

**Announcement of the Standing Committee of the  
15<sup>th</sup> Guangzhou Municipal People's Congress  
(No. 68)**

This is a promulgation of the *Regulations of Guangzhou Municipality on Optimizing Business Environment* which were adopted at the 42<sup>nd</sup> session of the Standing Committee of the 15<sup>th</sup> Guangzhou Municipal People's Congress on October 28, 2020, approved at the 26<sup>th</sup> session of the Standing Committee of the 13<sup>th</sup> Guangdong Provincial People's Congress on November 27, 2020, and shall come into force on January 1, 2021.

Standing Committee of the Guangzhou Municipal People's Congress

December 10, 2020

**Decision of the Standing Committee of the Guangdong Provincial  
People's Congress to Approve the *Regulations of Guangzhou  
Municipality on Optimizing Business Environment***

(Approved at the 26<sup>th</sup> session of the Standing Committee of the 13<sup>th</sup> Guangdong Provincial People's Congress on November 27, 2020)

The 26<sup>th</sup> session of the Standing Committee of the 13<sup>th</sup> Guangdong Provincial People's Congress has examined the *Regulations of Guangzhou Municipality on Optimizing Business Environment* (hereinafter referred to as the "Regulations") submitted by the Standing Committee of the Guangzhou Municipal People's Congress. The Regulations were found to be consistent with the national Constitution, laws, administrative regulations, and the local regulations of Guangdong Province, and were given approval. These Regulations shall be announced and implemented by the Standing Committee of the Guangzhou Municipal People's Congress.

**Regulations of Guangzhou Municipality on Optimizing Business Environment**

(Adopted at the 42<sup>nd</sup> session of the Standing Committee of the 15<sup>th</sup> Guangzhou Municipal People's Congress on October 28, 2020, and approved at the 26<sup>th</sup> session of the Standing Committee of the 13<sup>th</sup> Guangdong Provincial People's Congress on November 27, 2020)

## Chapter I General Provisions

**Article 1** For the purposes of continuously optimizing business environment, stimulating market vitality and social creativity, safeguarding the legitimate rights and interests of market participants, accelerating the construction of a modern economic system, and promoting high-quality economic development, these Regulations are formulated in light of the realities of Guangzhou and in accordance with the *Regulations on Optimizing Business Environment* promulgated by the State Council and other relevant laws and regulations.

**Article 2** These Regulations apply to work related to the optimization of the business environment within the administrative area of Guangzhou Municipality.

The term “business environment” as mentioned in these Regulations refers to the factors and conditions of institutional mechanisms involved in the market economic activities of enterprises, individual industrial and commercial proprietors, and other market participants, primarily including the market environment, administrative environment, cultural environment and legal environment.

**Article 3** The optimization of business environment in Guangzhou shall be based on market principles, governed by law, up to international standards, and driven to facilitate business activities. It shall be oriented towards the demands of market participants, centered upon the transformation of government functions, aligned with advanced international standards, and carried out with stronger coordination that creates a stable, fair, transparent and predictable development environment for all kinds of market participants.

**Article 4** The municipal and district people’s governments shall strengthen organization and leadership to optimize the business environment in their respective administrative areas, enact and improve work targets and policy measures for optimizing business environment based on work requirements, establish sound mechanisms for coordinating work on optimizing business environment and mechanisms for interaction and communication between the government and enterprises, and timely coordinate solutions to major problems in the business environment.

Municipal development and reform authorities, as the competent authorities for the optimization of the business environment in Guangzhou, are responsible for the overall promotion, organization, coordination, supervision and guidance of routine work on optimizing the business environment in Guangzhou, the establishment of the business environment monitoring system in Guangzhou, and organizing the implementation of these Regulations. District-level development and reform authorities or

authorities designated by district people's governments are responsible for routine work on optimizing the business environment within their administrative areas.

Authorities for market regulation, government services, commerce, industry and information technology, taxation, judicial administration, housing and urban-rural development, planning and natural resources, human resources and social security, and financial regulation, as well as people's courts, people's procuratorates and arbitration organizations, shall respectively fulfill their duties in optimizing business environment.

**Article 5** Guangzhou actively aligns itself with national development strategies, strives to be a pilot city for comprehensive national and provincial authorization and reform, and supports the leading and demonstrative roles of Guangzhou Nansha New Area of the China (Guangdong) Pilot Free Trade Zone, Guangzhou Economic and Technological Development District, Guangzhou High-Tech Industrial Development Zone, China-Singapore Guangzhou Knowledge City, Guangzhou Aerotropolis Development District, and Guangzhou Artificial Intelligence and Digital Economy Pilot Zone in optimizing business environment by implementing pioneering reform measures that facilitate the optimization of business environment, such as the confirmation system for commercial registrations.

The municipal and district people's governments and their relevant agencies shall, in conjunction with the actualities, advance reform and innovation, formulate regulatory and normative documents, and promote reform measures that have proven effective in optimizing business environment.

**Article 6** Entities and individuals that have erred or deviated during the implementation of innovative business environment reforms or relevant pioneering efforts, and failed to achieve the expected results, shall be exempt from liability when all the following conditions are satisfied. Liability can be reduced if one of the conditions is met.

- (1) Decision-making and implementation procedures did not violate mandatory legal or regulatory provisions;
- (2) No major losses or negative social impacts were caused;
- (3) Relevant personnel have fulfilled their duties in due diligence and care and have not sought illegal gain; and
- (4) There was no malicious collusion to harm the public interest and the legitimate rights and interests of others.

Where the provisions of any law or administrative regulation stipulate otherwise, such provisions shall prevail.

**Article 7** The Guangzhou Municipal People’s Government shall, based on the functional positioning of Guangzhou as a core city in the Guangdong-Hong Kong-Macao Greater Bay Area, accelerate the development of a demonstrative zone for all-round cooperation among Guangdong, Hong Kong and Macao, strengthen coordinated and innovation-driven development with relevant cities in the Guangdong-Hong Kong-Macao Greater Bay Area, promote the convergence of market rules and synergy among government service systems, and develop a unified open market with free flow of factors, so as to create an integrated business environment with international competitiveness in the Guangdong-Hong Kong-Macao Greater Bay Area.

**Article 8** Market participants shall be entitled to equal rights and opportunities and subjected to equal rules in market economic activities, and enjoy the right to independently decide their forms and models of business in accordance with law, the right to be protected for personal and property rights and interests, the right to be informed of laws, policies, regulations and services, the right to freely join or withdraw from social organizations, and the right to exercise oversight over work related to business environment.

Market participants shall abide by laws and regulations, observe social morals and business ethics, act in good faith, compete fairly, maintain a good market order, perform legal obligations, and jointly create a more healthy and orderly business environment.

**Article 9** The municipal and district people’s governments shall, in accordance with the requirements of the business environment evaluation system, promote reforms to optimize the business environment which is oriented towards the satisfaction of market participants and the public, give play to the leading, supervising and urging role of the business environment evaluation system in optimizing business environment, and timely adjust and improve policies and measures related to the optimization of business environment.

The establishment of a third-party evaluation mechanism for optimizing business environment is encouraged, where independent third-party institutions evaluate the work of the municipal and district people’s governments and their agencies on optimizing business environment, and disclose the evaluation outcomes to the public.

**Article 10** The municipal and district people’s governments and their relevant agencies shall strengthen the publicity of laws, regulations, rules and policy measures for optimizing business environment, improve the appraisal system for publicity and education regarding law-based governance, support media in objectively and fairly exercising oversight

over the business environment through public opinion, and establish mechanisms for collecting and responding to public opinion.

The municipal and district people's governments and their relevant agencies shall implement the accountability system that "whichever law enforcement authority enforcing the law shall be responsible for strengthening public awareness of the law", guide market participants to operate legally and safeguard their own legitimate rights and interests in accordance with law, and continuously enhance legal awareness in the public, so as to provide fundamental support for creating a law-based business environment.

October 15 shall be designated the "Guangzhou Business Environment Day". The municipal and district people's governments shall promote a good business environment through a series of activities, such as publicity, dialogue, investment promotion, commendations and services, and protect the legitimate rights and interests of market participants in accordance with law.

## **Chapter II Market Environment**

**Article 11** The municipal and district people's governments and their relevant agencies shall implement a unified system of negative lists for market access in accordance with state regulations. All market participants are equally entitled, in accordance with law, to enter any field outside of the negative lists for market access.

A management system combining pre-establishment national treatment and the negative lists shall be implemented for foreign investments. Investment fields outside of the negative lists for foreign investment shall be managed in the principle of equal treatment to both domestic and foreign investments.

The municipal and district people's governments shall formulate industry guidance policies and disclose such policies to the public in accordance with the functional positioning and development plans of the city, and relevant regulations on environmental protection and safety.

**Article 12** Guangzhou shall include all enterprise-related business licensing items in the reform scope of "Separating Permits from the Business License" and adopt methods as directly abolishing examination and approval, changing examination and approval to record-filing, implementing notification and commitment and optimizing examination and approval services to promote such reform. Except for specific fields as prescribed in laws and administrative regulations, no enterprise-related business licensing items shall be used as preconditions for enterprise registration.

Guangzhou supports the exploration of the reform of “One Permit for One Industry” approval model, integrating multiple permits involved in one industry access into a comprehensive industry permit.

