

# The General Office of the Central Committee of the Chinese Communist Party Issues the Regulations on the Work of Grassroots Organizations of State-owned Enterprises of the Chinese Communist Party (for Trial Implementation)

中共中央印发了《中国共产党国有企业基层组织工作条例（试行）》

## SOURCE

Central Committee of the CCP 中国共产党中央委员会

The Chinese Communist Party's highest organ of authority, a political body of top CCP leaders. Members are elected every five years at the National Congress. The 19th National Congress, held in 2017, elected 205 full members and 171 alternate members who are currently serving their tenure until the 20th National Congress. The Committee usually convenes at least once a year at a plenary session, and functions as a top forum for discussion of relevant policy issues.

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Xinhua News Agency, Beijing, January 5th: Recently, the Central Committee of the Chinese Communist Party issued the Regulations on the Work of Grassroots Organizations of State-owned Enterprises of the Chinese Communist Party (for Trial Implementation) (《中国共产党国有企业基层组织工作条例(试行)》) (hereinafter referred to as the Regulations) and issued a circular requiring earnest implementation by all regions and departments.

The circular pointed out that state-owned enterprises (国有企业) are an important material and political foundation for socialism with Chinese characteristics and an important pillar and force for the Party to govern and rejuvenate the country. Upholding the leadership of the Party and strengthening party building are the “root” (“根”) and “soul” (“魂”) of state-owned enterprises. They are the glorious tradition and unique advantages of our state-owned enterprises. The Regulations are guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era (习近平新时代中国特色社会主义思想), thoroughly implement the spirit of the 19th National Congress of the Chinese Communist Party (19th CCP National Congress) (十九大) and the 2nd, 3rd, and 4th Plenary Sessions of the 19th CCP National Congress (十九届二中、三中、四中全会), implement the requirements of the Party Constitution (党章), and comprehensively regulate the work of party organizations in state-owned enterprises. It is a basic guide for strengthening party building in state-owned enterprises in the new era.

The circular requires that party committees (党委) (party organizations (党组)) at all levels should proceed from the perspective of consolidating the Party's ruling foundation, take SOE party building as an important task of governing the Party, and take effective measures to strengthen the implementation of responsibilities and the promotion of the Regulations to realize and see practical results. It is necessary to earnestly grasp the study, publicity, and implementation of the Regulations and enable party organizations at all levels, especially SOE party organizations and party members and cadres to undergo concentrated study, special discussions, and the like to deeply understand the spirit of the Regulations, fully grasp the contents of the Regulations, and strictly abide by and implement the Regulations. The Organization Department of the CCP Central Committee (中央组织部) should strengthen supervision and guidance in conjunction with relevant departments to ensure that the provisions of the Regulations are implemented. Important situations and suggestions in the implementation of the Regulations should be promptly reported by all regions and departments to the Party Central Committee (党中央).

The full text of the Regulations is as follows.

Regulations on the Work of Grassroots Organizations of State-owned Enterprises of the Chinese Communist Party (for Trial Implementation)

(Released by the CCP Central Committee on December 30, 2019 as reviewed and approved by the November 29, 2019 Politburo meeting of the CCP Central Committee (中共中央政治局会议))

## Chapter 1 General Provisions

Article 1 For the purpose of thoroughly implementing Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, implementing the general requirements for Party building in the new era and the Party's organizational line (组织路线) in the new era, adhering to and strengthening the Party's overall leadership of state-owned enterprises, improving the quality of party building in state-owned enterprises, promoting the high-quality development of state-owned enterprises, these Regulations are formulated in accordance with the Constitution of the Chinese Communist Party (《中国共产党章程》) and related laws.

