

Notice on Issuing the *Implementation Plans of Shanghai Provident Fund Management Center for Implementing the Reforms to Streamline Administration, Delegate Powers, Improve Regulation and Strengthen Services and Optimizing Business Environment*

SHPF No. 30, 2018

To Divisions, Offices, District Management Departments, and Entities in Charge of Housing Provident Fund Business under Commission,

In order to deepen the reforms to streamline administration, delegate powers, improve regulation and strengthen services and further optimize business environment, we hereby issue the *Implementation Plans of Shanghai Provident Fund Management Center for Implementing the Reforms to Streamline Administration, Delegate Powers, Improve Regulation and Strengthen Services and Further Optimizing Business Environment*. Please act in close coordination, work out specific measures and put them into practice in combination with the introduction of the *Shanghai Housing Provident Fund Payment Administration Methods, Shanghai Housing Provident Fund Withdrawal Administration Methods, Shanghai Personal Housing Provident Fund Loan Administration Methods* and detailed implementation regulations thereof and the launch of the core system of Shanghai Provident Fund Management Center.

Shanghai Provident Fund Management Center

March 26, 2018

***Implementation Plans of Shanghai Provident Fund Management Center for
Implementing the Reforms to Streamline Administration, Delegate Powers,
Improve Regulation and Strengthen Services and Optimizing Business
Environment***

In order to further implement the guiding principles from the Party's 19th National Congress and the guidelines from the important instructions of General Secretary Xi Jinping on creating a stable, fair and predictable business environment, deepen the reforms to streamline administration, delegate powers, improve regulation and strengthen services, meet the internationally advanced level, and create an international, law-based and convenient business environment in line with the requirements of the *Action Plan of Shanghai for Improving Business Environment and Accelerating the Development of New Open Economy System*, we formulated this Implementation Plans in light of the realities of Shanghai Provident Fund Management Center.

I. Overall Goals

(I) Further improve work efficiency. Promote “one-for-all trip” reform and improve work efficiency by reducing approval procedures, simplifying review, optimizing process and setting up time limits on business processing and settlement.

(II) Further improve service efficiency. Facilitate the development of smart housing provident fund and create a comprehensive “Internet + Housing Provident Fund” service platform which promotes information sharing and exchange to realize the approval with no need of face-to-face meeting”.

(III) Further change work style. Stick to people-oriented development philosophy, strengthen service awareness make research and investigation to precisely find out “blocking points”, “pain points” and “difficulties” encountered by the enterprises and employees. and seek out the keys and breakthrough points of the reform which needs sustained efforts with the perseverance to hammer away until the task is done.

II. Main Tasks

(I) Flexible payment to reduce the cost of enterprises

1. Set a range of housing provident fund payment rate. In 2018, the rate of housing provident fund payment by employees and employers should be 5%-7% respectively. In principle, the

payment rate should be 7% respectively. Enterprises may choose the payment rate of 5% or 6% respectively if meeting the circumstances for lowering payment rate as set forth in the regulation of Shanghai Provident Fund Management Committee (No.10, 2016) but a special agreement on the adjustment of housing provident fund payment rate shall be formed through collective negotiation and approved by employees' representatives assembly or general assembly of employees without further approval by Shanghai Housing Provident Fund Management Center. The employers making housing provident fund contributions may also participate in the supplementary housing provident fund system based on free will. The rate of supplementary housing provident fund payment by employees and employers should be 1%-5% respectively, with the exact rate to be determined by the employers according to their realities.

(II) Streamline administration, delegate powers, shore up areas of weakness and reduce the preparation time of employers.

2. Align the time of housing provident fund payment basis adjustment with the time of social security fund payment basis adjustment. Advance the release of contribution **payment basis** adjustment document and declaration in 2018. Employers may declare **payment basis** of housing provident fund and social security fund at the same time. The actual adjustment will still take place in July. From 2019, the time for **payment basis adjustment** of housing provident fund and social security fund will be the same and the employers will be exempted from the repeated calculations and data inputs.

3. Simplify the formalities for employers to open housing provident fund accounts. Employers will not need to present their business licenses, legal person certificates and any evidence proving their incorporation if utilizing the Legal Person One-Card-Pass to go through the formalities of opening housing provident fund accounts, or obtaining information such as their registrations by information sharing.