Business registration authorities shall clearly inform enterprises of the required licensing procedures based on the scope of business activities self-declared by the enterprises, and synchronously inform the relevant competent department of the information of the enterprise applying for the license. The relevant competent authorities shall timely complete enterprise-related business licensing procedures based on the applications by the enterprises, and promptly report the outcomes to the business registration authority.

**Article 13** Guangzhou shall promote full electronic processing of all procedures for starting a business and establish systems for the sharing and mutual recognition of corporate information. Guangzhou shall simplify procedures for starting a business, optimize approval procedures, promote completely online application procedures for starting a business, and encourage all relevant authorities to synchronously handle applications related to starting a business through electronic platforms. The Guangzhou Municipal Administration for Market Regulation shall take the lead to formulate and release to the public the specific measures for improving the convenience of starting a business.

Guangzhou promotes the model of completing all procedures for starting a business through one website and collection of all documents by successful applicants at a single counter. Applicants may complete all procedures required for starting a business in one sitting through the Guangzhou “Business One Link” platform for starting a business, and collect their business licenses, company seals, official invoices, and other relevant items through special counters at district government service halls or the “Business One Link” platform. Where the application documents are complete and meet statutory requirements, the relevant authority shall complete approval procedures on the spot.

**Article 14** Guangzhou implements unified national specifications, standards and conditions for business registration procedures, and adopts unified data standards, platform service interfaces and social credit codes for registration management. Guangzhou applies the system in which market participants may self-declare the names of their business, scopes of their business activities, places of domicile, and places of business operations. Guangzhou allows multiple enterprises to register or file the same address as their place of domicile or place of business pursuant to relevant regulations, and requires them to make notification of and authenticity commitment to their registered addresses for corporate legal document delivery services. Guangzhou promotes the full completion of business

registration procedures online. Specific measures for optimizing business registration procedures shall be formulated and released to the public by the Guangzhou Municipal Administration for Market Regulation.

Where an applicant undertakes, during a business registration application and the filing of relevant records that submitted documents such as the articles of association, agreements, resolutions, proof of usage of domicile, and proofs of qualifications, as well as the information provided therein are true, legal and valid, the business registration authority shall conduct a formal examination of the submitted documents. In the event of errors in or omissions of non-critical application documents, the business registration authority may approve the registration application if the applicant undertakes to rectify the errors or submit the missing documents within the appointed time. Applicants who provide false documents in a registration or during the filing of relevant records shall bear corresponding legal liabilities in accordance with law.

The Guangzhou Municipal People's Government shall establish a comprehensive mechanism for services related to enterprise relocation. All district people's governments and relevant government departments shall facilitate enterprises' relocation of their domiciles between different districts, and shall not impede their change of domiciles.

**Article 15** An enterprise may apply for deregistration through the "Business One Link" platform. Relevant procedures shall be synchronously completed in one sitting by the corresponding competent authorities for market regulation, taxation, human resources, social security and so forth based on the type of matter involved. Government authorities for market regulation and relevant departments shall optimize ordinary and expedited deregistration procedures, and promote the implementation of a commitment system for tax clearance.

Where an enterprise does not carry out any business activity after obtaining a business license, or has not incurred any claims or debts before applying for deregistration, or has completed the liquidation of creditor's rights and debts, the expedited deregistration procedure may be applied in accordance with relevant state regulations. The enterprise which applies for expedited deregistration shall make an announcement through the National Enterprise Credit Information Publicity System. In the absence of objections upon the expiration of the announcement period, the business registration authority shall approve the application by the enterprise for business deregistration.

Where an enterprise bankruptcy administrator or a liquidation group files an application for expedited deregistration pursuant to a ruling terminating bankruptcy proceedings or a ruling for compulsory liquidation by a

people's court, the business registration authority shall approve the application.

**Article 16** Intermediary services for administrative approval procedures are regulated in Guangzhou in accordance with the principles of legality, necessity and simplicity. The Guangzhou Municipal People's Government shall compile a list of intermediary services applicable to administrative approval procedures in accordance with law, which shall be disclosed to the public.

Intermediary services that are required for completion of administrative approval procedures shall have a basis in laws, regulations or decisions of the State Council. Intermediary services without such bases shall not be mandatorily required for completion of administrative approval procedures. Market participants shall have the right to choose intermediary service agencies at their own discretion. Administrative authorities may not designate intermediary service agencies for market participants, whether expressly or under false pretext. Except for intermediary services that are required for completion of administrative approval procedures, market participants shall not be forced to accept intermediary services, whether expressly or under false pretext.

During the administrative approval procedures, the approval authority needing to entrust an intermediary service agency to carry out technical service projects shall select the intermediary service agency in a competitive method. The authority shall bear all service fees and may not pass along these expenses to market participants. For items eligible for listing in the Online Intermediary Service Supermarket, the approval authority shall make a selection through the Supermarket. Government services in the integrated online government service platform which need to be entrusted to an intermediary service agency shall be linked with information on intermediary services in the Online Intermediary Service Supermarket.

Intermediary service agencies shall clarify and disclose to the public the conditions, procedures, time limits, and fee schedules for statutorily required intermediary services for completion of administrative approval procedures, and shall not issue false certification or reports.

**Article 17** The municipal and district people's governments shall consolidate the resources of service organizations, such as service centers, service stations and public service demonstration platforms for micro, small and medium-sized enterprises, so as to provide for them services in areas such as policy consultation, talent development, technical support, connections with investors and financing providers, intellectual property rights, accounting and taxation, and legal consulting, as well as establish a one-stop public service system for them.

The municipal and district people's governments shall increase support for entrepreneurial and innovative micro, small and medium-sized enterprises. The municipal and district people's governments may provide those eligible with services in areas such as equity structure design, employee stock ownership plans, connections with investment funds, and training for public listings, through means such as government purchase of services.

The Guangzhou Municipal People's Government may set up subsidies for technology-based business incubators and makerspaces, and guide them to provide micro, small and medium-sized tech enterprises with services such as professional incubation, entrepreneurship guidance, and shareholding incubation.

**Article 18** Guangzhou shall fully strengthen the protection of the rights and interests of minority investors by improving mechanisms in this regard, make it easier for them to safeguard their lawful rights and interests, and, in accordance with law, protect their lawful rights such as the rights to information, participation, voting, dividends and exercise of oversight.

A company's controlling shareholders, actual controllers, directors, supervisors and senior executives shall bear the obligations of loyalty and due diligence, and shall not use their affiliation to damage the company's interests and the lawful rights and interests of minority shareholders. Those who cause losses through improper use of their affiliation shall bear legal liabilities such as compensations in accordance with law.

**Article 19** Government authorities for market regulation shall intensify law enforcement actions against monopoly and unfair competition to effectively prevent and prohibit acts of market monopoly, abuse of administrative power to exclude or limit competition, infringement of business secrets, business discrediting, and unfair competition on the internet.

**Article 20** The municipal and district people's governments and their relevant agencies shall strictly implement all national policies on tax and fee reductions, and timely study and address specific problems encountered in the implementation of these policies, to ensure that eligible market participants fully and timely benefit from these policies.

Guangzhou implements catalog list management on government funds, fees for enterprise-related services by administrative agencies and public institutions, enterprise-related surety monies, and fees for commercial services where prices are fixed by the government, which are timely disclosed to the public. No enterprise-related fees or surety monies outside of the catalog list shall be collected. No entity shall increase the fee rates or expand the scope of chargeable items without authorization, or collect

fees under false pretext through means such as apportioning to enterprises or carrying out competitive performance assessment activities.

Where there are upper and lower limits set for government funds, fees for enterprise-related services by administrative agencies and public institutions, and enterprise-related surety monies, such funds, fees and surety monies may be collected as per the lower limit. For enterprises with good credit records, the percentage amount of surety monies may be reduced in accordance with relevant regulations and made payable in installments.

Government authorities in charge of industry and information technology shall, in conjunction with government authorities in charge of finance and other relevant departments, formulate specific measures for the payment of enterprise-related surety monies, promote the use of letters of guarantee from financial institutions or guarantee insurance in lieu of cash payments, and encourage enterprises to independently select means for furnishing enterprise-related surety monies in accordance with the regulations.

**Article 21** Guangzhou implements catalog list management for the trading of public resources and improves unified, category-based transaction system rules to increase the efficiency and effectiveness of resource allocation. Guangzhou establishes unified public service platforms for public resource trading and releases information on transactions in various public resources. Guangzhou optimizes the tendering and bidding process, and carries out all tendering and bidding electronically. Tenderers and bidding agencies shall not charge tenderers additional fees or unreasonably increase the difficulty of potential bidders' participation in bidding by reason of the use of electronic tendering and bidding methods.

Public resource trading activities, such as government procurement, tendering and bidding, shall be open, transparent, fair and impartial, so as to ensure that all market participants are treated equally in accordance with law. It is prohibited to set unreasonable conditions, such as performance requirements irrelevant to operational capabilities or obviously exceeding the requirements of the tendered project, or formulate a list of pre-selected suppliers or pre-selected contractors in violation of regulations, or exclude or restrict potential tenderers or suppliers in any other form.

**Article 22** Guangzhou encourages and supports independent research, development and innovation, greater investments in intellectual property, and purchase of intellectual property insurance by enterprises. The commercialization of intellectual property is promoted. The intellectual property of enterprises and their income from the commercialization of intellectual property are protected in accordance with law, and the capabilities of enterprises to use, manage and protect intellectual property rights are promoted and improved.