Article 2 Party organizations in state-owned enterprises must hold high the great banner of socialism with Chinese characteristics, must be guided by Marxism-Leninism (马克思列宁主义), Mao Zedong Thought (毛泽东思想), Deng Xiaoping Theory (邓小平理论), the important thinking of the "Three Represents" ("三个代表"), the Scientific Outlook on Development (科学发展观), and Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, must adhere to the Party's basic theory, basic line, and basic strategy, strengthen the "Four Consciousnesses" ("四个意识"), strengthen the "Four Matters of Confidence" ("四个自信"), achieve the "Two Upholds" ("两个维护"), must uphold and strengthen the overall leadership of the Party, must insist that the Party must manage the party and [practice] comprehensive strict Party self-governance, must highlight political functions and enhance organizational strength, must strengthen mission awareness and responsibility, must promote the deepening reform of state-owned enterprises, must improve the modern enterprise system with Chinese characteristics (中国特色现代企业制度), must enhance the competitiveness, innovation, control, influence, and risk resistance of the state-owned economy, and must provide strong political and organizational guarantees for strengthening and improving state-owned capital.

Article 3 The party organization work of state-owned enterprises shall follow the following principles:

- (1) Uphold the unity of strengthening party leadership, and improving corporate governance and integrate party leadership into all aspects of corporate governance;
- (2) Persist in the deep integration of party building work with production and operations, and test the effectiveness of party organization work with the results of enterprise reform and development;
- (3) Persist in the Party's management of cadres and talents, and cultivate high-quality and professional enterprise leaders and talent teams;
- (4) Persist in laying a foundation at the grassroots level, highlight the construction of party branches, and enhance the vitality of grassroots party organizations;
- (5) Persist in relying wholeheartedly on the working class, embody the status of the masses of enterprise employees as masters, and consolidate the class foundation of the Party's governance.

## Chapter 2 Organizational Setup

Article 4 Where there are more than 100 party members in a state-owned enterprise, a grassroots party committee (基层委员会) (hereinafter referred to as a “party committee” (党委)) shall be established. If the number of party members is less than 100 and it is indeed necessary for work, a party committee may be established with the approval of a higher-level party organization.

If the number of party members is more than 50 and less than 100, a general party branch committee (hereinafter referred to as a “general party branch” (党总支)) shall be established. If the number of party members is less than 50 and it is indeed necessary for work, a general party branch may be established with the approval of a higher-level party organization.

If there are three or more formal party members, a party branch is established. A party branch with seven or more formal party members establishes a branch committee.

With the approval of the CCP Central Committee, centrally managed enterprises (中管企业) generally set up party groups, and centrally managed financial enterprises (中管金融企业) set up Party group-type Party committees.

Article 5 The party committee of a state-owned enterprise is elected by a party member congress (党员大会) or a party member representative congress (党员代表大会), and each term of office is generally five years. The general party branch and branch committee are elected by the party member congress, and each term of office is generally three years. At the end of the term of office, general elections shall be held on schedule. According to the affiliation of party organizations and the management authority of cadres, higher-level party organizations should generally remind them to prepare for general elections six months in advance.

The party organization elections of enterprises (units) directly under the central enterprises are mainly guided by the party committees (party groups) of the central enterprises, and the examination and approval procedures are handled in accordance with relevant party regulations. Central enterprises and their directly affiliated enterprises (units) convene party member congresses, which can allocate representatives to the lower-level enterprises (units) whose party organizations are subordinate to local party organizations.

Article 6 The party committee of a state-owned enterprise is generally composed of five to nine people, and no more than 11 people at most, including one secretary and one to two deputy secretaries. For those which establish a standing committee (常务委员会), the standing committee of the party committee generally has five to seven members and no more than nine members, while the party committee generally has 15 to 21 members. Party committee members should generally have Party membership-age for more than three years, among which party committee members of central enterprises and their directly affiliated enterprises (units) and provincial state-owned enterprises should have Party membership-age for more than five years.

The general party branch of a state-owned enterprise generally consists of five to seven people, with a maximum of nine people; the branch committee consists of three to five people and generally no more than seven people. A party branch with less than seven formal party members shall have a secretary and may have a deputy secretary if necessary. The party branch (general party branch) secretary should generally have more than one year of Party membership-age.

