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China seeks opinion on contractor qualification rules

China's Ministry of Commerce (MOC) on Thursday announced it would seek public opinion through August 25 on its administrative rules on qualifications of international contractors.

The State Council, China's Cabinet, issued a regulation on the country's international project contracting on July 28. The move was to promote healthy industry development, but it did not reveal detailed contractor qualifications.

The ministry said the registered capital of those qualified international contracting companies should be no less than 300 million yuan (\$43.65 million) with its debt-to-asset ratio less than 80 percent.

"Qualified contractors should have sound safety protection and emergency response mechanisms. They need to establish an overseas safety protection leading group with companies' executives sitting in the group. This group should have at least two permanent members," the MOC said.

Eligible international contractors need to have well-established work safety procedures and be without serious work safety accidents during the past two years.

Those who take foreign projects without proper international contractor qualifications should pay a fine between 500,000 yuan and 1 million yuan, according to the administrative rules.

The public can voice their comments about the rules on the MOC website at www.mofcom.gov.cn.

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