Government authorities for intellectual property shall support the establishment of intellectual property market operation platforms, explore the establishment of cross-border intellectual property trading platforms, and provide enterprises with online intellectual property management services.

Guangzhou supports such financial innovations as intellectual property pledge financing and intellectual property securitization. Where patent assets are financed through the financing platform, the part of financing interest paid by the patent licensor may be deducted before tax as corporate financial expenses in accordance with law.

**Article 23** In Guangzhou, the Movable Financing Unified Registration and Publicity System of the Credit Reference Center of the People's Bank of China is responsible for the unified registration of movable collaterals. The use of movable properties, intellectual property rights, equities, accounts receivable, orders, and insurance policies as security for financing is promoted. While registering movable securities, market participants may provide general descriptions of the collaterals or agree that the security interest extends to the collaterals themselves and their future assets, such as products, income, and substitutes. Where any laws or administrative regulations stipulate otherwise, such provisions shall prevail.

Guangzhou implements a government financing guarantee system covering both municipal and district levels, develops government financing guarantee agencies and establishes an inclusive loan risk compensation mechanism and an emergency on-lending mechanism, so as to support the development of micro, small and medium-sized enterprises and innovative technology enterprises which are conformant with industrial policies and have good development prospects.

Government authorities for financial regulation shall encourage and guide financial institutions to develop and promote financial products which may benefit micro, small and medium-sized enterprises, open expedited service channels for them, simplify loan procedures, increase credit loan placements for them, and reasonably increase support in medium and long-term loans and credit loans, so as to reduce financing costs and improve the ease of financing for these enterprises.

The Guangzhou Municipal People's Government shall support the improvement of comprehensive service platforms for corporate financing, provide financial institutions with enterprise credit information in relation to market regulation, customs, judicial records, taxation, real estate registration, electricity, water and gas, provident funds, and social security in accordance with law, and provide comprehensive financing and credit services for micro, small and medium-sized enterprises.

**Article 24** External cabling works for low-voltage electricity connections for non-residential users (including simple and low-risk projects led by private investment) in Guangzhou are, in accordance with law, exempted from applying for relevant government permits. Approval processes for external cabling works for high-voltage electricity connections of 20 kV and below, external water piping works, and external low or medium-pressure gas piping works shall be carried out on the Guangzhou Construction Project Joint Review and Approval Platform, which will collect all application documents, issue all approvals, share relevant data and synchronously review applications. Review of applications will take no more than five days.

Companies or public institutions providing public utilities such as water supply, sewerage services, power supply, gas supply, and communication networks shall disclose operating information such as their service scope, standards, fees, procedures, and processing times, in conspicuous locations at their business premises and on their official websites. Companies or public institutions providing public utilities are encouraged to provide convenient services such as online processing and mobile payments, optimize their procedures, reduce required application documents, and shorten processing time.

Where construction projects invested by market participants require small-scale works to connect to municipal utilities, companies or public institutions providing public utilities such as water supply, sewerage services and low-voltage power supply shall provide free on-site services.

Companies or public institutions providing public utilities such as water supply, sewerage services, power supply, gas supply, and communication networks shall strengthen quality assurance of their services for market participants, and shall not refuse or interrupt services in violation of the law. Relevant authorities shall implement measures to regulate and ensure the reliability of the water supply, electricity supply, gas supply and communication networks.

**Article 25** Guangzhou supports the development of industrial parks, establishes early warning systems for statistical analysis and oversight of the parks, and promotes a mutual recognition mechanism for interconnectivity between industrial parks in the Guangdong-Hong Kong-Macao Greater Bay Area.

Relevant government authorities shall set up government service counters in the industrial parks based on necessity. Relevant authorities shall lend support to entities managing and operating industrial parks that provide certifications, guarantees and other similar services for resident enterprises in industrial parks through recommendation letters and other methods.

All entities managing and operating industrial parks are encouraged to set up one-stop stations for enterprise services to provide policy consultation and intermediary services in areas such as starting a business, project development, talent services, and intellectual property management.

**Article 26** Guangzhou cultivates new industries, new business formats and new business models of the digital economy, and supports the construction of standardized data development and utilization scenarios in the fields of industry, transportation and urban management, so as to deeply integrate the digital economy and the real economy, build a digital economy ecosystem, and promote high-quality economic development.

Relevant government authorities shall strengthen policy guidance, advance the standardization of data collection in the fields of artificial intelligence, wearable devices, the Internet of Vehicles, the Internet of Things, telemedicine and new forms of online retail, and promote research and pilot trials of systems and mechanisms for the circulation of data factors, guide the development of data transaction markets, and establish mechanisms for transactions in and pricing of data resources, so as to protect the lawful rights and interests of the owners of data products and the users obtaining data products in accordance with law.

**Article 27** Guangzhou supports enterprises in building digital platforms for industrial supply chains, establishing early warning and response mechanisms for industrial supply chain risks and strengthening coordination and cooperation with upstream and downstream companies in the industrial and supply chains.

The municipal and district people's governments and their relevant agencies shall establish intelligent hierarchical response and joint prevention and control mechanisms for emergency supply chains, build a coordinated dispatch platform for emergency personnel, logistics and supply chains, and provide market participants with services in areas such as human resources, facilities, equipment, supply and demand coordination, intellectual property protection, and policy information based on emergency response levels, domestic and international market dynamics, and the needs of optimizing and upgrading the industrial structure in the respective administrative areas.

The municipal and district people's governments and their relevant agencies shall take the following measures to build a service system for the coordinated development of industrial supply chains in the Guangdong-Hong Kong-Macao Greater Bay Area:

- (1) Promote the interconnectivity of internal systems and mechanisms in the Guangdong-Hong Kong-Macao Greater Bay Area;

- (2) Remove barriers to the circulation of production factors and promote the free circulation of production factors such as capital, talent and knowledge;
- (3) Establish cross-regional industrial cooperation innovation platforms and industrial technology alliances, improve collaborative innovation between industries, promote the clustering of capital, talent, knowledge and other production factors, and form a complete ecological chain for innovative industries, so as to support the joint building of platforms for innovation in industrial technologies by enterprises, universities and research institutes in Guangdong, Hong Kong and Macao; and
- (4) Build multi-level and cross-regional industrial cooperation and coordination mechanisms to promote industrial complementarity and well-structured industrial layouts.

**Article 28** A social credit management system and sound credit order compatible with the market economy shall be established in Guangzhou in accordance with law to promote in-depth development and utilization of credit information and improve credit services, so as to create a good atmosphere where credibility is known, upheld and utilized.

The Guangzhou Municipal People's Government shall establish a comprehensive, stable, unified and unique "one-code system" for public credit codes. Public credit information of market participants will be collected via the municipal public credit information management system and linked with the credit information systems of enterprise credit information publicity systems, platforms for information enquiries on persons subject to court enforcement orders, and market credit investigation and rating agencies, so as to realize the exchange and sharing of credit information among different departments, industries, and regions.

The Guangzhou Municipal People's Government shall establish a standardized, non-profit system to comprehensively evaluate the public credit of market participants. Relevant authorities shall conduct industry credit evaluations on market participants and individuals working in key fields such as tax administration, construction, eco-environmental protection, transportation, production safety, food and pharmaceuticals, education, and health care.

**Article 29** The municipal and district people's governments and their relevant agencies shall promote the credit-based commitment system in administrative approval procedures, the use of fiscal funds, and the provision of government services, and shall strengthen the enquiry and use of the credit records of administrative counterparts.

Government authorities for financial regulation shall guide financial institutions to use third-party credit service products in such fields as credit approvals, risk prevention, securities issuance, credit guarantees, and guarantee insurance.

Guangzhou encourages market participants to retrieve and use credit information in such activities as market transactions, corporate management, industry governance, financing and credit, and charity programs. Market credit service agencies are encouraged to develop innovative credit products and expand the applications of credit products.

**Article 30** Guangzhou establishes, in accordance with relevant national and provincial regulations, unified lists of entities with good credibility records and entities subject to penalties for acts of bad faith, and lists of incentive measures for creditworthy entities and lists of penalty measures on uncreditworthy entities. Joint incentives and joint penalties are implemented in accordance with law.

Relevant authorities shall establish credit restoration systems in their respective fields of administration, and clarify and disclose to the public the conditions, methods, procedures, and evidentiary documents for credit restoration.

**Article 31** Guangzhou cultivates and develops various industry associations and chambers of commerce. Industry associations and chambers of commerce shall strengthen internal governance and capacity building, timely reflect industry demands, organize the formulation and implementation of group standards, regulate industry order, reduce transaction costs and provide market participants with services in areas such as information consulting, publicity training, market expansion, rights and interests protection, disputes resolution, and talent evaluation. Competent industry authorities and government authorities in charge of registration management shall strengthen guidance for industry associations and chambers of commerce, and regulate and supervise their fees, appraisals and certifications in accordance with law.

Guangzhou encourages industry associations and chambers of commerce to establish rights-protection service platforms for market participants, participate in and support the protection of enterprises' rights, and enhance the efficiency and management of rights protection.

