

Interim Measures Governing National Hi-tech Industry Development Projects

Promulgated by National Development and Reform Commission on 2006-2-28

Chapter I General Provisions

Article 1 The present Measures are formulated in accordance with the "Law of the People's Republic of China on Scientific and Technological Progress", the "Law of the People's Republic of China on Promoting the Transformation of Scientific and Technological Achievements", the "Decision of the State Council on Reforming the Investment System" and other laws and regulations, as well as the "Interim Measures for the Administration of Central Budgetary Investment Subsidies and Interest Subsidy Funds" and other provisions, for the purpose of regulating and administering the national hi-tech industry development projects, promoting the healthy development of hi-tech industries, and improving industrial core competence capabilities.

Article 2 The present Measures shall apply to the national hi-tech industry development projects which regard the enhancement of independent innovation capacity and promotion of hi-tech industry development as the main tasks, are listed into the national plan of hi-tech industry development projects upon approval of the National Development and Reform Commission (hereinafter referred to as "NDRC"), enjoy central budgetary investment subsidies or loan interest subsidies, are organized and administered by the administrative departments in charge of projects, and are specifically implemented by the project owners (hereinafter referred to as "national hi-tech projects").

The national hi-tech projects that the funds within the central budgetary are contributed in the form of either direct investment or capital shall be administered with reference to the relevant provisions of the state.

Article 3 National hi-tech projects as mentioned in the present Measures shall include:

(1) national hi-tech industrialization projects (hereinafter referred to as "industrialized projects"), which refer to the projects converted from independent scientific and technological innovation achievements, with the engineering integration and demonstration of key technologies as the main contents, or with the large-scale application as the objective;

(2) national major technical equipment research and major industry technological development projects (hereinafter referred to as "research and development projects"), which refer to the major technical equipment research projects needed in national key construction engineering projects, as well as the key technology research and development projects with industrial commonness as urgently needed in optimization and upgrading of key industrial structures;

(3) national industrial technical innovation capacity construction projects, which refer to the national engineering laboratory construction projects aiming at to break through the technical bottleneck of industry development, improve the engineering and industrialized research and development of major scientific and technological achievements, and enhance the verification capacities (hereinafter referred to as "engineering laboratory projects"), the national engineering research center construction projects (hereinafter referred to as "engineering center projects"), as well as the state-accredited enterprise technical center construction projects aiming at to improve enterprises' technical innovation capacities (hereinafter referred to as "technical center projects");

(4) national hi-tech industry technical upgrading and structural adjustment projects, which refer to the construction projects whose main contents are to reform backward production conditions with advanced technologies, techniques and equipment, and which aim at to promote the information industry, biological industry, civil aviation and spaceflight industry to enlarge the scale, promote the optimization and upgrading of industrial structure to drive industrialization with informatization, and actively develop electronic commerce and enterprise informatization (hereinafter referred to as "upgrading and adjustment projects"); and

(5) other national hi-tech industry development projects.

Article 4 The term "investment subsidies" as mentioned in the present Measures shall refer to the investment fund subsidies offered by NDRC to qualified enterprises' investment projects (including investment projects of public institutions, the same hereafter) and local governments' investment projects. The term "loan interest subsidy" as mentioned in the present Measures shall refer to the loan interest subsidies offered by NDRC to the qualified investment projects using medium and long-term banking loans. Both investment subsidies and loan interest subsidy funds (hereinafter referred to as "national subsidy funds") are gratuitous investment.

Chapter II Organization and Administration

Article 5 NDRC is the organizing department of national hi-tech projects, and mainly performs the following duties:

(1) Researching and proposing the national hi-tech industry development planning and relevant special project planning, as well as the development policies of the relevant industries;

(2) Researching and determining the key areas and tasks of national hi-tech projects;

(3) Organizing the appraisal of national hi-tech projects, and approving the application reports for funds used in national hi-tech projects;

(4) Working out and distributing annual national hi-tech industry development project plans and investment plans; and

(5) Coordinating the implementation of national hi-tech projects, and organizing or consigning the project evaluation work.

Article 6 The term "competent department of projects" as mentioned in the present Measures shall refer to the relevant department of the State Council, or the development and reform commission or the economic (trade) commission of each province, autonomous region, municipality directly under the Central Government, municipality under separate state planning, or Xinjiang Production and Construction Corps.

