

Circular on Issuing the Interim Measures for Administration of Information Disclosure for Public-Private Partnership Integrated Information Platform

(09-FEB-2017)

Note: English version for reference only, Chinese version shall prevail.

The financial offices (bureaus) of all provinces, autonomous regions, municipalities directly under the Central Government and cities specifically designated in the state plan, the Financial Bureau of Xinjiang Production and Construction Corps, and the Financial Supervision Commissioner Offices of the Ministry of Finance at all provinces, autonomous regions, municipalities directly under the Central Government and cities specifically designated in the state plan,

In order to further carry out the related requirements of the Circular of the General Office of the State Council on Forwarding the Guiding Opinions of the Ministry of Finance, the National Development and Reform Commission and the People's Bank of China on Promoting the Public-Private Partnership Model in the Public Service Sectors (Guo Ban Fa [2015] No.42), strengthen and standardize the information disclosure of Public-Private Partnership ("PPP") projects, cause various parties to the PPP projects to act in good faith and strictly honor their agreements, protect the public's right to know and promote fair competition and regulated development of the PPP market, we hereby formulate the Interim Measures for the Administration of Information Disclosure for Public-Private Partnership Integrated Information Platform, which are issued to you for your implementation.

Ministry of Finance

January 23, 2017

Appendix:

Interim Measures for the Administration of Information Disclosure for Public-Private Partnership Integrated Information Platform

Chapter I General Provisions

Article 1 In order to strengthen and standardize the information disclosure of Public-Private Partnership ("PPP") projects, cause various parties to the PPP projects to act in good faith and strictly honor their agreements, protect the public's right to know and promote fair competition and regulated development of the PPP market, the Interim Measures for the Administration of Information Disclosure for Public-Private Partnership Integrated Information Platform (these "Measures") are hereby formulated in accordance with the Budget Law of the People's Republic of China, the Government Procurement Law of the People's Republic of China, the Circular of the General Office of State Council on Forwarding the Guidelines of the Ministry of Finance, the National Development and Reform Commission and the People's Bank of China on Promoting the Public-Private Partnership Model in the Public Service Sectors (Guo Ban Fa [2015] No.42) and other related provisions.

Article 2 These Measures apply to the disclosure of information about the PPP projects within the territory of the People's Republic of China that have been included in the PPP integrated information platform.

Article 3 PPP project information disclosure shall be conducted in the principles of objectiveness, fairness, timeliness and convenience.

Article 4 Local finance departments at all levels (hereinafter referred to as the "finance departments") will, in conjunction with the related departments of the government at the same level, promote, guide, coordinate and supervise the PPP project information disclosure work within their respective administrative region and carry out the following work in combination with local realities:

1. collect and sort out the PPP project information;
2. enter into, maintain and update the PPP project information via the PPP integrated information platform;
3. organize to prepare the annual work report of their government-level PPP project information disclosure;
4. make available the PPP project information in other channels at the same time in accordance with laws and regulations and actual needs; and
5. other efforts related to the PPP project information disclosure.

Relevant government departments, project implementing organizations, corporate partners or PPP project company and other PPP project participants shall provide the PPP project information in a truly, complete, accurate and timely manner.

Chapter II Contents Subject to Disclosure

Article 5 The PPP project information to be disclosed during the project identification phase includes:

1. summary of the implementation program, including: basic information of the project (including the project cooperation scope, cooperation period, project output specification, performance standards and other basic information), risk allocation framework, operation mode, transaction structure (including financing structure, return mechanism and relevant supporting arrangements), contracts, regulatory framework, selection of the purchase mode;
2. the value-for-money evaluation report that has been examined and approved by the finance departments and the competent industry authority, including: qualitative evaluation indicators and weights, scoring standards, scoring results, main indicators, methods, processes and results (including PSC value, PPP value), etc. (if any) for the purpose of quantitative evaluation; conclusions on whether value-for-money evaluation is passed or not;
3. the financial affordability assessment report that has been examined and approved by the finance departments, including: liabilities of fiscal expenditure of each year and total expenditure liabilities, total liabilities of fiscal expenditure of the PPP projects implemented by the government at the same level in current year and that of the PPP projects to be implemented for various years, and ratios of them in the general public budget expenditures of various years, measurement basis, key factors and indicators of the financial affordability assessment as well as others, and conclusions on whether the financial affordability assessment is passed or not;
4. Other basic information, including: Proposals for new or renovated or expanded projects and approval documents, feasibility study report (including planning permits, siting opinions, land pre-review opinion, environmental impact assessment report and other supporting documents) and approval documents, design documents and approval documents (if any), Historical materials of construction and operation maintenance of stocked public assets as well as the asset evaluation report issued by a third party and the employees placement scheme, claim and debt disposal programs, land disposal programs and others (if any) that may be involved in the transfer of stocked assets or equity.

