

**THEMATIC COMPILATION OF RELEVANT INFORMATION SUBMITTED
BY CHINA**

ARTICLE 9, PARAGRAPH 1 UNCAC

PUBLIC PROCUREMENT

CHINA (SIXTH MEETING)

China's Government Procurement

The Chinese government attaches great importance to implementing the United Nations Convention against Corruption, and promotes the procurement system in adherence to the principles of transparency, fair competition and impartiality in decision-making. The implementation of the government procurement system has effectively curbed irregularities in procurement activities and has prevented corruption at the source.

I. Build a System of Checks and Balances

The Chinese government puts a high value on the construction of the government procurement system. Since 1996, the government has been actively promoting the procurement system with fair competition as the cornerstone. In 1999, this system was listed as an important measure to prevent and control corruption at the source. In 2003, Government Procurement Law of the People's Republic of China (hereinafter referred to as Government Procurement Law) came into effect. In 2015, the Implementing Regulations of the Government Procurement Law of the People's Republic of China (hereinafter referred to as the Regulations) was officially promulgated.

Since the enforcement of the Government Procurement Law, China has formulated more than 50 rules and regulations on budget managements, procurement methods and procedures , review experts management, remedy system to suppliers, agency management, energy conservation and environmental protection policies, and initially built a legal system with the Government Procurement Law and the Regulations as the guidance, with the administrative rules as the support. The enactment and implementation of these laws and regulations has raised the awareness of supervision and procurement in accordance with the law, further standardized operations, formed a working mechanism

where management and operating units are separated and inter-constraint, and improved the standardized operation system of checks and balances.

II. Build an Open and Transparent “Sunshine Project”

Government procurement is known as a “Sunshine Project”, being open, fair, equitable and transparent. The Regulations implemented in 2015 further provides that all the information on government procurement, including project descriptions, budgets, documents, awarding results, purchasing contracts, complaint handling, be open to the public to improve transparency.

Chinese finance authorities, as the government supervisory and administrative department in charge of government procurement, release information on government procurement timely to the public on the designated news media such as the network, newspapers and magazines. Laws, regulations, rules and other regulatory documents about government procurement as well lists of procurement bidding agencies are released to the public. Procurement Information ranging from the budget, announcement, related documents, awarding results and the corrections are released on the designated media. The remedy system, proceeding methods and the results of government procurement, as well as the records of illegal or dishonest behaviors of related parties are open to the public as well.

III. Establish a Fair and Impartial Operating Mechanism

Maintaining impartiality and fairness in government procurement is an important principle in China’s government procurement legal system, and is directly related to government procurement market order and the efficiency of procurement funds utilization. The Government Procurement Law and the Regulations require that all eligible suppliers have equal opportunities to participate in government procurement activities. They determine a uniformed set of competition rules, and require that government procurement activities should be carried out in accordance with legal methods and procedures; procurement methods must allow full competition, thus public bidding should be taken as the main form of government procurement; procurement should give equal treatment to each supplier, with no purposeful discrimination, no

industry monopoly and no regional blockades; no units and individuals are allowed to obstruct procurement activities; evaluation rules are open to the suppliers, and the suppliers are entitled to query and raising complaints.

IV. Build an Effective Remedy System for Suppliers

The Government Procurement Law gives suppliers the right to know and supervise government procurement activities, and formulates specific provisions on the ways and time limit for the suppliers to query, doubt and raise complaints about government procurement behaviors, as well as on the ways and time limit for the procuring entity or agency and the supervisory and administrative department to reply. Finance departments at all levels have all set up dedicated telephone lines and faxes to deal with the complaints and to protect the legitimate rights and interests of related parties in accordance with law, following the principles of fairness, impartiality, convenience and efficiency.

V. Promote Transparent and Efficient Electronic Procurement

Since the establishment of the website “China government procurement” in 2000, China has been speeding up the construction of a unified national government procurement management and trading system. At present, electronic operations in government procurement have preliminarily covered the whole process, ensuring strong links among budgets, procurement, asset management and centralized treasury payment, etc. The content includes purchasing steps like procurement budgeting, procurement planning, procurement procedures, contract signing, fund payment and credit records, and the databases such as suppliers, evaluation experts, commodity information and agencies, as well as electronic bidding, online information retrieval and real-time monitoring, etc. Information technology has helped to regulate government procurement, promote its standardization, and improve its efficiency and transparency. It also encourages all the parties concerned to establish a more scientific, effective and transparent internal supervisory mechanism, and has become an important means of anti-corruption, combining institution and technology.

VI. Improve the Government Procurement Supervisory Mechanism

China has established a government procurement supervision system which combines comprehensive supervision, professional supervision and industry supervision. The finance authority of the governments, as the one in charge of supervision and administration of government procurement, performs its supervisory and administrative functions according to law. The audit authorities and the supervision authorities provide professional supervision and regulation according to the Government Procurement Law and the Regulations. Each competent authority in a certain industry supervises government procurement within this jurisdiction. The Government Procurement Law also stipulates that all the units and individuals have the right to complain and make accusations against any violation of the law in government procurement activity. Moreover, China has established a system to issue records of serious illegal or dishonest acts in government procurement and inflict corresponding punishment.