

Measures for the Administration of the Agricultural Comprehensive Development Projects Financed by Loans of the Asian Development Bank

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INTRODUCTION

For purposes of strengthening the administration of the agricultural comprehensive development projects financed by loans of the Asian Development Bank and guarantee the smooth execution of the projects, this Ministry has formulated the Measures for Administration of the Agricultural Comprehensive Development Projects,.

Article 1 These Measures are hereby formulated to guarantee the smooth execution of the agricultural comprehensive development projects financed by loans of the Asian Development Bank (hereinafter referred to as the “Projects”), in accordance with the Measures for the Administration of National Agricultural Comprehensive Development Funds and Projects (Order No. 60 of the Ministry of Finance) and in combination of the requirements of the Asian Development Bank (hereinafter referred to as the “ADB”) on management of loan projects.

Article 2 The Projects aim at increasing the agricultural comprehensive production capacity by improving farmlands with medium or low yields, constructing high standard farmlands, strengthening the agricultural infrastructure and ecological construction and improving the agricultural basic production conditions, and improving the level of administration of the agricultural comprehensive development projects by introducing the advanced ideas and management experience of the ADB in project management.

Article 3 These Measures shall apply to the administration of execution of the agricultural comprehensive development projects under loans extended by the ADB.

Article 4 The National Agricultural Comprehensive Development Office (hereinafter referred to as the “NACDO”) shall be responsible for the routine administration of the projects as the administrative organ, and shall organize project inspection work in joint efforts with the ADB.

Article 5 The local agricultural comprehensive development offices (hereinafter referred to as the “LACDOs”) shall be specifically responsible for the administration of the Projects, and shall designate full-time personnel meeting the requirements of the work and maintain the relative stability of the personnel.

Article 6 The LACDOs at all levels shall strengthen the coordination and cooperation with the relevant business departments, and do well the work on the implementation of the Projects in a joint manner.

Article 7 The annual plans of the Projects shall be formulated in accordance with the

feasibility reports and the general execution programs of the Projects and the annual investment control indexes issued by the LACDO at the superior level.

Article 8 The annual plans of the Projects shall be reported level-by-level in accordance with the procedures and be implemented upon the approval of the NACDO.

Article 9 Where the Projects are to be adjusted, modified or terminated, the relevant provisions of the ADB and those of the state on the administration of the agricultural comprehensive development projects shall be observed.

Article 10 The Ministry of Finance shall be responsible for the unified borrowing and repaying of loans extended by the ADB, and relevant policies on agricultural comprehensive development of the state shall be observed.

Article 11 The public financial departments at all levels shall be responsible for, among others, the raising of matching funds, appropriation of funds, accounting, withdrawal and reimbursement of funds, and supervision and inspection over the use of funds. Loans extended by the ADB and the local matching fiscal funds shall be deposited in separate bank accounts, calculated separately, managed by specific personnel and used for designated purposes.

Article 12 All provinces (autonomous region) shall set project administration expenses of 3.5% of the fiscal funds of the Projects (including loans extended by the ADB) in the matching fiscal funds at provincial level in a unified way for the unified use by the LACDOs of the provinces (autonomous region) in the expenses for administration of the Projects of the provinces (autonomous region), municipalities and counties (cities and districts), and the municipalities and counties (cities and districts) shall not repeat the arrangement thereof. Where project administration expenses have been disbursed in the fiscal budget in accordance with the relevant provisions of the Interim Measures for Application for and Management of Use of Project Administration Expenses from Central Project Coordination Institutions for Projects Financed by Loans of International Financial Organizations (No. 50 [2007] of the Ministry of Finance), the LACDOs at the same level shall not arrange the project administration expenses repeatedly in the fiscal funds (including loans of the ADB) for the Projects.

Article 13 The public financial departments and the LACDOs at all levels shall complete the annual financial final accounts in a timely manner, and accept auditing of the auditing departments.

Article 14 The LACDOs at all levels shall be responsible for the purchase through invitation for bidding of the Projects, and organize the procurement activities of the Projects in strict accordance with the Procurement Guidelines of the Asian Development Bank on Loans. The public financial departments at all levels shall participate in the administration of the procurement through invitation for bidding.

Article 15 The LACDOs at all levels shall formulate purchase programs in accordance with the annual plans of the Projects and submit, via the NACDO, the programs to the ADB for examination and approval.

Article 16 The LACDOs at all levels shall strengthen the administration of the procurement of goods, check and supervise the use of the goods procured on regular basis, and strictly prohibit the fraudulent activities of, among others, embezzlement and reselling for profit.

Article 17 In the engineering construction of the Projects, the project legal person system, the

bidding system, the project supervision system and the system of capital and project announcement shall be implemented.

Article 18 The LACDOs at all levels shall be responsible for the routine inspection of execution of the Projects.

Article 19 The LACDOs at all levels shall implement the system of check and acceptance of projects upon construction completion in accordance with the provisions of the NACDO.

Article 20 After a Project is checked and accepted upon construction completion, the handover procedures shall be handled in a timely manner, the entities of management and protection shall be specified, and the systems of management and protection shall be developed to guarantee the continuous profits of the Project.

Article 21 The LACDOs at all levels shall do well the monitoring, evaluation and statistical work of the Projects, provide corresponding funds and working conditions, and strengthen business training.

Article 22 The LACDOs at all levels can select and employ professional institutions and personnel to conduct monitoring on and evaluation of the progress and the economic, social and environmental impacts of the Projects and formulate specific monitoring and evaluation reports.

Article 23 The LACDOs at all levels shall formulate statistical reports in a timely manner in accordance with the relevant provisions and requirements on statistical work of the agricultural comprehensive development of the state.

Article 24 The NACDO shall formulate the measures for purchasing management, accounting management, financial accounting and withdrawal and reimbursement of funds in accordance with these Measures.

Article 25 These Measures shall come into force on June 6, 2013.

Remark: The notice will improve the use of foreign capital and greatly promote the development of agriculture.

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