Article 6 The PPP project information to be disclosed during the project preparatory phase includes:

1. the authorization documents of the government, including the authorization granted to the executive agency, the governments signing the PPP project contract, the government's investment representatives (if any) and others;
2. the examined and approved project implementation program (including the approval documents of the people's government at the same level with respect to the implementation programs), including: basic information of the project (including the project cooperation scope, cooperation period, project output specification, performance standards and other basic information), risk allocation framework, operation mode, transaction structure (including financing structure, return mechanism and relevant supporting arrangements), contracts and core boundary conditions, regulatory framework, selection of the purchase mode;
3. the value-for-money evaluation report that has been verified based on the examined and approved project implementation program, if any; and
4. the financial affordability assessment report that has been verified based on the examined and approved project implementation program, if any.

Article 7 The disclosure of information in the procurement process shall comply with the provisions on government procurement and other provisions, and the PPP project information to be disclosed shall include:

1. prequalification announcements (including prequalification application documents) and supplementary announcement (if any);
2. project procurement documents, including notes to competitors, PPP project contract (draft), review methods (including composition of the review group, the number of review experts and the producing way thereof, the review rules, etc.);
3. addenda (if any);
4. concluding observations with respect to the review of prequalification and response documents;
5. the list of prequalification experts, review experts and the working group of negotiation about confirmation;
6. announcement of pre-bid winners and transaction results;
7. the announcement of the bid-winning and transaction results and the letter of acceptance;
8. the authorization documents of the government updated and adjusted during the procurement process, including the authorization granted to the executive agency, the governments signing the PPP project contract, the government's investment representatives (if any) and others; and
9. the document of the people's government at the same level on consent to sign the PPP project contracts, and the signed PPP project contract, listing main output specifications and performance indicators, the return

mechanism, the price adjustment mechanism and other core provisions.

Article 8 The PPP project information to be disclosed during the project implementation phase includes:

1. registration of the project company (if any), capital subscribed by the shareholders and availability of the capital, increase or decrease of the capital (if any), qualifications of the project company (if any);
2. name of the financing institution, amount of funds raised for the project, the financing structure and particulars on the financing delivery;
3. review of the project construction permits, construction progress, quality and cost and others made based on the related agreements under the PPP project contracts;
4. the operation of corporate partners or the project company (especially major business or financial risks that may seriously affect the normal operation of the corporate partners or the project company) and satisfaction of the operational performance;
5. the project company's performance monitoring report, interim evaluation report, major changes or termination of the project, project pricing and previous price adjustments;
6. the financial report of the project company, including payment for the project, the government subsidy granted to the project, and the assets and liabilities of the project company and others;
7. cost monitoring and review of the project company, alteration of PPP project contracts or signing of supplementary agreements;
8. major breach of contract and withdrawal of performance bond, handling of public complaints, etc.;
9. provisions or decisions made by the government at the corresponding level or its functional departments that may have a significant impact on the project;
10. major disputes, litigations or arbitrations with respect to the project or of the parties directly related to the project (mainly the contracting parties to the PPP project contracts), except those forbidden according to the relevant judicial proceedings; and
11. the directory of the PPP projects at the same level, pilot library thereof and changes to the projects as well as the budget, implementation and settlement situations of governments for the PPP projects as approved by the people's congresses at the same level.