Article 7 The secretary and deputy secretary of the party organization of a state-owned enterprise, and the Party committee standing committee members of those which have established standing committees, are generally elected by the plenary meeting (全体会议) of the committee at the corresponding level. The election results were reported to the higher party organization for approval. When the central enterprise party committee (party group) deems it necessary, it may mobilize or appoint the person in charge of the party organization of the directly affiliated enterprise (unit).

Article 8 The party committee of a state-owned enterprise shall establish a disciplinary inspection committee or a disciplinary inspection committee member, and the general party branch and branch committee shall establish a disciplinary inspection committee member.

Article 9 In the process of advancing the reform of mixed ownership (混合所有制改革), state-owned enterprises shall simultaneously set up or adjust the party organizations, straighten out the affiliation of the party organizations, and simultaneously select and appoint party organization leaders and party affairs staff to effectively carry out party work.

Article 10 For works projects, research and development teams, and other institutions temporarily formed to perform certain tasks, if the party member organization affiliation is not transferred, a temporary party organization may be established with the approval of a higher-level party organization. The members of the leadership team of the temporary party organization shall be designated by the party organization that approved their establishment.

### **Chapter 3 Primary Responsibilities**

Article 11 The party committee (party group) of a state-owned enterprise shall play a leading role, guiding its direction, managing its overall situation, and ensuring its implementation, while discussing and deciding on major issues of the enterprise in accordance with regulations. Its primary responsibilities are as follows:

- (1) Strengthen the political construction of the enterprise's party, adhere to and implement the fundamental systems, basic systems, and major systems of socialism with Chinese characteristics, and educate and guide all party members to always maintain a high degree of consistency with the Party Central Committee with Comrade Xi Jinping at its core in political standing, political orientation, political principles, and political paths;
- (2) Deeply study and implement Xi Jinping Thought on Socialism with Chinese Characteristics for the New Era, study and publicize the Party's theories, implement the Party's line, principles,

and policies, and supervise and ensure the implementation of major decisions and deployments of the Party Central Committee and resolutions of higher-level party organizations in the enterprise;

(3) Study and discuss major business management issues of the enterprise and support the (general) meeting of shareholders, the board of directors, the board of supervisors, and management in exercising their powers in accordance with the law;

(4) Strengthen leadership and oversee the enterprise's personnel selection and employment and grasp the construction of corporate leadership and the construction of cadres and talents;

(5) Fulfill the primary responsibility of the enterprise's party style and clean government construction, lead and support the internal disciplinary inspection organization to perform the responsibility of supervising discipline and accountability, strictly and impartially enforce political discipline and political rules, and promote the extension of strict party governance to the grassroots;

(6) Strengthen the construction of grassroots party organizations and party members and unite and lead the masses of employees to actively participate in the reform and development of the enterprise;

(7) Lead the enterprise's ideological and political work, spiritual civilization building, and united front work and lead the enterprise's trade unions, Communist Youth League (共青团), women's organizations, and other group organizations.

**Article 12** The party branches (general party branches) of a state-owned enterprise and the party committees established by its internal organization carry out work around production and operation and play the role of a fighting fortress (战斗堡垒). Their primary responsibilities are as follows:

(1) Study, publicize, and implement the party's theory, line, principles and policies, publicize and implement the resolutions of the Party Central Committee, higher-level party organizations, and the organization itself, and unite and lead the employees to complete the tasks of the unit.

(2) Participate in decision-making on major issues of the unit in accordance with regulations and support the person in charge of the unit in carrying out work.

(3) Diligently carry out party member education, management, supervision, services, and Party member development, strictly enforce the party's organizational life, organize party members to excel in their work (创先争优), and give full play to the vanguard and exemplary roles of party members.

(4) Keep close contact with the masses of workers, promote the resolution of their reasonable demands, and earnestly carry out ideological and political work. Lead group organizations such as the labor union, the Communist Youth League, and the women's organization of the unit and

support them in carrying out their work independently and responsibly in accordance with their respective regulations.

