

**Asian Development Bank  
and the  
People's Republic of China  
Partnership in Law and Policy Reform**

Poverty reduction is the overarching objective of the Asian Development Bank (ADB). Because the poor suffer most from bad governance, improving all dimensions of governance—transparency; predictability; accountability; participation— is one of the three pillars of ADB's poverty reduction strategy. Governance for effective policies and institutions includes support for public sector management at all levels, development of the legal system, judicial reform, and improvement of public accountability. Good governance also promotes processes and procedures for effective participation in decision making to promote equitable and inclusive growth. This involves participation by civil society and ensuring that the poor have access to legal services and judicial justice.

The resulting economic growth is an essential prerequisite for poverty reduction. The impacts on poverty reduction will be increased through active interventions of the government and public institutions, in which legal and judicial system may play an important role. A sound legal and judicial system is essential to make markets work efficiently. Well drafted legislation is one of the most effective means to address the economic and social justice. The poor need access to the legal system to redress grievances. An improved legislative, legal and judicial system enhances the protection and promotion of the legal rights and interests of the general public as a whole. However, a legislative process that uses a participatory approach, a more transparent and predictable legal system, and an efficient and impartial judicial system enhances the legal rights and interests of the poor in particular.

### **Developments of the Legal System of the People's Republic of China**

The People's Republic of China's (PRC) remarkable economic reforms have spanned two decades. Parallel to the economic developments are the sweeping reforms of, and developments in, the legal system. These range from: (i) Constitutional amendment to include the rule of law as a guiding principle in governing the country; to (ii) the adoption of foreign related economic laws and the adoption of laws and regulations to reform the banking system and the establishment of the capital markets; to (iii) the preparation of legislation to create a social security system, protect the environment and fight against corruption; and to (iv) the restoration, development and reform of the judicial system and development of an independent legal profession to the development of legal education and training systems.

### **ADB's Strategy to Assist PRC's Legal System**

The legal system developed under central planning was not appropriate for a market economy. Because markets need a legal regulatory system to function efficiently, developing a new legal system is an essential part of PRC's transition from a centrally planned economy. These massive efforts involve drafting new laws and regulations, building new institutions and training literally millions of regulators, judges and lawyers.

ADB is supporting the Government's efforts to develop a legal system suitable for a market economy. Under the ADB's Law and Policy Reform (LPR) assistance is being provided in a systematic manner to help tackle the legal dimensions of significant financial, economic and

social reform initiatives. ADB's Law and Policy Reform Program is designed to support: (i) "rule of law" as proclaimed in the PRC Constitution; (ii) the improvement and development of the legal and judicial systems; (iii) the establishment of a market oriented economy integrated into the global economy; (iv) efforts to protect the environment and natural resources; (v) reform of the process used to determine public spending decisions; and (vi) improvements in governance by increasing legal transparency; (vii) reform of administrative functions through administrative licensing law; and (viii) strengthening of the capability of judicial system.

ADB's strategy for the PRC legal system focuses on: (i) promoting a rule-based, international standard of business transactions for a market economy, by providing assistance to reform the legal and regulatory system; (ii) providing assistance for the preparation of new laws; (iii) supporting the legal and regulatory reform in response to the challenges of further opening up the country's economy and integrating it into the global economic system after its entry into the World Trade Organization (WTO); (iv) supporting the legal institutions to provide access to legal and judicial services for the poor and disadvantaged groups; (v) improving the efficiency and professional capacity of the judicial system; and (vi) promoting the development and capacity building of regulators and improving regulatory functions of sector ministries. Specific activities are described below.

### **Development of a Legal System Suitable for a Market Economy**

TA 3279-PRC: Development of Economic Laws approved in 1999 for \$1.4 million is providing assistance to the Legislative Affairs Commission, Standing Committee of the National People's Congress (NPC) and Office of Legislative Affairs of the State Council in drafting work for either new laws or amending existing laws for the following important legislation: (i) company law amendment, (ii) bankruptcy law, (iii) trust law (adopted in April 2001 and became effective in October 2001), (iv) social security law, (v) administrative licensing law (adopted in August 2003 and will become effective in 1 July 2004), (vi) law on registration of enterprises, (vii) regulations for the administration of foundations (adopted in March 2004), and (viii) regulation of legal aid (adopted in July 2003 and became effective on 1 September 2003).