The enterprise groups under separate state planning and the enterprises under central management may directly submit their application reports for funds to NDRC, and shall assume superintendence responsibilities for their respective projects. The specific requirements shall be prescribed in the announcement or notice on national hi-tech projects.

For a national hi-tech project covering different regions or departments, the relevant regions or departments may determine the competent department of the projects through negotiation, or the project organizing department may designate the competent department of the projects.

The competent department of project shall perform the following main duties:

(1) Organizing the relevant work on applying for national subsidy funds for the hi-tech projects of its own department, region or enterprise (group) according to NDRC's announcement or notice on national hi-tech projects, making preliminary examination on the construction conditions of the project and the contents of invitation for bid, etc., submitting the application report for project funds to NDRC after passing the preliminary examination, and being responsible for the preliminary examination results and declaration materials;

(2) Taking charge of managing the national hi-tech projects, coordinating and dealing with the major problems existing in project implementation, as well as guaranteeing on-time completion of projects and organizing check and acceptance of projects;

(3) Cooperating with the relevant departments of the state in the investigation, audit and inspection work; and

(4) Collecting the information on implementation of national hi-tech projects in its own department, region or enterprise (group) and reporting it to NDRC at regular intervals in each year.

Article 7 The term "project unit" as mentioned in the present Measures shall refer to an enterprise or public institution legal person that is registered under Chinese law and

applies for national subsidy funds for a hi-tech project. A project unit shall have sound operation and management capacity, technical development capacity needed in undertaking national hi-tech projects, and capacities of raising funds as well as organizing and managing engineering construction.

A project unit shall perform the following main duties:

- (1) Complying with the requirements of the present Measures and the project announcement to work out and submit to the competent department of project the application report for state subsidy funds for the hi-tech project, and bearing the responsibility for the authenticity of the materials reported;
- (2) Implementing the project according to the contents and requirements determined in the application report for project funds, which is approved by the project organizing department or competent department;
- (3) Complying with the requirements to report the information on implementation of the project and on provision of funds to the competent department of project, and to timely report the major issues arising out of implementation of the project;
- (4) Managing the national subsidy funds on a special account basis;
- (5) Accepting the evaluations, investigations, audits and inspections made by NDRC, the public finance department or auditing department at any level, the competent department of project, or the institutions entrusted by any of the foregoing departments; and
- (6) Complying with the requirements to timely make check and acceptance of the project after achieving the overall objective of the project.

Chapter III Application Report and Check

Article 8 NDRC shall, in accordance with the "National Hi-tech Industry Development Planning", the "Guidelines for Current Priorities for Development in Key Sectors of Hi-Tech Industry", the "Catalogue for the Guidance of Industrial Structure Adjustment", the "State Industrial Technology Policies" and other relevant special planning and relevant industrial policies, publish the announcement or notice on national hi-tech projects, clarify the key areas and tasks supported by the state and the time of implementation thereof, as well as the methods and standards of arranging national subsidy funds.

Article 9 For an enterprise investment project which ought to be ratified or archived by the local government in accordance with the relevant provisions, the project unit shall, after the ratification or archival filing, file an application report for funds.

For a local government investment project which ought to be examined and approved by the local government in accordance with the relevant provisions, the project unit shall, after the feasibility study report is approved by the approving entity having the power concerned, file an application report for funds.

For a project which ought to be submitted in accordance with the relevant provisions to the State Council or NDRC for approval or ratification, the project unit may, when submitting the feasibility study report or project application report, file the application for funds at the same time, without having to separately submit an application report for funds; it may also, after the project is approved or ratified, separately submit the application report for funds in light of the relevant requirements of the state policies on investment subsidies and interest subsidy.

Article 10 Whoever applies for a national hi-tech project shall meet the following basic conditions:

- (1) It meets the requirements in NDRC's project announcement or notice;
- (2) It conforms to the state industrial policies and meets the requirements on energy conservation, low consumption, environmental protection, and safety, etc., with the project program being reasonable and feasible, and has good social and economic benefits;
- (3) It has independent intellectual property rights of China, and the belongingness of the intellectual property rights is clear;
- (4) The project unit must have strong capacities in technical development, raising funds, implementing the project, and have good credit rate, and meanwhile, its ratio of debts to assets falls within a reasonable scope, the project has basically met the conditions for implementation, and the funds needed in the project have been resolved; and
- (5) The project owner shall accomplish the procedures for approval, ratification or archival filing of the construction project in accordance with Article 9 of the present Measures, and the project has basically met the conditions for starting the construction, or the construction has been started but the period from the time of approval, ratification or archival filing has not exceeded two years, and the project owner who has the environmental protection permit and other permit document has passed the pre-examination on using land or the land used for the project has been lawfully approved.

