchants' acceptance of bank cards into their service quality assessments.

(II) Optimizing the Cash Usage Environment

We will ensure cash remains as a backstop payment option and supervise businesses to accept cash payments as required by laws and regulations. We encourage businesses, especially those in public- and foreigner-related sectors such as transportation, shopping, catering, entertainment, tourism, and accommodation, to openly commit to the acceptance of cash and prepare enough change, in order to address the needs for cash transactions and improve the ease of cash payment and receipt in daily spending. Banks should offer standardized and varied “small-denominations kits” for cash RMB. Bank branches may not unjustifiably discontinue or lower the quality of cash services. We will continue to upgrade the bank card acceptance capabilities of ATMs so that such groups as the elderly and foreign visitors may withdraw cash RMB with domestic and overseas bank cards. We will continue the remediation campaign against those that refuse to accept cash RMB, with consequences including harsher penalties and public reprimand according to law. We will help airports, ports, and other ports of entry that receive a large number of foreign visitors, as well as hotels that frequently serve foreign travelers, to house additional currency exchange agencies and facilities, expand the list of exchangeable foreign currencies, and enhance the training of the related service staff to provide better currency exchange services.

(III) Enhancing the Convenience of Mobile Payment

Banks, payment institutions, and clearing organizations should work more closely with each other to steadily improve the mobile payment services, optimize the service procedures, develop additional product functionalities, and broaden the acceptance scope while ensuring risks are kept under control. In particular, they are to give full regard to the needs of such groups as the elderly and foreign visitors to make special arrangements for the elderly and foreigners, to make mobile payment more friendly and convenient for them. We will ensure accessibility of telecommunication services for foreign visitors, including optimizing the procedures for obtaining a mainland

mobile number and providing robust international roaming services. We will supervise online and offline establishments, such as major tourist sites, resorts, nighttime cultural and tourism areas, specialty shopping districts, major tourism and leisure streets and zones, and major entertainment venues, to offer convenient payment services. We support internet platform companies heavily involved in consumer spendings such as catering, accommodation, transportation, tourism, shopping, entertainment, and healthcare to improve the online and offline payment experiences of foreign visitors when they purchase products and services.

(IV) Protecting Consumers' Choice of Payment

Key venues including large shopping districts, tourist sites, resorts, cultural sites and museums, entertainment venues, hotels, transport hubs, and hospitals above the designated size must be equipped with the necessary software and hardware equipment to accept mobile payment, bank cards, and cash and ensure consumers have the right to choose their payment methods and tools. We encourage shopping districts, tourist sites, resorts, cultural sites and museums, entertainment venues, hotels, transport hubs, and hospitals below the designated size to likewise meet the foregoing requirements to jointly create an inclusive and diverse payment environment.

(V) Enhancing Account Services

Banks and payment institutions should streamline the account opening process and implement an appropriate classification- and grade-based account management regime. In relation to the key regions, branch locations, and service stages, banks and payment institutions are to improve the account opening-related services such as multilingual support, inquiry handling, and complaint resolution, to enhance their account services on an ongoing basis. Banks are encouraged to optimize their account services by setting up expedited lines at outlets, to improve the service experience of such groups as the elderly and foreign visitors. The National Immigration Administration will help the People's Bank of China in verifying information to expedite the opening of accounts at banks and payment institutions.

(VI) Improving Publicity and Promotion of Payment Services

We encourage the creation of payment service information desks at key venues including large shopping districts, tourist sites, resorts, cultural sites and museums, entertainment venues, hotels, transport hubs, and hospitals, and the regular promotion of payment services through a variety of publicity methods and channels. We will post signs indicating where overseas bank cards can be used, where bank cards can make cash withdrawals from ATMs, and where individuals can exchange currency, and bolster the training of the service staff. We will encourage such businesses as airline companies and travel agencies to organize a variety of targeted publicity activities during international flights and at overseas Chinese cultural centers, overseas tourism offices, overseas visa centers, ports of entry, and other locations frequented by foreign

visitors, to help them better understand the Mainland payment services.

III. Safeguards

(I) Strengthening Policy Support

We will synthesize and build on the experiences from pilot urban programs and enhance promotional efforts to ensure first-tier cities, provincial capitals, World Heritage Sites, and international consumer hubs play a leading role in payment service upgrades. We encourage innovations by the relevant payment service providers to further refine their products and services for such groups as the elderly and foreign visitors. We further encourage localities to set up currency exchange agencies and facilities, with a certain level of rent discount, in places with high demand for payment services. Payment service improvements will be included in the assessments of tourism and leisure cities, model cities, national model cities for cultural and tourist consumption, local comprehensive governance improvement, and business environment.

(II) Strengthening Organization and Leadership

The People's Bank of China is to spearhead payment facilitation programs by strengthening central planning, coordination, and implementation oversight; developing detailed work plans and supporting measures; and specifying timetables and roadmaps. We will establish oversights, including declared and undercover inspections on or in key regions, key banks and payment institutions, and key businesses, to provide supervision and guidance and ensure all tasks are duly carried out. In accordance with their scope of responsibilities, the People's Bank of China and the National Financial Regulatory Administration are to urge and guide banks and payment institutions to maintain accessible informational and complaint channels and to duly protect the rights and interests of financial consumers. All localities and relevant units are to achieve a higher political stance and develop sound protocols and set specific tasks, to provide higher quality, more efficient, and more convenient payment services to address the payment needs of such groups as the elderly and foreign visitors.

General Office of the State Council

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(This is an abridged text.)