Article 9 The PPP project information to be disclosed during the project transfer phase includes:

1. composition of the transfer working group, transfer procedure, transfer standards and other transfer programs;
2. list of the assets or equity or interests to be transferred, assessment report on the assets or equity to be transferred (if applicable), scheme on performance test, and the release of various security or interests on

the assets or facilities to be transferred;

3. detection results on satisfaction of the transfer standards for project facilities; and

4. post evaluation reports (including evaluation for the project output, cost effectiveness, regulatory effectiveness, sustainability, PPP model applications, etc.), as well as the subsequent operation manner.

Chapter III Manner of Information Disclosure

Article 10 PPP project information can be disclosed immediately or in due time.

Article 11 To make disclosure immediately refers to the automatic disclosure of the related information as stipulated by these Measures via the PPP integrated information platform made by the finance departments, in concert with the related departments, the project implementing organizations and others according to the different stages of the PPP projects and the corresponding entry time. The contents and requirements of the instant disclosure are detailed in the appendix to these Measures.

Article 12 To make disclosure in due time refers to the disclosure of the relevant information as stipulated in these Measures by the finance departments, in concert with the related departments when the project enters into a specific stage or reaches a specific condition rather than automatic disclosure upon the entry of the relevant information. Except as otherwise provided in these Measures, The information during the project identification, preparation and procurement processes will be disclosed by the finance departments in conjunction with the relevant departments at any time within six months after the entry into the implementation phase of the project; The information during the implementation phase will be made available to the public by the finance departments in conjunction with the relevant departments at any time before April 30 of the year following the determining or completion of matters corresponding to the information. The information not made available to the public after the expiration of the foregoing period of time will be opened to the public automatically. The contents and requirements of making disclosure in due time are detailed in the appendix to these Measures.

Article 13 The PPP project information made available to the public according to these Measures may be inquired on the official website of China Public Private Partnerships Center (www.cpppc.org). Information on government procurement of PPP projects shall be published at the media designated by the finance department of a people's government above provincial level.

Chapter IV Supervision and Administration

Article 14 The Ministry of Finance will evaluate and supervise the disclosure of the PPP project information all over the country, and the provincial finance department is responsible for the supervision and management of the PPP project information to be disclosed in the said province. Where the finance departments at lower level do not enter into the PPP project information that shall be made available to the public on a truly, complete, accurate and timely basis, the finance departments at higher level shall order

them to make corrections within a time limit; if they refuse to make corrections or the circumstances are serious, they will be criticized.

Article 15 The relevant government departments, project implementation agencies, corporate partners or PPP project company and other PPP project information providers shall be responsible for the authenticity, completeness, accuracy and timeliness of the information provided. Once the information provided is untrue, incomplete, inaccurate and not provided timely, the PPP project information provider shall take the initiative to amend, supplement or take other effective remedial measures in a timely manner. If the provider of the PPP project information is confirmed with related materials produced by the finance departments or stakeholders not providing information in accordance with the provisions or falls under other improper circumstances, the finance departments may order it to correct within a time limit; if it refuses to correct without justifiable reasons, the finance departments can weed out the project from the project library. The project being weeded out may not be included into the PPP integrated information platform within one year since the date on which it is weeded out.

Article 16 The finance department shall, in conjunction with the relevant government departments, complete the annual report on the disclosure of information about the PPP projects implemented by the government at the same level for the previous year before February 28 each year, submit it to the finance department at the provincial level, which will report the information to the Ministry of Finance before March 31 each year after making summarization. The report shall include:

1. circumstances on disclosure of the PPP project information on an instant basis and made in due time;
2. major issues occurred during the disclosure of the PPP project information and improvements thereof; and
3. other matters that need to be reported.

Article 17 The personnel of the finance departments will be subject to corresponding liabilities according to the Civil Servant Law, the Law on Administrative Supervision, the Regulations on the Penalties and Sanctions against Illegal Financial Conducts and other related provisions of the State if they abuse their power, neglect of duty, play favoritism and commit irregularities and have any other violations during the supervision and management of the PPP project information disclosure; if they are suspected of constituting a crime, they will be transferred to judicial organs.

Article 18 Citizens, legal persons or other organizations may provide feedbacks to the PPP project information disclosure situation through the PPP integrated information platform, and the relevant information provider shall verify the same and handle it in a timely manner.