### **Chapter III Administrative Environment**

**Article 32** The municipal and district people's governments and their relevant agencies shall unify government service standards, strengthen service awareness, and improve the efficiency of government services. Based on

the principles of reducing procedures, documents, time and improving service quality, they will implement innovative means of delivering government services and promote the application of new technologies, so as to enhance the standardization, coordination and convenience of government services.

Municipal government authorities that manage government services shall implement unified management of government services, work with relevant authorities to integrate government services based on the needs of market participants, and formulate and disclose to the public the list of government services and application guidelines. The list of government services and the application guidelines shall specify the names of the services, underlying basis, application criteria, application documents, handling agencies, complaint channels and other necessary information. The application criteria and documents may not contain any catch-all provisions, and standards for processing online and in-person applications shall be consistent. Municipal government authorities that manage government services shall formulate and disclose to the public unified measures for the management of government services.

**Article 33** Guangzhou promotes the full accessibility of government services online and through mobile applications. Guangzhou promotes the establishment of individual records for each enterprise to provide enterprises with precise and intelligent government services, unless otherwise stipulated by laws and regulations or where state secrets and matters of public security are implicated. Relevant authorities shall not require repeated submission of documents with respect to materials available through online sharing, information available through online verification, or documents collected during prior procedures.

Municipal government authorities that manage government services shall build a unified city-wide integrated online platform for government services, and promote the standardization and interconnectivity of the government service platforms of all districts and government departments. Through the integrated online government service platform, relevant authorities shall improve unified identity authentication and electronic payments, share and exchange information, improve databases pertaining to electronic permits and licenses, spatial geography, natural resources and credit information, and promote intelligent applications such as electronic permits and licenses, electronic seals, and electronic signatures, so as to realize automated pooling, interconnectivity and sharing, intelligent analysis, and full oversight of all items and elements throughout the process.

**Article 34** All agencies of the municipal and district people's governments shall include government services in the management of government service halls in accordance with relevant regulations.

Municipal and district government authorities that manage government services shall promote integrated services based on the principles of unified access points, unified platforms, and unified standards. Municipal and district government authorities that manage government services shall implement comprehensive acceptance at reception counters, category-based review of applications at the backend, and unified issuance of documents at dedicated service counters in government service halls at all levels. Municipal and district government authorities that manage government services shall improve mechanisms for one-time notifications, priority services, and time-limited processing, and provide market participants with services outside of regular business hours, 24-hour services, and individualized services as necessary.

The municipal and district people's governments shall supervise and inspect the inclusion of government services in the management of government service halls and the state of integrated services.

**Article 35** Guangzhou establishes a system for the evaluation of government services and service quality at government service halls as well as a system for verification, rectification and feedback on poor service quality. Assessments of government services shall be included in government service quality notifications. Specific measures shall be formulated and released by municipal government authorities that manage government services.

**Article 36** Government authorities in charge of management of government services, public security, human resources and social security, planning and natural resources, housing and urban-rural development, market regulation, taxation, and customs shall collect, verify, update and share administrative information in accordance with law, compile their respective administrative information resource catalogs, and lawfully use the shared administrative information obtained in accordance with relevant laws, regulations and rules. Specific measures for the management of government data resources and information sharing shall be separately formulated by the Guangzhou Municipal People's Government.

Guangzhou establishes government-enterprise data sharing mechanisms to remove barriers to government-enterprise integrated data applications, and further promote and standardize the openness and utilization of public data.

**Article 37** The Guangzhou Municipal People's Government establishes a unified electronic permit and licensing service system, further promotes the

application of electronic permits and licenses in fields such as construction, starting a business, real estate registration and electricity connections, and expands the application scope of electronic tax payment certificates.

The municipal and district people's governments and their relevant agencies shall implement simultaneous issuance, update and cancellation of permits and licenses in both hardcopy and electronic forms, and promote the application, acceptance, review, publication, inquiry, printing and downloading of electronic permits and licenses through a single website.

Electronic permits and licenses and electronic documents with digital signatures indicating identity authentication information may be used as a legal basis for formal procedures and archival records. Hard copies need not be filed with or transferred to relevant authorities. During applications for relevant procedures, applicants may prove their identities or qualifications by presenting electronic permits or licenses. Specific application scenarios of electronic permits and licenses are to be determined and issued for implementation by municipal government authorities that manage government services, in conjunction with relevant authorities.

Electronic signatures which comply with the *Electronic Signature Law of the People's Republic of China* shall have the same legal effect as signatures or seals by hand. Electronic seals and physical seals shall have equal legal effect. Electronic and hardcopy permits and licenses shall have equal legal effect, unless otherwise specified by relevant laws and administrative regulations. Where relevant departments have established an electronic seal system, mutual recognition and intercommunication shall be implemented.

**Article 38** Guangzhou implements a list management system for government permits. The Guangzhou Municipal People's Government shall timely disclose the list to the public and make dynamic adjustments.

Outside the list of government permits, any establishment or disguised establishment or implementation of government permits in the form of record-filing, registration, catalog, planning, annual inspection, annual report, production supervision, recognition, certification, review or any other form shall be prohibited. Relevant authorities shall promptly revise or repeal the government permits set by them that are incompatible with the needs of economic and social development.

All relevant authorities shall submit to the people's government at the same level reports on government permits, fee collections, oversight and inspections during the current year, which shall be disclosed to the public in accordance with law.

**Article 39** Guangzhou establishes the notification and commitment system for government services. Except for government service items directly involving public security, eco-environmental protection, personal health, and security of life and property, the relevant departments shall directly make a decision if the applicant undertakes in writing that it meets the requirements for approval and provides relevant documents.

Relevant authorities shall, in accordance with their statutory powers and responsibilities, formulate and disclose to the public the catalog of government services and application guidelines to which the notification and commitment system shall apply.

Relevant authorities shall strengthen interim and ex post oversight, conduct random checks on the fulfillment of commitments on a regular basis, and include information on the fulfillment of commitments in the city-wide public credit information management system. In the event that an applicant fails to fulfill their commitments, relevant authorities shall hold them liable in accordance with law.

**Article 40** Relevant authorities shall establish mechanisms for conditional acceptance of applications in the event of errors in or omissions of non-critical application documents, and formulate and disclose to the public the list of the government services and required application documents to which these mechanisms may apply.

For registration and approval matters which meet the basic requirements, have all critical application documents and meet the statutory conditions, but do not meet secondary conditions or lack non-critical application documents, relevant authorities shall inform the applicants in one instance of the application documents that may be accepted on a conditional basis in spite of errors or omissions, and accept and review the applications in advance. If the applicant submits all required supplementary documents within the prescribed time limit, and statutory requirements are met, the relevant authority shall make a decision.

**Article 41** While making decisions on items requiring documentary proof, relevant authorities shall assess the impact of such items on market participants, explain the necessity, publish a list of such items that specify the bases of their requirement, the requesting entity, and the entity issuing such proof. The requesting entity shall update the list within seven working days after the implementation of the newly established items requiring documentary proof or the cancellation of prior items requiring documentary proof. Relevant authorities shall not require market participants to provide documentary proof with respect to items and seal-stamping procedures not included in such lists.

The district people's governments and their relevant agencies shall strengthen the mutual recognition and sharing of documentary proof, avoid repeated requests for documentary proof from market participants, and carry out the notification and commitment system for items requiring documentary proof in accordance with state and municipal requirements, so as to increase convenience by reducing the number of documents required.

**Article 42** Users of state-owned construction land may apply for construction project planning permits based on state-owned land allocation decisions, state-owned construction land use right transfer contracts, or pre-review opinions on land use for government investment projects.

**Article 43** In the event of compliance with planning and no changes to intended purpose, no additional land fees for newly-established industrial and warehouse sites may be charged from enterprises which rebuild or expand industrial workshops or warehouses, or utilize subterranean space in industrial and warehousing sites, even if the floor area ratio or building density is increased.

**Article 44** Guangzhou establishes tiered and category-based mechanisms for risk evaluation and approvals for construction projects. All government authorities overseeing construction shall formulate review and approval flow charts based on actual conditions, and implement one-stop reviews before groundbreaking, joint oversight during the construction process, and one-stop joint acceptance of construction projects.

Guangzhou adopts the regional evaluation system in specific regions. Relevant regional authorities shall, based on detailed regulatory planning, coordinate the organization of assessments on regional environmental impact, soil and water conservation, geological disaster risk, cultural relics and archaeology, energy conservation, and seismic safety. Additional assessments are not required for market participants engaged in construction projects in regions which have completed the above-mentioned regional assessments, unless otherwise specified by state, provincial, and municipal regulations.

**Article 45** Authorities overseeing housing construction and municipal infrastructure projects, such as municipal authorities for housing and urban-rural development, transportation, water resources, and forestry and landscaping, may waive the inspection of construction drawings or narrow the inspection scope in accordance with relevant national regulations. Relevant authorities shall carry out oversight and spot checks through government procurement of services.

Provided that a housing construction project meets land and planning conditions, the project developer may apply for construction permits in

different phases based on stages in construction progress, i.e. foundation pit support and earthworks, foundational and underground structures, aboveground structures, and so on.

**Article 46** Project developers carrying out low-risk construction projects led by private investment are encouraged to hire architects, engineers and other technical experts to carry out internal technical inspections and strengthen internal quality management. The specific scope of low-risk social investment construction projects is to be determined and disclosed to the public by municipal authorities overseeing housing and urban-rural development.

