

Appendix 1:

Reference Table on the Value of the Risk Reserve Coefficient

Investment pre-estimate (RMB)	Risk reserve coefficient (%)	
	Main coefficient	Adjustment coefficient
Pre-estimate ≤ 100 million RMB	11	0-4
100 million RMB < pre-estimate ≤ 300 million RMB	9	
300 million RMB < pre-estimate ≤ 500 million RMB	7	
500 million RMB < pre-estimate	5	

1. In calculating the investment limit, the overall risk reserve shall be estimated according to 5%—15% of the investment (pre) estimate.
2. The main coefficients of the project risk reserve shall be determined according to the project’s own risk-resisting ability. The larger the investment is, the stronger the risk-resisting ability, and the less risk reserve is required; and vice versa.
3. The risk reserve coefficients shall be adjusted according to the actual situation of the project site, the degree of complexity of the technologies and the depth of the project bid-invitation:
 - (1) The project site has a high risk and may impact the project implementation, the coefficient value shall increase by 1%; and it does not increase on the contrary;

(2) The division of labor between the Chinese and foreign sides may be adjusted, the coefficient value shall increase by 1%; and it does not increase on the contrary;

(3) Due to reasons like technical complexity and the depth of the bid-invitation which may impact the project implementation, the coefficient value shall increase by 2%; and it does not increase on the contrary.

4. The risk reserve for the project constructed by the recipient, shall be calculated based on the costs required by dispatching the turn-key project management company.