

Study on governmental information publicity and governmental procurement transparency of Henan province

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Section one Foreword

I. The establishment basis and study object of this project

China joining the < UN Convention against Corruption > and <Governmental Information Publicizing Statute of P.R.C.> that was approved by Chinese State Department on 17th Jan, 2007 and will be implemented on 1st May, 2008 show that Chinese government will vigorously propel the innovation of economic system, simultaneously try to enhance the transparency of government in power, and strengthen the extent of preventing corruption. Under such circumstances, Henan province chose the project that was <Study on the transparency of government in power and the corruption preventing policy of Henan Province> with the emphases of working over some apparent inclination of governmental information publicity, faultiness of information publicity system construction, unstandard governmental procurement demeanour and imperfect system construction, defects in bidding and tending model and supervision and strictness system of key projects etc. and with aim of learning the experiences of governmental information publicity and governmental procurement and key product bid of Canadian government (mainly on Canadian provincial, civic, state level), strengthening the transparency of government power, improving the equity and efficiency of policy execution, improving governmental corruption prevention system and forcefully building high-efficiency and uncorrupted government.

According to the emphases and purpose of project study, it is planned to draft implementation proposal as the written document of project implementation with Canadian experts together in June of 2007 regarding the date, site, main participants, study expenditures and anticipated results of study object implementation. The anticipated results of this study project will be put forward in form of study report the policy and suggestion on governmental information publicity and governmental procurement and corruption prevention of Henan Province to the People's Congress of Henan Province and the People's Government of Henan Province.

II Theoretical logic of the project research

(1) Theoretical logic of taking the provincial government affair information disclosure as main research content

The system of making government affair information public (hereafter referred to as "opening of government affairs) refers to an institution that state administrative organs or organizations that perform their administrative functions and powers in accordance with law disclose, actively or pursuant to the application, the affairs with the exception of state secret, trade secret and

actively and individual privacy. The opening of government affairs, an indispensable system for modern democratic state, is the prerequisite and foundation of implementing democracy and legal system, playing an important role in realizing the political mobilization of the masses, expanding the participation in political affairs and promoting economic advance and clean government building.

The opening of government affairs is an important part of our country's political restructuring. The 16th National Party Congress, at the level of practicing the important thought of Three Represents and building socialist political civilization, had demonstrated clearly implementing conscientiously the system of making government affairs known to the public and improving the system of keeping the public informed of matters being handled. These measures have driven the development of the opening of government affairs, ensured the realization of the people's right to know and made promptly the government information disclosure a hot spot issue that arouse a universal concern. But for the government, a special organization above other social organizations and individuals, the strongest hindrance to the opening of government affairs always come from itself. The system of making the government affairs public is still confronted with deep-seated contradictions and difficulties, existing problems and obstacles of many aspects.

The transparency of government's administrative process and citizen participation is an important content of administrative reform in every country. The work of making the government affairs public in our country has conducted in administrative organs of township-level, county-level and city-level one after another, accomplishing excellent achievements. Authorities under the Central Government are speeding up the pace to make government affairs public. However, provincial governments who hold much more local public information resources relatively lag behind in the depth and strength of the opening of government affairs, crying for conducting problem diagnosis by means of making a survey of the current situation to further break through the bottleneck of the opening of government affairs, form a linkage mechanism between Central Government and local governments at all levels and provide reference for decision of building transparent government.

Of late years, against the major background of economic reform, struggle against corruption, carrying out governing the country by law and official duties in accordance with law, strengthening democracy at the grass-roots level and promoting national economic informatization, all localities and departments formulates some regulations concerning with the opening of government

affairs and introduced such systems of making government affairs public as public bidding, system of keeping the public informed of matters being handled and results. As Central Government, provincial governments and governments at grass-root levels are at different levels in the administration, governments of various levels, as the main part of the opening of government affairs, shall differs from each other in terms of functions. Provincial government, as the pivot linking the Central Government with governments at grass-root level, shall, in the process of opening the government affairs, be the executor of the Central Government's policies about the opening of government affairs, the director and supervisor of the opening of grass-root government affairs, as well as the exchange centrum and transmitting platform of the opening of government affairs between Central Government and governments at grass-root level.

Central Government is instructive and sets a model in the opening of government affairs for other governments. It makes the state major decision easy to be known to the public, give answers to the hot issues with public concerns and provide services related to government affair for the society by means of issuing laws, regulations, ministerial rules, normative documents and etc. meanwhile, it is the comprehensive platform for governments of various levels to publish government affair information and provide service, playing the role of aggregating information and propagandizing. Compared with Central Government, the opening of government affairs of provincial governments, as to the service target, mainly faces the grass-root governments and the public within the region, and as to the content of the opening, it emphasizes particularly on the opening of the producing process of policies, making the wishes of the higher authorities known to those below. Compared with the opening of provincial government affairs, the opening of grass-root government directly faces the civilians, laying stress on the opening of implementing policies, handling affairs and interactive channel and supervision of relief methods, paying attention to more particular things of civilians' concerns. From the public, civilians pay much more attention to the opening of government affairs of grass-root level. But the opening of government affairs of governments at grass-level is subject to that of provincial governments as respects the source of public information, the disclosed content and openness. Therefore, the feature of the opening of government affairs of provincial governments is mainly manifested in the following aspects:

Firstly, the content of government affair information disclosure has macroscopic characteristics. For the provincial governments, the center of

making what is going on at higher levels known to lower levels and vice versa, it has a more macroscopic content of opening than the government at grass-root level, of which, the direct service provided for the public and enterprises accounts for little, and the more is the coordination, direction and supervision for the grass-root government's administration.

Secondly, the mode of opening the government affair information is diversified. As the soft and hard environment of provincial government is both superior to the grass-root governments, the channel and carries for the disclosure is much more diversified, such building capacities as portal website, electronic touch screen, government affair hall and open telephone ranking higher than the grass-root governments with the exception of government bulletin. While Central Government has a better material conditions, the service target of the opening of its government affairs determine its open channel less diversified than the provincial government.

Thirdly, the opening of government affairs is of linkage. Provincial governments are the linking platform between Central Government and grass-root governments. In the discourse of government affairs, Central Government is executor, and the grass-root governments are administrator, planning and demonstrating the grass-root governments. Meanwhile, policies and regulations and institutional construction of provincial governments are the basis for grass-root government to formulate policies and the guarantee for them to advance the work.

Finally, the evaluation of the opening of government affairs is dominant. Authorities in charge of opening the government affairs under the provincial governments can evaluate the disclosure for supervision and stimulation, promoting the grass-root government opening the affairs actively than passively, legally than autonomously, materially than preventatively to put forward the opening of government affairs.

The features mentioned above determine the orientation and target of comprehensively carrying out the opening of government affairs at the provincial level from the below to the above, not only paying attention to the combination of the utilities building of governmental body, administrative approval system reform, focus of the people's concerns, rectification of the order of the market economy and the optimization of economic development environment, but also enhancing the planning, direction, evaluation and supervision of the local opening of government affairs.

(2) Theoretical logic of taking the provincial government procurement system as main research content

The theoretical basis of government procurement system is the public finance. Government procurement system is an important part of basic system of public finance. Public finance covers distribution activities and relations of government providing public goods and public service under market economic conditions. Generally, the field of public finance will be known as public service domain, that is, the government shall provide efficient and high-quality public goods and service for the whole society. Public finance shall start from organizing government revenue, arranging government expenditure, providing public goods and rectifying market failure to fulfill such functions as allocating social resources, adjusting allocation of revenue and stabilizing macro economy. The basic system is an institution covering the definition of basic function of public finance, public fiscal revenue system, public fiscal expenditure system, system of tax division of public finance and standardization of financial system.

Chinese governments have many levels from the above to the below, determining the multi-level government procurement system, which determines the following features of the provincial government procurement:

First, the content of provincial procurement is macro and instructive. As provincial government is the bridge and link between Central Government and grass-root government, the provincial procurement policy is formed and formulated not only pursuant to the national government procurement policy but also dependant on the local features. The content is relatively of more macroscopy, planning and demonstration than that of grass-root government. The direct service of it simply accounts for little, and the more is the coordination, direction and supervision for grass-root government.

Second, the activities and purpose of provincial government procurement have regional commonality, that is, the purchasing behavior of buyer or purchaser is not for resale and obtaining profit by resale, but for providing public service for the public in the region.

Third, the funds of provincial government procurement has regional commonality, that is, the procurement fund are from the provincial financial funds and that of the below or the public funds that financial funds is dominant.

Four, the purchasing process of provincial government procurement is highly organized, that is, the purchasing process is not dependant on the business manner, but on certain legal procedure as well as the basis of abiding by Government Procurement Law.

Five, with the vast scope, provincial government procurement is of clear guidance to private procurement market. Whether the nature is active or not, it

depends on the planning and purchasing behavior of provincial government.

Six, the evaluation of provincial government procurement is relatively dominant. The provincial government procurement authorities can evaluate the grass-root government procurement for supervision and stimulation, promoting the grass-root government procurement realizing the inherent function.

The function and value of government procurement market consists of three aspects, the institutional function at the first level or the footing level, the economic function at the second level and the policy function at the third level, namely the highest level. The institutional function and economic function are the basic functions. The realization of policy function depends on the achievement of the former two functions.

From the institutional function, the basic function of the government procurement market, as two types of institutional arrangement, government and market, mainly consists of the function of allocating resource, the function of improving the financial budget scientificity and establishing effective supervisory system, as well as the function of guiding market principles and orders. The means and approach of government procurement market to allocate the resources adopt competitive market mechanisms to realize the optimized distribution of public resources and market resources, thus to finally achieve the maximization of public interest. Meanwhile, the competitive mode and rule of government procurement market, open, transparent and order as it is, will be of positive guidance to the whole market rules and order, improving the order of market competition, purifying the market transaction environment, reducing the market transaction costs, thus playing a positive role in promoting the sound development and improvement of market economy.

From the economic function, the general function of the government procurement market, a market system arrangement, is mainly manifested in the following three aspects: first, minimizing the procurement cost through sufficient competition to gain more excellent products and service; second, supporting and driving the whole industrial chain including supplier, manufacturer, financial service as well as logistics and distribution to put forward the integration and growth of related industries; finally, the purchase expenditure's multiplier effect producing functions of expanding market scope, increasing government revenue and fueling GDP growth.

From the policy function, the government procurement market is that a government uses the significant share the government procurement takes up in market to adjust market and carry out socio-economic policy. Or the policy

function of government procurement market is the potential function based on its institutional function and economic function. The realization of the policy function is not only based on the premise of the fulfillment of its institutional function and economic function, but also based on the condition of policy orientation and government regulation. Synthesizing experience of some economically advanced countries, the policy function of government procurement market consists of: adjusting the national economy by expanding or contracting the purchasing quantity; implementing the policy on environmental protection and energy conservation and pollution reduction through green procurement to build environment-friendly society; providing policy support for economically underdeveloped areas and minority regions by giving proper preference and priorities to offer more opportunities for the development and promote the social harmony; supporting the development of medium and small-sized enterprises, for example, specifying their market share and preferential policy in the government procurement; protecting domestic enterprises, creating employment and promoting the development of national enterprises; Stimulating the independent innovation of enterprises, impelling advance of science and technology and exalting the core competitiveness of enterprises by preferring purchasing independent innovation products of the enterprises.

The experience of Euro-American economically advanced countries shows that government procurement market is an important tool, on which, the government depend to carry out macroeconomic regulation and control and achieve public social goal, and an important means that government effectively interferes in market and realizes its policy orientations.

Our country tried out the government procurement system from 1996. It has the functions emerged gradually from the early stage to now, having risen from the simple financial expenditure management to a tool of public policy realizing macro economy and social goal. In economically advanced countries, as for the government procurement or public procurement, the scope usually account for 10% to 15% of the GDP, and 30% to 50% of the government fiscal expenditure. Especially in the past 20 years, Euro-American courtiers have seen waves of public reform orientated towards strengthening public service, the government deepening his inference in the economy. As a means for economic regulation and realization of goals of public policy, government procurement nearly extends through to all public sectors. Especially in EU member countries where the government procurement covers the whole public domains, as long as the project involves in national interest and public interest,

the government procurement will be adopted whatever the funds come from financial budget or private investment, or whatever it is government procurement or procurement of state holding enterprise or private enterprise. At present, EU public procurement accounts for 14% of the GDP of its member countries, and taking up more much in fiscal expenditure, for example, in Germany, France, Belgium and so on, that are close to or over the 50% of the fiscal expenditure.

Over the past yeas, the scope of our government procurement has been increasing. It reached to RMB 368.16 billion in 2006, around 400 billion in 2007. but compared with the scope of actual purchase expenditure in governments and public sectors, the potential of government procurement is very great. For example, referring to the definition and caliber specified by EU for government procurement and public procurement, the scope of government procurement shall cover the procurement of public sectors such as water conservancy, source and energy, traffic and communication, the procurement of some state-owned enterprises and public funds or engineering procurement of infrastructural investment with franchise. Especially the procurement of public engineering (for example, municipal works such as airport, expressway, subway and environment treatment engineering), as the main content of government procurement in Western countries, exceeds the goods procurement and service procurement in scope, usually taking up 40% to 60% of the total scope the government procurement. However, in China, there is no special statistics of public engineering, especially the statistics of provincial level.