(5) Supervise party members, cadres, and other employees of the enterprise to strictly abide by national laws and regulations, the enterprise's financial and personnel system, and safeguard the interests of the state, the collective, and the masses.

(6) Seek truth from facts, put forward opinions and suggestions on party building and party work, and report important situations to higher-level party organization in a timely manner. Inform party members and the masses of the work of the Party in accordance with regulations.

## **Chapter 4 Party Leadership and Corporate Governance**

Article 13 State-owned enterprises should write party building work requirements into the company's articles of association, specifying the party organization's responsibilities and powers, institutional settings, operating mechanisms, basic guarantees, and other important matters, clarify that the party organization's research and discussion are preliminary procedures for decision-making by the board of directors and managers on major issues, and implement the legal status of the party organization in the corporate governance structure.

Article 14 Adhere to and improve the leadership system of "two-way entry and cross- appointments" (双向进入, 交叉任职), allowing both eligible party committee (party group) team members to enter the board of directors, the board of supervisors, and management through legal procedures and also eligible party members among the members of the board of directors, the board of supervisors, and management to enter the party committee (party group) in accordance with relevant regulations and procedures.

The positions of party committee (party group) secretary and chairman are generally held by one person, and the party member general manager serves as the deputy secretary. If work indeed makes it necessary for a higher-level enterprise leader to concurrently serve as the chairman, according to the actual conditions of the enterprise, the secretary of the party committee may be the general manager of the party member or may be appointed separately.

In an independent corporate enterprise with no board of directors and only executive directors, the party committee secretary and executive director are generally held by one person. If there is a separate general manager and he/she is a party member, he or she should generally serve as the deputy secretary of the party committee.

For non-independent corporate enterprises such as branch companies, whether the party committee secretary and general manager shall be established separately shall be determined in light of actual conditions. In the case of separate establishments, the party committee secretary generally serves as the deputy general manager and the party member general manager serves as the deputy secretary of the party committee.



The party committee (party group) of a central enterprise is equipped with a full-time deputy secretary. The full-time deputy secretary generally enters the board of directors rather than serving at the managerial level and is responsible for party building. Party committees of enterprises (units) belonging to central enterprises and local state-owned enterprises with a large number of employees and party members may have full-time deputy secretaries. The leaders of internally-established disciplinary inspection organizations of the party committees (party groups) of state-owned enterprises generally do not concurrently hold other positions; if it is indeed necessary that they have concurrent positions; it shall be reported to the higher-level party organization for approval.

State-owned enterprise party organizations implement a system that combines collective leadership and individual division of labor and responsibility. Members of the party organization leadership team that enter the board of directors, board of supervisors, and management must implement the party organization's decisions.

Article 15 Important operational and administrative matters of state-owned enterprises must be studied and discussed by the party committee (party group) before the board of directors or the management makes a decision. Matters of research and discussion mainly include:

- (1) Important measures to carry out the Party Central Committee's decision-making and to deploy and implement the national development strategy;
- (2) Enterprise development strategies, medium and long-term development plans, and important reform plans;
- (3) Issues of principled directionality in the reorganization of enterprise assets, the transfer of property rights, capital operations, and large-scale investments;
- (4) The establishment and adjustment of enterprise organizational structure and the formulation and modification of important rules and regulations;
- (5) Important matters involving enterprise safety in production, maintaining stability, employees' rights and interests, and social responsibilities;
- (6) Other important matters that should be studied and discussed by the party committee (party group).

The party committee (party group) of a state-owned enterprise shall formulate a list of matters to be studied and discussed in accordance with the actual conditions of the enterprise and clarify the rights and responsibilities of the party committee (party group), the board of directors, the board of supervisors, and the management of other governance entities.

The party branch (general party branch) of an independent legal person enterprise (独立法人企业) that has the power to make decisions on important human, financial, and material matters and does not have a party committee generally has the person in charge of party members serve as the



secretary and committee member, and the party branch (general party branch) conducts collective research and oversees the important issues of the enterprise.