As the PRC continues its transition to a market economy, there will be a growing role for private charities to help address poverty and other social issues. To help address a legal/regulatory void in this area, the PRC issued governing private charitable foundations that became effective on 1 June 2004. Foundations are divided into two types: publicly funded foundations, that cannot raise funds from the public, and non-publicly-funded foundations, that can raise funds from the public. The Ministry of Finance and the State Administration of Taxation are still discussing the specific preferential tax policies for those individual or enterprise donors. These regulations clarify the procedures for international NGOs and foreign foundations to operate in the PRC. Overseas foundations are now allowed to establish representative offices on the Chinese mainland but are not allowed to solicit or receive donations in the PRC. The national publicly-funded foundations are required to raise at least Y8 million (about \$964,000) before registration while individuals and enterprises hoping to establish non-publicly-funded foundations are required to donate at least Y2 million (\$241,000). ADB supported an international conference that brought international experts to discuss the initial formulation of these regulations. The Ford Foundation and other NGOs also provided assistance.

Taken together these laws and regulations will help to address several inter-related issues: (i) further liberalizing the economy, (ii) improving corporate governance, (iii) facilitating the restructuring of State Owned Enterprises (SOE) through insolvency and bankruptcy procedures, (iv) providing a social safety net to help ameliorate urban poverty and to reduce the social cost

of SOE reform, (v) streamlining the use of powers by the administrative agencies by imposing and approving licenses and permits, (vi) transfer social service functions from the Government to the social non-profit and public interest organizations, and (vii) provide access to the legal services and judicial justice for the poor.

ADB's support for reforming the legal system will continue under TA 4237-PRC: Support for the Review and Planning for Development of the Legal and Judicial System. This work will help reinforce rule of law through development and reform of the legal and judicial system by (i) supporting the legislative, legal, and judicial authorities in (a) reviewing the achievements, issues, and lessons learned in developing and reforming the legal and judicial system; and (b) developing reform plans for the future; (ii) broadening the participation and increasing transparency of the decision-making process and involving the stakeholders in public discussions of the strategic issues; and (iii) exchanging views on selected issues of strategic importance and providing professional advice in forming the policy and work agenda for economic legislation, administration in accordance with law, and development and reform of the judicial system.

### **Legal Adjustments for Integration into Global Economy**

TA 3672-PRC: WTO Membership and Foreign Trade Law Reform aims to assist the Government in making legal adjustments to PRC's foreign trade and investment laws and regulations in compliance with the requirements of WTO. The TA provided timely assistance in the latter part of 2001 through international and domestic experts' inputs in reviewing and commenting on the final draft of regulations on anti-dumping, subsidies and countervailing duties, safeguard measures, import and export of goods and rule of origin. The first four of these regulations were adopted in December 2001 when PRC's WTO membership became effective. The TA also supported the development of regulations on transnational mergers and acquisitions that were adopted in 2002. Ongoing work is supporting the amendment of the Foreign Trade Law, an initial draft of which was considered by the NPC in 2003, research on legal and policy issues for the new round of global trade negotiations and to study Asian countries' experience of being WTO members and complying with WTO rules.

A TA 3971-PRC for Enforcement of WTO Rules by the Judicial System was provided in 2002 to help the judicial system meet WTO requirements in independent reviews of decisions made and/or actions taken by the administrative authorities pertinent to enforcement of WTO rules in the PRC. The TA is assisting the Supreme People's Court and the National Judges College to (i) develop the capacity of the judicial system to review decisions or actions of administrative authorities on cases relating to WTO rules, by equipping senior judges with knowledge of WTO rules and relevant domestic laws and supporting long-term training capacity of the National Judges College in this area; and (ii) improve the judicial review mechanism by studying international experience.