III Practical significance of the project study

(1) Practical significance of the opening of government affair information in our province

First, government information disclosure enables citizens to exercise their rights to know. The theoretical basis derives from the citizen's right to know. The right to know, also known as right of information, refers to citizens, legal persons and other social organizations shall, in accordance with law, have the right to know and get information about administrative act, administrative activity and working routine of administrative organs and other staff. The enjoyment of the right to know can guarantee the authority body of the province to achieve its management and decision-making power.

Second, government information disclosure is favorable to prevent the government staff in our prince from corruption. According to the regulation of Constitution on the right of supervision to state organs and staff of state organs,

the people may exercise their rights of supervision by means of legal supervision, moral supervision, administrative supervision, audit supervision and supervision by public opinion. Only by government information disclosure can the people know and hold the information of supervisee's action, can the people exercise the right of supervision.

Third, government information disclosure is helpful to ensure the standardization and high efficiency of administrative power. The process of disclosing government information is a course to hand state power back to the people. During the process, provincial administrative power becomes more standardized under the supervision of the people. Meanwhile, the operation of provincial administrative power under the supervision will promote the improvement of work behavior and working mode of government staff in our province, efficiently operating for the realization of public interest.

Four, government information disclosure is propitious to improve the government image, drive the development of harmonious Henan and Henan ruled by law. Government information disclosure contains the function of the opening of government affairs, guidance function for polices and regulations, service function for economic development and social management function. Government information disclosure ensures the government exercising the opening of government affairs and provides guarantee for the people to understand laws and regulations on an even profounder level to achieve Henan ruled by law and harmonious Henan.

(2) Practical significance of studying on government procurement in the province

Firstly, a unified government procurement market shall be formed through government regulation, accomplishing the institutional function of the market and establishing and improving market order.

As it is not long since the government procurement system has been implemented, the scope and the achieving scale of such procurement are still small, some practical problems that need to be solved being in existence. For example, some units and sectors purchase the procurement projects listed in the government procurement items on their own or entrust them to the agencies in the market; or for another example, public works that occupy quite a few proportion in total scale of public procurement market are not yet listed in the scope of government procurement. An important means to solve the problems in question is bringing the procurement of public works into the list of government procurement by strengthening government centralized procurement; and the organs of which, without self-interest orientation, will, in

accordance with law, exercise the purchasing right on behalf of government and introduce the system of checks and balances as well as the competitive market mechanisms in the purchasing activity, achieving procurement of openness, equity, fairness and transparency to make the public procurement, especially the procurement of public works sound and order.

Secondly, the economic function shall be given a play to open up new growth space for all-round harmonious and sustainable development of our province's economy.

Public economy takes a great part in the whole national economy. How to exert the function of it in our province's national economy is an important concern in the economic development. In the public economy sphere, the function of government (1) is to introduce the competitive market mechanisms to improve the resource collocation efficiency, and (2) to solve the external problems and protect the public interest. The purchase expenditure of government and public sectors and its multiplier effect play the role of guiding and driving the national economy of our province by means of the extension of industrial chain, not only representing the contribution to economic growth, but also the improvement of economic structure and raise of economic quality. Making the market and industry of public economy by government procurement will open up new growth space for the all-round harmonious and sustainable development of our province's economy.

Finally, the policy function of government procurement market shall be exerted to strengthen the government's ability to adjust and control economy and implement public policy.

It is very common in Western economically advanced countries in recent years to use the policy function of government procurement market to adjust and control economy and achieve goals of public policy. As the extent of economic globalization is being increased, and the space and means of government's adjusting and controlling market is more and more complicated, Western countries' governments attach increasing importance to employing public market to realize the government's policy orientation. While opening the public market step by step, it is a real task that how to learn useful experience from foreign countries, use the policy function of government procurement market to protect the industrial security as well as leave a deliberate operation space for the macro-economy control and the achievement of public policy goals.

Since the Government Procurement Law is promulgated and implemented in China, government, by use of government procurement, conducts quite a

number of beneficial probes in implementing national policies in terms of environmental protection, energy conservation and scientific and technological innovation, the policy function of government procurement representing preliminarily. The current pressing task is, while normalizing government procurement market and improving the achieving scale of government procurement step by step, systematically studying government procurement market, and even the operating space, method and manner of the whole public market, and establishing and improving related laws and regulations to normalize management in accordance with our province's mid- and long-term social development goal and public policy orientation.

□. **Major effect achieved since the approval, initiation and research of the project**

First, in Oct.,2007,the “Notice of the General Office of the People’s Government of Henan Province on Doing a Good Job in the Preparatory Work for the Implementation of *the Regulations of the People’s Republic of China on the Disclosure of Government Information*” was issued, which calls on all governments of municipality under the provincial authorities and the departments of the provincial people’s government to realize the importance of the disclosure of government information, enhance their sense of responsibility and urgency, actively take measures, intensity efforts on work and make earnest efforts to do well in all the preparatory work of implementing *these Regulations*. It also calls on them to compile the guidebook and catalog of government information disclosure, formulate the information open methods closely related to the interests of the public, bring the function of government websites during the works of government information disclosure into full play, formulate the charging standards and concrete measures for government information and carry on the training for working staff of government information disclosure.

Second, taking the implementation and enforcement of *the People’s Republic of China on the Disclosure of Government Information* as an opportunity, under the joint efforts of researchers of China-Canada Project, the *Circular on Printing and Issuing the Information Disclosure Guidebook and General Catalogue and the Catalog of Administrative Licensing Items of the General Office of the Ministry of Commerce of Henan Province* was initially printed and issued in document form by the General Office of the Ministry of Commerce of Henan Province on April 15th, 2008. And it decided to accept the application of information disclosure as of May 1st, 2008.

Third, the *Regulations on Henan Provincial Informatization (Draft)* was adopted at the 3rd Meeting of the Standing Committee of the Eleventh People's Congress of Henan Province on May 31st, 2008 and decided to put into effect as of Oct. 1st, 2008. *These Regulations* includes eight chapters and 46 articles, covering development planning and construction of informatization, development and utilization of information resources, development of information industry, promotion and application of information technology, information security and relevant administrative activities.

These Regulations says that the people's government at or above county level shall integrate the informatization construction into the national economic and social development planning and establish and perfect the leading coordination mechanism of informatization works; shall intensify the leading of information security, establish the coordination mechanism of emergency treatment for informatization security and improve the security defensive ability and ability of handling emergency for information system and establish and perfect the public fundamental information bank, including population, impersonal entity, natural resources, space geography and macroeconomy.

Fourth, the "Government Information Disclosure" column has been set on the portal site of Henan provincial government, covering the government information disclosure guidebook of departments of the provincial government and municipality under the provincial authorities. And the government information disclosure catalog has been proclaimed, including leaders information of the provincial government, information of its agencies, national economic and social development planning, its annual focus, regulations, the normative document of the provincial government and its general office, government work report, the provincial government bulletin, the appoint and dismiss of its personnel matters, main content of its important meetings, the emergency preplan, early warning and treatment of public emergencies, implementation of its goal and responsibility and the announce, public review and other necessary information to be disclosed during the concrete routine work .

Fifth, the Henan Provincial Department of Finance, Department of Supervision and Department of Auditing printed and issued *Circular on Conducting the Special Examination of the Implementation of Government Procurement* in document form on April 25th, 2008 and decided to go into effect in May, 2008 to further carry out the government procurement law, learn and master the problems existed in the government procurement, promote and deepen its innovation, promote the building an honest and clean government.

Section two Main problems and their reasons existing in the government information disclosure and government procurement of Henan province

I. Main problems existing in the government information disclosure

(1) Basically start the government disclosure work, yet, with different development level

According to the development level of every provincial government affairs opening in our country, it can be divided into four stages: Initial stage, the government affairs opening has not started or just begun with few provincial government having their own portal site or having single function portal site, which are mainly used to announce the government affairs information; Development stage, the government affairs disclosure works has been improved and the affairs-handling guidebook for the public has, to some extent, been open, yet, it is stilled mainly used to announce information without the interaction and communication with the public; Maturity stage, the government affairs disclosure has been greatly improved with clear goal and having some policy, regulations and system construction, however, its disclosure content and width is still need to be strengthened and disclosure to be expanded; Leading stage, the government affairs disclosure has been in sound development and the leading situation in the country and it has a dynamic disclosure of interaction and communication with the public, a disclosure based on the customer and a better policy and law support and system guarantee. The government affairs disclosure of our provincial government is still in the initial stage and remains to be improved.

(2) The concrete work has given initial results but there are still great space of improvement and perfecting.

First, the policy and regulations system has been basically formed, but not yet perfect. At present, in our province 90% departments have formulated the stipulations and documents on advancing the relevant government affairs disclosure, 72% departments have set up the spokesman system, 60% departments have established hearing system and 83% departments have set up meeting disclosure system, which signify that the policy, laws and regulations of our provincial government affairs disclosure have been on its way to form and have definite system guarantee. These laws and regulations and government rules and regulations mainly have five forms: the relevant promulgated ordinances, issued measures, formulated regulations, issued opinions and delivered notices. It can be seen that the policy, laws and regulations construction of government affairs disclosure in our province have

initially been paid attention, yet, they are weak in legislation level without authority in implementation for they are not ordinances but mostly issued by “measure” “stipulation” “opinion” and “notice”; from the aspect of organization and guarantee, they are not detailed in the stipulation of implementation department and responsible institution; on the content, the specified rights and duty for disclosure person and disclosed person are deficient and some actual stipulation are existing in oral or form with lower operability; from the aspect of procedure and form, there are a lot of confused and ambiguous points concerning the problems that occurs in the process of government affairs disclosure; on attention related to the citizens, there are no stipulations on the rights and interests guarantee , the relief path and disclosed cost of application for citizens.

Second, the disclosure content of our province is various but necessary to be further strengthened in width and depth. Concerning the disclosure content, the disclosure condition of government leadership and mechanism, policy, laws and regulations, affairs-handing guidebook, appoint and dismiss of personnel matters are in good condition; and so are the suggestions and proposals, financial information and statistical data. They are rich in content, while, they are greatly different for most of them are still in announcing the static information, such as structural establishment, leading and division of labour, policy, laws and regulations and government news. They focus on the disclosure of main body and information of government affairs activities and the interior disclosure of important information in administrative organs, while do not pay attention to the procedure of government affairs activities and the outside disclosure. Especially, the disclosure of government finance and its decision procedure have not essentially opened to the outside.

Third, our province has paid attention to the procedure construction and diversity of form, yet not standard, and the construction efforts are not enough. From the aspect of the measure and channel of government affairs disclosure in our province, the initiative disclosure is various.

The reasons for the above problems are mainly as follows:

First, the cognition of the decision maker and executors for government affairs disclosure are crucial. During its promotion, the attention being paid by the leaders and the self-understanding of civil servant are the primary factor. For all kinds of reasons, some leaders are doubtful of the government affairs disclosure and have serious “official standard” idea. They take it that it is their will of “what are the things that I want to disclose” “what are the things that I am happy to disclose”, so they hide the truth and disclose the false. They have

such kind of thinking for they do not have right but wrong public servant awareness.

Second, the weak awareness of protecting self-owned rights is the essential reason for the shortage of the public participation in government affairs disclosure. Since the development of our citizen society started late and has not formed until now, most citizens do not have awareness that the right to learn the truth of public information and the right to participation in the government management are one of their basic rights. So they do not play an effective democratic participation and supervision function in promoting our country's social democracy construction.

Third, the government departments' over-pursuit of economic benefits and departmental benefits are the economic reason for the poor working of government affairs disclosure. Since the reform and opening-up, the administrative management departments insist on the guiding ideology of giving priority to efficiency with due consideration to fairness. For a long time, the transparency of government behavior and the rights to learn the truth and to participate in activities are sacrificed for the improvement of work efficiency. For different objects, different service is provided. And on acquiring government information, there are discrimination between the public and enterprises. From the self-benefit of the government, it has no drive to disclose the information for free, while, for corruption since the general deletion of supervision.

Fourth, the shortage of fine legal environment and system platform is the core reason for the barrier existed in government affairs disclosure work. According to the institutional economic point of view and modern legal sense, the shortage of legal environment and system platform makes the government affairs disclosure like tree without roots and water without source. Without a through law system and perfect interrelated laws, such as *Information Disclosure Law*, *Individual Information Protection Law*, *Business Secret Protection Law*, *Freedom of Electronic Information Act*, *Administrative Procedural Law*, *Secrets Act* and *Archival Method*, it is impossible to change the fact that the legal environment has become the barrier of promoting government affairs disclosure work.

