

Analysis of Audit Optimization Paths for the Trade-in Policy under the Context of the 15th Five-Year Plan

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Abstract

The "consumer goods trade-in" policy plays an important role in promoting consumption and stimulating domestic demand, and is an important measure to implement the strategic requirement of "vigorously boosting resident consumption" in the "15th Five-Year Plan". Based on the 2025 special audit practice of "implementation of large-scale equipment renewal and consumer goods trade-in policy" (referred to as "Two New") in Y City, this paper deeply analyzes the problems in policy implementation, explores the mechanism of audit improving the effectiveness of "trade-in", and proposes corresponding strategies and solutions from the audit perspective, so as to meet the higher requirements of the "15th Five-Year Plan" for consumption quality improvement and upgrading.

Keywords

15th Five-Year Plan; Trade-in; Policy Audit.

1. Introduction

In 2024, the State Council issued the "Action Plan for Promoting Large-scale Equipment Renewal and Consumer Goods Trade-in", pointing out that "promoting large-scale equipment renewal and consumer goods trade-in is an important measure to accelerate the construction of a new development pattern and promote high-quality development, which will effectively promote investment and consumption, benefiting both the present and the long term". In 2025, China allocated 300 billion yuan of ultra-long-term special government bond funds to support consumer goods trade-in. The policy achieved remarkable results, driving sales of related products exceeding 2.5 trillion yuan, benefiting more than 360 million people, including over 11.2 million vehicles and more than 128 million home appliances through trade-in. "Promoting large-scale equipment renewal and consumer goods trade-in" has become an important measure to accelerate the construction of a new development pattern and promote high-quality development.

The "15th Five-Year Plan" clearly establishes expanding domestic demand as a national strategic cornerstone, emphasizing that "expanding domestic demand strategy is not a short-term stimulus measure, but a long-term strategic measure to support Chinese-style modernization and ensure economic security and stability". Among them, "boosting consumption" is placed at the core position, proposing the overall requirement of "letting residents 'have money to spend, spend conveniently, and be willing to spend'", promoting the transformation of commodity consumption upgrading to "green and intelligent", and including smart wearable devices (such as smart watches and glasses) in the scope of trade-in subsidies. The "trade-in" policy is highly compatible with the strategic requirement of "vigorously boosting resident consumption" in the "15th Five-Year Plan". However, in the process of rapid promotion of the past "trade-in" policy, some problems that cannot be ignored have also emerged. These problems have raised new topics on how audit supervision can be effectively

embedded in the whole policy cycle to ensure the realization of the original intention of the policy to "benefit the people", and it is also a key test to implement the strategic goal of "vigorously boosting resident consumption demand" in the "15th Five-Year Plan".

Based on the "Two New" special audit project in Y City, this paper systematically sorts out various problems found in audit practice, and constructs the mechanism and path for audit to improve policy effectiveness, so as to provide audit perspective solutions for ensuring the steady and long-term implementation of the "consumer goods trade-in" policy and helping to achieve the consumption quality improvement and upgrading goals of the "15th Five-Year Plan"[1-7].

2. Challenges Faced by "Trade-in" from Audit Perspective

Audit investigations have found that the current "trade-in" policy faces challenges in multiple fields, which directly affect the play of its effectiveness in benefiting the people, and also have certain gaps with the requirements of "optimizing consumption supply" and "creating a convenient consumption environment" in the "15th Five-Year Plan".

2.1. Policy Sustainability Risk: Contradiction between Short-term Stimulus and Long-term Effects

In the fields of electric vehicles and home appliances, the audit found that the subsidy policy has the risk of weak sustainability, which is specifically manifested in quickly starting the market. Some fields have set subsidy plans with excessive intensity and concentrated periods. Although sales have been effectively boosted in the short term, once subsidies are reduced or stopped, sales will experience a "cliff-like decline".

Taking the electric vehicle market in G County-level City of Y City as an example, merchants visited by the audit team all expressed concern: during the subsidy period, the average monthly sales of electric vehicles increased by 100% month-on-month, but for three consecutive months after the subsidy ended, sales were significantly lower than the pre-policy level. The reason is that the subsidy intensity for electric vehicles is relatively greater, and some high-end models can be reduced by 1/4 after subsidies. The suddenness of the end of subsidies has caused merchants and consumers to be unprepared psychologically, and many consumers are in a wait-and-see attitude, waiting for the next round of subsidies.