### **Transparency of Legal Information**

TA 3000-PRC: Strengthening of Legal Information System for \$630,000 was provided to strengthen the development of the legal information system. This resulted in the publishing of a sixteen-volume loose-leaf publication of foreign related laws and regulations translated into English in November 2001. These officially authenticated English translations of PRC laws and regulations helped to improve transparency and assisted the Government in complying with a requirement of WTO of increasing the transparency in legislative, law implementation and

judicial process by making foreign trade and investment laws and regulations available to the public.

### **Banking Laws and Regulations**

ADB is helping to strengthen the legal/regulatory framework for banks under TA 3890-PRC Banking Laws and Regulations. Between the enactment of the central banking law and the commercial banking law in 1995 and 2002, the State Council and the People's Bank of China (PBC) have issued more than 3,000 laws, regulations, rules and guidelines relevant to the banking sector. Approximately two hundred of the most important of these were analyzed under the TA for internal inconsistency and weaknesses. Areas requiring clarification included the ownership form and preparative period for establishing city cooperative banks; the disqualification factors for senior management; the scope of business; the consolidation of financial and nonfinancial business in financial statements; the distribution of dividends to shareholders of city commercial banks; the provisioning requirements for commercial banks; the responsibility for risk management of the board of directors and senior management; opening more than one settlement account at more than one bank by an individual business; shareholder powers regarding overall strategies, policies and interpellation about a bank's operations; establishing special committees among the board of directors; the grounds and measures used in taking over a troubled financial institution; the fines levied for violations; and the differential treatment of individual depositors in the case of a foreign bank branch closure versus the closure of a wholly foreign-owned bank or a joint-venture bank. Based on this analysis suggestions were made to strengthen the legal/regulatory framework for the banking system.

Advice was provided on anti-money laundering including commenting on the three anti-money laundering rules for banking-type financial institutions adopted by PBC that became effective on 1 March 2003. To further strengthen the legal and institutional framework to combat money laundering, the recommendations suggested: (i) adopting an Anti-money Laundering Law that would also cover non-bank financial institutions (e.g., securities firms and insurance companies) and other persons and entities that could potentially be used for money laundering (e.g., lawyers; accountants); (ii) establishing an autonomous anti-money laundering agency or financial intelligence unit, in line with applicable international standards; and (iii) ratification of two related UN Conventions - the Convention Against Transnational Organized Crime 2000 (Palermo Convention) and the International Convention for the Suppression of the Financing of Terrorism 1999. PRC subsequently ratified the Palermo Convention on 27 August 2003 and the Anti-money Laundering Law is on the NPC's agenda.

This TA supported the work that culminated in the amendment of the Central Banking and Commercial Banking Laws, and the formulation of the Bank Supervision Law, all of which were adopted on 27 December 2003. These laws addressed some of the issues raised under the TA. Recommendations were also made for laws and regulations regarding credit information bureaus, financial conglomerates and bank insolvency.

Under the WTO accession agreements, the PRC will open its banking market by gradually removing restrictions on the activities of foreign banking organizations, with national treatment expected by the end of 2006. The China Banking Regulatory Commission (CBRC) was established in April 2003 to assume the regulatory and supervisory functions of financial institutions. CBRC is responsible for supervising PRC branches and agencies of foreign banking organizations, domestic commercial banks and nonbank financial institutions. ADB will support improvements in the regulatory framework for foreign banks under TA 4240-PRC: Foreign Bank

Rating and Risk Control System. The objectives of the TA are to (i) establish an effective supervisory framework for foreign banks while not undermining the equal opportunities for foreign and domestic banks, in particular, to devise appropriate methodologies for evaluating foreign bank branches by assessing and monitoring their risk management, internal control, and compliance; and (ii) strengthen CBRC's capacity to effectively supervise foreign bank organizations.

### **Development of Capital Market**

The legal and regulatory framework is essential for capital market development. PRC's equity markets began to develop in the early 1990s. During the initial experimental period, market regulation was based on the temporary regulations rather than a law. In 1998 ADB helped the Finance and Economic Committee, Standing Committee of NPC through a technical assistance (TA 3032-PRC: Legislative Drafting Support for PRC Securities Law) finalize the Securities Law. This law was adopted in December 1999 and became effective in July 2000. The Securities Law legitimizes shareholding rights and the existence of the securities markets, authorizes the securities regulator's powers needed in regulating the markets, emphasizes the supervisory and regulatory focus on information disclosure and moved away the practice of allocating the initial public issuance quotas among the provinces and municipalities and carrying out a substantive review for IPOs to let the market determine the acceptance of new issues and the value of the shares.