Fifth, the imperfection of examination and supervision system is the incentive reason for the poor performance of government affairs disclosure works. At present, the public examination of government affairs formulated by our provincial government without provisions on the evaluation index has been integrated into the unified examination and assessment of government work by

most places, which occupies a smaller proportion, is not integrated into the examination and management system of political achievements and has nothing to do with the position changing and rewards and punishments. So the public examination exists in name only and can not fundamentally promote the advancing of government affairs disclosure. During the supervision, our provincial people's congress can not effectively conduct its supervision on the government affairs disclosure works of the provincial people's government for the lack of the provisions of concrete items, such as supervision methods and content; and the social supervision channels are not smooth for the weak protection awareness of the public's self-owned rights and the existing of the bad style such as some formal methods, bureaucracy, subjectivism, conservatism and the corruption phenomenon of abusing power for personal gain.

Sixth, the insufficient of further researching the government affairs disclosure theory is the theoretical reason leading to the lack of leading for government affairs disclosure works. In academic circles, there are different understanding on the main body scope and existing form of government affairs disclosure. For example, in broad sense, its main body includes the systems of party, politics, army, court and prosecutorial office at all level, even the autonomous villager's committee, neighborhood committee and the factory committee of enterprise, which takes the Party and government organizations as the main body of the government affairs disclosure. While, in narrow sense, it takes the government administrative organs, laws, regulations, rules and authorized and entrusted organizations as its main body and in the narrowest sense, it takes government agency as its main body. The practice of taking administrative disclosure as government affairs disclosure or enlarging the scope of administrative to the scope of residents autonomy, such as village's affairs disclosure, or limiting the scope of government affairs to government agency and neglecting the laws, regulations, rules and authorized organization will go against the further development of financial disclosure system. It is obvious that the research depth and width of theoretical field on government affairs is not sufficient for its main body has had so many divergences.

II. Main problems and their reasons existing in the government procurement of our province

First, the government procurement in our province is limited in scope and smaller in scale.

In recent years, the government procurement has developed rapidly but still a smaller scale. In 2007, the costs of government procurement has reached 18

billion Yuan, accounting for more than 11% general budget expenditure of the whole provincial finance; however, the problems of lacking of variety of items and unreasonable proportion of structure, which do not mainly concentrate on the items of goods, projects and labor services but the special appropriation allocated by the finance to buy office equipment and vehicles, to repair some project and buildings, make it impossible for the government procurement to fully play the function of saving financial funds.

Second, the government procurement procedure is not perfect and efficient. The budget of government procurement is the foundation and key link to conduct the procurement work and the most crucial part. While, the following problems are still existed in the practical work of government procurement budget: firstly, the disconnection of government procurement budget and department budget, which have not been synchronously compiled, appears to be the separate arrangement, compilation and reporting to leaders of actual compilation and department budget; then, the compilation of government procurement budget is simply, roughly and carelessly made without sub-integrating the public expenditure items into government procurement catalog and making concrete illustration for the purchased products and operability; finally, there is no operable annual government procurement plan. The procurement departments conducts work according to the time of funds allocated by the financial appropriation without planning and operability, which lead to hand-to-mouth buying, small amount buying and repetitive purchase without time and scale plan. Besides, the complicated and cumbersome government procurement of our province leads to the inefficiency. It is manifested as the execution cycle of procurement items affected by the unsmooth application and disbursement links of procurement funds and the long time cycle of applying funds; and the one-sided understanding of the government procurement procedure. Most people think that the government procurement only includes the procedure of bid opening and evaluation, yet, a complete government procurement procedure shall include a completely strict and standard process, covering the formulation of project budget and plan, the executive plan of procurement items, the information and announcement, the checking of suppliers' qualification, the selection of experts, the determination of board of review, the making of bid evaluation standard, the bid opening, evaluation and determination, the publication of notification of award, the contract signing, execution and acceptance and funds payment.

Third, the rules and regulations system is not complete. Since the implement of government procurement system, the issuing of a series of

regulations and system including *Government Procurement Law* in succession has reinforced the effect of government on the using procedure of financial funds and effectively restrict and standardize the government procurement behaviors. However, since the assorted implementing rules has not been issued, the government procurement in practical operation are still very standard and strict, especially for the unsmooth management system and separate operation, which has not only affected the quality and efficiency of government procurement and fair competition but also caused corruption and will affect the quality and credit of government procurement at last.

Fourth, the quality of personnel for government procurement shall be rapidly improved. For the government procurement covers various professional knowledge, such as economy, trade and science, which are greatly different from general purchasing, so the management implement and bid evaluation personnel shall not only be familiar with financial business but master many kinds of knowledge and skills, such as bidding and contract management. While, the staff of government procurement are mostly from financial departments, who are far from professional requirement. With the continuous advancement of our government procurement, a huge group with professional knowledge will be needed, which will affect the establishment and development of our government procurement system.

Fifth, the information channel of government procurement is not smooth. With the development of our national government procurement, the information announcement system has been gradually established in our province and played a more and more important role. However, the existing problems from different aspects during information announcement have, to some degree, affected the transparency and justice of government procurement work. It mainly covers: the necessary information is not announced. For example: the local government procurement policy and regulations, which should be issued all over the country for social supervision and suppliers' knowing, are not nationally announced for the local government think that it has nothing done with the other areas; The medium used for information announcement is not perfect. Some local and professional governments do not announce information on the appointed medium but the local or professional medium and some governments charge the procurement agencies for information fees, which make the information announcement much more complicated and difficulty. The unsmooth information channels of government procurement fail the effective information sharing.

Sixth, the supervision and examination on government procurement shall be

urgently strengthened. At present, for various reasons, in some areas the personnel of the management mechanism and operation mechanism of government procurement are the same. So they are not only in charge of managing and supervising function but directly participate in the procurement activities, which lead to serious hidden danger and vacancy in the supervision and management of government procurement, go against the mutual check and supervision during its relevant links and be liable to cause corruption. Therefore, the establishment of a perfect supervision mechanism is much more necessary and urgent.

The reasons for the above problems are as follows:

First, the unfamiliarity of laws and regulations. Since the implementation time of government procurement in our country is not very long and the employed personnel do not learn and research and are not familiar with the relevant state laws and regulations, they do not know what kinds of procurement methods should take for concrete items during purchasing, and they even consider it as the simple buying of several kinds of office supplies; they do not realize that the scope of government procurement includes the financial funds, covering the newly-built, extension, re-structure, fitment, garden and park afforestation and printing service.

Second, the common understanding of procurement is not all-around. Some purchasers do not understand the procurement work completely and are unwilling to conduct the work in accordance with *Government Procurement Law* but manage to make accommodation and avoid public bidding. Some even consider the government procurement as one of their right and are afraid of losing it by bidding; and some even think that the public bidding will be out of control and damage their benefits.

Third, the professional procurement personnel in the group of the government are insufficient. In most government agencies, government-sponsored institutions and social groups, especially the basic units, the procurement personnel are not familiar with the procurement method of buyer's market formed in market economy, such as tending and bidding, contract, business negotiation, market survey and knowledge and skills related to commodity, project and service, but the method formed in planned economy and shortage economy. For the lack of a great number of procurement management cadres and professional personnel that are familiar with international general procurement methods, the quality of procurement can not be ensured because the basic problems can not timely solved.

Fourth, the procurement procedure is not standard and there is no

reasonable and effective supervision system. In the procurement activities of central and local governments, the phenomenon of carving up the market and discriminating suppliers often occurs. In some areas, the local governments use barriers between localities and department monopoly to preventing the other suppliers from bidding, and there are also black case work and other non-specified problems. The various supervision mechanisms has not suitable for this new development and the suitable corresponding supervision and management system has not been formulated yet, which cause the lack of effective supervision, management and control for government procurement works.

Fifth, the suppliers are not familiar with the operating method of government procurement some suppliers show an attitude of in-adaptation even spite and make false accusation on purchasing agent and some professions limit the agents or branches to compete in order to gain monopoly profit.

Sixth, the weak conception of carrying out the law. During the government procurement, some purchasers are unwilling to carry out things in accordance with the concrete provisions and requirements but show a pragmatic attitude, handle affairs by preconception and randomly apply the government procurement methods.

Seventh, disliking the trouble and saving trouble. Some purchasers would like to choose its own purchasing ways for they consider the public bidding too minute and complicated and time consuming; and some purchasers will try his best to simplify formalities, reduce time or appeal for self-purchasing and be unwilling to operate in accordance with the specified procedures and standard even they have accepted public bidding.

Eighth, deliberately avoiding the supervision of government procurement in order to make private gains. For the understanding gap, ideological neglect, indefinite penalties, unfinished concentrated payout system of national treasury, the failure of financial departments to control the violation procurement behaviors and the weak control of government procurement, quite a number of legal procurement catalogs have not been integrated into the government procurement.

Section III Experience on Canadian Governmental Information Publicity and Governmental Procurement

I. Experience on Canadian governmental Information Publicity

(I)The construction and achievement on Canadian Governmental Information Publicity

Through on-spot exploring, we know that the construction of Canadian governmental information publicity has made great achievements. Its E-governmental level was ahead of Singapore and U.S. in 2001, leading the first position in the world.

1. Seeing from the course of Canadian governmental information publicity, Canada implemented E-governmental earlier, employed great measures, developed fast and made obvious effects.

Between the end of 80 ages and the beginning of 90 ages of 20th century, Canada has paid great attention to the application of information technology in the working field of governmental affairs, exploring great deal of applied software. In 1994, Canadian Minister of Industry put forward the strategic framework of constructing information freeway; Federal Government built the government network connecting individual province on the Internet in 1995; and put forward Interconnecting Canada Program in 1998 on the basis of information freeway construction. Up to 2007, Canada has become the country with the highest interconnecting level. Its main contents consist of six aspects that are Canada online, government online, electronic business, brainpower community, Canada content online and connecting world. According to the statistics, at present, email transferring system in Canadian government is one of the biggest governmental LAN in the world where everyday email can amount to 6 million, the rate of telephone, cable TV and internet users in Canada respectively achieve to 97.2%, 68.4% and two thirds. The weekly online time per capita is 9 hours, which is much higher than that of other countries.

2. Seeing from the angle of management and strategy, E-governmental is the core content of Interconnecting Canada Program.

Canadian federal government sets up The Chief Information Officer (CIO) which is responsible for government information work under Financial committee. CIO is mainly responsible for whole programming of government information, leading and coordinating the application of IT technology in government, drawing up related policy and standard, etc. CIO has several departments that are respectively responsible for infrastructure facilities and system construction, government online project, trans-department coordination, security technique development, project management, strategic plan, IT government procurement reforming and so on. All departments of federal government have equipped the charging director of information and special working institution, drawn up the long-term strategic plan and current-year implementing program, specified the strategic goal and task of

government information development, and put forward specific requirements for such aspects under government informationization as information infrastructure facilities construction, security system, governmental information resources management, informational project management, human resources and IT government procurement, and invested large amount of outlay used in Government Online project construction.

3. Seeing from the routes of government information publicity, Canadian government information publicity fully displays in the construction of Canadian Government Online (GOL).

Specifically speaking, the routes of GOL mainly lie in the following four aspects:

(1) Providing governmental affairs services with human nature.

Firstly, categorizing and organizing government information and services according to the theme and content. Canadian federal government network classifies information and services into three aspects which are services to individuals, to enterprises and to non-Canadians. Services to individuals are sorted according to subjects such as treatment & health care, and personal income tax or users type such as young people and the elders; services to enterprises are classified according to one enterprise's managing and trade procedures, providing related information and services from registry, employment, exporting to tax-paying. The third type of services provides information and services for non-Canadians according to tourism, study, investment, business trading and foreigners caring Canada.

Secondly, providing government policy and statute, working flow, services and bulk normal tables online.

Thirdly, making government network easily identified and look through. The federal government has issued criterion of Common Impression, requiring all government networks to use the same reviewing interface and format, maintain the appearance and content consistent in order to be used conveniently.

(2) Providing online channels that the public can join the governmental affairs.

Firstly, opening up online forum, encouraging the public to discuss governmental affairs (such as the forthcoming policy) and online consulting. Emails for online consulting need to be replied within one working day.

Secondly, to solicit public opinions toward implementing government online. Federal Financial Committee has set up the government online consulting team in which members mainly come from the general public,

enterprises, scientific research, education departments and other institutions and are responsible for providing suggestions and guidance for online services, and simultaneously encourage the public to join online investigation and put forward suggestions in such aspects as security, browsing availability, content management and individuality of online system.

(3) Providing reliable online services.

Firstly, Government Online builds security channels and constructs security platform including effective depositing and withdrawing control, firewall, encrypting technique and so on by adopting a series of world-leading security technique solving plan. The level of authentication service technique in Canada keeps ahead in the world. Government Online Public Key Infrastructure (PKI) can provide digital signature, identity acknowledgment and empowering permission service, owning good security protection measures.

Secondly, to protect personal privacy. In the light of related principles of Federal Government Privacy Act and Personal information Protection & Electronic Document Act, Government Online has to make sure that users' personal information and privacy needs to be respected and protected while personal information can not be used or publicized due to some non-related purposes. Government network needs to make announcement when collecting information, and lets users know which kind of information will be collected and how that will be used.

