Notice of the Office of the Leading Group for the Pilot Reform of the Construction Project Review and Approval System in Guangzhou on the Issuance of the Work Plan on Further Optimizing the Review and Approval Services and Quality and Safety Supervision Model for Simple and Low-Risk Construction Projects Led by Private Investment (2.0)

To the People's Government of each district, the Administrative Committee of the Guangzhou Aerotropolis Development District, all relevant departments of the municipal government, all municipal public utility companies, and all parties concerned:

To continually improve the business environment in Guangzhou, further expand the beneficiaries of reforms for low-risk projects led by private investment, and improve the efficiency and service quality of the review and approval of building permits, the *Work Plan on Further Optimizing the Review and Approval Services and Quality and Safety Supervision Model for Simple and Low-Risk Construction Projects Led by Private Investment (2.0)* has been approved by the Guangzhou Municipal People's Government and is hereby issued for your due implementation.

Problems encountered during implementation should be reported to the Office of the Leading Group for the Pilot Reform of the Construction Project Review and Approval System in Guangzhou (established under the Guangzhou Municipal Housing and Urban-Rural Development Bureau).

Office of the Leading Group for the Pilot Reform of the Construction Project Review and Approval System in Guangzhou

December 9, 2020

## Work Plan on Further Optimizing the Review and Approval Services and Quality and Safety Supervision Model for Simple and Low-Risk Construction Projects Led by Private Investment (2.0)

Based on the Notice Regarding the Issuance of the (Trial) Implementation Opinions of Further Optimizing the Review and Approval Services & Quality and Safety Supervision Model for Simple and Low-Risk Construction Projects Led by Private Investment (Sui Jian Gai [2020] No. 3) issued by the Office of the Leading Group for the Pilot Reform of Construction Project Review and Approval System in Guangzhou, to further expand the beneficiaries of reforms and continually improve the efficiency and service quality of the review and approval of building permits, the following optimization measures are set forth:

- 1. Expansion of the scope of applicability. The scope of simple and low-risk construction projects led by private investment has been widened as follows: "Industrial workshops and warehouses that are financed wholly or primarily by private enterprises, foreign enterprises, or Hong Kong, Macao, or Taiwan enterprises, and that have, for any individual building within the boundaries of the lot, a constructed area of no more than 10,000 square meters, a building height of no more than 24 meters, a single function and simple technical requirements, but excluding projects involving high energy consumption, the production and storage of flammable, explosive, toxic or hazardous materials, or huge impacts on the ecological environment."
- 2. Full implementation of one-stop online processing for all procedures. Rules for integrated services in Guangzhou will be strictly implemented. All review and approval procedures for simple and low-risk construction projects led by private investment will be completed through the Guangzhou Construction Project Joint Review and Approval Platform (hereinafter referred to as the "Municipal Joint Review and Approval Platform") on the Guangdong Provincial Government Affairs Service Portal. Review and approval outcomes may be downloaded by enterprises through the online portal or delivered by post. Relevant review and approval authorities shall not set a mandatory requirement that enterprises submit applications or retrieve review and approval outcomes through other websites (systems) or physical service counters. (Responsible departments: Guangzhou Municipal Government Affairs Data Administration; Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Municipal Planning and Natural Resources Bureau; Guangzhou Water Authority; Guangzhou Power Supply Bureau, Guangdong Power Grid Company; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)
- 3. Consolidated processing of filings for enterprise-invested projects. For low-risk industrial projects on newly transferred land, filings and issuance of project IDs for investment projects will be simultaneously processed during the land transfer agreement signing stage. For projects that have yet to complete filings during the land use stage, filings will be synchronously processed when enterprises apply for construction planning permits and building construction permits. (Responsible departments: Guangzhou Municipal Development and Reform Commission; Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Municipal Planning and Natural Resources Bureau; district governments)
- 4. Enhanced use of the site inventory system and regional appraisal outcomes. For projects that have clearly stated relevant indicator requirements or have undergone regional appraisals, as well as meet relevant urban-rural planning or Guangzhou building function management regulations, enterprises are not required to carry out traffic impact assessments, water impact assessments, energy conservation assessments, and earthquake safety assessments. (Responsible departments: Guangzhou Municipal Planning and Natural Resources Bureau; district governments)
- 5. Zero costs for project construction review and approval. Fees for geotechnical investigations, engagement of construction supervision companies, and review of construction drawings and design documents will be borne by the relevant government departments, which will appoint qualified

agencies to carry out such work.