### **Promotion of Small and Medium Enterprises**

Small and medium enterprises (SME) have grown rapidly in PRC since 1990s. SMEs, most of which are private companies, represent one of the most dynamic economic sectors and contribute significantly to the national economy and to the creation of new employment opportunities. The development of SMEs is constrained because of the lack of access to financing and, in general, a conducive policy environment. The Government recognizes the importance of SME development, and was considering introducing a specific SME Promotion Law to institutionalize the SME development policy. ADB's TA 3534-PRC: Development of Financing Policies and Mechanisms for Small and Medium-sized Enterprises has supported this initiative. Among others things, this TA provided support for the preparation of the SME Promotion Law. The Law was adopted by the NPC in June 2002 and became effective on 1 January 2003.

The SME Promotion Law recommended the establishment of the SME Development Fund. The fund's establishment and management is subject to separate regulations to be issued by the State Council. The purpose of the fund is to encourage local governments, private entrepreneurs and financial institutions to invest in SMEs. This will help to improve the access of SMEs to financing. The "Interim Regulations on the SME Development Fund" were drafted in December 2002 with the support of ADB TA 3930: Development of SME Alternative Financing Mechanism. ADB provided further assistance to develop drafts for the (i) Management Regulations on the SME Credit Guarantees (ii) Management Regulations on the SME Investment Fund; (iii) Methodologies in Encouraging Venture Capital in Investing in SMEs, and (iv) Policy Framework for Developing the Central Reguarantee Company.

### **Environmental Protection and Natural Resources Management**

Air and water pollution have significant adverse impacts on the health. The poor are most vulnerable to environment-induced diseases and least capable of paying for adequate medical

attention for the respiratory illnesses associated with breathing polluted air and digestive track ailments associated with drinking polluted water. The poor are also adversely affected by the degradation of natural resources. About 90% of the rural poor live on moderately to severely degraded land. Because improving the environment is part of any pro-poor development strategy, ADB places a high priority on the laws on environmental protection and natural resource management.

ADB has funded several projects to strengthen the policy, legal and regulatory framework for environmental protection. ADB's first intervention, TA 2090-PRC: Legislative Reform for Protecting the Environment and Natural Resources, strengthened the capability of the staff in NPC's Environmental and Natural Resources Committee in the preparation of amendments to the Water Pollution Law and the Environmental Management Law. This assistance resulted in amendments to the Water Pollution Prevention and Control (WPPC) Law, which was adopted by NPC in May 1996.

ADB has continued its efforts to strengthen the legal regulatory framework governing water pollution. Many pollutants are transported in rivers across provincial/county boundaries, affecting areas several hundred kilometers down stream from the source. Consideration of trans-jurisdiction pollution issues is one of the important features of the revised WPPC law. Although national legislation addresses trans-jurisdictional water pollution, operational application has been slow, primarily due to the lack of appropriate precedents and practical experience in the PRC. ADB provided a \$2.1 million cluster TA to help the Government strengthen Trans-jurisdiction Environment Management. The TA has four components: (i) legislation to support trans-jurisdictional water pollution prevention and control; (ii) procedures and methodologies for trans-jurisdictional water quality management; (iii) capacity building; and (iv) disseminating findings and recommendations for potential application in river basins<sup>1</sup>. A major output of the first component was model river basin legislation developed for the Fen River in Shanxi Province, a major tributary of Yellow River. The Shanxi EPB is considering issuing an Amendment of the Regulation on the Prevention and Control of Water Pollution in the Fen River Basin using the model legislation as a draft. This component identified several key problems in existing national legislation: (i) lack of cross referencing among a number of national laws; (ii) some omissions (e.g., the national laws are silent on how to legally define a trans-jurisdictional pollution event and the actions that can occur following such an event); (iii) a lack of detail and little emphasis on procedure; (iv) a lack of measures to ensure accountability; (v) a lack of public involvement; (vi) upstream/downstream equity issues; and (vii) a lack of common assessment methodology among jurisdictions. While a special law on Trans-jurisdiction Water Pollution Control is unlikely to be enacted, issues on transjurisdictional water quality management will be reflected when the WPPC Law is revised. Although NPC considers the TA results to date to be helpful, amending the WPPC is not yet on the NPC's agenda, as many issues need further study. The second and third components will provide more information and recommendations on trans-jurisdictional water quality management necessary for amending the WPPC. An important output of the second component, a national regulation on trans-jurisdictional water quality management and operational guidelines for implementing the regulation, will be drafted in 2004.