Article 11 Whoever applies for a national hi-tech project shall also meet the following conditions:

- (1) The scientific and technological achievements adopted in the industrialized project (including independent intellectual property rights, digested and absorbed innovations, and the technologies jointly developed by both domestic and foreign developers) shall be advanced and have good value for extension and application, and be supported with the

proof materials such as the certification or technical test report, etc. issued by the relevant achievement authentication and authoritative institutions, the necessary verification and production permits; while the project unit shall have strong capacities of organizing and managing engineering construction, and have the qualification for production and operation of relevant industrialized projects.

(2) The research and development scheme of the research and development project is advanced and feasible, and the objective is clear; the project unit shall have strong capacities of technical innovations and equipment research, and have the research and development basis in the relevant areas at the prior stage as well as the research and development team, the major technical equipment research project shall be combined with the supporting projects.

(3) The unit of an engineering laboratory project or engineering center project must be a supporting entity of a national engineering laboratory or be a national engineering research center, which is established upon approval of NDRC and has accomplished the relevant establishment work; the contents of project construction shall conform to the development direction and tasks of the engineering laboratory or the engineering research center, and the construction scheme is reasonable.

(4) The unit of a technical center project must be an enterprise to which the state-accredited enterprise technical center belongs, and the state-accredited enterprise technical center is scored 70 or above in the assessment of state-accredited enterprise technical centers in the latest year; the project shall be able to support the development of the enterprise's key and core technologies. And

(5) An upgrading and adjustment project shall conform to the catalogue on guidance of industrial structure adjustments; the project unit shall have a good modern enterprise operation mechanism and good operational performance, and shall have the qualification for producing the relevant products, and the project must have a reasonable economic scale, with the products meeting the relevant national and international standards.

Article 12 A project unit shall work out the application report for project funds in accordance with the relevant provisions in Article 10 and Article 11.

The specific requirements of the application report for project funds shall be set forth in the project announcement or notification, which shall include the following main contents:

(1) the project unit's basic information and financial conditions;

(2) the basic information on the project, including the background of the project, the contents of project construction (research and development), total investments and fund sources, techniques, fulfillment of all construction (research and development) conditions, etc.;

(3) the main reason and the policy basis for applying for national subsidy funds;

(4) the contents of invitation for bid to the project (applicable to the investment project under application for national subsidy funds amounting to 5 million Yuan or more); and

(5) other contents required to be provided by NDRC's project announcement or notice.

An application report for project funds may be attached with the following relevant documents under different specific circumstances:

(1) the approval documents to the feasibility study report of a government investment project or the approval documents on the ratification or archival filing of an enterprise investment project;

(2) the technical sources and the relevant documents proving that the technology is advanced;

(3) the opinions issued by the urban planning department on the site selection under the urban planning (applicable to the investment project within the urban planning area);

(4) the opinions issued by the administrative department of land and resources on pre-examination of the land used for the project;

(5) the opinions of examination and approval issued by the environmental protection administrative department to the environmental impact assessment documents;

(6) the loan commitments issued by the financial institution, and the loan agreement or contract concluded between the project unit and the financial institution in the case of a project involving interest subsidy;

(7) the statement of the project unit on being responsible for the authenticity of the contents of application report for project funds and the attached documents; and

(8) other documents required to be provided by NDRC's project announcement or notice.

Article 13 The competent department of project shall, in accordance with the relevant provisions in Articles 10 through 12, examine the application report for project funds which is filed by the project unit, and submit the application report for project funds qualified upon examination to NDRC. For a project on which the work functions remain with the commission of economic cooperation (trade) at the provincial level, the commission of economic cooperation (trade) at the provincial level shall be the competent department of project. After consultation between the commission of economic cooperation (trade) at the provincial level and the development and reform commission at the provincial level, the development and reform commission at the provincial level shall submit the application report to NDRC jointly with the commission of economic cooperation (trade) at the provincial level.