(4) Providing services for all citizens.

Firstly, free choosing of service channels. Online service doesn't exclude traditional government services such as mail, facsimile, telephone, face-to-face, etc. The public can choose different channels according to their habits and liking.

Secondly, choice of language. All government networks provide two official languages that are English and French simultaneously.

Thirdly, helping the poor get into internet. Canadian government started up Community Connecting Project, constructed large amount of internet connecting terminals in towns and out-of-the-way community of rural areas, and provided free services and technique training program for the poor, avoiding generating digital gap as soon as possible.

4. Seeing from the participation of public, Canadians show great passions regarding government online services.

According to the introduction, Canadian Federal Government internal network has above 5 million clicking rate per week. Employment information net has above 200000 visitors per day. 70% of internet users visited

government network. 90% Canadians think they could receive better government services through internet while 80% have the opinion that investment on government informatization is appropriate application of taxation. 90% consider that Government Online could propel innovation of government management. Canadian Government Online makes use of the advantages of internet high-speed exchanging so that it has provided the public and enterprises with better, quicker and more convenient services, reducing trading costs of the society and bringing much broader economic & social benefits, and further gaining universal support of the public.

5. Seeing from the characters of Canadian governmental information publicity, it has the following five aspects:

(1) Vigorously building E-governmental with the public as the focus. Improving government services with the public as the focus is one of the core worth of Canadian governmental information publicity, and also the viewpoints stressed by Canadian government officials. That all is for the public and satisfying public needs has become the final goal pursued by Canadian governmental information publicity. This guiding thought is not only displayed on the programming of government informatization, but also fulfilled on network construction, network design, content organization and information service by extending the internet to every corner around the world so that every Canadian can receive government online service at any time anywhere. Residents can dialogue with the government at home. In terms of information service, Canada guarantees citizens' rights of acquiring governmental information in the form of law, restricting government institutions' rights of freely deciding not to publicize information. The publicity of governmental information is principle whereas non-publicity is exception. Governmental information is common property so that everyone enjoys the right of acquiring equally. If the government refuses to provide the information that the applicant asked for, it is responsible for giving reasons. Otherwise, the government has to take on legal responsibility.

(2) Planning infrastructure facilities construction of governmental information as a whole. With an aim of breaking the current state that each department constructs information infrastructure facilities by itself, avoiding repeated investment and waste, and building integrative infrastructure facilities of governmental information, CIO was the leader putting forward strategic IM/IT infrastructure facilities plan. Afterwards, Canadian government has drawn up strongly operational Federal system plan of information infrastructure facilities and sharing system plan, together building main information

infrastructure facilities such as security system, electronic catalogue, common impression, email system, public channel management, network interconnecting, etc. for public use.

(3) Strengthening information project management indeed. Aiming at such problems as the lack of competent management personnel, the lack of project tracking and progress evaluation management, current government procurement measures lack agility and pertinence on the aspect of IT product procurement along with the problem that enterprises lack understanding toward governmental affairs, Canadian government has reformed the management policy and program of information system construction project, putting forward Enhanced Management Framework for IM/IT (EMF) in order to help each department better manage information project, improve the successful rate of project investment, and also demand that all Federal government departments have to implement their information system with any scale according to such framework.

(4) Uniformly drawing up the technique standard of governmental information. At the time of planning information infrastructure facilities as a whole, Canada has marked out a series of technique standard of governmental information in order to guarantee the interconnecting opening-up and convenient use of governmental information. The standards include eight categories that are data exchanging and media, data base and file, information management, service and application of operating system, program language and software project, quality guaranty, user environment, the application and management of network services. These standards not only suit development orientation of Canadian industry, but also join with international standard, making specific definition from complicated data exchanging agreement among different manufacturers' system to the stipulation of simple data format and owning strong manipulation. For example, the format of Internet common impression standard emailing governmental officials must include the name, unit, title, contact number, fax, postcode and address of sender, and require uniformed manner (such as unit' sign). Besides, Canada has also drawn up management policy of governmental information resources, unified the plan evaluation, collection and publicity, exploration and utilization of information resources in order to exert the maximal effect of governmental information resources.

(5) Paying high attention to the problem of network security. Canadian government has been leading the first position in security system construction and made greater investment on building PKI system structure (composed by

Policy Management Administration (PMA), Central Confirmation Framework (CCF), First-grade CA, Local Registry Administration (LRA)) and security channel (composed by a series of hardware, operating system, middle insert, applied software, network framework, operating environment, etc.). At the same time, a series of legislation, statute and policy has put into effect, such as Information Acquiring Act, Privacy Act, Canada Secrecy Policy, Canadian Government Public Key System Certificate Policy, Public Key System Management Method and Canadian Government Public Key System Intercrossing Validating Method & Principle, etc. These measures not only promote the publicity of governmental information, but also improve the efficiency of utilizing, simultaneously protecting the privacy of citizens, strengthening the credibility of network users so that the Canadians can deal with all affairs online without worries.

(II) Features of Canadian Governmental Affairs Releasing

Canadian governmental information releasing system has the following three features:

First, it has for the first time defined that: the public has right to require any information from the federal government and the governmental authority is obliged to make decision against such request. This provision has changed the nature of American governmental affairs releasing fundamentally, since before its enactment, the releasing wholly depends on the government's discretion, and the governmental authorities rarely release any information except those favorable to them. The Freedom of Information Act has changed this situation from the root and in accordance with this Act, the government must release all its information to the public provided that such releasing do not impair the national interests and social or individual interests. Such a system not only guarantees the public right to information but also place the governmental acts under public supervision, effectively preventing corruptions.

Second, it has set forth the "Freedom of information is now the rule and secrecy the exception" principle. That is to say, all governmental information should be released except those expressly prohibited by the law. Regarding this, the law has set forth nine exceptions: (1) classified document; (2) internal personnel rule and system; (3) exceptional information subject to other laws; (4) business secrets; (5) Intra-governmental relation; (6) individual privacy; (7) documentations of law enforcement; (8) financial system; (9) geological information.

Third, the governmental authority should state its refusal reasons if it refuses a specified request of the public. Meanwhile, the applicant may

propose for review against such matter to the head executive and if such review is rejected, the applicant may lodge a judicial review against the court and once the legal proceeding starts, the governmental authority should be responsible for the burden of proof.

III. Canadian Governmental Procurement Experiences

(I) Achievements in Governmental Procurement

1. Canadian governmental administration system decides the major governmental organizations involved in governmental procurement

Canada as a British federal state administers 10 provinces and 3 territories. Its government administration is divided into federal government, provincial government and municipal government and the federal government share powers jointly with the local government. The federal government mainly presides over national defense, diplomacy, international trade, banking and finance, post, telecommunication, emigration, aboriginal aiding and federal taxation; while the provincial government is responsible for public affairs such as education, sanitation, medicine, mining, forestry, transportation, real estate, civil affairs or otherwise and levy provincial taxes.

The most prominent feature of Canadian governmental administration system is that each provincial government is an independent federal sovereign government. The provincial government doesn't subordinate to the federal government, the central government and local government are independent from each other, and the provincial government has independent personnel and financial rights. The municipal government is subject to the administration of provincial government without direct subordinate relation with the federal government.

Canadian governmental procurement started in 1990s, and along with the increasing expansion of economic scope, it has developed a relatively perfect governmental procurement system. In view of the rights and limits of examination and approval against the governmental procurement, three departments are involved, one is the demanding sector (departments of central or local governments); the second is the executing sector (Public Works and Government Services Canada and provincial procurement committee); and the third is Treasury Board responsible for procurement expenditure examination, approval and supplementary grant. Owing to their different responsibilities, the procurement rights of the three sectors differ accordingly.

(1) Public Works and Government Services Canada (PWGSC)

Public Works and Government Services Canada as the largest buying authority in Canada presides over the administration against over 100

governmental authorities, and products procured range from bookmark, stationery to automobiles, boats, buildings and airplanes, and it also undertakes various service works such as building maintenance and decoration, management over state-owned assets and auction of governmental public assets, etc.

Public Works and Government Services Canada as a key sector of Canadian federal government provides public services for federal authorities, performs the buying responsibility of federal government and owns the exclusive buying right. For the moment, there are 1700 staff members working for this authority. It has three parts as Direct Branch, Territorial Branch and Special Operation Bureau. The Direct Branch is further divided into Operation Sector, Cooperative Implementation Sector and Real Estate Sector; the Territorial Branch has five sectors as Atlantic, Ontario, Pacific, Quebec and West sectors; while the Special Operation Bureau has Evaluation and Auditing Department and Translation Sector. Its major responsibilities include: materials procurement and supply, training to the purchasing staff of each departments; public works; allocation of federal governmental offices and maintenance to properties; payment of employees' wage; plan and coordinate related communication services, etc. Each provincial government and municipal government has their independent and centralized buying department to presiding over the buying matters.

According to statistics by the Public Works and Government Services Canada, the buying amount of the top ten clients of the Public Works and Government Services Canada reaches 17.5 billion CAD, of which, 9.748 billion CAD for the Ministry of National Defense, 4.870 billion for the Public Works and Government Services Canada, 1.079 billion CAD for Canadian business corporations, 525 million CAD for Veterans Affairs Department, 286 million CAD for the Ministry of Justice, 261 million CAD for the Ministry of Health, 223 million CAD for Mounties, 194 million CAD for Treasury Board, 172 million CAD for the Social Development Canada and 169 million CAD for Correctional Services Department.

Those spent most according to the Public Works and Government Services Canada from 2004 to 2005 are airplanes and aeronautical engines (1.978 billion CAD), automobile and data processing software consumables and technical supports (1.349 billion CAD), etc.

A special organ is designated to in charge of the procurement for the provincial government and the buying policies shall be enacted by the provincial government and enforced with approval granted by the provincial

Congress. For concrete procurement, special organ shall be designated to undertake, or other social intermediate agency shall be assigned to undertake if the organ fails to handle it.

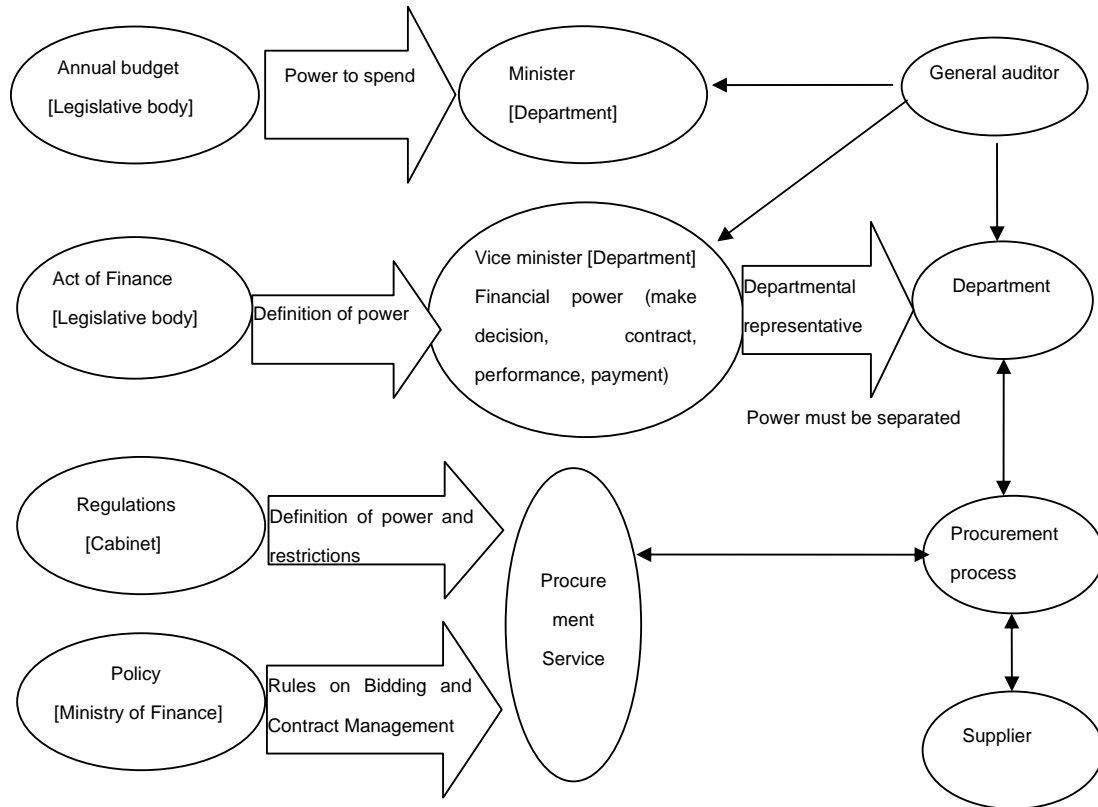
(2) Treasury Board

It is a board in charge of expenditure approval and income allocation. As a statutory board in the cabinet, all policies or proposals involving fiscal expenditure should be approved by the Treasury Board separately. The Board presides over the governmental finance, personnel and administrative affairs and prepares policy framework for accounting, auditing and evaluation, contracting, financial management and other fields. It is deemed as the general manager of the government and the general employer of the public servants. It makes policies in the above fields, review and approve the expenditure plans and proposals and then appraise the implementation of such approved plan. The board president is responsible to enforce the policies and plans approved by the cabinet and provides necessary resources and an executive environment for performing corresponding works.