Article 16 The party organization of a state-owned enterprise shall, in accordance with the management authority of cadres, standardize the procedures of motion nomination (动议提名) and organization inspection, discussion, and decision, implement requirements for party loyalty (对党忠诚), courageous innovation (勇于创新), good corporate governance (治企有方), good practice for invigorating enterprises (兴企有为), and honesty and integrity (清正廉洁), diligently carry out the selection of enterprise leaders, expand the training and selection of outstanding young leaders, strengthen management and supervision of enterprise leaders, and ensure the party's leadership over cadre and personnel work (干部人事工作) and power over important cadres.

The party organization shall implement the strategy of strengthening the enterprise with talents, and improve the mechanisms of talent training, introduction, and use by focusing on diligently carrying out the work of recruiting business management talents, professional and technical talents, high-skilled talents, and talents that are in short supply in special fields to stimulate and protect entrepreneurship and create a good environment that encourages innovation and entrepreneurship.

Article 17 Improve the system for the democratic management of enterprises with the employees' congress (职工代表大会) as the basic form, explore effective ways for employees to participate in management, promote the opening of factory affairs and the opening of management affairs, protect employees' rights to know, participate, express, and supervise, and safeguard the legality of employees' rights and interests. The opinions of employees shall be heard when making important decisions, and important issues involving the vital interests of employees must be reviewed by the employees' congress (职工代表大会) or the employees' assembly (职工大会). Uphold and improve the employee director system (职工董事制度) and employee supervisor system (职工监事制度) to ensure that employee representatives participate in corporate governance in an orderly manner.

## Chapter 5 Party Building

Article 18 Party organizations of state-owned enterprises shall adhere to the combination of centralized education (集中教育) and regular education (经常性教育) and adopt methods such as centralized rotation training (集中轮训), party committee (party group) theoretical learning center (理论学习中心) group learning (组学习), theoretical lectures (理论宣讲), and online learning and training so as to strengthen political theory education (政治理论教育), party purpose education (党的宗旨教育), party constitution, party regulations, and party discipline education (党章党规党纪教育), and revolutionary tradition education (革命传统教育), organize and guide party members to earnestly study the history of the Party (党史), the history of New China (新中国史), and the history of reform and opening up (改革开放史), promote the normalization and institutionalization of "Two Studies, One Action" ("两学一做") learning and education, and regarding "remaining true to our original aspiration and keeping our mission firmly in mind" (不忘初心、牢记使命) as the eternal task of strengthening party building and the lifelong task of all party members and cadres, thereby forming a long-term

mechanism.

Article 19 Strictly hold the party's organizational life, conscientiously convene democratic life meetings and organizational life meetings, improve the quality of the "Three Meetings and One Lesson" ("三会一课"), implement systems such as heart-to-heart talks (谈心谈话), democratic appraisal of party members (民主评议党员), and themed party days (主题党日), and strengthen the political, contemporary, principled, and combative/effective nature of intraparty political life. Strictly organize the party's organizational life (组织生活), conscientiously hold democratic life meetings (民主生活会) and organizational life meetings (组织生活会), improve the quality of the "Three Meetings and One Lesson" ("三会一课"), implement systems such as heart-to-heart talks (谈心谈话), democratic appraisal of party members (民主评议党员), and themed party days (主题党日), and strengthen the political, contemporary, principled, and combative nature of political life within the party. Insist on effective practices, such as reviewing the party admission oath (入党誓词) and reviewing the application for party admission (入党志愿书), and implement the party lecture system (讲党课制度) for party members and leading cadres.

Article 20 Strengthen the day-to-day management of party members, promptly transfer party member organizational relationships, urge party members to pay party dues in full and on time, and enhance party member awareness. Strengthen and improve administrative services for young party members, migrant worker party members, party members abroad (overseas), floating party members (流动党员), and labor dispatch system employee party members (劳务派遣制员工党员). Provide targeted management services for party members that have retired from employment (离退休职工党员) and employees of merged, restructured, and bankrupt enterprises (兼并重组和破产企业职工党员).