With respect to the application report for funds composed of incomplete reported materials, NDRC shall timely notify the competent department of project to supplement the relevant materials within the required time limit.

Article 14 With respect to an application report for project funds which is submitted by the competent department of project, NDRC shall organize a panel to make expert appraisal or shall entrust a consulting institution to make an evaluation, and may, when necessary, solicit opinions from the relevant department of the State Council or the local government.

The panel shall be composed of professional, authoritative, representative and unbiased experts who have no major interests with the project. The panel shall appraise the project scientifically, objectively and impartially.

The panel or the consulting institution shall make the appraisal or evaluation on the project mainly from the following aspects:

- (1) whether the project technology is advanced or applicable;
- (2) the driving function of the project to the optimization and upgrading of relevant industries;
- (3) the project unit's operational capacity and technical development capacity;
- (4) the market prospect and economic benefits of the project;
- (5) the feasibility of the project implementation scheme; and
- (6) other requirements in NDRC's project announcement or notice.

Article 15 The NDRC shall, in compliance with the principles of being scientific, fair and selecting the best, and according to the experts' appraisal opinions or the consulting institution's evaluation opinions, comprehensively consider the opinions of the relevant department of the State Council and the local government, examine and approve the application reports for project funds, and inform the competent departments of projects the appraisal or evaluation opinions and the examination results of the projects in proper ways. The approval documents to the application reports for project funds are the basis for distributing national subsidy funds, and shall include the overall objectives for implementing the projects, the quota of national subsidy funds and the directions of using the funds. The approval documents may either be issued separately or concentratively.

NDRC shall examine the application report for project funds mainly from the following aspects:

- (1) conformity to the using direction within the central budgetary funds;

- (2) conformity to the relevant requirements of the project announcement or notice;
- (3) conformity to the principles on arrangement of the national subsidy funds;
- (4) entirety and effectiveness of the relevant submitted documents;
- (5) fulfillment of the main construction (research and development) conditions of the project; and
- (6) conformity to other conditions required by NDRC.

Article 16 The maximum limitation of the funds arranged by NDRC to a single national hi-tech project shall generally not exceed 200 million Yuan.

The funds arranged by NDRC to a single national hi-tech project invested by a local government, with the amount to be 30 million Yuan or lower, shall all be managed in the form of investment subsidy or interest subsidy, and only the application report for funds needs to be examined and approved. The funds arranged by NDRC to a single national hi-tech project invested by an enterprise, with the amount to be 30 million Yuan or lower, may be managed in the form of investment subsidy or loan interest subsidy, under which circumstance the application report for funds shall be subject to NDRC's examination and approval; the funds may also be managed by way of contribution of direct investment or capital, under which circumstance the feasibility study report shall be subject to NDRC's examination and approval.

Where the funds arranged by NDRC to a single national hi-tech project are between 30 million Yuan and 200 million Yuan and occupy no more than 50% of the total investments of the project, they may, if the project is invested by a local government, be managed in the form of investment subsidy or loan interest subsidy, under which circumstance the application report for funds shall be subject to NDRC's examination and approval; or may, if the project is invested by an enterprise, either be managed in the form of investment subsidy or loan interest subsidy, under which circumstance the application report for funds shall be subject to NDRC's examination and approval, or be managed by way of contribution of direct investment or capital, under which circumstance the feasibility study report shall be subject to NDRC's examination and approval.

Where the funds arranged by NDRC to a single national hi-tech project are between 30 million Yuan and 200 million Yuan and occupy more than 50% of the total investments of the project, or exceed 200 million Yuan, they may be managed by way of contribution of direct investment or capital, under which circumstance the feasibility study report shall be subject to NDRC's examination and approval.

Article 17 Where the national subsidy funds of a single national hi-tech project exceed 30 million Yuan, NDRC may require the project unit to submit the budgetary estimation on the preliminary design, and may entrust a consulting institution to make appraisal, and

determine the specific amount of the state-arranged funds according to the appraisal result.

Article 18 The national subsidy funds of a single national hi-tech project shall generally be arranged once for all. With respect to a national hi-tech project to which the national subsidy funds have been arranged, NDRC shall no longer accept its application report for funds again.

Chapter IV Administration of Funds

Article 19 The fund sources of a national hi-tech project shall include the project unit's own funds, the national subsidy funds, the auxiliary funds of the relevant department of the State Council or the local government, the bank loans, and other funds raised by the project unit. The project funds shall generally be raised by the project unit itself, and the state shall provide supports by means of fund subsidies.