This is contrary to the requirement of the "15th Five-Year Plan" to "transform policies from 'strong stimulus' to 'stable expectations'". The "15th Five-Year Plan" requires "avoiding large ups and downs in the market" and emphasizes "establishing a dynamic adjustment and smooth exit mechanism". The current policy design lacks a sustainability assessment mechanism matching the requirements of the "15th Five-Year Plan", resulting in deviations between policy implementation and planning goals[8-12].

2.2. Policy Precision Risk: Gap between Universal Intent and Targeted Deviation

The "15th Five-Year Plan" proposes "optimizing consumption supply", emphasizing "promoting the transformation of commodity consumption upgrading to green and intelligent", and requiring "providing differentiated consumption choices for different groups". However, audits reveal that the effect of the "trade-in" policy is structurally unbalanced in some fields.

In the automotive field, subsidies have a significant effect on boosting consumption of low-to-mid-range brands and economic models, but have limited effect on boosting sales of luxury brands, reflecting differences in incentive intensity of subsidy policies for different consumer groups, which is different from the precise requirements of "letting residents 'have money to spend, spend conveniently, and be willing to spend'" in the "15th Five-Year Plan".

In the home appliance field, some subsidy funds have flowed to low-efficiency home appliances, deviating from the green goal of environmental protection and upgrading of the "trade-in" policy. In addition, the audit also found that among the people who accepted "aging-friendly renovation", the proportion of elderly people with rural household registration was far higher than that in cities. In the aging-friendly renovation subsidies for elderly people in rural difficulties, there was a "supply-demand mismatch" problem. Audit visits found that some merchants provided renovation products such as smart toilets and automatic wheelchairs, which were left idle due to complex operations, non-compliance with the actual living habits of rural elderly or house structure conditions, resulting in waste of resources.

The "15th Five-Year Plan" requires "promoting the supply of aging-friendly and intelligent products and services to meet the diversified needs of different groups", while the current policy lacks precision and fails to effectively implement the precision requirements of the "15th Five-Year Plan"[13-19].

2.3. Policy Implementation Compliance Risk: Interweaving of Regulatory Loopholes and Moral Hazards

The "15th Five-Year Plan" emphasizes "building a high-standard market system", requiring "breaking local protection and market segmentation", "reducing circulation costs", and "rectifying 'involution-style' vicious competition". However, inadequate supervision in the policy implementation process can easily lead to arbitrage and fairness issues.

In automobile subsidies, the audit found through data comparison that there were cases where individual dealers conspired with consumers to falsely increase vehicle prices on sales invoices to obtain higher-level subsidy amounts. In addition, since local governments often add local subsidies on top of national subsidies, consumers tend to purchase cars in places with greater subsidy intensity, exacerbating competition. In the field of old house renovation and decoration subsidies, the audit found that due to incomplete sharing of renovation project information among different departments (such as housing and construction, commerce), there was a phenomenon of the same housing applying for and receiving subsidies under different names repeatedly. In addition, relevant departments have a single channel for policy publicity, and the public cannot fully understand the preferential policies of "old house renovation" subsidies through effective channels, and there is a certain degree of information barrier.

The "15th Five-Year Plan" requires "building a unified national market" and "promoting cross-departmental information sharing", while there are information barriers between departments in the current policy implementation, which has a significant gap with the requirements of the "15th Five-Year Plan"[20-23].

3. Mechanism of Audit Improving the Effectiveness of "Trade-in" Policy

In response to the above challenges, audit should go beyond traditional financial compliance checks and further construct the following four mechanisms to comprehensively improve policy effectiveness and ensure that the "trade-in" policy truly serves the goal of "vigorously boosting consumption" in the "15th Five-Year Plan".