Professional construction inspectors engaged in inspections of construction drawings, technical experts in construction site supervision and project quality and safety supervision and management personnel shall meet professional qualification requirements specified in relevant national and provincial regulations.

Guangzhou explores the implementation of the architect accountability system in the field of construction. Design teams with certified architects as the core and their affiliated design firms may provide such services for construction projects as full-cycle design, consulting, and management services.

A land transferor of newly transferred residential land shall include the requirement to purchase latent construction quality defect insurance in land transfer contracts. Newly built affordable housing and resettlement housing projects shall be covered by such insurance. New commercial housing projects are encouraged to purchase such insurance.

**Article 47** Guangzhou optimizes the customs clearance process to improve the efficiency of customs clearance and improve the modes of advance customs declaration and two-step declarations, enhances mechanisms for tolerating errors in customs declarations and tolerance mechanisms with respect to proactive disclosure of errors, and actively promotes various port customs clearance facilitation measures. Management measures as release prior to inspection, release prior to tax payment, and release prior to instrument correction are implemented pursuant to relevant regulations.

Guangzhou establishes the International Trade Single Window Cross-Departmental Integrated Service Management Platform to optimize service functions in aspects such as cargo declarations, manifest declarations, transportation methods declarations, cross-border e-commerce, market procurement, and international exhibitions. Information sharing among market participants such as import and export enterprises, shipping companies, shipping agents, and freight forwarders is

promoted, so as to realize the integrated “port customs clearance + logistics” service linkage.

Government authorities overseeing commerce, port affairs, development and reform, and market regulation shall strengthen management of the catalog list of port charges. Fee-collecting entities shall publish the list and schedule of fees in the International Trade Single Window, and shall not collect fees not included in the list.

**Article 48** Tax authorities shall continue to optimize tax services, promote the consolidated declaration and payment of related taxes and fees, make full use of existing information sharing resources, simplify application documents and procedures for handling payment of taxes and fees, reduce the time for processing tax and fee payments, broaden channels for processing tax and fee payments, promote the use of electronic official invoices to allow tax and fee payments to be carried out entirely online, provide taxpayers with tax information and online tax policy query and consulting services, and improve the efficiency of tax services.

**Article 49** Developers of a newly built simple and low-risk construction project led by private investment may simultaneously apply for completion acceptance and real estate registration, which will allow them to obtain a joint acceptance appraisal and electronic real estate certificate in one sitting.

When registering real estate transfers between enterprises, real estate registration authorities shall strengthen cooperation with housing and urban-rural development authorities and tax authorities, and implement single-counter acceptance, on-site tax payments, on-site certificate issuance and completion in one sitting. Real estate registration authorities shall strengthen cooperation with public utility providers and financial institutions to achieve the synchronous processing of transfer of electricity services, water supply services, sewerage services, gas supply services and internet services, during real estate registration process. Reforms for greater public convenience, such as applications for real estate mortgage registration at commercial banks are promoted. The launch of cross-border mortgage-based financing shall be explored.

Real estate registration authorities shall provide online and on-site enquiry services for corporate bodies and individuals in accordance with relevant national and municipal provisions relating to the retrieval of real estate registration documents. Corporate bodies and individuals can retrieve, without charge, registered information and cadastral map information on non-residential real estate owned by legal persons and unincorporated organizations by property location, property ownership certificate number, or property unit number, unless state secrets are involved. Applicants may

obtain information on whether there are encumbrances or judicial restrictions on a property at no charge.

**Article 50** The municipal and district people's governments shall strengthen efforts to attract global investors, improve investment promotion services, and establish and improve overall coordination, appraisals and incentives, and follow-up service mechanisms for investment promotion. Municipal authorities for development and reform shall, in conjunction with the municipal authorities for planning and natural resources, build city-wide key project information databases, formulate and publish Guangzhou's industry map, and promote the exact matching of projects and the industry map.

The municipal and district people's governments and their relevant agencies shall establish a system for guaranteeing the implementation of investment projects and the accountability system for commitment towards completion, and provide expedited channels for services for major investment projects.

**Article 51** Through sharing of information among government authorities, Guangzhou exempts eligible enterprises for incentive policies from application requirements, allowing them to directly benefit from such policies.

For enterprises required to submit applications under certain circumstances, Guangzhou adopts an integrated service model to incorporate policy implementation matters into the management of government services, and provides integrated services in municipal and district government service halls or on the city-wide unified integrated online government service platform.

Municipal government authorities that manage government services shall direct administrative authorities and public institutions to comprehensively review various incentive policies and industrial promotion policies relating to administrative incentives, financial aid, and subsidies that are financed via fiscal funds, and compile and disclose to the public the list of policy implementation items and application guidelines.

Municipal government authorities that manage government services or departments designated by district people's governments shall direct relevant departments to evaluate pro-incentive and industrial promotion policies relating to the policy implementation items on a regular basis, update the list of policy implementation items timely, and exercise oversight and appraisal of policy implementation by relevant departments.

**Article 52** Administrative authorities and public institutions shall fulfill the policy commitments made to market participants and various contracts entered into with market participants in accordance with law, and shall not refuse

to or not fully perform, or delay in performing contracts on the grounds of changes in administrative jurisdiction, transitions in government administration, institutional or functional adjustments, or replacement of relevant responsible persons. Where policy commitments or contractual provisions need to be changed due to the needs of national interests or social and public interests, such changes shall be carried out in accordance with statutory authority and procedures, and losses suffered therefrom by market participants, if any, shall be compensated in accordance with law.

Administrative authorities and public institutions shall not default on the payment of goods, projects, services and other items to market participants, and shall not extend any payment period beyond the agreed terms under false pretexts.

The municipal and district people's governments shall establish mechanisms to limit and levy penalties on payment defaults, and prevent and rectify arrears in market participants' accounts through budget management, audits and other measures.

**Article 53** The Guangzhou Municipal People's Government shall further delegate powers to the district people's governments and authorities of economic function zones. Except for matters which require unified coordination and management by municipal administrative authorities, the Guangzhou Municipal People's Government may authorize or entrust district people's governments and authorities in economic function zones to exercise administrative powers related to the optimization of the business environment in accordance with law. The list of specific items which may be delegated to district people's governments and authorities of economic function zones are to be formulated and implemented by the respective authorities in charge and reported to the Municipal People's Government for approval.

**Article 54** In the event of any emergency, the municipal and district people's governments and their relevant agencies shall take the following measures to maintain the production order and the stability of industrial supply chains, and protect the property and independent operation rights of market participants:

- (1) Establish dynamic analysis, evaluation and feedback mechanisms for emergencies, formulate and incorporate specific protection emergency response plans for industries, enterprises, facilities and localities prone to risks into contingency plans;
- (2) Establish effective social mobilization mechanisms, encourage mutual assistance among market participants, and adopt methods such as salary adjustments, flexible working hours, and job rotations to

stabilize labor relations, maintain operations, and resume work and production timely;

- (3) Organize assessments of the impact of emergencies on the local economy and key industries, and accurately formulate and implement relief, compensation, subsidies, tax reductions, exemptions and returns, resettlement and other measures based on the assessment outcomes;
- (4) Encourage financial institutions to render support in the form of loan repayment extensions, loan renewal extensions, lower interest rates, and interest reduction or waivers;
- (5) Provide necessary assistance for market participants seeking legal remedies; and
- (6) Timely return emergency materials temporarily requisitioned during emergencies. Where such materials cannot be returned, compensation shall be provided in accordance with law.

**Article 55** The municipal and district people's governments and their relevant agencies shall establish mechanisms for routine government-enterprise communications, stay abreast of the opinions of market participants, provide policy information for them, and cooperate in addressing their difficulties and problems.

Relevant authorities shall optimize government-enterprise service models, and establish city-district joint enterprise service mechanisms to provide free consultation, guidance, and coordination services for market participants' access to government services.

**Article 56** The municipal and district people's governments and their relevant agencies shall make full use of modern scientific and technological measures to report enterprise-related information in aspects such as government permits, administrative punishments, random inspections, and joint penalties for acts of bad faith during the performance of their duties to the municipal public credit information management system in a timely, accurate and comprehensive manner and in accordance with the requirements of public credit information catalogs, standards and regulations, and disclose such information to the public through the Guangzhou Credit Website.

#### **Chapter 4 Cultural Environment**

**Article 57** The municipal and district people's governments shall compile and strictly implement eco-environmental protection plans, establish a system for ecological progress, strengthen oversight and guarantees for ecological progress, continue to improve the quality of the natural environment,

enhance the competitiveness of the natural environment, attract and gather innovative elements, adhere to the concept of eco-friendly development, advocate eco-friendly lifestyles, and strengthen ecological conservation and restoration.

**Article 58** The municipal and district people's governments shall improve the layout of transportation infrastructure, promote regional transportation integration, improve multi-dimensional traffic networks, optimize urban commuting structures, accelerate the development of eco-friendly transportation, and gradually implement commercialized autonomous driving commuting services in pilot regions, so as to improve the quality, efficiency, safety and convenience of transportation.

**Article 59** Guangzhou shall improve the housing market system and the housing security system to increase the quality of property management, improve the supporting facilities in communities, as well as residents' living conditions.

