

Regulations on the Administration of the Verification and Filing of Enterprise Investment Projects of the PRC

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Article 1 — These Regulations are formulated to standardize the government's verification and filing of enterprise investment projects, accelerate the transformation of the government's investment administration functions, and implement the autonomy of enterprises in investment.

Article 2 — For the purposes of these Regulations, "enterprise investment project" (hereinafter referred to as "project") means a fixed-asset investment project invested in and constructed by an enterprise within the territory of China.

Article 3 — Projects that relate to national security, involve the nation's major production force layout, the development of strategic resources or major public interests shall be subject to verification administration. The specific scope of projects, the verification authorities and the verification powers shall be governed by the catalogue of government-verified investment projects. The catalogue of government-verified investment projects shall be proposed by the investment department under the State Council in conjunction with the relevant departments under the State Council, be implemented after approval by the State Council, and be adjusted in a timely manner. Where the State Council provides otherwise, such provisions shall prevail.

Projects other than those specified in the preceding paragraph shall be subject to filing administration. Unless the State Council provides otherwise, projects subject to filing administration shall be filed on a territorial basis, and the filing authorities and their powers shall be prescribed by the people's governments of provinces, autonomous regions, municipalities directly under the Central Government and cities under separate state planning.

Article 4 — Except for projects involving state secrets, project verification and filing shall be handled through the online project supervision platform established by the state (hereinafter referred to as the "online platform").

The verification authorities, filing authorities and other relevant departments shall uniformly use the project codes generated by the online platform to handle the relevant procedures.

The investment department under the State Council shall, in conjunction with the relevant departments, formulate measures for the administration of the online platform.

Article 5 — The verification authorities and filing authorities shall, through the online platform, list the industrial policies related to projects, make public the procedures and time limits for project verification, and provide relevant consulting services to enterprises.

Article 6 — To handle the procedures for project verification, an enterprise shall submit a project application to the verification authority; with respect to projects subject to verification by the State Council, the project application shall be submitted to the investment department under the State Council. The project application shall include the following contents:

(1) the basic information of the enterprise;

- (2) the project information, including the project name, construction site, construction scale and construction contents;
- (3) the analysis of the project's utilization of resources and the analysis of its impact on the ecological environment; and
- (4) the analysis of the project's impact on the economy and society.

The enterprise shall be responsible for the authenticity of the contents of the project application.

Where laws and administrative regulations provide that handling relevant procedures is a precondition for project verification, the enterprise shall submit the supporting documents proving that the relevant procedures have been completed.

Article 7 — The project application shall be prepared by the enterprise on its own initiative, and no unit or individual may compel the enterprise to entrust an intermediary service agency with the preparation of the project application.

The verification authority shall formulate and publish model texts for project applications and specify the requirements for preparing project applications.

Article 8 — With respect to projects subject to verification by the relevant departments under the State Council, an enterprise may forward its project application through the relevant department of the people's government of the province, autonomous region, municipality directly under the Central Government or city under separate state planning where the project is located (hereinafter referred to as the "relevant department of the local people's government"), and the relevant department of the local people's government shall forward the project application to the verification authority within five working days from the date of receiving it.

With respect to projects subject to verification by the State Council, where the enterprise forwards its project application through the relevant department of the local people's government, the relevant department of the local people's government shall, within the time limit specified in the preceding paragraph, forward the project application to the investment department under the State Council, which shall, after review, submit it to the State Council for verification.

Article 9 — The verification authority shall examine a project from the following aspects:

- (1) whether it endangers national security such as economic security, social security and ecological security;
- (2) whether it conforms to the relevant development and construction plans, technical standards and industrial policies;
- (3) whether resources are rationally developed and effectively utilized; and
- (4) whether it produces an adverse impact on major public interests.

Where a project involves the functions of the relevant departments or the local people's government where the project is located, the verification authority shall solicit their opinions in writing, and the units whose opinions are solicited shall reply in writing in a timely manner.

Where the verification authority entrusts an intermediary service agency with the assessment of a project, it shall specify the key points of the assessment; except where the project circumstances are complex, the assessment time limit shall not exceed 30 working days. The assessment expenses shall be borne by the verification authority.

Article 10 — The verification authority shall, within 20 working days from the date of accepting the application, make a decision on whether to grant verification; where the project circumstances are complex or the opinions of the relevant units need to be solicited, the verification time limit may be extended with the

approval of the principal person in charge of the authority, but the extension shall not exceed 40 working days. Where the verification authority entrusts an intermediary service agency with the assessment of a project, the assessment time shall not be included in the verification time limit.

Where the verification authority grants verification of a project, it shall issue a verification document to the enterprise; where it refuses to grant verification, it shall notify the enterprise in writing and state the reasons. With respect to projects subject to verification by the State Council, the investment department under the State Council shall, based on the decision of the State Council, issue to the enterprise the verification document or a written notice of refusal of verification.

Article 11 — Where an enterprise intends to change the construction site of a verified project, or intends to make major changes to the construction scale, construction contents or the like, it shall submit a change application to the verification authority. The verification authority shall, within 20 working days from the date of accepting the application, make a written decision on whether to approve the change.