- 5.1.Geological survey reports will be included in the requirements for land transfers. The Guangzhou Municipal Planning and Natural Resources Bureau will publish geological information on available industrial blocks. Geotechnical investigation work for new industrial lots to be transferred should be completed before land transfer within 10 calendar days by the project surveying company appointed by the relevant authorities of the district-level people's government in the project location, designated regional administrative committee, or land reserve department. The survey reports will be provided at no charge to enterprises at the point of land transfer. The transfer of land with predetermined schematic designs for simple and low-risk industrial projects shall be promoted. For projects with their own land or where initial survey depth in publicly released geological information does not meet design requirements, the Guangzhou Municipal Housing and Urban-Rural Development Bureau will carry out geotechnical investigations through government purchase of services. (Responsible departments: Guangzhou Municipal Planning and Natural Resources Bureau; Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Municipal Finance Bureau; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)
- 5.2.Engagement of an external construction supervision company will not be mandatory. Enterprises are encouraged to ensure construction quality through internal management. Enterprises may hire professionals who have bachelor's degrees or higher in engineering disciplines or certified builders as in-house supervisors. Enterprises should strengthen quality and safety management through the purchase of construction quality and safety insurance. (Responsible departments: Guangzhou Municipal Housing and Urban-Rural Development Bureau; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)
- 5.3. Abolishment of the review of construction drawings and design documents commissioned by enterprises. Construction drawing review appraisals will not be a precondition for the issuance of building construction permits. After enterprises apply for building construction permits, the Guangzhou Municipal Housing and Urban-Rural Development Bureau will appoint a construction drawing review agency to carry out a full inspection before the commencement of construction works, with the inspection appraisal being an important basis for construction quality oversight to strengthen interim and post-works oversight. (Responsible departments: Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Municipal Finance Bureau; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)
- 6. Exemption from reviews of design plans. Enterprises may directly apply for a construction project planning permit and the building construction permit. Issuance of a permit for sewage discharge into drainage networks (construction temporary drainage permit) is not required. Information on building construction permits will be forwarded by the Municipal Joint Review and Approval Platform to water authorities or drainage municipal public utility companies. Simple and low-risk projects are not included within the scope of environmental impact assessment review approvals and are exempt from environmental impact assessment reviews and filings. (Responsible departments: Guangzhou Municipal Planning and Natural Resources Bureau; Guangzhou Water Authority; Guangzhou Municipal Ecological Environment Bureau; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)
- 7. Synchronous processing of construction project planning permits and building construction permits. After enterprises apply for joint review and approval, the Municipal Joint Review and Approval Platform will synchronously forward their applications to planning and natural resources authorities and housing and urban-rural development authorities. The time frame required for review and approval will be shortened to five working days. Upon approval, the construction project planning permit and building construction permit will be issued together,

Relevant information on construction project planning permits and building construction permits

will be shared with authorities overseeing transportation, public security, water affairs, forestry and landscaping, and urban administration through the Municipal Joint Review and Approval Platform. Public security authorities will synchronously carry out verify and issue unit numbers during construction project completion acceptance. All relevant authorities will fulfill their interim and postworks oversight duties per the law. (Responsible departments: Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Municipal Planning and Natural Resources Bureau; Guangzhou Municipal Public Security Bureau; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)

