The Administrative Examination and Approval System Reform of the Chinese Government

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1. The Causes of the Reform of the Administrative Examination and Approval System in China
The shortcoming and drawback of the original administrative examination and approval system:

- Too many examination and approval projects which blocked the role of market mechanism;
- Too complicated and low efficient examination and approval procedure;
- Too simple administration style, putting too much emphasis on the examination and approval rather than supervision;
- The power and responsibility during the process of examination and approval were separated;
- The conducts of examination and approval were not regulated and standardized, lacking of efficient supervision.
Chinese Government made arrangement in October 2001 for the overall promotion of the reform of the administrative examination and approval system and established a leading group and its office in exclusive charge of this work.
II. The Achievements of the Reform.
Firstly, the number of projects for administrative examination and approval has been reduced largely.

- At the central level, 1992 administrative examination and approval projects, accounting for 55% of the total 3605 projects, had been cancelled or adjusted in four batches in succession.

- The local governments had also cancelled and adjusted more than half of the total examination and approval projects.
Secondly, the running and management mechanism of the administrative examination and approval have been gradually become regularized and standardized.

- To establish the public notification system and social hearing system on the administrative examination and approval projects.
- To formulate easily operable and highly transparent examination and approval procedures to reduce the examiner's power of discretion and arbitration.
- To establish the system to investigate the examiners for their administrative examination and approval liability in accordance with the principle of "those who exercise the examination and approval power shall be liable for their own conduct".
- The Ministry of Supervision of China has established an electronic supervision system throughout China.
Thirdly, the reform has promoted the change of the government functions.

- Improved the role of self-regulation of the market and self-discipline administration of trade organizations and intermediary agencies, and independent decisions made according to laws by citizens, legal persons and other organizations.
- Established a proper relationship between government and market, enterprises, society and citizens.
- Strengthened the government function in social administration and public services with the gradual improvement of economic regulation and market supervision.
Thirdly, the administrative methods have been innovated.

- Strengthened supervision and control over the projects still requiring examination and approval and regularized and standardized the examination and approval conduct.
- Studied new administrative measures, strengthened indirect, dynamic and posterior administration over matters that do not require examination and approval and yet still require administration, gradually changed the government practices of direct interference in the micro economic operation and the management of economic and social affairs chiefly through administrative methods and enhanced the government’s governance capacity and administrative level.
III. The Follow up Objectives.
The overall objects:

- promote the administration according to laws and build the government under the rule of law.
- promote honest and clean administration and build an integrity government.
- promote the democratic administration and build a service-oriented government.
- promote the scientific administration and build a responsible government.