Care about and care for party members in politics, ideology, work, and life, establish and improve the mechanisms of care and assistance within the party, visit and sympathize with the recipients of merits and awards on the dates of important festivals and anniversaries, and often contact and care for disabled party members, elderly party members, and party members living in difficulties and the families of party members who died and made sacrifices in the line of duty, helping them to address practical matters.

Strictly enforce party discipline, and promptly educate or deal with party members who violate party discipline in accordance with relevant party regulations.

Article 21 Party members shall be recruited in accordance with the general requirements for controlling total volume, optimizing structure, improving quality, and exerting functions and relevant regulations. Persist in putting political standards first, attach importance to the development of party members in the front line of production and operations, young workers, and high-knowledge groups, and strive to have party members in every team. Pay attention to cultivating party membership amongst the backbone of production and operations and train party members to serve as the backbone of production and operations. Party organizations should strengthen contact and focus on training outstanding talents such as technical experts and young experts.

Article 22 Carry out party organization activities closely in conjunction with enterprise production and operation, guide party members to excel in their work, overcome difficulties, and strive to act as experts in production and operations, models of innovation and entrepreneurship, models for improving efficiency, and vanguards in serving the masses through the establishment of party member responsibility areas (党员责任区), party member demonstration posts (党员示范岗), party member commandos (党员突击队), and party member service teams (党员服务队). Guide party members to actively participate in volunteering services and focus on giving play to the important role of party members in regional party building and grassroots governance.

## **Chapter 6 Political Construction of the Party**

Article 23 Party organizations of state-owned enterprises must give top priority to the Party's political construction, shoulder the Party's political construction responsibilities, improve political standing, strengthen political leadership, strengthen political capabilities, conserve political ecology, prevent political risks, implement the decisions and deployments of the CCP Central Committee, promote enterprises to focus on their primary responsibilities, serve national development strategies, and fully perform economic, political, and social responsibilities.

Article 24 Persist in arming party members, cadres, and workers with the party's innovative theories, highlight political education and political training, promote Xi Jinping's new era of socialism with Chinese characteristics into enterprises, workshops, teams, and minds, and lead workers to listen to and follow the Party. Carry out publicity and education on socialism with Chinese characteristics and the realization of the Chinese dream of the great rejuvenation of the Chinese nation (实现中华民族伟大复兴中国梦), strengthen education in patriotism, collectivism, and socialism, and diligently carry out education on situations and policies.

Article 25 Persist in leading the construction of corporate culture with socialist core values, inherit and carry forward the fine traditions and styles (优良传统和作风) of state-owned enterprises, cultivate patriotic sentiments (家国情怀), strengthen morale to meet challenges, and enhance the spirit of rejuvenating the country through industry and serving the country through industry. Deepen the establishment of civilized units, organize and carry out job skill competitions, carry out mass cultural and sports activities, promote the spirit of model workers and craftsmen, vigorously publicize and commend advanced models, and play a role of demonstration and guidance, and create a new era state-owned enterprise workforce that has ideals and beliefs, knows technology, can innovate, and dares to take responsibility and dedication.

Article 26 Regard ideological and political work as routine and fundamental work, combine the solution of ideological problems with the solution of practical problems, do more work that is popular, heartwarming, and stabilizing, actively build harmonious labor relations, and strive to resolve contradictions at the grassroots level. Improve the system of grassroots contact points for enterprise leaders and the pairing of party members and employees, help conduct regular analysis of employees' ideological dynamics, and provide targeted humanistic care and psychological counseling. In the process of enterprise reform and reorganization, dissolving excess capacity, disposing of "zombie

enterprises” (“僵尸企业”) and corporate bankruptcy, focus on in-depth and meticulous ideological work, solve the difficulties of personnel and workers, guide them to support and actively participate in reform.

Article 27 Persist in party building and mass building, give full play to the bridging role of group organization, promote the unity of the group organization to mobilize personnel and the masses to make contributions to enterprise reform and development and production and operations, and do more for the staff and the masses, solve their problems, and maintain and develop the interests of employees.