Article 20 The project capital raised by a project unit or the funds owned by a research and development project unit itself shall not be lower than 30% of the newly increased investments to the project. The project capital sources shall include the cash used by the project unit in the project, the funds raised from issuance of shares, the share funds increased by new and old shareholders, and the funds encashed from assets, etc.

Article 21 National subsidy funds may be classified into investment subsidies and loan interest subsidies.

The state shall, when providing supports of investment subsidies, divide the projects into different classes in light of the importance, risk extent, industry development, regional layout and other relevant requirements.

The interest subsidy rate of certain loan interest subsidies shall not exceed the medium and long-term bank loan interest rate of the current period. The total amount of the interest subsidy funds shall be calculated and determined on the basis of the total amount of bank loans for the project to meet the interest subsidy conditions, the interest subsidy rate of the current year and the duration of the interest subsidy. In general, the interest subsidy funds shall be arranged by installments according to the project implementation schedule and the actual amount of the loans.

Article 22 The national subsidy funds shall be mainly used for research and development of projects, purchase of apparatus and equipment for research, development and engineering, improvement of technical equipment and testing conditions, construction of full set of devices and experiment devices for industrialized or engineering verification, construction of necessary basic auxiliary facilities, purchase of necessary technologies and software, etc.

Article 23 The national hi-tech projects approved by NDRC shall be listed into the national hi-tech industry development project plan and the investment plan.

NDRC may, according to the approval documents to the application report for project funds, the project construction schedule, contribution of project construction funds, and the application filed by the competent department of project for distribution of national subsidy funds, distribute the national subsidy fund investment plan by once or by several times. The competent department of project shall, after receipt of the national subsidy fund investment plan, distribute it to the project unit in accordance with the relevant provisions as soon as possible, and do a good job in relevant coordination work.

With respect to a project in which the commission of economic cooperation (trade) at the provincial level acts as the competent department of project, NDRC shall meanwhile distribute the national subsidy fund investment plan to the development and reform commission and the economic (trade) commission at the provincial level, while the development and reform commission at the provincial level and the commission of economic cooperation (trade) at the provincial level shall jointly distribute the plan to the project unit.

Article 24 A project unit shall use the national subsidy funds for the special purpose, and manage them by establishing special account books. No department or entity shall withhold, occupy or misappropriate the national subsidy funds. The competent department of project shall strengthen its superintendence over the national subsidy funds, and urge the project unit to use the national subsidy funds according to the direction of using national subsidy funds.

Article 25 The funds raised by the project unit itself shall be fully contributed in time according to the plan. The competent department of project shall be encouraged to arrange necessary auxiliary funds to the project.

Chapter V Implementation and Administration of Projects

Article 26 A project unit 's responsibility system shall be adopted to national hi-tech projects. The project unit shall, in accordance with the relevant laws and regulations, take charge of planning the projects, raising funds, carrying out construction and operation, etc., and cooperate with the relevant departments of the state and the competent departments of projects in doing a good job in the investigation, inspection and audit of the use of national subsidy funds.

Article 27 The competent department of project shall, according to the state's approval documents to the application report for project funds and the documents on examination and approval, ratification or archival filing of the project, superintend the project implementation and the use of national subsidy funds, etc. The competent department of project may, when required by the specific situation, require the project unit to work out the programs on preliminary design, construction or implementation of the project.

Article 28 All of national hi-tech projects shall, in accordance with the relevant laws and regulations of the state on bidding and invitation for bid, do a good job in invitation for bid. With respect to any project using no less than 5 million Yuan of national subsidy funds, the project unit shall, in strict accordance with the contents ratified by NDRC on invitation for bid to the project and the relevant laws and regulations on bidding and invitation for bid, carry out the work of invitation for bid.

Article 29 An competent department of projects shall, by the end of February and August of each year, submit to NDRC in the form of formal documents a project progress report containing the contents such as the project schedule, the existing problems, the specific solutions and settlement opinions, etc., and file the application for allotting national subsidy funds. The project unit shall submit the relevant information on project progress in light of the requirements as put forward by the competent department of project.