3.1. Sustainability Assessment Mechanism

Audit should establish a policy sustainability assessment framework and extend from post-event supervision to in-process and pre-event. In the policy design stage, audit can make forward-looking assessments on the rationality of subsidy standards, periods, and exit mechanisms based on its macro vision, and warn of "cliff-like decline" risks. During policy implementation, key indicators such as sales, fund payment, and corporate cash flow are continuously monitored to assess the long-term impact of policies on the market ecosystem. The "15th Five-Year Plan" requires "establishing a dynamic adjustment and smooth exit

mechanism". Audit should promote the docking of policy design with the requirements of the "15th Five-Year Plan", such as introducing mechanisms such as "subsidy reduction ratio linked to sales volume" to avoid large ups and downs in the market. Audit should make suggestions for optimization and adjustment in a timely manner throughout the chain and in multiple directions, promote the transformation of policies from "strong stimulus" to "stable expectations", and ensure the long-term healthy operation of policies.

3.2. Precision Audit Mechanism

The "15th Five-Year Plan" requires "optimizing consumption supply" and "meeting the diversified needs of different groups". The audit precision mechanism is the key guarantee to implement this requirement. Audit should be oriented by the "people-oriented" nature of the policy and carry out precision audit: review whether the target group identification mechanism is scientific to ensure that subsidy resources are tilted to groups that truly need them; evaluate whether the product and service lists meet the real needs and consumption habits of different groups, such as promoting the inclusion of more practical and easy-to-operate aging-friendly products for rural elderly; through benefit audit, measure the actual effect of policies in improving the well-being of specific groups (such as low-and middle-income families and rural residents), and promote policies from universal to precise.

3.3. Compliance Review Mechanism

The "15th Five-Year Plan" requires "building a high-standard market system" and "breaking local protection and market segmentation". The audit compliance review mechanism is an important guarantee to implement this requirement, and building a compliance defense line is also the basic responsibility of audit. In order to achieve the audit goal of policy compliance, auditors should use big data technology to cross-compare sales data, invoice information, and subsidy application records to accurately identify fraudulent behaviors such as false reporting of prices and repeated applications. At the same time, review the information sharing and coordination mechanisms among departments, promote the establishment of a unified subsidy information management platform, and technically eliminate "repeated subsidies". Finally, strengthen the fairness review of the subsidy allocation process, and evaluate whether there is benefit transfer or group injustice through multi-dimensional analysis of application data, so as to maintain the fairness bottom line of the policy.

3.4. Collaborative Governance Mechanism

The "15th Five-Year Plan" requires "building a unified national market" and "breaking local barriers". The audit collaborative governance mechanism is an important driver to implement this requirement. The "trade-in" policy involves multiple departments, multi-level governments, and market entities. Audit should play an integrating role and promote collaborative governance. By strengthening cooperation with industry competent departments, financial departments, and market supervision departments, a regulatory synergy will be formed. In particular, Urge the optimization of the merchant advance payment settlement process to relieve corporate pressure. At the same time, combine audit results with the performance assessment of policy-making departments and implementation departments, and promote the establishment of a benign cycle of "audit-feedback-rectification-optimization", so as to systematically improve policy effectiveness from the institutional level.

4. Implementation Path for Audit to Promote the Effectiveness of "Trade-in" Policy

4.1. Strengthen Policy Tracking Audit and Build the Foundation of Effectiveness

The "15th Five-Year Plan" takes "stable expectations" as an important goal of economic work, requiring the creation of a stable and predictable environment for the opening of the "15th Five-Year Plan" and high-quality development through maintaining policy continuity and enhancing foresight. Audit institutions should intervene in advance or continuously pay attention to the formulation of local "trade-in" implementation rules. Focus on auditing whether subsidy plans have been scientifically demonstrated and stress-tested, and whether dynamic adjustment and smooth exit mechanisms have been established, so as to match the "15th Five-Year Plan". For fields such as electric vehicles and home appliances, it is recommended to introduce mechanisms such as "subsidy reduction ratio linked to sales volume" to avoid large ups and downs in the market. Through audit suggestions, promote more scientific and robust policy design, and ensure policy sustainability from the source.

4.2. Strengthen Capital Process Audit to Ensure Safety and Efficiency

The "15th Five-Year Plan" requires "optimizing investment structure" and "increasing the proportion of livelihood investment". Audit capital process supervision is the key guarantee to implement this requirement. Audit should build a "capital flow" whole-chain audit supervision mode, and conduct penetrative audit from subsidy budget preparation, fund allocation, merchant advance payment to final settlement. Focus on the timeliness of fund allocation, urge financial departments to optimize processes and relieve merchant capital pressure; strictly review the authenticity of subsidy application materials, use information technology means to crack down on fraud and subsidy cheating behaviors; ensure that funds reach the beneficiary terminal accurately, safely, and efficiently.