Treasury Board Secretariat: it is an executing agency under the Treasury Board and perform responsibilities of the Board, including: support ministers of the Board; ensure the quality and integrity of financial control system and processes; make financial management and control policies; take charge of internal audit and make appraisal standard; propose guide requirements against the monthly financial statement and the implementation of annual public account for the cashier-general. The Treasury Board Secretariat is under the leadership of Secretariat General, who reports to the Board President. Secretariat General also serves as Comptroller General and plays a vital role in supporting the cabinet in expenditure review committee. The Treasury Board Secretariat has a budget office and administration committee, the former takes charge of the expenditure management system, evaluating fiscal expenditure and management and reallocating funds; that is challengeable matters in whole; while the latter is responsible for establishing and monitoring the administration policies.

2. Severe Vesting Processes Regarding Governmental Procurement Power

Governmental procurement as a governmental act has a set of processes involving power assigning, monitoring and controlling. (Refer to the figure below)



Empowering in Canadian governmental

The legislative body decides annual budget and grants powers to each department to spend money, and then it enact the Act of Finance to detail the power to money and specifies in respect to what to purchase, how to sign a contract, how to review the supplier's performance and how to pay. However, even in the same department, powers of the four aspects shall be enforced by different branches. The general auditor shall supervise the ministers, vice ministers and branches within the department.

The provisions made by the governmental cabinet has specified the powers of the competent procurement department; meanwhile, the Ministry of Finance has stipulated certain policies to restrict the acts of the Procurement Service through formulating bidding and contract management rules. Therefore, there are corresponding rules, laws and regulations to standardize the acts of the Procurement Service, the buying department and supplier involved in a certain procurement.

3. Sound Governmental Procurement Laws

Laws and regulations applicable to Canadian governmental procurement are Act of Finance, Act of Idle State Assets, Canadian Shipping Act,

Information and Privacy Law, Act of Public Works and Government Services Canada, National Defense Working Act, World Trade Organization Agreement, North America Free Trade Agreement and Domestic Trade Agreement, and the latter three are the most influential ones.

Domestic Trade Agreement is a trade act jointly signed by the federal government, provincial government and territorial government to remove domestic trade barriers and it took into effect on July 1, 1995, covering the federal government, Yukon Territory, Northwest Territories and all provinces. This Agreement has made detailed stipulations on governmental procurement, and it applies to procurement of goods amounting to 25000 CAD or above or procurement of services and building construction amounting to 100000 CAD or above, but expressway construction project, athletic sports, investment, health, social services and procurement involving aboriginal culture or national security affairs are not among them. Moreover, it also applies to all federal departments and their agencies, including some state-owned enterprises, such as Museum of Civilization, Canadian Art Collection, Museum of Natural History, Science & Technology Museum, National Defense Construction Company, National Fund Committee, Queen Bay West Land Company, but the senate, House of Representatives and National Aeronautics and Space Administration are not included.

North America Free Trade Agreement is an act about foreign matters and international trade jointly signed with the United States and Mexico and it came into effect in January, 1994. This Agreement requires the three governments involved to grant citizens of the three countries national treatment in the opening procurement market, and its limit of procurement amount is 32400 CAD or above for procurement of goods, 84000 CAD for procurement of service and 10.90 million CAD for procurement of building construction. The North America Free Trade Agreement applies to over 100 departments and authorities in Canada, but the senate, House of Representatives, the Prime Minister's Office, Canadian Aeronautics and Space Administration, National Film Board and Security Service Canada are not among them. Besides, Canada Post Corporation, Museum of Civilization and Museum of Natural History and other 7 state-owned enterprises are not included in the Agreement.

World Trade Agreement is a multilateral agreement concerning governmental procurement that came into effect in January, 1996. It has been signed by Canada, European countries, the United States, Japan, South Korean and Israel. It applies to procurement of goods and services amounting

to 245000 CAD and building construction amounting to 9.4 million CAD or above. Its applicable organs include all federal governmental departments and their agencies, but the House of Representatives, the Prime Minister's Office, Canadian Aeronautics and Space Administration, National Film Board, Information Security Bureau, Project Group of Developing Countries of the International Development Association and fewer state-owned enterprises are not included.

Generally speaking, procurement involving national security, products produced by the disabled or correctional workers are outside the North America Free Trade Agreement and World Trade Agreement. The following conditions decides which Agreement shall be applied as to a certain procurement: first is procurement amount, second is the concrete user while the third is the special restrictive clauses to goods or service procurement.

4. Major Procurement Policies Decided

Major procurement policies in Canada:

Policy concerning industrial and territorial interests: provide a framework levered by federal procurement to accelerate realization of the industrial and territorial development objectives;

Aboriginal priority: the contract shall be released among the qualified aboriginal suppliers, provided that the aboriginal suppliers are qualified and can supply goods and services pursue to the good contracting specifications.

Complete land right agreement: including certain governmental contract obligations, PWGSC should abide by these obligations pursue to the law, and such obligations shall be applied when supplying procurement of goods, services or building construction within a specified area in CLCA.

Green procurement policy: include the environmental performance factor into procurement decision procedure to promote environmental protection and support sustainable development.

Canadian origin policy: it encourages development of Canadian industries, that is to restrict the competing opportunities within Canadian goods and service suppliers in certain conditions.

5. Developed Governmental Procurement E-Business Measures

In the central government, the e-business been developed speedily since 1990. PWGSC currently has launched a special website for governmental procurement to enable people access information such as "Governmental Cooperative Opportunity" and "Canadian Contract" , and the one with highest click-through is the MERX electronic bidding system.

MERX electronic bidding system is an electronic bidding service system

developed by Zimbra and its title is possessed by Mantreal Bank Group. In January, 1997, the federal government has introduced the MERX electronic bidding system from Mantreal. This system can process 1200-1500 purchase orders daily and provide 1000 new business opportunities weekly. For the moment, MERX system can operate 24 hours a day and 7 days a week and can be rolled out in English and French. It has set up websites such as Choose to Sell, Click Supplier, E-tendering, Online Transaction and North America News for the moment. Currently, MERX system is the buying resource and information center of Canadian government and is the major business information source for large, medium and small enterprises in Canada.

The operational feature of MERX system is that it connects the supplier with the federal government or provincial government or municipal government and the buyer of hospital or school, so wherever you are, you can enjoy this convenient online shopping activity. And what's more, MERX system enables the suppliers to compete fairly by starting at the same base line and enjoy equal business opportunities of governmental procurement.

MERX system can establish bidding documents and provide necessary information for clients, find relative commercial opportunities and provide them inquiry service for business, for instance, What has the federal government bought before? What is the name and value of the contract? In addition, it also can provide bidding documents used by users to identify suppliers and help them judge who are competitors and who are cooperators, as well as provide online support and service including providing foreign governments and other organizations opportunities for procurement.

Strictly speaking, as an online service system, MERX system issues governmental contracts on the Internet with the purpose of attracting more potential suppliers to engage in procurement. According to speculations of the federal government, MERX system must be used to serve various trade activities by any department. Service department must advertise through MERX system for print service valuing more than 10000 Canadian dollars, goods and service procurement valuing more than 25000 Canadian dollars, communication service valuing more than 50000 Canadian dollars, leasing and maintenance of real estate valuing 60000 Canadian dollars, and procurement for construction and engineering consultant service valuing more than 80900 Canadian dollars.

Nowadays, more and more governmental sectors in Canada use MERX network system in trade activities and annual capital turnover reaches as high as 5 billion Canadian dollars. MERX system has been the biggest central

electronic bidding system in Canada, almost all information for government procurement can be found in this system. Experts have predicted that 5000 buying institutions would trade with 100000 suppliers through this system in Northern America in the following few years. And the federal government also predicted that purchase quantity in service and construction procurement would increase to 8 or 9 billion Canadian dollars in the following few years if MERX system is used.

6. Basic principles for government procurement

The contract principles and aim announced by Canadian Public Works and Government Service Department include the following 5 aspects:

1) Honesty: The supply activity pursues the principle of openness, fairness and honesty;

2) Client service: Try best to meet operative requirements of PWGSC clients and try to gain the best value from every procurement process meanwhile.

3) Nationwide aim: The supply activity pushes socio-economic policies established by the government in the limit speculated by the nation.

4) Competition: Competitive procurement is adopted in the process, with a couple of exceptions.

5) Equal treatment: All potential suppliers for procurement shall be given equal treatment.

Generally speaking, fairness, directness and the property of service are the basic principles of Canadian procurement system.

The fairness of procurement system demonstrates how the government makes merchants and clients have trust in it and this provides all suppliers equal supply opportunities. Open tendering is the main mode of this system, and equity, fairness and openness are basic characters of this mode, for example, announce procurement requirement to the whole world; definitely confirm the qualification of merchant and qualification evaluation method; reveal the successful bidder to the public; accept the supervision of auditing department; suppliers can take an appeal as legal procedure if they are not satisfied with buying behavior of the government, etc.

Directness means that the procurement authority (Canadian Public Works and Government Service Department) directly buy goods and service from outside and financial department directly pay suppliers. Directness can fully exert the advantage of scale procurement and utilize market competition mechanism in order to optimize the utilization of national finance capital, and eliminate corruption and bribery, illegalities for personal gains and other

immoral behaviors.

Service property of procurement system means that the procurement authority should buy goods and service with low prices and high quality for every sectors of the government and provide them a series of service ranging from establishment of procurement program, procurement organization to bid invitation and tender management, etc. Government procurement can unify consumptive behavior of every department and public units so that national goals and programs could be concretely and effectively implemented.

During the process of government procurement in Canada, sole sourcing may occur. According to government purchasing ordinances, the contract authority must enter into a contract through bidding procurement if any condition below occurs:

- 1) Any emergency occurs. Especially the emergency delays and infringes upon the public interests;
- 2) The monetary limitation is observed, i.e. 25000 Canadian dollars;
- 3) Bid is against public interests;
- 4) Only one person or supplier has the ability to fulfill the contract.

7. Standard government procurement flow

1) Confirm procurement requirement. Mainly confirm clients and suppliers, amount of procurement fund, procurement aim and purpose, etc, meanwhile, consider whether procurement has conflict with trade agreement, and what impact it will bring to local economy.

2) Establish procurement policy. It includes how we should procure and select procurement methods, and confirm suppliers and their qualification, as well as applied laws and terms.

3) Selection of procurement method. Be clear about it is competitive procurement or noncompetitive procurement. Many government procurements in Canada are competitive procurements and carried out through MERX system. While noncompetitive procurement is carried out through contract signing beforehand. Make the information on the Internet first, during the period of 15 days, potential suppliers can challenge the specified supplier. Once any advantageous enterprise appears, they have to enter the competitive procurement.

4) Evaluation, appraisal and negotiation. Evaluate and appraise suppliers and the object as stipulated standards, even noncompetitive procurement.

5) Contract approval. The authority, service department or finance committee exam and approve procurement program according to sots of

goods and amount of procurement fund, as well as management rules concerned.

6) Contract signing and payment. If every condition qualifies, sign the contract and pay money at appropriate time.

7) Contract management. This is an important track after the procurement ends. Any dispute can be solved through contract Claims Settlement Commission or litigation if it occurs during the process of fulfillment of the contract. Generally speaking, the process goes like this: Accept project approval ---- Prepare bid documents ---- Confirm bid documents ---- Accept feedback --- Bidding evaluation ---- Confirm procurement mode ---- Procurement ---- Goods delivery and acceptance ---- Payment --- Contract management.

8. Strict management of government procurement contract

There are 3 modes of procurement contract in Canada, goods contract, service contract and construction contract.

Good contract is the contract for purchasing articles, equipments, goods, materials or supply, including printing contract or presswork reproduction contract, as well as making and maintenance contract of vessels or goods.

Service contract is the contract concluded for supplied service, exclude the agreement concluded for hiring a person to take charge of one item as an officer, or to be an employee for this project.

Construction contract is the contract concluded for building, repair, renovation and maintenance activities, excluding making vessels, but including supply and construction of prefabricated structure, dredging, ruin treatment, as well as large activities needing leasing equipments.

Supplier and client have different responsibilities during the process of contract management, while at the stage of contract quality guarantee and crisis control, they have the same responsibilities. As for suppliers, contract management also covers price negotiation, contract modification according to condition and environment changes, as well as contract termination on the precondition of default by the other party. Therefore, in order to guarantee the quality of contract, the Canadian government makes regulations that the managing officer should randomly exam the fulfillment of contract and clients should be satisfied with the result of sampling inspection in general; procurement contract should be fulfilled as planed and management rules, during the whole process of contract management, contract supervisor, price analysis officers and regional contract managers keep an eye on the quality of contract. In addition, the fulfillment of contract should accept inspection and

supervision of auditing department to ensure demonstration of real openness, equity and fairness.