The municipal and district people's governments shall reduce the cost of living in Guangzhou through measures such as housing subsidies and talent apartments. Land for talent apartments built with investment from government departments and public institutions that meet the allocation catalog may be supplied by allocation. Employers and other social actors are encouraged to participate in the construction, fund raising, operation and management of talent apartments through various channels, such as direct investment, indirect investment, and purchase of equities.

**Article 60** Guangzhou promotes cultural prosperity and development, enriches cultural products and services, increases cultural openness and tolerance and builds a cultural atmosphere which encourages innovation and is pro-business.

The municipal and district people's governments and their relevant agencies shall strengthen the protection and publicity of Lingnan culture, such as flower fairs, the Canton Temple Fair, Cantonese opera, Cantonese cuisine, and the Cantonese dialect to build a distinctive city cultural brand.

**Article 61** The Guangzhou Municipal People's Government shall support the development of the China Import and Export Fair and other exhibitions in supporting facilities and services including venue space, transportation and logistics, online communications and guidance signage, promote innovative trade models at exhibitions, optimize exhibition structures, improve the environment for organizing exhibitions, and enhance functions such as exhibitions and business services, so as to promote internationalized, characteristic, market-oriented and information-based development.

The Guangzhou Municipal People's Government shall publicize and promote the China Import and Export Fair through multiple channels, so as to expand its international influence and enhance its impetus on the development of the exhibition industry in Guangzhou.

**Article 62** Authorities for human resources and social security shall support the development of new forms of employment, support market participants to adopt flexible employment mechanisms, and guide enterprises in need of talent to carry out shared employment cooperation.

Authorities for human resources and social security shall establish and improve the joint mediation mechanism for labor disputes, ensure clear channels for labor rights protection, guide market participants to strengthen the construction of internal collective consultation systems, and increase oversight and law enforcement to protect the legitimate rights and interests of employees and employers in accordance with law.

Authorities for human resources and social security shall publish information on human resource supply and market demand timely, guide employers to optimize human resource structures, strengthen vocational skills training for workers, improve systems and procedures for unemployment security and employment services, cancel the professional qualification of skilled personnel in the category of qualification level assessment in accordance with national regulations, and implement accreditation of commercial vocational skill levels.

**Article 63** Authorities for human resources and social security shall establish and improve systems and mechanisms for human resources services, push forward the development of big data on professional talent, establish talent blockchain support platforms, talent big data standards systems and related specifications, and safety management platforms, so as to upgrade capabilities for precise services in the talent services industry.

Guangzhou improves the policies for talent attraction and point-based household registration, and promotes the recognition of their period of urban household registration in other cities. The municipal and district people's governments shall provide recognized high-quality talents with one-stop counter services in areas such as household registration, "talent green cards", housing and healthcare security, spousal employment, and school admission for their children.

The Guangzhou Municipal People's Government shall establish and improve the talent attraction platform in the Guangdong-Hong Kong-Macao Greater Bay Area, and support the Guangdong-Hong Kong-Macao Talent Cooperation Demonstration Zone in pilot implementation. Pilot zones are encouraged to ease restrictions on the employment of professionals with Hong Kong and Macao vocational

qualifications in fields such as finance, construction and planning, and participate in the establishment of the professional and technical personnel job title evaluation and professional qualification recognition mechanism in the Guangdong-Hong Kong-Macao Greater Bay Area.

Authorities for human resources and social security shall organize and implement talent training and development plans for urgently needed occupations and vocations, build a “lifelong training system” for skilled talents, and cultivate a well-structured contingent of “Guangzhou high-quality craftsmen” with superb skills in various fields, encourage and support enterprises to establish the chief technician system and improve the mechanism for identification, employment and appraisal of chief technicians.

**Article 64** For the purpose of improving the quality of public services, the municipal and district people’s governments shall appropriately set up educational institutions, medical institutions, elderly care institutions, and childcare institutions in accordance with the local population, economy and social development levels of their administrative areas.

Entities managing airports, stations, wharves, scenic spots, theaters, museums, conference centers, exhibition halls, stadiums, shopping malls, hotels, hospitals, and urban roads shall set up corresponding public information signage in accordance with the relevant regulations.

**Article 65** The Guangzhou Municipal People’s Government shall actively improve and appropriately establish foreigner service agencies and supporting facilities for international education, health care, elderly care, entertainment, culture, commerce, and transportation, so as to enhance Guangzhou’s internationalization.

The Guangzhou Municipal People’s Government shall promote the construction of public service facilities for international cooperation, support international educational exchanges and cooperation, attract renowned foreign higher education institutions to set up joint programs with local higher education institutions, build international exchange and cooperation model colleges and characteristic colleges, and encourage hospitals in Guangzhou to cooperate with overseas medical colleges, health care institutions and medical research institutions to enhance the capabilities of health care institutions in providing internationalized services.

**Article 66** The Guangzhou Municipal People’s Government shall further enhance openness to the world, actively participate in the Belt and Road Initiative, deepen the cooperation with countries along the Belt and Road in the fields of infrastructure connectivity, economy and trade, finance, ecological and environmental protection, intellectual property and cultural

exchanges, strengthen cooperation and exchanges with domestic and foreign cities and promote the free flow of factors.

The Guangzhou Municipal People's Government shall establish a differential business environment management service system compatible with the operation of headquarters and R&D centers. Enterprises shall be encouraged to set up headquarters and R&D centers in Guangzhou. Multinational corporations and international organizations closely related to the construction of international trade centers, comprehensive transportation hubs, and scientific, technological, educational and cultural centers are encouraged to settle in Guangzhou.

## Chapter V Legal Environment

**Article 67** The municipal and district people's governments and their relevant agencies shall implement national regulatory rules and standards, connect with national online regulatory systems, implement fair, unified, open and transparent regulatory systems, and build procedure-based, standardized, and intelligent regulatory systems.

Administrative law enforcement organs shall compile lists of regulatory items based on extensive collection of the opinions of market participants, specifying, among others, the regulators, supervisees, regulatory measures and methods and disposition methods, and dynamically adjust and disclose such lists to the public, so as to achieve full coverage of regulation. For special industries and key areas directly involving public security and the lives and health of the public, such as food safety, drug safety, public health, production safety, natural resource protection, and eco-environment protection, administrative law enforcement organs shall give priority to oversight throughout the process in accordance with law.

Relevant departments of the Guangzhou Municipal People's Government shall, based on the outcomes of comprehensive assessment of public credit information, formulate category-based tiered regulation standards for the corresponding industries and fields, and reasonably determine the ratio and frequency of random inspections.

The municipal and district people's governments and their relevant agencies shall implement off-site oversight such as remote oversight, mobile oversight, early warning and prevention and control, and promote full coverage of regulatory items and full records of oversight processes and sharable, analyzable and early-warning oversight data.

**Article 68** The Guangzhou Municipal People's Government shall establish unified fault-tolerant market regulation mechanisms in accordance with law, and establish lists of market participants with business practices involving

trivial violations of laws and regulations which may be exempted from administrative penalties and mandatory administrative measures. For trivial violations of laws which have been corrected timely without harmful consequences, administrative penalties shall not be required. For evidently trivial violations of laws or trivial violations with no significant harm to the public, mandatory administrative measures may be waived.

Guangzhou conducts tolerant and prudential regulation on new technologies, new industries, new business formats, and new business models. Except where prohibited by relevant laws, regulations or rules, or in the case of actions by market participants that harm public safety or the lives and health of the public, the municipal and district people's governments and their relevant agencies shall, in accordance with the principle of facilitating the commercial development of market participants, grant a certain grace period, and shall not simply prohibit them or neglect to exercise oversight.

The municipal and district people's governments and their relevant agencies shall formulate separate regulatory rules based on the nature and characteristics of new technologies, industries, business forms and models, and establish a multi-party collaborative governance mechanism covering governments, enterprises, associations, resource providers and consumers. For provisional and transitional regulatory rules and measures formulated, the ratio of random inspections may be appropriately reduced provided that quality and safety is ensured.

**Article 69** Administrative law enforcement organs shall, based on needs of regulation, strengthen coordination, clarify mechanisms for joint action, and improve the effectiveness of cross-departmental, cross-sector joint inspections. Where a single entity is subject to inspections of multiple regulatory items by different regulatory authorities in a specific area or during a specific period of time, the approval of a people's government at or above the district level is required, and a joint inspection shall be carried out under the lead of the coordinating department and the participation of multiple departments to carry out all regulatory inspections for the entity in one instance.

Multiple inspections on the same entity to be implemented by the same administrative law enforcement organ during the same period shall, in principle, be conducted in a consolidated manner. Except for enterprises under key supervision, lower-level authorities may not, in principle, carry out an inspection of an enterprise if it has already been inspected by a higher-level authority of the same system. While conducting inspections, administrative law enforcement organs shall randomly select entities to be inspected and randomly appoint inspectors, and timely announce to the public the inspection outcomes and actions taken.

**Article 70** Administrative law enforcement organs shall, within the scope of their law enforcement powers, establish and improve the benchmark system for discretion in administrative law enforcement, refine and quantify the discretion standards in accordance with law, reasonably determine the scope, type, and range of discretion, and revise them timely in accordance with the changes in laws, regulations, and rules and the actualities of law enforcement work.

The discretion standards for administrative law enforcement shall be submitted to the judicial authorities at the same level for review and disclosed to the public as required by relevant national, provincial, and municipal provisions. Administrative law enforcement decisions shall state the reasons and bases for the exercise of discretion by an administrative law enforcement organ.