4. Simplify the review for the fund-back contribution. Cancel the review procedures for fund-back contribution for over 12 months. Employers may go through the fund-back contribution directly in terms of the contribution meets the requirements of payment rate and its monthly upper and lower limits. Special review for fund-back contribution will also be simplified.

5. Simplify the materials for employers' application for the *Certificate of Shanghai Employer Housing Provident Fund Payment and Deposit Status*. Simplify written materials for applying

for the *Certificate of Shanghai Employer Housing Provident Fund Payment and Deposit Status* for such reasons as floatation on the stock exchange, financing and audit. Online application channels will also be opened.

6. Cancel employers' issuance of the fund withdrawal certification for employees. Reinforce the restraint of personal credit so that the employers will no longer need to issue the fund withdrawal certification for their employees.

7. Simplify the materials for correcting the wrong payment. Reduce the forms to be submitted and optimize the elements in the application forms for wrong payment correction.under the circumstances that the employer's commitment to authenticity is available,

(III) Optimize process, improve efficiency and reduce processing time for employers

8. Establish a mechanism taking ID card number as unique individual verification code. The individual ID Card number will replace employee's housing provident fund account for business processing. The mechanism will cut down the time cost of employers when their employees turn to inquire the housing provident fund accounts.

9. Optimize process for employers' payment halt of employees' housing provident fund. Cancel the payment halt for transfer-out and the payment halt for account to be closed. Employers may choose to directly transfer the employee's housing provident fund account to his/her new employer or the centralized blocked account for housing provident fund according to the actual employment relation with the employee.

10. Simplify online inter-bank payment or fund-back contribution procedures. Further simplify the procedures of authorization and contract conclusion, reduce hours for employers to process between different banks and add more employers in the inter-bank payment or fund-back contribution.

11. Promote online signing of Internet business comprehensive service agreement. Include the Internet business comprehensive service agreement into the housing provident fund Internet business processing system. Employers may go through online agreement signing on the strength of the *Legal Person One-Card-Pass* to obtain the authorization of online business processing and improve efficiency.

12. Optimize online business processing mode. Cancel the real name authentication for employer's personnel dealing with the online housing provident fund business. The employer may

utilize the *Legal Person One-Card-Pass* or *Special Certificate for Housing Provident Fund* as the digital certificate to deal with the concerned online business.

(IV). Implement the open commitment and shorten business processing time for individuals.

13. Optimize loan-granting process and shorten Loan-granting time limit. The period to deal with the pure individual housing provident fund loan business will be reduced to nineteen (19) business days from the original forty-nine (49) business days.

14. Simplify essential documents for fund withdrawal and shorten processing time limit. Simplify the essential documents for the fund withdrawal to purchase dwelling(s) in Shanghai Municipality or the withdrawal prior to the statutory retirement age through information sharing mechanism. The essential documents will also be simplified for the fund withdrawal, loan payment and further fund withdrawal at the non-cooperative banks. The elements of bank card information required to be provided are also reduced for the fund withdrawal to pay for the rent.

15. Further promote the interregional fund transfer and continuation business. Continue to implement the national housing provident fund interregional transfer and continuation platform launched by the Ministry of Housing and Urban-Rural Development. The connection with the real-time settlement system will also be accelerated. The high-efficient binding of account and people will be fulfilled to enhance the account safety and transfer convenience for employees who pay and deposit the fund.

16. Simplify forms, certificates, vouchers and documents. The business such as the fund withdrawal at the retirement age will not require the applicant to fill in the application form. The online and self-service terminal form filling function will be available for the fund withdrawal to pay for the rent or the withdrawal to purchase dwelling(s).

(V). Create smart housing provident fund and improve business processing efficiency

17. Expand popularity of online business processing for employers. More efforts are made to promote the existing 13 online services including the set-up of housing provident fund accounts for employers, blocking of individual housing provident fund accounts as well as remittance and payment of housing provident fund and increase the online business processing rate for employers.