Chapter V Supplementary Provisions

Article 19 The PPP integrated information platform consisting of three parts, i.e. project library, institution library and document library, refers to the PPP integrated information management and release platform for

the whole country established by the Ministry of Finance according to the Circular on Regulating the Operation of the Public-Private Partnership (PPP) Integrated Information Platform (Cai Jin [2015] No.166).

Article 20 In the event that the PPP project information disclosure involves state secrets, trade secrets, personal privacy, intellectual property rights, which may endanger national security, public safety, economic security and social stability or harm legitimate rights and interests of the citizens, legal persons or other organizations, it will be handled in accordance with relevant laws and regulations.

Article 21 These Measures will come into force as of March 1, 2017.

Annex:

Requirements for Information Disclosure of PPP Projects

Stage	Contents to be disclosed	Manner of disclosure	Timelimit	Information provider
	Introduction to the project, the cooperation scope, the cooperation term, the operation mode, selection of the mode of purchasing social capital	Disclose immediately	Within ten working days from the date of completion of the implementation programs	Project initiator
	transaction structure (including financing structure, return mechanism and relevant supporting arrangements), project output specification and performance standards, risk allocation framework, contracts and regulatory system	Disclose in due time	Within six months after entering into the implementation phase	Project initiator
	Qualitative evaluation indicators and weights, scoring standards, scoring results	Disclose immediately	Within ten working days after the report is finalized	
	conclusions on whether value-for-money evaluation is passed or not (including opinions of the finance departments in concert with industry departments)	Disclose immediately	Within ten working days after the issue of approval documents with respect to the implementation programs	
	The value-for-money evaluation report that has been examined and approved (including the approval documents issued by the finance departments)	Disclose in due time	Within six months after entering into the implementation phase	

Identification of projects	Financial expenditure liabilities of the project and those of the PPP projects implemented and to be implemented in the year and annual budget arrangements, and the ratio of expenditure for all the PPP projects out of the budget in each year in the expenditure of the general public budget	Disclose immediately	Within ten working days after the issue of approval documents with respect to the implementation programs	
	Measurement basis, key factors and indicators of the financial affordability assessment	Disclose immediately	Within ten working days after the report is finalized	
	Conclusions on whether the financial affordability assessment is passed or not	Disclose immediately	within ten working days after the issue of approval documents with respect to the implementation programs	
	The financial affordability assessment report that has been examined and approved (including the approval documents issued by the finance departments)	Disclose in due time	Within six months after entering into the implementation phase	
	Proposals for new or renovated or expanded projects and approval documents	Disclose in due time	Within six months after entering into the implementation phase	Executive agency
	Feasibility study report (including a full set of supporting documents) and approval documents, design documents and approval documents (if applicable)	Disclose in due time	Within six months after entering into the implementation phase	Executive agency
	Asset evaluation report with respect to the stocked public assets or equity, and various programs and others (if applicable) that may be involved in the transfer of stocked assets or equity.	Disclose in due time	Within six months after entering into the implementation phase	Executive agency

Preparations for project	The authorized documents of the government, including the authorization of the parties to the implementing agency, the contracting parties of the PPP project contract, the government's investment representatives (if applicable), etc.	Disclose immediately	Within ten working days after authorization	Local government at the same level
	Introduction to the project, the cooperation scope, the cooperation term, the operation mode, selection of the mode of purchasing social capital	Disclose immediately	Within ten working days after entering into the procurement procedures	Executive agency
	Transaction structure (including financing structure, return mechanism and relevant supporting arrangements), project output specification and performance standards, risk allocation framework, core boundary conditions, contracts and regulatory system	Disclose in due time	Within six months after entering into the implementation phase	Executive agency
	Government's approval documents with respect to the implementation programs	Disclose immediately	Within ten working days after the issue of approval documents	Executive agency
	Project implementation program as examined and approved and amendments thereto	Disclose in due time	Within six months after entering into the implementation phase	Executive agency
	Prequalification announcements (including prequalification application documents)	Disclose immediately	Within ten working days after the issue of the prequalification announcement	Executive agency
	Project procurement documents, addenda (if any)	Disclose in due time	Within six months after entering into the implementation phase	Executive agency