Canadian government has a series of effective solutions to contract disputes. Disputes occurring on the condition of the other party not entering the World Trade Organization Agreement can be resolved through 4 methods: 1) Contract Appeals Council, This method is mainly used by the state-owned enterprise in Canada. If the enterprise has any doubt about the council, it may make an appeal. 2) Contract Dispute Advisory Committee. This is a nonbinding arbitration agency and chairman of the committee often offer methods and suggestions for ministers to resolve contract disputes occurring in their departments. 3) Prosecution. Usually, contract disputes in state-owned enterprises are resolved by the Federal Courts of Canada. 4) Selective dispute resolution regulation. This is the management rule usually used by Canadian government in handling procurement contract disputes.

If two parties are both members of the World Trade Organization Agreement, the dispute is mainly resolved through "Canadian International Trade Tribunal (CITT)". The trade tribunal accepts any form of appeal and arbitration on the following few preconditions: 1) It must be the appeal of the supplier himself (goods manufacturer); 2) Appeal can be made at any stage of contract fulfillment. The supplier can lodge a complaint to the court if he has any doubt about confirmation of procurement requirement, establishment of policy or selection of procurement mode; 3)The client must give an notice to the supplier if he has doubt about the contract and decides to lodge a complaint within 10 days after the goods are delivered. Presently, the Supply Operation Department concludes about 35000 contracts each year, of which there are 7000 or 8000 contracts existing the risk of being sued. The Supply Operation Department can win suits mostly; the defeat only occurs when the department makes mistakes, lacks for information sources and is not clear enough about evaluation standards.

(II) Main Characters of Government Procurement in Canada

First, complete frame of government procurement agency. As a series of mutually restrictive procurement mechanism, the Canadian procurement system includes not only the Procurement Bureau, but non-governmental organizations like Treasury Board, Ministry of Finance, Public Works and Government Service Department, as well as non-governmental organizations which perform operation and supervision, such as national defense construction company, Canadian Procurement Management Association, PPI consulting firm and MERX support system, etc. Such organizations and

institutions play roles at different aspects during the course of government procurement, restrict each other and strengthen restrictive and monitoring functions at the aspect of organization structuring. The government procurement has been carried out for such a long time in our province. During this period, we have gained great achievement and found some problems, and the most noticeable is the management system is not reasonable and relation between relative departments is not unclogged. Therefore, we must standardize management and smooth the relation between relative departments to facilitate government procurement. At the same time, we should establish a reasonable and effective government procurement and management system through learning from Canadian government procurement system.

Second, construction of government procurement laws and systems. Canadian laws and rules relative to government procurement includes 3 administrative levels: law, rule and policy, which restrict the behavior of operation bodies and monitoring agency relative to government procurement in order to guarantee its equity, openness and transparency and restrict the malversation in the course of government procurement. Government procurement came into our country and was put into application after 1980. We have consciously learned and applied this effective managing system, but comparatively we have fallen behind greatly in law and regulation construction. No matter macro government procurement or micro market access or operation qualification system can not meet the requirement of development. So, strengthening legislation construction of government procurement and administrating government procurement according to law are a major task facing us at present.

Third, improvement of operation on government procurement. We have learned that Canadian government procurement system is worth learning through studying and understanding it. Although we have studied electronic bidding system, government procurement technique of our province falls behind comparatively; even in some areas it is quite primitive. The birth of knowledge economy, coming of information era, and especially the wide application of electronic business technology in our country urgent us to master and use this effective and convenient method as soon as possible in order to promote procurement efficiency and achieve the real aim of government procurement.

Fourth, improvement of government procurement group. The Canadian government purchasing staff must accept strict training after entering procurement department. Each new member has to accept the training of

“Procurement 101” and “Professional Ethics”. In addition, Canadian Procurement Management Association also provides a scientific series of training classes to guarantee the quality of procurement group. The construction of people is the key to success; a good system shall be carried out by a qualified group. Therefore, we must speed up the study of government procurement knowledge and training of relative skills during the course of establishing an honest, diligent, pragmatic and efficient government and pushing the government procurement. Presently, the quality of current government procurement group can not meet the requirement of ever changing procurement activity. So, we should actively create condition to improve the quality and basic skills of current procurement staff as we greatly absorb and cultivate the professional procurement staff with the purpose of leading government procurement to the road sound progress.

Section Four Main policy, measures and suggestions of our province for Canadian governmental information publicity, governmental procurement and corruption prevention

First, To enhance the idea of taking people as principal. The information publicity of Canadian government at Federation, province and municipality at all levels fully reflects the characteristic of taking people as principal and serving the public. At present, the construction of informatization and E-governmental affairs in our province has passed its large-scaled infrastructure stage and had perfect foundation for the information publicity of governmental affairs. The departments at all levels should take “people as principal” as the first target of governmental affairs information publicity.

Second, To establish regulations and system for the perfection of governmental affairs information publicity and E-governmental construction.

The complete system is the premise of governmental information publicity. After seeing about the construction of Canadian information publicity, we found that all aspects related to governmental affairs information publicity have exhaustive law regulation. Simultaneously, the rule regulates that any actions disobeying the law have to be seriously punished. The specific regulation and rules have set a certain criteria for the action and channel of information publicity. Therefore, at the same time of studying the experiences of Canadian information publicity, we must pay attention to system construction of governmental information publicity of Henan province, continuously improving the current state of our relatively laggard system regulation.

Third, insist on legal management and take good social environment for

the legal system as the guaranty to fulfill system of all aspects.

Canadian information publicity has strong legal guaranty and most of them was carried in legal framework including information publicity and private protection, governmental function of all departments and information resources integration, construction and management of E-governmental affairs etc. Simultaneously, high-efficiency work cooperation system is taken as supplement. Besides legal framework, all departments ensure the realization of information publicity through mutual negotiation and agreement. Additionally, during the visiting time, we felt that Canadians had strong sense of obeying the law and strong responsibilities of protecting the law. This kind of good legal environment in the society cultivated people with a good habit of obeying the law self-consciously so that there would not be any man-made obstacles during the implementation of legal system. Thus, paying attention to cultivation of legal environment and building a guaranteed mechanism of put system into practice are necessary in current stage of building a harmonious Henan society.

Fourth, governmental information publicity needs great attention paid by chief leaders from each level of governmental departments.

Governmental information publicity is a complicated system project. The successful experiences of Canadian governmental information publicity tell us that to guarantee the successfulness of construction of such kind of complicated system needs great attention paid by chief leaders from each level of governmental departments. At the same time, it needs to form a unified recognition within the department and between each other, forming atmosphere and unified forces, and still should firmly grasp governmental information publicity which is regarded as the big affair of the government, making good policies for people and people-oriented spirit, building a harmonious society, and constructing a transparent, democratic and ministrant government.

Fifth, It must build organizational guaranteeing system and completely coordinate management mechanism.

The experiences of Canada tell us that Canada has set up a organizational system capable of assuring the smooth advancement of information publicity at the very beginning of governmental information publicity since every institution had specific duties and relatively completed & coordinated management mechanism. Herein, it should consolidate unified leading, carding departments' relationships, promote the work of lawmaking and programming, perfect organizational institutions, set up the mechanism of

supervising and inspection, and further accelerate the pace of information publicity.

Sixth, Put the focus of governmental information publicity on serving the public and enterprises.

The experiences of Canada show that developing information publicity is a critical measure of realizing the change of governmental function from managing-oriented to serving-oriented. Canadian government has the opinion that the direct changing and reform of governmental management function is very difficult, thus the level of supervising and putting policy into effect during the course of serving the public can be improved through information publicity. The governmental information publicity in Henan province also has to be in the light of the requirement of scientific development concept, putting the reflection and protection of the public's basic rights on the first position, and regarding serving the public as the fundamental theme of constructing our governmental information publicity, relying on governmental information publicity to build a transparent, democratic and ministrant government through serving the public.

Seventh, giving prominence to resource integration, programming information publicity according to the function of governmental services.

The experiences of Canadian governmental information publicity display that building information publicity with the department as the center could possibly lead to further monopolization among departments. Therefore, governmental information publicity has to break out the limitation among different governmental departments, following the principle of "Governmental Integrative Online Service" provided by the government for enterprises and the public, and providing different kinds of services all-ranged through unified network. At present, governmental affairs information publicity in Henan still has problems at different ranges such as departmental separation, self-formed system, mutual occlusion, etc. with a serious disposition to build governmental information publicity regarding department as the center. The proposal of governmental information publicity put forward by each department always concentrates on the function of its own department, if not integrated, the repeated construction of informational infrastructure facilities of each department will be more serious, and will form more "Information Single Island". Therefore, it needs to further make unified programming, thoroughly break out the initial mode of building governmental information publicity with the department as the center. According to the real demand from enterprise and citizens, we should really solve the pressing problems concerned by enterprises and the public, improving the benefits of governmental information

publicity as a whole.

Eighth, strength standard construction

It is necessary to collect and unify the construction and management of information resources but the original data collection and the information application are separate and various in fact. Facing to this fact, the information classification and application catalog of our province must be scientific and standard soon to improve the practice and operation in fact work. When international general standard is adopted, Canada pays much attention to standard construction of infrastructure. E.g. in its construction of geographic information system, Ontario establishes and develops NRVIS application software to achieve the unified management for database and to realize its purpose of collection, processing and data exchange in unified standard. At present, the standard construction of informatization and E-governmental affairs is urgent to be enhanced, especially, the standard application system of information resources management with independent intelligent property should be developed greatly and the metadata standard developed in database management, and the construction of informatization standard should be quickened really. To put out the unified standard of national information resources construction as soon as possible, focus on the construction of some large topic information foundation database involving national resources and benefit, and really transfer information resources into comprehensive national power. Meanwhile, focus on the development of some standard application software of processing and management of information resources with independent intelligent property, promote and apply them by legislative and administrative means to put standard unification into work means and course and to practically quicken the construction of informationization standard.

Ninth, Strengthening propagandizing and training, improving the participation of civil servants toward information publicity.

Canadian information publicity pays great attention to propagandizing and training, making civil servants not only become the users of system, but also positive participators of system construction and maintenance, which plays an important role in national informationization. In recent years, Henan has made a series of outstanding efforts in strengthening information-based training of civil servants, but as a whole, civil servants' applied capabilities of information technique and recognizing level toward information publicity can still not meet the needs of social development. They are lack of sufficient recognition toward the meaning of information publicity. Thus, to succeed in information publicity

needs to change the initial concept and idea, strengthening propagandizing and forming a cultural environment suitable for the development of information publicity. It also needs to draw up the training and examination standard for information publicity, build the network for knowledge spreading and training of information publicity, and cultivate more information-based civil servants.

Tenth, Building the result and evaluation system of governmental information publicity.

Canadian information publicity highly pays attention to result evaluation and total management on projects. Currently, E-governmental affairs project in Henan province does not have a suit of complete and scientific tracking evaluation system with lower level of in-all management level. It is necessary that on the base of learning the good experiences of information publicity from developed countries, we have to formulate a result evaluation system for governmental information publicity which suits our provincial situation, scientifically complete and operational. At the same time, it needs to gradually improve the level and strength of supervision.

II. Main policy, measures and suggestions in governmental procurement of our province

First, the departments at all levels should pay much attention to governmental procurement and really strengthen the leadership

It is not enough to just rely on the financial department to smooth conduct the government procurement. The key point is support from the Government. Without the support from leaders of all levels of government, government procurement will be very difficult to do a good job. On the one hand, governments at all levels and departments should take government procurement as an important part of corruption against; the government should help government procurement department to raise the awareness from a high degree of discipline and the degree to fight against corruption, especially to help raise the awareness of leaders; The Government procurement should be listed in the annual comprehensive assessment for each year, so that all units will attached great importance to the work of government procurement. On the other hand, to increase government procurement "infrastructure" construction, increase the investment to the procurement agencies, improve the government procurement system construction in order to create a good environment for government procurement.

Second, Strengthen the engineering supervision for the government procurement in accordance with the law.

It is suggest that project procurement should be included in the government

procurement. The government will do the organization and coordination works with the construction department to ensure the government projects procurement will do a good job. Make the projects Procurement as a part of the government procurement is not meant to replace the other departments. You could keep the management system and project implementation under the premise of increasing financial management tools. The government could intervene the projects procurement from the preparation of the government procurement budget, issued a tender notice, submitted to the procurement contract for the record, implement the economic and social policies, the implementation of project funds paid directly involved in the project and other aspects. That will makes the project procurement both in accordance with the "Bidding" implementation and also in line with the "Government Procurement Law". Then the project procurement will be truly integrated into the implementation scope of the "Government Procurement Law".

Third, Strengthen the government procurement budget constraints and strengthen government procurement planning.