Under ADB's second intervention in the area of environmental legislation, TA 2735-PRC: Capacity Building for Natural Resources Legislation, the legislative drafters prepared a

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<sup>1</sup> Component (i) was completed in 2003. Component (ii) will be completed in 2004. Implementation of Components (iii) and (iv) will begin in late 2004.

framework for natural resource law and amendments to the land administration law. The revised Land Administration Law was passed by NPC in June 1998.

The third intervention in the environmental field, TA 3123-PRC: Provincial Legislation on Environmental Protection and Natural Resources Conservation, focused on upgrading the knowledge and skills of provincial legislative drafters, and other key agencies such as the State Council, People's Political Consultative Committee, and universities in the review, assessment, revision, formulation, and codification of local legislation related to the protection and conservation of the environment and natural resources, particularly dealing with the recent changes in land administration and water pollution laws.

The fourth intervention related to the legal regulatory framework for environmental protection was TA3079: TA Cluster For The Promotion Of Clean Technology. The TA cluster consisted of six components, one of which provided support to help draft a clean production promotion law. The Clean Production Promotion Law was adopted by NPC in June 2002 and will become effective on 1 January 2003. This law provides PRC with a legal framework for the promotion and implementation of clean production. For example, the law requires the Government to develop guidelines for clean technology, disclose major polluters to the public, introduce environmental auditing and consider adopting preferential tax policies for promotion and implementation of clean production. This law provides a legal framework to take more measures to prevent the pollution at source rather treating it at the end-of-pipe.

The fifth intervention in the area of environmental law related to the water sector. Among other things, TA 2817-PRC: Strategic Options for the Water Sector provided early assistance in identifying areas requiring revision in the Water Law which became effective in 1988. Basic principals and policies for water resources management are defined in the Water Law which aims to direct, coordinate and standardize all activities for the development, utilization, and protection of water resources. The Water Law needs to be revised to clarify diverse responsibilities for water management which have emerged following rapid economic growth, increasing pressure on water resources and the transition from a centrally planned to a market oriented economy. The TA provided some concepts which were considered for the revision of the Water Law to provide the basis for a modern policy framework, focusing in four areas: (i) water allocation, rights and permits, (ii) water resource management systems, with respect to the roles of the river basin management institutions and provincial and local governments, as well as trans-jurisdiction issues and water user/supplier organizations; (iii) efficiency of use and conservation of water; and (iv) water quality control, covering surface and groundwater, and standards for pollution. The amended Water Law was adopted by the NPC in August 2002 and became effective on 1 October 2002.

ADB's sixth intervention in the area of environmental law related to the approval of TA 3708-PRC: Strategic Planning for the Preparation of the Yellow River Law in 2001 and is supporting the Yellow River Basin management through law. The Yellow River, the second largest river system in the PRC, covers nine provinces and autonomous regions: Qinghai, Sichuan, Gansu, Ningxia, Inner Mongolia, Shaanxi, Shanxi, Henan, and Shandong. About 107 million people live in the Yellow River Basin, which has a total drainage area of 795,000 km<sup>2</sup>. Because of the significance of the Yellow River Basin and importance of water resources management, the Government has made the Yellow River Law as one of its top priorities for legislation that promotes integrated river basin management. ADB is supporting the effort of the Ministry of Water Resources by financing strategic studies relating to integrated water resources management of the Yellow River Basin and research for legal countermeasures for outstanding

problems in the Yellow River Basin. This work will provide the National People's Congress with information and recommendations related to the formulation of the Yellow River Law.