Article 30 A project unit shall, according to the overall objective approved to the application report for funds, organize the implementation of the project. If, in the process of implementation, the project needs to be adjusted due to a major circumstance, the project unit shall report to the competent department of project. For a project in which the overall objective cannot be achieved, the competent department of project shall propose the settlement suggestion and report it to NDRC; with respect to any other project which will not affect the overall objective from being achieved, the competent department of project shall take charge of checking and adjusting it, and make a copy to NDRC.

Article 31 Where a project unit achieves the overall objective of the project after the implementation, it shall timely do a good job in preparing for the check and acceptance, and shall file an application for check and acceptance of the project to the competent department of project. The competent department of project shall timely check the project, and submit the conclusion of the check and acceptance to NDRC. An enterprise group under separate state planning or an enterprise under central management shall, when checking a national hi-tech project, invite the staff of a third party to take part in. The project unit shall, in accordance with the relevant provisions of the state, keep appropriate custody of the relevant archives of the project and the materials on check and acceptance.

Article 32 In the process of implementation of a project and after the check and acceptance, NDRC may, as the case may be, organize or entrust the competent department of project, the relevant intermediary institution or the relevant panel to make medium-term evaluation and post-term evaluation on the project.

Article 33 The ownership of the patents, copyrights and other intellectual property rights obtained in the process of implementation of projects shall be governed by the relevant laws and regulations.

Article 34 For the sake of financial treatment, the national subsidy funds of research and development projects shall be managed in accordance with the relevant provisions on

allotted fiscal funds for scientific research projects, while the national subsidy funds of other national hi-tech projects shall be managed as capital reserve.

Chapter VI Supervision, Administration and Legal liabilities

Article 35 NDRC shall take charge of investigating the implementation of national hi-tech projects. The administrative departments of public finance, audit, supervision, etc., shall make supervision and inspections upon their respective functions. The competent department of project concerned and the project unit shall cooperate in the investigation, audit, supervision and inspection.

Article 36 The project investigation, audit, supervision and inspection shall be made in accordance with the relevant laws and regulations as well as the present administrative Measures.

Article 37 The information on national hi-tech projects shall, unless it involves any state secret, national security or commercial secret, or is otherwise not suitable to be publicized as required by law, be publicized to the general public in a proper way. NDRC and the competent departments of projects shall accept the revealing of entities and individuals on the illegal and rule-breaking acts arising in the process of examination, approval and construction of national hi-tech projects, and shall investigate such acts in accordance with the relevant provisions.

Article 38 NDRC will commend the project unit who complete their respective projects on time or in advance pursuant to the overall objectives of the projects and the contents of the projects, pass the check and acceptance, and have made prominent achievements, as well as the competent departments of projects and their staff who perform excellently in the project organization and management, and shall, in the future appraisal of national hi-tech projects, arrange the projects reported and organized by the commended competent departments of projects in priority under equal conditions.

Article 39 Where a project unit has any of the following acts, NDRC may order it to make a rectification within a time limit, may decrease, stop allotting or retract the national subsidy funds, and may, in light of the severity of the circumstance, refer or transfer the matter to the relevant organ for lawful investigation of the administrative or legal liabilities of the relevant persons held liable:

- (1) Providing false information to defraud national subsidy funds;
- (2) Transferring, encroaching on or misappropriating the national subsidy funds;
- (3) Unlawfully changing the overall objective of the project or any main construction content;

(4) Violating no rule, but failing to comply with the requirement without any justifiable reason to accomplish the overall objective of the project which has been delayed two years for check and acceptance; or

(5) Other acts of violating any law or regulation of the state or the present Measures.

Article 40 Where a project organizing department, an competent department of project, an evaluation or consulting entity, or any other relevant responsible person practices frauds, neglects its/his duties, abuses its/his powers, practices favoritism for himself or his relative, demands or accepts bribes in the process of examination, approval, administration, evaluation, consulting, investigation and inspection, etc., NDRC may suggest that the relevant department lawfully investigate the administrative liabilities of the relevant parties held liable; if any crime is constituted, it/he shall be investigated by the judicial organ for criminal liabilities in accordance with the law.

Chapter VII Supplementary Provisions

Article 41 Each competent department of projects shall, in compliance with the overall principles of the present Measures, and in light of its own specific situation, make corresponding detailed rules for implementation, and report them to NDRC for archival filing.

Article 42 The power and responsibility to interpret the present Measures shall remain with NDRC.

Article 43 The present Measures shall come into force on April 1, 2006.