**Article 71** Administrative law enforcement shall have a legal basis and be implemented in accordance with legal procedures.

While implementing mandatory administrative measures, the administrative law enforcement organs shall follow the principles of legality, appropriateness, and the combination of education and mandatory measures. Where the purpose of administrative management can be achieved by non-enforcement means, mandatory administrative measures shall not be carried out. Where an illegal act is trivial or of insignificant social harm, mandatory administrative measures may not be dispensed with. Where there is a compelling need for mandatory administrative measures, such measures shall be limited to a necessary range, with minimal impact on the normal production and operations of the market participant.

**Article 72** The municipal and district people's governments shall deepen the reform of the comprehensive administrative law enforcement system, promote the relatively centralized exercise of the power to mete out administrative penalties, reduce law enforcement entities and levels of law enforcement, build comprehensive law enforcement teams in the fields of agriculture, cultural markets, ecological environment protection, transportation and market regulation in accordance with the decisions of the Guangdong Provincial People's Government, and integrate law enforcement forces in town-level people's governments and sub-district offices to exercise the power to mete out administrative penalties and relevant administrative inspection and mandatory administrative measures in a relatively centralized manner in accordance with relevant laws and regulations.

**Article 73** The municipal and district people's governments and their relevant agencies shall carry out general rectifications and special rectifications in accordance with law. Where it is necessary to take such measures as requiring general market participants to suspend production and operation

in relevant industries and sectors in relevant regions, such governments or their agencies shall apply the legal procedures for major administrative decisions and notify enterprises in writing or make public announcements in advance.

**Article 74** The Guangzhou Municipal People's Government shall improve intellectual property protection mechanisms, straighten out comprehensive intellectual property management and law enforcement systems, unify the legal standards for opening cases involving administrative law enforcement on intellectual property rights, establish multi-department consultation mechanisms for major cases, improve multi-department joint law enforcement mechanisms, optimize cohesion between administrative protection and judicial protection of intellectual property rights, strengthen cross-regional cooperation in intellectual property law enforcement, and enhance the protection of intellectual property rights.

Guangzhou strengthens intellectual property credit regulation, establishes information sharing mechanisms for intellectual property protection and improves joint penalty mechanisms on dishonest market participants in relation to intellectual property rights in accordance with law, so as to realize the joint management of information on administrative law enforcement, judicial litigation, arbitration and mediation related to intellectual property protection. Intellectual property authorities shall use modern scientific and technological means, such as source tracing, real-time monitoring, and online authentication, to strengthen the protection of intellectual property rights for independent brands and innovative achievements of new business forms and fields.

Guangzhou adopts a punitive compensation system for intellectual property infringements in accordance with law, and strengthens early warnings of infringements, legal services and judicial relief for intellectual property protection. Relevant authorities of the municipal and district people's governments shall establish overseas intellectual property rights protection assistance mechanisms to provide information and legal and financial support for overseas protection of enterprises' intellectual property rights in accordance with law. Where conditions permit, districts are encouraged to establish intellectual property rights mediation centers.

**Article 75** The municipal and district people's governments shall, based on government work reports or special work reports, report to the people's congresses and their standing committees on work related to optimization of the business environment. The municipal and district people's congresses and their standing committees shall strengthen oversight over work on optimizing business environment in their respective administrative areas.

**Article 76** Market participants may make complaints and reports about behaviors which damage the business environment through channels such as telephone hotlines, websites, and new government services portals established by people's governments at all levels and relevant agencies. Municipal government authorities managing government services shall, based on the "12345" government service hotline and other channels, establish a city-wide unified government service consultation and complaint acceptance platform to implement unified receipt and forwarding of complaints based on relevant scope of duties, makes decision within a limited time, and implement unified oversight and appraisals.

Guangzhou promotes the establishment of an internal whistleblower protection system in specific industries and fields which are of vital importance to the people's livelihood and public interest. Relevant authorities shall reward internal whistleblowers who have reported serious violations of laws and regulations or major latent risks and hazards, and accord them strict protection in accordance with law.

**Article 77** People's governments at all levels and their relevant agencies shall engage National People's Congress deputies, Chinese People's Political Consultative Conference deputies, members of other political parties, experts and scholars, heads of industry associations, heads of chambers of commerce, business representatives, practicing lawyers, media reporters, and representatives of the public to serve as social supervisors and provide opinions and suggestions on business environment issues timely.

Social supervisors shall collect and report on the opinions and suggestions from all sectors of society on work to optimize business environment and leads on problems which damage business environment, put forward supervision and evaluation opinions in an objective and fair manner, and comply with relevant confidentiality rules.

People's governments at all levels and their relevant agencies shall accept the supervision of social supervisors and promptly rectify the problems identified.

**Article 78** Guangzhou establishes a legal consortium consisted of administrative organs and units, professional colleges, and private organizations to optimize business environment, effectively integrate legal resources, promote the collaborative work of member units, and actively cultivate legal think tanks to jointly address institutional bottlenecks and problems encountered during the optimization of business environment.

The municipal and district people's governments and their relevant agencies shall, by relying on the legal consortium for optimizing business environment, strengthen legal guarantees for the optimization of business

environment, improve the level of institutional support, enhance communication between the government and market participants, and address problems related to legal guarantees for the optimization of business environment which are frequently raised by market participants.

**Article 79** The municipal and district people's governments and their relevant agencies shall formulate normative documents concerning the rights and obligations of market participants, and shall conduct legality reviews accordingly. Administrative normative documents with no basis in laws, regulations, or decisions and orders of the State Council, shall not detract from the legitimate rights and interests of market participants or increase their obligations, set market access and exit conditions, or interfere with the normal production and operations of market participants.

While drafting or formulating local laws, rules and regulations, normative documents and other policies and measures, which involve the economic activities of market participants, district people's governments and relevant government departments shall conduct fair competition reviews in accordance with relevant provisions. Third-party private institutions are encouraged to participate in fair competition review work.

Any market participant believing that administrative normative documents are unlawful, may submit suggestions for review in writing to the drafting organs or their superior organs. Where a market participant believes that the policy measures violate fair competition review standards, it may make a report to market regulation authorities. Relevant organs shall establish mechanisms for receiving review suggestions and responding to complaints and reports concerning fair competition reviews in accordance with law, and provide timely feedback to suggestion proposers or whistleblowers.

**Article 80** The municipal and district people's governments and their relevant agencies shall formulate government regulations, industry plans, and industrial policies which involve market participants' activities, and other policies and measures closely related to the production and operation activities of market participants, and shall extensively listen to and adopt the opinions and suggestions of market participants, industry associations and chambers of commerce through means such as on-site surveys, forums, feasibility study meetings, and hearings. Except where confidentiality is required by law, Guangzhou shall solicit opinions openly from the public through newspapers or the internet, and establish a feedback mechanism for the adoption of opinions. The period for soliciting opinions shall generally be no less than 30 days.

Regulations, administrative normative documents and policy measures concerning the rights and obligations of market participants shall be publicly released through official media and other media channels, such as

online governmental platforms, mobile applications, and service hotlines, within three working days from the date of issuance, so as to provide market participants with policy interpretation.

The municipal and district people's governments and their relevant agencies shall, when formulating policies and measures which are closely related to the production and business activities of market participants, set aside a necessary adaption and adjustment period for market participants of no less than 30 days in general. Where industry regulations or adjustments to restrictive measures are involved, a buffer and transition period, based on feedback from enterprises in related industries, shall be reasonably set to provide market participants with necessary time for adaptation and adjustment, except where national security is involved or where a failure in immediate implementation upon promulgation will hinder implementation.

**Article 81** Municipal authorities for the administration of justice shall integrate public legal service resources such as legal services, notarization, judicial authentication, arbitration, mediation, and legal aid, and make innovations in the content, forms and provision of public legal services in fields of labor disputes, intellectual property rights, eco-environmental protection, finance, and commerce, so as to establish a comprehensive, convenient and high-quality legal service network.

Municipal authorities for the administration of justice shall promote the application of information technologies in the field of public legal services, build the "Guangzhou Public Legal Chain", fully introduce electronic notarial certificates, electronic judicial appraisal opinions and other electronic legal service documents, and promote data sharing among various authorities to achieve efficient retrieval and application of information such as the identity of applicants and real estate information in the context of legal services.

Guangzhou establishes multilingual databases of local regulations, government regulations and policy documents in relation to business environment, translates relevant local laws and regulations, government regulations, and policy documents formulated by the municipality, so as to continuously improve institutional transparency and facilitation.

**Article 82** The people's courts shall fully protect the legitimate rights and interests of market participants in accordance with law, promote reforms for mechanisms to separate complicated and simple civil litigation cases, accelerate the building of the long-term enforcement mechanisms, improve the quality and efficiency of court trials and enforcement, and conclude cases timely.

The people's courts shall improve law enforcement linkage mechanisms, strengthen cooperation with relevant government departments, people's procuratorates, enterprises and public institutions, and improve information sharing mechanisms. Relevant government departments, enterprises and public institutions shall cooperate with the people's courts in enquiries on identity, property, transactions, and contact information of market participants in accordance with law, to support people's courts in locating persons subject to enforcement, conducting online inspection, control and relevant actions, so as to effectively address difficulties in enforcement.