Procurement of project	Concluding observations with respect to the review report of prequalification and response documents, including the list of prequalification experts and review experts	Disclose in due time	Within six months after entering into the implementation phase	Procurement authority
	List of the working group of negotiation about confirmation	Disclose in due time	Within six months after entering into the implementation phase	Executive agency
	Announcement of pre-bid winners and transaction results, the announcement of the bid-winning and transaction results and the letter of acceptance;	Disclose immediately	As agreed according to the law and the procurement documents	Executive agency and procurement authority
	Signed PPP project contracts	Disclose in due time	Within six months after entering into the implementation phase	Executive agency
	Key terms of the PPP project contract, listing main output specifications, return mechanism for performance indicators, and the price adjustment mechanism.	Disclose immediately	Within ten working days after the project contract is approved by the people's government	Executive agency and project company
	The government's responsibility confirmation documents for the expenditure of the project or the update or adjustment documents (if applicable), and the approval document (if applicable) of the people's congress at the same level (or the NPC Standing Committee) including the financial expenditure liability of the project into budgets which span two years	Disclose in due time	Within six months after entering into the implementation phase	Executive agency
	The government's authorization documents (if any) for the adjustment and updates during the project procurement process	Disclose immediately	Appendices to the project contract approved by the people's government within ten working days will be made	Executive agency
	Registration of the project company, capital subscribed by the shareholders and availability of the capital, increase or decrease of the capital (if applicable)	Disclose immediately	Upon incorporation and within ten working days after the capital fund is obtained	Project company
		Before April 30 of the		

Implementation of project

Financing limit, key conditions and closing conditions	Disclose in due time	year following the determining or completion of matters corresponding to the information	Project company
Review of the project construction permits, construction progress, quality and cost and others made based on the PPP project contracts	Disclose immediately	According to the PPP project contracts; if the PPP project contracts do not make any provisions, prior to April 30 in the next year after the end of	Executive agency and project company
Annual operation of private capital partners or the project company and satisfaction of the operational performance	Disclose immediately	According to the PPP project contracts; if the PPP project contracts do not make any provisions, prior to April 30 in the next year after the end of corresponding activities	Project company
The project company's performance monitoring report, interim evaluation report, major changes or termination of the project, project pricing and previous price adjustments	Disclose immediately	According to the PPP project contracts; if the PPP project contracts do not make any provisions, prior to April 30 in the next year after the end of corresponding activities	Executive agency
Cost monitoring and review of the project company, alteration agreements on the PPP project contracts or supplementary agreements	Disclose in due time	Before April 30 of the year following the end of corresponding activities	Executive agency and project company
The related contents of the financial report of the project company, including payment for the project, the government subsidy granted to the project	Disclose in due time	Before April 30 of the year following the end of corresponding	Project company

	Subsidy granted to the project, and the assets and liabilities of the project company and others		or corresponding activities	
	Major breach of contract and withdrawal of performance bond, handling of public complaints, etc.;	Disclose immediately	Within ten working days upon occurrence	Executive agency
	Provisions or decisions made by the government at the corresponding level or its functional departments that may have a significant impact on the project	Disclose immediately	Within ten working days after the issue of provisions and decisions	Executive agency
Transfer of project	Composition of the transfer working group, transfer procedures, transfer standards and other transfer programs	Disclose immediately	Within ten working days after the transfer program is determined	Executive agency
	List of the assets or facilities or interests to be transferred, assessment report on the assets or equity to be transferred (if applicable), scheme on performance test	Disclose immediately	Within ten working days after the list or report is finalized or after the end of the test	Executive agency
	Release of various security or interests on the assets or facilities to be transferred (if applicable)	Disclose immediately	Within ten working days after the corresponding release	Executive agency and project company
	Detection results on		Within ten working	

<p>Detection results on satisfaction of the transfer standards for project facilities</p>	<p>Disclose immediately</p>	<p>within ten working days after the issue of detection results</p>	<p>Executive agency</p>
<p>Post evaluation report and the subsequent operation manner of the project</p>	<p>Disclose immediately</p>	<p>Within ten working days after the post evaluation report is finalized or the subsequent operation manner of the project is determined</p>	<p>Executive agency</p>