18. Add more online business processing products for employers. On the basis of promoting the existing online business processing products for employers in an all-round manner, more

new services are added such as the change to the housing provident fund payment and deposit outlets and application for the *Certificate of Shanghai Employer Housing Provident Fund Payment and Deposit Status*. With all these approaches, the whole-process online business processing for employers will be materialized.

19. Optimize online business processing procedures for employers. Cancel the SMS verification for the employers to go through the formalities such as online account blocking and account opening for supplementary housing provident fund. Increase the efficiency of the online housing provident fund business processing system application by fulfilling the implementation of electronic sheet of fund remittance and back contribution center, extending the fund payment and deposit months for blocking business, adding the personnel change alerts and appropriately extending the system processing time for the online business.

20. Develop individual online business service. Add more individual real-name authentication channels, improve online service to benefit people, open channels for making a loan appointment and milestone inquiry and promote the online individual business processing such as the fund withdrawal to pay for the rent, withdrawal at the retirement age and withdrawal to purchase dwelling(s) in Shanghai.

(VI). Strengthen information sharing promotion and reinforce service assurance

21. Deepen inter-organ information sharing. Deepen the connection with the organs such as the information of industry and commerce administration, social insurance administration, housing administration, civil affairs and the People's Bank of China, fulfill the sharing of employer's registration information, invoice information, subsistence allowance information, retirees' information, property information, marriage information and credit information, etc. and realize that "the information reaches the most people and saves the time and efforts of people".

22. Establish an inter-regional information sharing mechanism. Speed up the improvement of the information sharing and cooperation mechanism across Jiangsu, Zhejiang and Shanghai to achieve comprehensive business verification.

23. Promote information exchange with the 12329 call center service hotline. Exert the advantages of the 12329 housing provident fund call center hot line to take the people's demands, opinions and advice as the source of thought for policies, business and services and drive the development of business and services.

(VII). Develop standardized service and provide better services.

24. Promote standardized services. Detailed business operation rules are worked out and online business guide is updated in the combination of the launch of the core system at Shanghai Housing Provident Fund Management Center. Enhance the business guidance of and supervision over the management departments, entities in charge of housing provident fund business under commission and the 12329 call center service hotline, eradicate the conduct of adding processing material arbitrarily and ensure the unification, standardization, identical and standard service of business processing. Last but not the least, the standardized service management system of “one-for-all notification, first-inquiry accountability, prompt processing, open commitment, transparent procedures and integrated teller management” is put in place.

25. Extend business processing channels. Conduct studies to process the fund withdrawal at the retirement age, withdrawal to pay for the rent and other business at the self-service terminals in the communities and administration service centers.

(VIII). Raise social popularity

26. Resort to various propaganda means. During the service measures adjustment period, repeated and multi-dimensional propaganda is conducted on the reform measures and functions benefiting the people via the WeChat public accounts like Shanghai Housing Provident Fund and Shanghai Fabu, channels like Shanghai Housing Provident Fund Website (www.spfmc.com) and traditional media and comprehensive propaganda with organs like social security administration and taxation authority.

27. Enrich contents and methods of training. Promote training programs on the online business processing and those on post-reform optimized measures. Keep moving forward the paralleled online and offline training, add special topic training and custom training programs and improve awareness and competence of those dealing with online business processing and housing provident fund business for the fund payment and deposit employers through diversified training programs.

III. Implementation

(I) Place great emphasis and organize promotion. The principal leaders of Shanghai Housing Provident Fund Management Center will head up the organization of a leadership group, heighten understanding, strengthen the work supervision and guidance and advance the work to ensure each measure will be put into effect.

(II) Fulfill duties and combine force to solve problems. Each division, office, management department and entity in charge of housing provident fund business under commission should assume their primary responsibilities, fulfill functional duties, put each requirement in the notice herein into place, formulate specific measures, make joint efforts of management and regulation and strive to overcome difficulties to improve business environment.

(III) Carry out broad propaganda and foster a sound atmosphere. Enhance the propaganda and policy interpretation concerning the deepening of the reforms designed to delegate powers, improve regulation, and provide better services and improvement of business environment. Foster a sound atmosphere that “everybody cares for the business environment and pulls together to optimize it in an all-round manner” while stepping up the conclusion and promotion of typical experiences and successful practices.