## **Chapter 7 Democracy and Supervision within the Party**

Article 28 Party organizations of state-owned enterprises shall implement the rights of party members to know, participate, vote, and supervise, unblock the channels for party members to participate in party affairs, promote open party affairs, and establish and improve systems for party members to regularly review the party leadership team. Implement the tenure system for the congressional representatives of party members, improve the system for representatives to contact party members and the masses, and actively reflect the opinions and suggestions of grassroots party organizations and party members.

Article 29 Implement responsibility for comprehensive strict Party self-governance, enhance political supervision, and strengthen the supervision and inspection of the party's theories, line, principles, and policies, as well as the implementation of major decision-making arrangements. Strictly implement the spirit of the CCP Central Committee's Eight-Point Decision on Improving Party and Government Conduct (中央八项规定) and its implementation rules and resolutely oppose formalism (形式主义), bureaucracy (官僚主义), hedonism (享乐主义), and extravagance (奢靡之风). Strengthen the supervision of system implementation, strengthen the supervision of key positions and important personnel, especially the main persons in charge, enhance the supervision of capital-intensive, resource-rich, and asset-concentrated key departments and units with concentrated power, highlight the supervision of key links such as “Three Major and One Large” (“三重一大”) decision-making, project bidding, restructuring and reorganization, and property rights changes and transactions, and severely investigate and deal with violations of regulations and disciplines such as the embezzlement and squandering of state-owned assets and the transfer of interests. If the problem is serious, it should be reported to a higher-level party organization in a timely manner.

Article 30 Implement supervision responsibilities within the Party, establish and improve supervision system mechanisms within the Party, strengthen daily management and supervision, and give full play to the supervisory role of internal discipline inspection organizations, party committee work institutions, grassroots party organizations, and party members. Strengthen party spirit education (党性教育), purpose education (宗旨教育), and warning education (警示教育) for enterprise leaders, implement a system of heart-to-heart talks, increase reminders, correspondence, and exhortations, conduct inspections, assessments, investigations, supervision, petition reporting (信访举报), and spot

checks to verify reports of matters related to individuals, and supervise and prompt enterprise leaders to use their power in accordance with regulations and laws and to perform their duties with integrity.

Make good use of the supervisory powers of the enterprise's board of supervisors, auditing, legal, and finance departments, give full play to the role of employee supervision, community supervision, and public opinion supervision, and promote the organic integration and coordination of various methods of supervision to form a joint supervision force and improve supervision efficiency.

Article 31 Discipline inspection organizations are established in state-owned enterprises to perform the responsibility of supervision and discipline enforcement, assist the party committee in promoting comprehensive and strict governance of the Party, strengthen party style building, organize and coordinate anti-corruption work, and accurately use the "Four Forms" ("四种形态") of supervision and discipline to resolutely punish and prevent corruption.

Disciplinary inspection and supervision institutions assigned to enterprises by commissions for discipline inspection at all levels perform disciplinary inspections and supervisory duties as authorized, supervise the party committees (party groups) of enterprises on behalf of the supervisory commissions for discipline inspection at higher levels, and supervise and promote state-owned enterprise party committees (party groups) in implementing the primary responsibility of strict party governance.

## **Chapter 8 Leadership and Guarantee**

Article 32 Party committees at all levels shall incorporate party building in state-owned enterprises within overall work deployments and overall party-building plans. In accordance with the principle of unified management of people and party building, party committees shall improve and implement a well-enforced and rigorous system that connects from top to bottom to form a work pattern of unified leadership under the party committee, led by the organization department of the party committee, with specific guidance and daily management fulfilled by the party group (party committee) of the state-owned assets supervision department, the close cooperation of relevant departments, and the fulfillment of duties by the enterprise party organization. The Organization Department of the CCP Central Committee is responsible for the macro-guidance of party building in state-owned enterprises across the country.

The party building work of the enterprises (units) directly under central enterprises is mainly led and guided by the party committees (party groups) of the central enterprises, with assistance from the local party committees at the municipal level and above where the enterprises are located.