Article 12 — Where a project has not commenced construction within two years from the date on which the verification authority made the decision to grant verification or approve the change, and the commencement of construction needs to be postponed, the enterprise shall apply to the verification authority for postponement of the commencement of construction 30 working days before the expiry of the two-year period. The verification authority shall, within 20 working days from the date of accepting the application, make a decision on whether to approve the postponement. The commencement of construction may be postponed only once, and the period of postponement shall not exceed one year. Where the state provides otherwise on the postponement of the commencement of construction of a project, such provisions shall prevail.

Article 13 — With respect to projects subject to filing administration, the enterprise shall, before the commencement of construction, notify the filing authority of the following information through the online platform:

- (1) the basic information of the enterprise;
- (2) the project name, construction site, construction scale and construction contents;
- (3) the total investment of the project; and
- (4) a statement that the project conforms to the industrial policies.

The enterprise shall be responsible for the authenticity of the filed project information.

The filing shall be deemed completed when the filing authority receives all the information specified in paragraph 1 of this Article; where the information notified by the enterprise is incomplete, the filing authority shall guide the enterprise to supplement and correct it.

Where the enterprise needs a filing certificate, it may request the filing authority to issue one or print one on its own through the online platform.

Article 14 — Where major changes occur to the information of a filed project, the enterprise shall notify the filing authority in a timely manner.

Article 15 — Where the filing authority finds that a filed project is one in which investment and construction are prohibited by industrial policy or one subject to verification administration, it shall promptly notify the enterprise to rectify the matter or handle the verification procedures in accordance with law, and notify the relevant departments.

Article 16 — The verification authorities, filing authorities and other relevant departments that have supervisory and administrative duties over projects in accordance with law shall strengthen ongoing and post-event supervision, implement supervisory responsibilities under the principle that whoever approves or

is in charge supervises, and strengthen supervision and inspection of the implementation of projects by means of online monitoring, on-site verification and the like.

The enterprise shall truthfully report, through the online platform, the basic information on the commencement of construction, construction progress and completion of the project.

Article 17 — The verification authorities, filing authorities and other relevant departments that have supervisory and administrative duties over projects in accordance with law shall establish a project information sharing mechanism and realize information sharing through the online platform.

Information on the illegal acts committed by enterprises in project verification, filing and project implementation, and the handling thereof, shall be publicized to the public through the national social credit information platform.

Article 18 — With respect to a project subject to verification administration, where an enterprise commences construction without handling the verification procedures in accordance with these Regulations, or carries out construction not in accordance with the verified construction site, construction scale, construction contents or the like, the verification authority shall order it to stop construction or order it to stop production, impose on the enterprise a fine of not less than 0.1 percent but not more than 0.5 percent of the total project investment, and impose on the directly responsible persons in charge and other directly responsible personnel a fine of not less than RMB 20,000 but not more than RMB 50,000; where such persons are state functionaries, sanctions shall be imposed in accordance with law.

Where a project verification document is obtained by improper means such as fraud or bribery and construction has not yet commenced, the verification authority shall revoke the verification document and impose a fine of not less than 0.1 percent but not more than 0.5 percent of the total project investment; where construction has already commenced, punishment shall be imposed in accordance with the preceding paragraph; where a crime is constituted, criminal liability shall be pursued in accordance with law.

Article 19 — With respect to a project subject to filing administration, where the enterprise fails to notify the filing authority of the project information or the changes to the information of a filed project in accordance with these Regulations, or provides false information to the filing authority, the filing authority shall order it to rectify within a prescribed time limit; where it fails to rectify within the time limit, a fine of not less than RMB 20,000 but not more than RMB 50,000 shall be imposed.

Article 20 — Where an enterprise invests in and constructs a project in which investment and construction are prohibited by industrial policy, the investment department of the people's government at or above the county level shall order it to stop construction or order it to stop production and restore the original state, impose on the enterprise a fine of not less than 0.5 percent but not more than 1 percent of the total project investment, and impose on the directly responsible persons in charge and other directly responsible personnel a fine of not less than RMB 50,000 but not more than RMB 100,000; where such persons are state functionaries, sanctions shall be imposed in accordance with law. Where laws and administrative regulations provide otherwise, such provisions shall prevail.

Article 21 — Where the verification authorities, filing authorities or their staff members neglect their duties, abuse their powers or engage in malpractices for personal gain in project verification and filing, the responsible leading personnel and directly responsible personnel shall be given sanctions in accordance with law; where a crime is constituted, criminal liability shall be pursued in accordance with law.

Article 22 — These Regulations shall apply to fixed-asset investment projects invested in and constructed within the territory of China by non-enterprise organizations such as public institutions and social organizations, except fixed-asset investment projects arranged through budgets.

Article 23 — Measures for the verification and filing administration of fixed-asset investment projects invested in and constructed within the territory of China by enterprises in the national defense science and

technology industry shall be separately formulated by the national defense science and technology industry administration department under the State Council in accordance with the principles of these Regulations.

Article 24 — These Regulations shall take effect as of February 1, 2017.

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