ADB will continue to help strengthen the PRC's framework of environmental laws. In 2004 a TA is expected to be approved that will provide support to the work of NPC's Environmental and Natural Resources Committee in formulating legislation for three laws: (i) renewable energy utilization promotion; (ii) natural reserve protection; and (iii) soil pollution prevention.

### **Strengthening the Legal Framework for Procurement**

The value of Government procurement is increasing from about RMB 100 billion in 2002 to RMB 150 billion in 2003 and to an estimated RMB 200 billion in 2004. ADB believes that transparent competitive bidding is the most efficient way to procure civil works, goods and services to reduce the opportunities for graft and corruption. ADB has provided a series of TAs to help PRC in the establishment of a sound legal framework for the public procurement activities. Under TA 2845-PRC: Establishment of National Procurement Regulations for the Public Sector, ADB experts provided comments on the draft Tendering and Bidding Law (TBL), which was adopted by NPC in August 1999 and became effective in 2000. Six sets of detailed regulations for the implementation of the TBL and three sample bidding documents were also produced under this TA. The follow-on TA 3457-PRC: Implementation of the Tendering and Bidding Law and Related Regulations was to help implement a unified system of procurement policies and procedures. This TA helped the Government in (i) the development of project administrative and supervisory instructions including implementing TBL and related regulations; (ii) the preparation of training materials; and (iii) the development of a computerized monitoring (database) system. Under the third TA 3631-PRC: Formulation of the Government Procurement Law (approved in 2001), ADB helped NPC to formulate a unified and comprehensive national Government Procurement Law (GPL). The TA helped NPC through (i) a series of consultative meetings and workshops, (ii) provision of training to key members of the drafting group, and (iii) direct assistance in drafting the GPL. The GPL was adopted by NPC in June 2002 and became effective on 1 January 2003. ADB also provide TA 3138-PRC: Regulatory Framework for the Engagement of Consultant to help develop detailed guidelines for selecting and engaging consultants.

These laws and regulations stipulate that procurement activities should follow the principles of openness, fairness, impartiality, and good faith; and including anticorruption provisions.

### **How ADB Tackles Poverty through Legal Assistance**

The support for rule of law creates social and judicial justice for a society as a whole and provides legal means to help the poor in particular. The support for development of a legal and regulatory framework for a market economy will promote the economic growth that in turn will benefit many people including the poor. More specifically, the assistance for the preparation of social security law will facilitate the establishment of a social security system. This will play a significant role in preventing a rise in the incidence of urban poverty and providing assistance to those who are laid off from their jobs due to enterprise and industrial restructuring. The revisions to the Land Administration Law is another example of how legal reform can be pro-poor. This Law governs relocation of people, many of whom are poor, whose land and housing is needed for infrastructure. The revisions to the law increased the level of compensation, mandated that the relocation plans be made public, required consultation with those to be relocated and provided for administrative and judicial redress for those who were unhappy with their

compensation. Another example of pro-poor legal development was the provision for charitable trusts in the Trust Law.

### **Who Benefits from ADB's Assistance for Legal Reforms?**

The direct beneficiaries of ADB's assistance for legal reforms include: (i) the participants of economic activities, such as investors, lenders, enterprises and foreign investors and traders (who will benefit from the adoption of legislation on the securities law, company law, bankruptcy law, foreign trade related law and regulations, law on registration of commercial enterprises and trust law), (ii) the urban middle class and lower income groups will benefit from the development of the social insurance system to be established and governed by the social security law, (iii) charitable organizations such as foundations and funds for nonprofit purpose which can now be established under the trust law, (iv) the general public, particularly the poor, benefit from the improved environment and increased efficiency in public spending resulting from improvements in the legal framework, and (v) general public will benefit from the reform of administrative functions as guided by the administrative licensing law and the increase in transparency due to the development and improvement of legal information system.