The party committee of a centrally managed financial enterprise vertically leads the party organizations within its system and is responsible for the party building work of that system.

Article 33 The party organization of a state-owned enterprise shall perform the primary responsibility of party building. The secretary shall perform the responsibilities of the first responsible person, and the full-time deputy secretary shall perform direct responsibilities. The head of the internal discipline inspection organization shall perform supervisory responsibilities, and other members of the leading team of the party organization shall perform the “One Post, Two Responsibilities” (“一岗双责”). Party members in the board of directors, the board of supervisors, and management shall actively support and participate in the party building work of the enterprise.

Party organizations at all levels shall strengthen the supervision and inspection of the implementation of the responsibility system for party building work, transmit pressure at all levels, and promote work implementation.

Article 34 Comprehensively implement the party organization secretary’s appraisal and assessment of party building at the grassroots level. Strengthen the use of assessment results, report the assessment results within a certain range, and serve as an important basis for the political quality inspection and comprehensive assessment of enterprise leaders.

At the beginning of each year, the enterprise party organization comprehensively reports on the party building work of the previous year to the higher-level party organization, and members of the party organization leadership regularly report to the party organization of the enterprise on the work of party building.

Article 35 Party committees of state-owned enterprises shall, in accordance with principles conducive to strengthening the Party’s work and its capable and efficient coordination, set up offices, organization departments, and propaganda departments according to actual needs. Relevant institutions may work together with management departments with similar corporate functions. Leadership management and grassroots party organization building generally use unified responsibilities under separate departments, though a single leadership team should be in charge of the two departments.

Article 36 According to the number of employees and the actual needs of the enterprise, a certain proportion of full-time and part-time party personnel shall be allocated. Select and appoint strong party organization secretaries and regard the post of party branch secretary as an important step in training and selecting enterprise leaders. Pay attention to the selection of backbone party members with good political literacy that are familiar with management, have a decent work style, and have prestige among the employees to perform party building work in the enterprise and regard positions related to party affairs as important platforms for cultivating versatile enterprise talents (企业复合型人才). Strictly implement the policy of equal treatment for equal rank (同职级、同待遇政策) and promote two-way exchanges between party affairs personnel and other operations and management personnel.

Strengthen the training of party branch secretaries and party personnel to ensure that party branch secretaries and party personnel participate in at least one centralized training every year. New party



branch secretaries shall generally complete their job training within half a year.

Article 37 Through the inclusion of management expenses, retention of party dues, and other channels, funds for the work of the party organization of an enterprise shall be guaranteed and shall be inclined to the front line of production and operations. The portion included in management expenses is generally arranged according to the proportion of 1% of the total wages of the employees of the enterprise in the previous year and is included in the enterprise's annual budget. Integrate and utilize all kinds of resources and make good use of the party organization's positions.

Establish a regular supervision and guidance mechanism for party branch work, promote the standardized and normalized construction of party branches, and focus on the rectification and improvement of weak and scattered grassroots party organizations. Pay attention to the use of network information technology and new media platforms to enhance the attractiveness and effectiveness of party organization activities and party member education and management.

Article 38 Persist in demanding that responsibilities must be borne and expecting accountability for failure to bear responsibility. Those who do not pay attention to the party building ideology of state-owned enterprises and are unable to work effectively should be promptly reminded, interviewed, or reported with criticism and shall make corrections within a time limit. Those who violate these regulations shall be held accountable in accordance with relevant regulations.

## Chapter 9 Supplementary Provisions

Article 39 These regulations apply to wholly state-owned, wholly-owned enterprises with absolute control of state-owned capital. Enterprises with relative control and actual control of state-owned capital shall implement these regulations in light of actual conditions.

Article 40 The Organization Department of the CCP Central Committee is responsible for the interpretation of these regulations.

Article 41 These regulations shall come into force on December 30, 2019. Other regulations concerning party organization work in state-owned enterprises shall be implemented in accordance with these regulations. Where matters are inconsistent with these regulations, these regulations shall prevail.

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