Government procurement budget should unification with the layout of the department budget, prepared at the same time and implemented together. In the preparation of departmental budgets for the next fiscal year, those goods, projects and service which is in the centralized procurement according to the law or those above the standard limit procurement should make the departmental budgets to ensure the integrity of government procurement. At the same time, strictly ensure the department's budget for science and seriousness. Once the government procurement budget approved, it must be strictly enforced and can not be changed. If there are objective causes need to adjust the budget, it has to follow the regulations of approval procedures to avoid unplanned and ultra-procurement plan.

Fourth, Build a big government procurement market with the provincial city are the radiation center.

Bring into full play the role of radiation from the provincial cities. Build up rules and systems, integrating existing resources, implement the models of joint city and county, joint with counties, a joint regional single market and so on for the government procurement business. Try to make the government procurement market share physical markets, share information resources and share human resources in order to fully reflect the scale of government procurement.

Fifth, Establish the restrict regulations to separate the management functions and the operation functions.

According to the "Government Procurement Law", the financial department is a supervision and management department of government procurement. But the current government procurement management and enforcement system do not meet the spirit of the legislation for "Government Procurement Law". The situation that the province's government procurement center in the financial department should be changed. The duties for the supervision and management department of government procurement and the procurement center should be classified clearly to reach the goal of completely separating from financial Department and setting up procurement center in accordance with the law.

Sixth, Research and implementation of the national industrial policy and give the government procurement to play a macro-control functions.

Develop a regional approach to the specific operation combined with the actual situation in our province. Try to purchase the goods with the domestic intellectual property rights or products which is produce or assembly in China based on the equal conditions. For the projects and services, the government procurement contract awarded priority to national suppliers. The procurement should priority consider the Environmental protect products, energy-saving products and products from the less developed regions and ethnic minority areas. Enhance the competitiveness of domestic enterprises and the potential for further development, reflects the direction of government policy in order to achieve the goal of economic restructuring and play the role of macro-control.

Seventh, Increase publicity to improve the overall quality of the parties of the government procurement.

Increase publicity and education to the procurement people, strictly stop variety of improper tendency in the procurement process to create a fair environment for procurement. Increase the publicity and education to the suppliers, training suppliers in the law-abiding awareness and also strengthen suppliers' Sense of self-protection and rights awareness. At the same time, enrich the work force in government procurement, some professional, comprehensive high-quality technical talent to replenish the ranks of government procurement in order to improve the overall quality of the existing staff and standardize the act of government procurement staff. On the premise of the conditions are ripe, exploration licensing system for government procurement, to make the government procurement building in the track of standardized management. Constantly strengthening the mutual supervision and mutual restraint between the people who make government procurement.

Eighth, Strengthen the detail management to the government procurement

process

In strengthening the management of the procurement of government procurement, further standardize the government procurement at the same time to reach the goal of doing the procurement in accordance with the law. Strengthen a wide range of exchanges with other provinces and municipalities to pay attention to the analysis and self-examination of a typical case of government procurement. To ensure the results of government procurement are scientific and rational on the premise of ensure the government procurement process and the outcome are legal. In order to conform to the trend of development of information technology, increase government procurement information technology and information management and strive to carry out on-line purchasing, on-line office and on-line supervision and management. Strengthen the government procurement management and Integrated management from the whole process of government procurement, blocked the holes happened in the course of government procurement and deal with a variety of serious violations against laws and regulations.

Ninth, Practice the territorial management to ministry and the provincial government procurement unit

In view of the convenience of government procurement operations, funds settlement, contract management, after-sales service situations, it is suggest that the district centralized purchasing agency to make the procurement and managed by the procurement management department in the district.

Section Five The Ending

There are big differences between China and Canada in terms of social system, economic development level, cultural core concept and the level of social civilization. The western culture originates European federal culture that establishes the core concept of deeming human rights to be the top. This concept puts individual right ahead of collective right, individual choice ahead of national choice, which establishes the cultural foundation of Canadian democratic policy system. The core idea of eastern culture emphasizes that individual interest obeys collective interests, partial interest gives priority to collective interests and national interest is on the highest position, and focuses on unified leading and organizational discipline which are impersonal facts and the fundamental difference between eastern and western culture so that we have to respect the fact. However, at the same time, the level of Canadian governmental information publicity and E-governmental construction achieved good results of which too many experiences are worthwhile to learn. We have

mentioned before so there's no need to repeat.

Integrating the whole visiting procedure, whether on governmental information publicity or governmental procurement, we still feel that one problem needs to be stressed which is function completeness and construction of the governmental internal network. The internal network as one cut-in point of government informatization is a platform for integrating governmental information publicity. All resources of governmental affairs publicity come from that platform. Seeing from this angle, the internal network and E-governmental affairs are consistent in essence. The internal network is the window of displaying E-governmental affairs service, and the most direct symbol of measuring E-governmental affairs. In order to fulfill the goal that is "Creating a transparent government, building a ministrant government, and creating a democratic government to better serve enterprises and the public, making the public participate in public affairs management more widely" put forward by Premier Wen Jiabao in government working in 2005, it's necessary that paying great attention to the construction governmental internal network. Otherwise, all is nonsense.

Additionally, it should be noted that the members of research team have been dedicating to the reference of the experiences of Canada in governmental affairs information publicity and E-governmental construction and governmental procurement since the beginning of this project to nowadays. In form, the relative department documents closely to the above content and the decision from People's Congress have been obtained, which is necessary for the work development in the future (refer to the relative contents in foreword) , and in practice, The experience from Canada is still in combination with the fact of our province and referred and applied continuously.

The success of The People's Government of Henan Province delegation visiting Canada this time is due to the direct care from provincial leaders and great support from provincial related departments. Through learning, communication and on-spot observation, we widen the field of our vision, think about problems, strengthen strategic sight, enrich our experiences and methods and learn new knowledge, therefore we've gained a lot. We hope further strengthen the efforts on visiting and training abroad, and get more training & exercise through "Going Abroad" and "Inviting Inside", making more contribution for governmental information publicity and governmental procurement in Henan province.

Circular of the General Office of the People's Government of Henan Province on Doing a Good Job in Preparing to Implement the *Regulation of the People's Republic of China on the Disclosure of Government Information*

No. 107 (2007) of the General Office of the People's Government of Henna Providence

All sections of people's governments of municipalities under the jurisdiction of provincial People's Government and the provincial people's government:

According to the requirements of the Circular of the General Office of the State Council on Attaching Efforts to Preparing to Implement the *Regulation of the People's Republic of China on the Disclosure of Government Information* (GBF(2007) 54, hereafter referred to as "Circular") , in order to conscientiously implement the *Regulation of the People's Republic of China on the Disclosure of Government Information* (Decree No. 492 of the State Council, hereafter referred to as "Regulation") , which is to be carried out on May 1, 2008 and make the earnest efforts to de well the disclosure of government information of our province, We hereby make the following notice on relevant issues:

I. Being fully aware of the significance of the disclosure of government information and strengthening the sense of urgency of giving efforts to the preparation for implementing the Regulation

The publication and implementation of the Regulation is an important move to promote socialist democracy and consummate socialist legal system and a major part to improve the socialist market economic structure, set up a harmonious society and form an administrative system featuring standardized behaviors, coordinated operation, fairness and transparency, honesty and high efficiency. The implementation of disclosure of government information is of important significance to transforming government functions and establishing service government. The preparation of carrying out the Regulation is pressed for time, but has heavy task with high requirements. All sections of municipalities under the jurisdiction of provincial government and the provincial

government shall be fully aware of the significance of the disclosure of government information, strengthening in the sense of urgency and responsibility, taking active measures to made great efforts for the work and performing well the whole preparation of implementing the Regulation as much as practicable.

□. Implementing the main working task in the Regulation

(1) Preparing the guides and bibliographies of the disclosure of government information. The preparation of such guides and bibliographies is the key to doing well the disclosure of government information and making the government information easy access for the public in accordance with laws. All sections of governments of municipalities under the jurisdiction of provincial government and the provincial government shall take time to draw up such guides and bibliographies of the local part and sections in accordance with the Regulation. According to the spirit of the Regulation, the information of this government since it is established shall be put more stress to disclose from the near to far in time. A scientific definition shall be given the government information to decide which part can be disclosed and which can not in accordance with the laws and regulations such as Law concerning Safeguarding State Secrets of the People's Republic of China and the Regulation. That subject to those that can be disclosed shall be integrated into the disclosure bibliography. As the disclosure of government information is strict in policy, difficult in implementation and of heavy of task, all sections of people's governments of municipalities under the jurisdiction of provincial People's Government and the provincial people's government shall start such work as soon as possible and make sure that such guides and bibliographies can be finished before the end of March, 2008 and published on government's website and relating places for consulting government information May 1, 2008.

(2) Making information-disclosing method closely related to the interests of the masses. Relevant authorities of provincial government shall comply with the Regulation to devise measures of disclosing the information of public institutions and enterprise units that are closely related to the interests of the masses, such as education, health care, family plan, water supply, electricity supply, gas supply, heat supply, environmental protection and public transport

before the end of March, 2008 to make sure the prompt publication of relating information.

(3) Giving a full play to the functions of government's website in the disclosure of government information. Government's website is the legal carrier and the first platform of publishing and disclosing the government information. All sections of governments of municipalities under the jurisdiction of provincial government and the provincial government shall give attention to and lay stress on the establishment of government portal website to enhance the support system of content safeguarding and set up special column of disclosing government information, making it easy for the public to access and utilize the disclosed information. Meanwhile, the network facilities of such locales as archive and public library to shall be made a good use to set up public retrieval point of government website, giving play to radiating service function of the government website.

(4) Making charging standards of providing government information on the basis of application and its special measures. The competent pricing department and the financial sectors of the provincial government shall, in accordance with the division of their functions and responsibilities, promptly make the charging standard and its special measures of such cost price as retrieval, copy and mailing when providing the government information on the basis of appliance. The competent departments and financial sector of all level shall practically strengthen the management and strictly standardize the charging.

(5) Carrying out training of working personnel who disclose the government information. Every part and sector shall adopt measures to train the working personnel who engage in the disclosure of government information, improving their abilities and level to do well the disclosing work. The main content of the training comprises: the significance of implementing disclosure of government information, the basic content of Regulation, related confidential knowledge, compilation of guides and bibliographies of the disclosure of government information, handling of application for disclosing the government information, preparation of annual report of the government information disclosure, policy consulting, related matching measures and work specification and so on. The administration colleges of all levels shall treat the

Regulation as the important content of civil servant training, actively coordinating with the local government to do well the related training.

□. Efficiently strengthening the leadership and establishing and improving the government information disclosure working mechanisms and rules

(1) Strengthening the leadership and arranging special force to develop the specific work. According to the requirement of Regulation, leaders of the provincial government specify the general office of the provincial government as the department in charge of the government information disclosure, the network management of the general office of the provincial government as the routine work organ, establishing government information disclosure coordinating meeting system to coordinate the work concerned with government information disclosure.

All sections of governments of municipalities under the jurisdiction of provincial government and the provincial government shall assign one comrade taking responsibility for the government information disclosure and put effective effort to strengthen the leadership, assuring the smooth progress of all kinds of work. The government office of every municipality under the provincial authorities, as the competent department of local government information disclosure shall efficiently shoulder the responsibilities of promoting, directing, coordinating and supervising the government information disclosure within the local region of administration, appointing the routine work organ that is in charge of the government information disclosure as soon as possible. The office of every department of provincial government, as the mechanism in charge of the government information disclosure, shall promptly designate personnel to undertake the routine work. Government of all levels shall guarantee the expenses needed to government information disclosure.

(2) Establishing and improving the government information disclosure working mechanisms and rules

1. Working mechanisms active disclosing government information; define the responsibility, procedure, disclosing method and time limit requirement and etc. of the active disclosure of government information.

2. Working mechanisms disclosing government information in accordance with the application; specify the concrete requirement of the flow and time limit

of such links as acceptance, examination, handling and reply of disclosing government information in accordance with the application.

3. Confidential censorship of issuing government information; define the information that can be disclosed and that can not, and formulating audit program, responsibility and method of investigation, and etc.

4. Improving the press release and institution of government spokesman, strengthen the initiative and authority of the government's releasing information.

5. Supervision and accountability system of government information disclosure; establish and improve supervision and guarantee system of government information disclosure; as for the appeal about the government information that are not legally disclosed proposed by citizen, legal person or other organizations, the competent authorities, superior administration and supervisory department shall accept and conduct a prompt investigation.

6. Report, examination and appraisal system of government information disclosure; the government information disclosure annual report system shall be established, as well as the and the examination-evaluation system combined the public appraisal and routine supervision of supervision body and competent authorities. The government information disclosure shall be integrated into annual work object for examination, but also brought into the government website performance evaluation index system.

(3) The government information disclosure shall be timely reported to exchange the work experience. The general office will irregularly report the government information disclosure in manner of the Trends of Government Information Disclosure for the exchange of experience to promote the work.

