

## China to intensify land reserve control

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The Chinese Ministry of Land and Resources (MLR) is seeking to improve land reserve system amid intense concerns over a 9.5 percent year-on-year housing price rise in 70 major Chinese cities this October.

Experts hold that robust demand, tight supply and higher land development costs drove up housing prices and the government's new move is in a bid to regulate the real estate market and curb the housing price rises.

The local land and resources regulatory agencies will conduct the macro-control of land development, storage and supply, according to the circular issued jointly by the MLR, the Ministry of Finance and the People's Bank of China, China's central bank towards the end of last month.

The large-scale land hoarding of some real estate development enterprises has recently become the focus of the media.

Experts hold that this is one move taken by the government to prevent property developers from hoarding land and guarantee land use for basic infrastructure and residential construction for the needy.

According to a research report released by the prestigious Beijing Normal University on November 20, more than 800 million square meters of land has been hoarded by property developers during the past decade.

Land hoarding is especially common in the country's eastern provinces of Shangdong, Jiangsu and Zhejiang and southwestern province of Sichuan, says the report.

In a similar development, earlier last month the Chinese government urged local governments to reserve at least 70 percent of the land designated for residential construction for low-rent units or smaller, cheaper commercial homes.

The government has been trying to curb soaring real estate prices and provide adequate housing for the needy. Regulators have raised interest rates, ordered developers to build more small, low-cost homes and imposed curbs on the purchase of second homes and foreign investment in real estate.

In a bid to provide low-cost homes, the Ministry of Construction (MOC) and the MLR and another seven relevant ministries released the low-rent housing guarantee policy this November, which took effect on December 1.

This policy is targeted at the country's ten million low-income urban families whose living space is less than ten square meters per person, accounting for 5.5 percent of the country's combined households.

The low-rent housing guarantee policy is built on the back of the low-rent housing system. By the end of October, the low-rent housing system had been established in nearly all the 656 cities in this country and 7.94 billion yuan (1.07 billion U.S. dollars) has been earmarked this year to fund the

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system nationwide, surpassing the total volume the country has pooled into this endeavor since it started the low-rent housing project in 2003, according to statistics from the MOC.(Xinhua)

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