- 8. Faster drainage and electricity connections. After engineering design plans are stable, information on enterprises' applications for drainage and electricity connections will be automatically forwarded by the Municipal Joint Review and Approval Platform to water affairs authorities or drainage/electricity public utility companies during applications for joint review and approval of construction project planning permits and building construction permits. Enterprises will not be required to complete corresponding application procedures. Connection works outside the planning boundary lines of the lot will be undertaken by water supply, drainage, and power supply municipal public utility companies. Costs for the laying of water pipes with a diameter larger than five centimeters or longer than 200 meters will be borne by municipal and district finance authorities. Costs for the laying of water pipes with a diameter not larger than five centimeters or not longer than 200 meters will be borne by the water supply company. (Responsible departments: Guangzhou Water Authority; Guangzhou Power Supply Bureau, Guangdong Power Grid Company; Guangzhou Municipal Finance Bureau; Guangzhou Municipal Government Affairs Data Administration; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)
- 9. External water and power supply connection works for simple and low-risk construction projects led by private investment are not required to submit project filings nor apply for administrative permits concerning project planning, construction works, road excavation, tree felling, and transplantation. After construction plans are stable, they will be forwarded to transportation, traffic police, water affairs, forestry and landscaping, and urban administrative and law enforcement authorities. After meeting connection requirements, municipal public utility companies will forward relevant information to transportation authorities, as well as be responsible for the restoration of roads per the applicable standards. (Responsible departments: Guangzhou Water Authority; Guangzhou Power Supply Bureau, Guangdong Power Grid Company; Guangzhou Municipal Development and Reform Commission; Guangzhou Municipal Planning and Natural Resources Bureau; Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Municipal Transportation Bureau; Guangzhou Municipal Public Security Bureau; Guangzhou Urban Administrative and Law Enforcement Bureau; Guangzhou Municipal Forestry and Landscaping Bureau; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)
- 10. Optimization of construction quality and safety oversight. Housing and urban-rural development authorities and their appointed construction quality and safety oversight agencies will conduct oversight inspections based on construction risk grades and decide whether to increase the number of spot checks based on the actual project inspections. If construction drawing review agencies discover problems in construction drawing and design documents, the relevant problems and correction opinions should be forwarded to the project developer and construction quality and safety oversight agencies through the online platform. Amendments shall be organized by the project developer. The corrections shall be inspected by construction quality and safety oversight agencies during the first site inspection. (Responsible departments: Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Water Authority, district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)
- 11. Strict implementation of the joint acceptance system. Government acceptance by housing and urban-rural development authorities and planning and natural resources authorities and the completion acceptance by the parties participating in the project (project developer, construction contractors, project

surveying company, project design company, and construction supervision company) will be completed in one instance during joint acceptance, with the time frame shortened to five working days. Except in special circumstances such as large-scale or complex external connection works, municipal public utility companies should complete utility connection services during project completion. After joint acceptance, the joint acceptance opinion and unit number will be concurrently issued. The Project Completion Acceptance Filing will be included in the Joint Completion Acceptance Opinion, and no longer separately issued. Housing and urban-rural development authorities will forward joint acceptance outcomes in real time to real estate registration agencies. Real estate registration agencies will waive registration fees and certificate fees for first-time registration of property ownership, and complete such registration within one working day. (Responsible departments: Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Municipal Planning and Natural Resources Bureau; Guangzhou Water Authority; Guangzhou Power Supply Bureau, Guangdong Power Grid Company; district governments; Administrative Committee of the Guangzhou Aerotropolis Development District)

- 12. Raising examination and registration educational requirements for reviewers at construction drawing review agencies, chief project supervising engineers, and quality and safety inspection personnel. Within the administrative boundaries of Guangzhou, professional architectural reviewers that review construction drawings for new construction projects, personnel undertaking the duties of chief project supervising engineers at the site of new construction projects, and newly appointed quality and safety inspection personnel are required to have a bachelor's degree or above. (Responsible departments: Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Municipal Human Resources and Social Security Bureau)
- 13. Launch of the latent quality defect liability insurance pilot scheme for housing projects. Project developers shall prevent and resolve project quality risks by purchasing latent construction quality defect liability insurance (or similar insurance products). In the event of quality issues, the insurance company shall expedite the claims process, to ensure the rights and interests of the property owners. (Responsible departments: Guangzhou Municipal Housing and Urban-Rural Development Bureau; Guangzhou Local Financial Supervision and Administration Bureau; Guangzhou Municipal Planning and Natural Resources Bureau)