All sections of municipalities under the jurisdiction of provincial government and the provincial government shall, comply with the spirit of the Regulation and the Circular, loose no time developing all kinds of work about government information disclosure and submit the leaders of local part and department in charge of the government information disclosure and routine work organs, person and contact and the contact phone in charge of the government information disclosure to the general office of provincial government (Contact phone:0371-65908070) before Oct. 31, 2007. The provincial government will conduct an inspection to the preparation of

implementing the Regulation of all sections of municipalities under the jurisdiction of provincial government and the provincial government at the end of March, 2008.

The General Office of the People's Government of Henan Province
Oct.9, 2007

Annex II:

Regulations on Henan Provincial Informatization

(Adopted at the 3rd Meeting of the Standing Committee of the Eleventh
People's Congress of Henan Province on May 31st, 2008)

Contents

- Chapter I General provisions
- Chapter II Development planning and construction of informatization
- Chapter III Development and utilization of information resources
- Chapter IV Development of information industry
- Chapter V Promotion and application of information technology
- Chapter VI Information security
- Chapter VII Legal responsibility
- Chapter VIII Supplementary Provisions

Chapter I General rules

Article 1 These regulations is formulated and enacted in accordance with the provisions of relevant laws and administrative regulations and by combining practical situation of Henan province in order to strength informatization construction, standardize informatization management and promote economical and social development.

Article 2 Theses regulations are applicable to the informatization planning and construction, development and utilization of information resources, development of information industry, promotion and application of information technology, information security and relevant administrative activities within the administrative division of Henan province.

Article 3 The principles of overall planning, resource sharing, scientific development and safe and reliable shall be insisted on during informatization construction.

The haphazard funding and construction of redundant projects shall be avoided during informatization construction.

Article 4 The people's governments at or above the county level shall incorporate informatization construction into the national economic and social

development plans, establish and perfect the leading and coordination mechanism of informatization works, intensify policy guiding, promote the science and technology development and technical innovation of modern information, encourage the cultivation and introduction of informatization talents, carry on the propaganda, popularity and education of informatization knowledge and advance the informatization process.

The people's governments at or above the county level shall, in accordance with practical situation, allocate funds for the informatization development to promote and guide the informatization construction. The enterprises and institutions and individuals shall be encouraged to increase the funds invested on informatization development.

Article 5 The administrative departments in charge of informatization under the people's governments at or above the county level shall be in charge of the guiding, coordination and management work of informatization within these regions of administration.

The relevant departments, such as development and reform, finance, public security, science and technology, communication and broadcast television, under the people's governments at or above the county level shall, within the limits of their respective functions and responsibilities, coordinate and get done with the informatization works.

Article 6 The activities, such as scientific research, promotion, application and service relevant to informatization taken by citizens, corporation and other organization shall be encouraged, and their lawful rights and interests shall be under the protection of law.

Chapter □ Development planning and construction of informatization

Article 7 The establishment of informatization development planning shall start from the practical situation, scientifically predict the economical and social development need of this region of administration and make overall coordination to make the informatization construction scale and level fit for the economical and social development level and link with relevant planning.

Article 8 The administrative departments in charge of informatization under the people's governments at or above the county level shall, in accordance with the informatization planning made by higher authorities and

the national economic and social development planning of this region of administration, jointly compile its informatization planning with relevant departments and come into force after being submitted to and approved by the people's governments at the corresponding level.

Article 9 The administrative departments in charge of informatization under the people's governments at or above the county level shall, in accordance with the informatization development planning, compile the infrastructural construction planning of public information, such as communication network, computer network and broadcast television network within this region of administration together with the administrative departments in charge of communication, broadcast television, city planning and construction, and the planning shall be incorporated into town and country planning by the corresponding people's governments at the same level.

Other relevant departments shall, in accordance with the informatization development planning of this region of administration, compile its special planning of informatization and be submitted to the administrative department in charge under the people's governments at the corresponding level for record.

The newly-build, rebuild and extension of public information infrastructure shall be in accordance with the requirements of planning and interconnect and intercommunicate with the relevant infrastructure.

Article 10 For the informatization projects using or partially using financial funds for construction, the investment department in charge shall, prior to examination and approval, organize experts to make assessment on the project together with the informatization department in charge at the corresponding level, and the informatization department shall make suggestions according to the planning.

For the important public fundamental informatization project or information security project invested and constructed by non-financial funds, the construction unit shall, after legally going through the relevant construction procedures, be reported to the local informatization departments in charge for record.

Article 11 The systems of project entity responsibility, supervision of project, tendering and bidding and quality responsibility shall be established in accordance with the law for informatization project construction.

Article 12 The units of design, construction and supervision in the field of computer message system project shall start business within their quality level after acquiring the corresponding certification in accordance with the national requirements.

The construction units responsible for computer message system project shall choose the correspondingly qualified design, construction and supervision units.

Article 13 After completion of informatization project, the acceptance shall be made in accordance with the national and provincial relevant requirements and shall deliver for use after acceptance.□

Article 14 The quality warranty system shall be used for informatization project. Therefore, the units undertaking informatization project shall take guarantee responsibility for the project. And the length of warranty shall in no case be less than two years from the date of completion and acceptance of the project.

Article 15 The administrative departments in charge of informatization under the people's governments at or above the county level shall, together with the departments of development and reform, finance and auditing, conduct supervision and examination on the implementation of informatization project and use of funds that belong to informatization development planning and using financial funds for construction.

Chapter □ Development and utilization of information resources

Article 16 The administrative departments in charge of informatization under the provincial people's government shall together with relevant departments compile and perfect the development standard and contents system of provincial information resource and lead the reasonable development and utilization of information resource.

Article 17 The people's governments at or above county level shall establish and perfect the public fundamental information bank, including

population, impersonal entity, natural resources, space geography and macroeconomy.

Article 18 The state organs shall establish and perfect information exchange mechanism of government affairs and realize the intercommunication of internet and resources sharing.

Article 19 The state organs and social community service units shall establish resource pool of service information and application system, provide relevant information for the information exchange platform of government affairs in accordance with the principle of resource sharing and exchange system and update them in time.

Article 20 The development and utilization of information resource shall make sure the prevention of intellectual property, business secret and personal privacy.

Citizens, corporation and other organization shall have the rights to the relevant information by asking the units and individuals that using their information, and have the rights to apply for modifying and clearing up the false information.

Article 21 The following information, unless otherwise specified in the laws and administrative regulations, shall be published on the public information website on government affairs at the time of the information coming or 20 working days within the information change for the units' and individual consultation:

1. Local law, regulations and other specification documents;
2. Structural establishment, function, responsibility and procedure followed in doing things of state organs;
3. Proceedings, foundations, conditions, notices for applicator, quality, procedures, limitation, implementation body and result of administrative license;
4. Items, standard and criterion of charge;
5. Other government affairs which shall be open in accordance with laws and regulations.

Chapter □ Development of information industry

Article 22 The people's governments at or above county level shall, in accordance with the need of informatization development, establish the relevant policy and measures and guide and promote the development of information industry.

Article 23 The people's governments at or above county level shall gradually establish and perfect the investment mechanism of information industry, cultivate and develop the market of information technology transfer and intellectual property transaction and encourage domestic and foreign enterprises, other economic organizations and individuals to invest into information industry.

Article 24 The people's governments at or above county level shall encourage and guide enterprises to increase the investment into the development of information technology and shall provide key support for the information technology and products that have self-owned intellectual property.

Article 25 Where concerning the design, manufacture and software development of electronic information products, it shall be produced and developed in accordance with the related requirements specified in *Standardization Law of the Peoples Republic of China*.

The material, skill and technology having high level of resources utilization, easy recovery processing and environment protection shall be used for designing and manufacturing electronic information products, yet, the used products with noxious substance, harmful substance or element shall be strictly controlled.

Article 26 Enterprises and individuals undertaking the manufacture, software development and information service of electronic information products shall enjoy the related preferential policy, whose concrete measures are formulated by the people's government.

Chapter V Promotion and application of information technology

Article 27 The administrative departments in charge of informatization under the people's governments at or above county level shall organize and compile application guidebook for information technology promotion, determine the target and major field of generalization and application,

establish and perfect the generalization and application system and organize and implement the key generalization and application project in accordance with the principal of introducing and promoting advanced achievements and self-renovation.

The administrative departments in charge of informatization under the people's government of Henan province shall publicly announce the electronic information products and software product catalog with self-owned intellectual property at fixed periods,

Article 28 The E-government affairs network shall be provincially unified.

The business application system of state organs at all levels, which can not have the aid of internet, shall rely on the provincial unified network platform of E-governmental affairs. The completed special network shall be adjusted in accordance with the planning and standard and wired in the unified network.

Article 29 The people's governments at or above county level shall compile the informatization development guidebook for enterprises mainly based on small and medium-sized business, encourage enterprises to apply information technology and promote the technology advancement and industry upgrading.

Article 30 The people's governments at or above county level shall formulate concrete promotion policy and measures, guide the rural generalization and application of information technology, intensity the information infrastructural construction in countryside and the training of informatization knowledge for farmers, establish and perfect information service system in countryside and provide farmers with information service.

Article 31 The social public service units, including transportation, meteorology, environmental protection, hygiene and disease control, social security and public utility shall accurately, timely and completely provide the information service related to the public productive life and gradually start business by the application of information technology.

Article 32 Colleges and universities, professional institute and society of information technology and other units and individuals with generalization and application service ability of information technology shall be encouraged to legally conduct the activities.

Article 33 The people's governments at or above county level shall take measures to promote the electronic commerce activities of enterprises and individuals by the help of information network.

The units and individuals undertaking business operations with the help of internet shall publish their entities' information, the corresponding approval certification, service regulations and flow having acquired.

Chapter □ Information security

Article 34 The people's governments at or above county level shall strength their leading of information security works, establish the coordination mechanism of emergency treatment for information security, improve the security defensive ability and ability of handling emergency for information system.

The departments, including informatization, public security, national security, secrets and communication management, shall, in accordance with the relevant regulations of the State and Henan province and within the limits of their respective functions and responsibilities, get done with information security works.

Article 35 The units in charge or run units of information network and system shall, in accordance with the regulations of the State, determine their own security level of information network and system and conduct the corresponding construction of security system.

The information security products used for information network and system must be legally certified and approved and shall be planned, designed, constructed and put into operation in the same time with the information network and system project. Besides, the necessary funds shall be incorporated into project budget.

The information network and system related to state secrets shall, in accordance with the relevant regulations of the State, be confidentially ensured.

Article 36 The security evaluation for information network and system of state organs and relevant social public service units shall be conducted by the information security evaluation agencies approved by relevant state departments in charge. And they shall be used only after qualified evaluation. The evaluation agencies shall be responsible for the test result.

Article 37 The units in charge or run units of basic information network and important information system shall establish and perfect information safety responsibility system, determine management personnel for information security, set up information security management system, formulate emergency preplan for information network and security and ensure the safety running of information network and system.

Article 38 The fabricating, copying, publication, download or dissemination of information in terms of information network shall be in accordance with relevant regulations of the State.

Article 39 No unit or individual may use the network and information system to damage the interests of the Ste, the public interest and the lawful rights and interests of citizens, artificial person and other organizations, hazard the security of information network and system and scatter and spread illegal and harmful information.

Chapter VII Legal responsibility

Article 40 Where the working staff in the administrative department in charge of informatization and other relevant departments take irregularities for favoritism, abuse his authority and neglect his duty during the informatization supervision and management works shall be given administrative sanctions by his unit or supervisory department according to law; if he commits a criminal offence, he shall be investigated for criminal liability according to law.

Article 41 Where a unit using financial funds to construct the project of computer information system contract the project to the disqualified unit shall be ordered to remedy by informatization department in charge; if the unit refuse to remedy or cause serious results, the person in charge and other direct responsible person shall be given administrative sanctions by the department in charge or supervisory department according to law; if he commits a criminal offence, he shall be investigated for criminal liability according to law.

Article 42 Where a unit concerned, in violation of the provisions in paragraph two of Article 12 of these Regulations, fails to acquire the corresponding qualification but undertake the design, construction or supervision of computer information system project shall be ordered by the

administrative departments in charge of informatization to make rectifications, confiscated the illicit gains and imposed a fine of at least the amount of and no more than three times the amount of the unlawful income; and the confiscated unit shall be imposed a fine of at least 2000 Yuan and no more than 10 thousand Yuan.

Article 43 Where a unit concerned, in violation of the provisions in Article 20 of these Regulations, violates other persons' intellectual property, business secret and personal privacy during the process of developing and using information resource shall in conformity with law bear the legal responsibility.

Article 44 Where a relevant unit concerned, in violation of the provisions in Article 21 of these Regulations, fails to perform the duty of opening information in accordance with law shall be ordered to remedy by departments in charge; if the unit refuse to remedy, it responsible personnel in charge and other direct responsible personnel shall be given administrative sanction.

Article 45 Where a unit concerned, in violation of the provisions in Article 39 of these Regulations, it shall be legally handled by the national security, public security, secrets, industry and commerce and other departments; if the unit commit a criminal offence, it shall be investigated for criminal liability according to law.

Chapter □ Supplementary Provisions

Article 46 These regulations shall go into effect as of Oct. 1st, 2008.