4.3. Strengthen Policy Effect Audit to Promote Goal Realization

The "15th Five-Year Plan" requires "promoting the transformation of commodity consumption upgrading to green and intelligent" and "optimizing consumption supply". To achieve this goal, audit should pay more attention to policy effects and establish a multi-dimensional policy effect audit evaluation index system. Not only focus on short-term sales growth, but also evaluate its long-term comprehensive effects on consumption upgrading, industrial chain driving, resource recycling, and improvement of quality of life of specific groups. Through questioning the sense of gain and satisfaction of the people, and taking audit results as an important basis for policy optimization and iteration, ensure that policies truly serve the goal of benefiting the people.

4.4. Build a Rectification and Promotion Closed Loop to Form a Long-term Mechanism

In order to serve the requirement of "building a high-standard market system" in the "15th Five-Year Plan", audit rectification should focus on breaking the institutional and mechanistic obstacles to the construction of a unified national market, and promote a better combination of effective markets and promising governments. For problems found in audits, we must firmly grasp the implementation of rectification. Promote the establishment of a rectification linkage mechanism led by the government, supervised by audit, implemented by departments, and supervised by the society. For universal and trending problems, deeply analyze the root causes and promote the improvement of institutional regulations. For example, in response to the problem of repeated subsidies, promote the establishment of a cross-departmental information sharing mechanism; in response to the problem of mismatched aging-friendly products, promote the improvement of demand collection and product selection mechanisms. By

strengthening tracking audits and "looking back", ensure that audit suggestions take root and form a closed-loop governance model of "discovery-rectification-prevention-improvement".

4.5. Enhance Audit Technology Empowerment and Promote Whole-process Collaboration

Comprehensively apply digital technologies such as artificial intelligence, big data, and blockchain to build an intelligent audit system covering the entire policy life cycle, covering important links such as policy publicity, fund management, corporate compliance, and consumer feedback. Audit institutions create intelligent audit platforms to integrate multi-source data in real time: use natural language processing to analyze social media and questionnaire feedback to dynamically optimize publicity strategies; use blockchain technology to achieve tamper-proof tracking of the entire process of subsidy application, allocation, and use, and improve the accuracy of fund audit supervision; deploy AI behavior models to automatically identify risks such as false promotions and illegal sales, and strengthen market order regulation; link with consumer feedback, and quickly locate policy bottlenecks and optimize services through big data clustering analysis of complaint data. Enhancing audit technology empowerment will greatly promote the transformation of policy implementation from fragmentation to systematization, ensure the efficient coordination of the "trade-in" policy from publicity guidance to effect evaluation, provide technical support for the goals of "digital empowerment governance" and "improving policy precision" in the "15th Five-Year Plan", and achieve a qualitative change in policy effectiveness from "passive response" to "active optimization".

5. Conclusion

The "trade-in" policy is an important measure to benefit people's livelihood and promote consumption, and is a specific measure to implement the strategic requirement of "vigorously boosting resident consumption" in the "15th Five-Year Plan". The level of its effectiveness is directly related to the realization of the goal of "letting residents 'have money to spend, spend conveniently, and be willing to spend'" in the "15th Five-Year Plan" and the shaping of government credibility. The audit supervision of the "trade-in" policy is not only a necessary means to guarantee policy implementation, but also an important support for promoting high-quality consumption development and serving the strategic goals of the "15th Five-Year Plan". As the "gatekeeper" of national property and the "guardian" of economic security, audit shoulders an important mission in ensuring the implementation and effectiveness of this major policy benefiting people's livelihood. By constructing and implementing the four major mechanisms of sustainability assessment, precision audit, compliance review, and collaborative governance, and making in-depth efforts along the four paths of strengthening policy design audit, capital process audit, policy effect audit, building a rectification closed loop, and enhancing audit empowerment, audit supervision can effectively identify and warn policy risks, correct implementation deviations, promote policy optimization, and ultimately ensure that the maximum effectiveness of the "trade-in" policy is released, making it truly a sustainable development project that wins the hearts of the people and produces actual results, and helping to achieve the consumption quality improvement and upgrading goals of the "15th Five-Year Plan".

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