### **What are ADB's plans for future assistance in legal system?**

There is a growing awareness in the PRC of the need for the economy to be governed by predictable rules, properly promulgated, and actions justified with reference to laws and regulations. Despite the substantial progress that has been made, much still needs to be done to strengthen the rule-of-law system and to install a system to resolve gaps and conflicts in existing laws. The major challenges for the legislative, legal and judicial system include: (i) passage of legislation to further develop a legal framework suitable for a market economy; (ii) change the roles and functions of the administrative authorities to increase transparency and reduce arbitrary intervention; (iii) use the legal and judicial system to protect and promote the rights and interests of the poor; (iv) effective implementation of the administrative and judicial system of the laws and regulations which constitute the emerging legal system for a more open and competitive market oriented economy, and (v) increase the efficiency and enhance the impartiality of the judicial system.

ADB will continue to help strengthen the legal and regulatory systems needed in a market economy. Future projects are shown in the following table.

## Approved ADB Law and Development Projects

	TA Name	Amount (\$)	Approved Date
1	TA 2090: Legislative Reform for Protecting the Environment and Natural Resources	500,000	18 May 1994
2	TA 2271: State Enterprise Insolvency Reform	590,000	27 Dec 1994
3	TA 2707: Study on PRC Legal Information System	100,000	12 Dec 1996
4	TA 2735: Capacity Building for Natural Resources Legislation	800,000	24 Dec 1996
5	TA 2748: Restructuring of Insolvent State Enterprises	600,000	15 Jan 1997
6	TA 2817: Strategic Options for the Water Sector	1,180,000	26 Jun 1997
7	TA 2845: Establishment of National Procurement Regulations for the Public Sector	565,000	20 Aug 1997
8	TA 3000: Strengthening of the Legal Information System	630,000	23 Mar 1998
9	TA 3032: Legislation Drafting Support for PRC Securities Law	150,000	24 Jun 1998
10	TA 3079: TA Cluster for the Promotion of Clean Technology	1,140,000	5 Sep 1998
11	TA 3123: Provincial Legislation on Environmental Protection and Natural Resources Conservation	300,000	15 Dec 1998
12	TA 3138: Regulatory Framework for the Engagement of Consultants	700,000	22 Dec 1998
13	TA 3279: Development of Economic Laws	1,400,000	19 Oct 1999
14	TA 3457: Implementation of the Tendering and Bidding Law and Related Regulations	565,000	14 Jun 2000
15	TA 3534: Development of Financing Policies and Mechanisms for Small and Medium-sized Enterprises	700,000	10 Nov 2000
16	TA 3631: Formulation of Government Procurement Law	578,000	20 Feb 2001
17	TA 3672: WTO Membership and Foreign Trade Law Reform	700,000	14 Jun 2001
18	TA 3708: Strategic Planning for the Preparation of the Yellow River Law	970,000	28 Aug 2001
19	TA 3890: Banking Law and Regulation	800,000	25 Jun 2002
20	TA 3930: Development of SME Alternative Financing Mechanism	150,000	24 Sep 2002
21	TA 3971: Enforcement of WTO Rules by Judicial System	400,000	4 Nov 2002

22	TA 4117: Power Pricing Strategy: Tariff Setting and Regulation	500,000	21 May 2003
23	TA 4237: Support to the Review and Planning for Development of the Legal and Judicial System	350,000	4 Dec 2003
24	TA 4240: Foreign Bank Rating and Risk Control System	400,000	8 Dec 2003
25	TA 4342: National Food Safety Regulatory and Strategic Framework	400,000	28 May 2004
<b>Total</b>		<b>15,168,000</b>	

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## Planned ADB Law and Development Projects

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	<b>TA Proposal</b>	<b>Amount (\$)</b>	<b>Expected Year of Approval</b>
1	Development of Economic Laws II-Competition Policy and Anti-Monopoly Law	400,000	2004
2	Support for Environment Legislation	600,000	2004
3	Implementation of National Guidelines for Soil and Water Conservation	250,000	2004
4	Capacity Building in Judicial System on Financial and Economic Laws	500,000	2005
5	Reform of the Water and Soil Conservation Legislation	500,000	2006
6	Reform of the Water and Soil Conservation Legislation II	600,000	2007
7	Development of Economics Laws III	400,000	2007
8	Support for Provincial Legislation	600,000	2007
	<b>Total</b>	<b>3,850,000</b>	

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