Public security authorities, people's procuratorates and people's courts shall intensify reviews on the necessity of detention and arrest, properly apply non-custodial mandatory measures such as bail in accordance with law, prevent the treatment of economic disputes as economic crimes, and the treatment of civil cases as criminal cases.

It is strictly forbidden to implement mandatory measures such as sealing, freezing, and seizing the properties of market participants and the personal properties of business operators in violation of statutory powers, requirements, and procedures. Where mandatory measures are compellingly necessary in accordance with law, the implementation of the mandatory measures shall strictly follow the specified conditions and the application scopes, and measures shall be taken to minimize adverse impact on the normal production and operations of market participants. Where possible, necessary working capital and current accounts shall be remain accessible to market participants.

Investors in private enterprises involved in crimes shall not be banned from exercising their civil rights such as property rights while serving their sentences.

**Article 83** Guangzhou optimizes a diversified dispute resolution mechanism which organically integrates mediation, arbitration, administrative adjudication, administrative reconsideration and litigation, provides market participants with efficient and convenient dispute resolution channels, improve the system for linkage between people's mediation, administrative mediation, professional industrial mediation and judicial mediation, and establishes a sound connectivity and linkage mechanism between mediation and notarization, arbitration, administrative adjudication, administrative review, and litigation.

Guangzhou seeks to establish a unified online diversified commercial dispute resolution platform, and promotes online consultation, evaluation, distribution for litigation and non-litigation approaches, mediation and judicial confirmation, so as to efficiently resolve commercial disputes

between market participants in fields such as finance, intellectual property, and property rental and sales.

Guangzhou supports the development of commercial arbitration organizations and commercial mediation organizations, seeks innovative applications of cloud arbitration platforms, and promotes in-depth exchanges and cooperation between arbitration organizations and mediation organizations in the Guangdong-Hong Kong-Macao Greater Bay Area and along the Belt and Road, and coordinates the mutual recognition of arbitration awards enforcement documents and mediator qualifications among Guangdong, Hong Kong and Macao.

Guangzhou has established such mediation organizations as the Guangzhou International Commercial Mediation Center, combined with a commercial dispute resolution mechanism which organically links mediation and litigation, so as to provide fast, efficient, affordable and flexible services for the resolution of commercial disputes between enterprises in Guangzhou. Overseas well-known dispute resolution organizations on international commercial arbitration and mediation are supported in setting up branches in the China (Guangdong) Pilot Free Trade Zone, Guangzhou Nansha New Area in accordance with relevant regulations to carry out arbitration and mediation activities regarding civil and commercial disputes in international commerce, maritime affairs, investments and other fields.

**Article 84** The municipal and district people's governments and the people's courts shall establish coordination mechanisms for corporate bankruptcy work and a diversified guarantee mechanism for bankruptcy costs, and coordinate and promote the work of business coordination, cost guarantee, information sharing, property disposal, credit restoration, employee placement, financing support, and risk prevention during corporate bankruptcy proceedings, so as to improve the process efficiency and social benefits of corporate bankruptcy.

Public security organs shall deal with infringements on the properties of bankrupt enterprises timely when proceeding with bankruptcy cases to remove obstacles to the bankruptcy administrator's taking over of the properties.

**Article 85** When a bankruptcy administrator or the liquidation team enquires about, by presenting a ruling by people's court on accepting bankruptcy or compulsory liquidation, the decision on appointment of bankruptcies or administrators, and the identity documents of the inquirer, the related enterprise's registration documents, payment of social insurance contributions, provident fund contributions, bank account opening information and deposit status, as well as information on real estate, vehicles, intellectual properties, equities, stocks, futures, and bonds, or

takes over and disposes of corporate properties, relevant authorities and financial institutions shall duly cooperate.

The people's court shall strengthen the supervision and management of the bankruptcy administrator and the liquidation team, and improve performance appraisal mechanisms for bankruptcy administrators.

The Municipal Association of Bankruptcy Administrators shall strengthen industry self-discipline, enhance training for bankruptcy administrators, and improve bankruptcy administrators' abilities to perform their duties.

**Article 86** The people's courts shall optimize the bankruptcy process, improve the efficiency of bankruptcy proceedings and mechanisms for the exchange and sharing of information on enforcement and bankruptcy, promote the orderly linkage of enforcement and bankruptcy work, explore the establishment of restructuring recognition, pre-restructuring and other bankruptcy relief mechanisms, and improve relief and withdrawal mechanisms for market participants.

Income from debt restructuring obtained by the enterprise as a result of restructuring shall be taxed in accordance with relevant national regulations. Tax authorities shall, in accordance with law, reduce or waive real estate taxes and urban land use taxes for a bankrupt enterprise.

During the restructuring of a bankrupt enterprise, the People's Bank of China shall urge financial institutions to promptly modify and restore the credit information of such enterprise in accordance with law. Tax authorities shall then, automatically or upon the application of the bankruptcy administrator, rescind the abnormal account status of the restructured enterprise according to relevant rules. Market regulation authorities shall then timely remove the restructured enterprise from the list of companies in abnormal operation or the list of companies that have committed severe legal violations in accordance with law.

**Article 87** Guangzhou supports people's courts in the establishment of centralized mechanisms for the clearance of personal debts to promote the economic recovery of creditable debtors.

**Article 88** Guangzhou advances the development of smart courts and smart procuratorates, promotes the in-depth integration of new technologies and judicial work, and continuously expands the depth and scope of the application of cross-departmental big data case handling platforms, internet-based remote video arraignments and court trials, and the conduct of all case procedures online. Guangzhou Court of the Internet is encouraged to use modern technologies in an innovative manner to strengthen cyberspace governance and the judicial protection of intellectual property rights.

People's courts and people's procuratorates shall strengthen the development of one-stop litigation service centers, improve comprehensive litigation service platforms, improve the online provision of litigation services such as litigation guidance, litigation assistance, litigation affairs, trial affairs, and litigation supervision on civil and commercial cases, and strictly abide by the provisions of laws and judicial interpretations on time limits for the trial of civil cases.

Guangzhou shall establish mechanisms for resolving group securities disputes, improve the system of lawyer's investigation orders, and provide minority investors with convenient and efficient litigation services with regards to obtainment of evidence, whole-process mediation involving all parties concerned, introduction of professional support, and lower litigation costs.

People's courts and people's procuratorates shall improve the judicial disclosure system and optimize and upgrade the judicial disclosure platform. Market participants shall have the right to access information on case trial progress through litigation service platforms. Guangzhou Intermediate People's Court shall timely disclose to the public dynamic information on the average number of days spent on hearings of commercial cases and case conclusion rates by the people's courts at all levels in Guangzhou through the judicial disclosure platform.

## **Chapter VI Legal Liabilities**

**Article 89** People's governments at all levels and their relevant agencies and staff, under one of the following circumstances during the optimization of the business environment, shall be ordered by a competent superior authority or supervisory authority to make rectifications. A notice of criticism shall be issued to the department, and administrative sanctions shall be levied to the persons directly in charge and other persons bearing direct responsibility in accordance with law.

- (1) Creating impediments to enterprises' change of domicile in violation of the third paragraph of Article 14 hereof;
- (2) Whether expressly or under false pretext, designating intermediary service agencies for market participants or forcing market participants to accept intermediary services in violation of the second paragraph of Article 16 hereof;
- (3) Collecting fees or surety monies outside of the catalog list, or increasing the fee schedule or expanding the range of chargeable items without authorization, or collecting fees under false pretext, in violation of the second paragraph of Article 20 hereof;

- (4) Setting unreasonable conditions, or establishing a list of pre-selected suppliers and pre-selected contractors in violation of regulations, or excluding or restricting potential bidders or suppliers in any other form, in violation of the second paragraph of Article 21 hereof;
- (5) Failing to include government services into the management of government service halls in violation of the first paragraph of Article 34 hereof;
- (6) Failing to report enterprise-related information as required to the municipal public credit information management system in violation of the provisions of Article 56 hereof;
- (7) Failing to conduct legality reviews or fair competition reviews while drafting or formulating local laws, rules and regulations, normative documents and other policies and measures which involve the economic activities of market participants, in violation of the provisions of paragraphs 1 or 2 of Article 79 hereof;
- (8) Failing to seek advice and suggestions from market participants, industry associations and chambers of commerce while formulating government regulations, industry plans, industrial policies and other policies and measures which involve market participants' activities, in violation of the first paragraph of Article 80 hereof;
- (9) Refusing to cooperate with bankruptcy administrators or liquidation teams in their enquiries on relevant information on bankrupt enterprises, or taking over and disposing of enterprise properties, in violation of the first paragraph of Article 85 hereof; or
- (10) Other situations involving failure to perform one's duty in optimizing business environment, or causing harm to the business environment.

**Article 90** For any intermediary service organization in violation of the provisions of the fourth paragraph of Article 16 hereof, relevant authorities shall order it to make rectifications and hold them legally liable in accordance with law.

**Article 91** For any public utility provider engaged in water supply, drainage, power supply, gas supply and communication networks which fails to disclose information relating to matters such as service scope, standards, fees, procedures, or completion deadlines in accordance with Article 24 hereof, or refuse to provide or interrupt services in violation of law, relevant authorities shall order it to make rectifications and hold them legally liable in accordance with law.

## **Chapter VII Supplementary Provisions**

**Article 92** [Effective Date] These Regulations shall take effect from January 1, 2021.