

Negative List for Market Access of the PRC (2024 Edition)

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Unofficial English translation prepared for reference only. The official Chinese text prevails.

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Issued jointly by the National Development and Reform Commission and the Ministry of Commerce on August 28, 2024

Effective: November 1, 2024

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Section I — Overview and General Principles

Article 1 — The Negative List for Market Access (2024 Edition) (hereinafter referred to as the "Negative List") is formulated in accordance with the relevant decisions and arrangements of the Central Committee of the Communist Party of China and the State Council, for the purposes of thoroughly implementing the system of a negative list for market access, scientifically defining the scope of prohibited and restricted market access, and treating all types of market entities equally.

Article 2 — The Negative List applies to all types of market entities' access to the market. Unless otherwise provided by laws, regulations, or the State Council decisions, all regions, departments, and industries shall apply the Negative List uniformly. No region or department shall add items to the Negative List without authorization.

Article 3 — The Negative List includes two categories: prohibited access items and restricted access items. For prohibited access items, market entities shall not enter. For restricted access items, market entities may enter only after obtaining a license or approval from the relevant authorities, and their business scope shall comply with the licensing or approval requirements.

Article 4 — Market access items not included in the Negative List shall be open to all types of market entities on an equal basis. No region or department shall impose any additional market access conditions on market entities, nor shall it deny market access to market entities outside the scope of the Negative List.

Article 5 — The Negative List shall be subject to dynamic adjustment in accordance with the needs of economic and social development and reform. The National Development and Reform Commission and the Ministry of Commerce shall be responsible for the daily management and interpretation of the Negative List.

Section II — Prohibited Access Items

Article 6 — The prohibited access items specify sectors, fields, and businesses that market entities are prohibited from entering. These include:

- (1) Activities prohibited by laws, regulations, and State Council decisions;
- (2) Activities involving national security and social stability that are prohibited from market access;
- (3) Businesses prohibited under specific industrial policies or national plans;
- (4) Businesses that pose a serious threat to public safety, ecological environment, or are detrimental to the physical and mental health of minors; and
- (5) Other activities prohibited by the state from market access.

Article 7 — Specific examples of prohibited access items include: the production and sale of narcotics and psychotropic substances, the operation of gambling establishments, the unauthorized production of firearms and ammunition, the unauthorized operation of financial businesses without a license, and the production and sale of counterfeit and shoddy goods, among others.

Article 8 — For items on the prohibited access list, the relevant authorities shall not grant permits, approve, or handle registration procedures. Market entities that have already entered shall be ordered to rectify the situation or withdraw from the market in accordance with the law.

Section III — Restricted Access Items Subject to Licensing

Article 9 — The restricted access items specify sectors, fields, and businesses that market entities may enter only after obtaining a license or approval. The licensing or approval authorities, the scope of authority, the procedures, and the conditions shall be clearly defined.

Article 10 — Key restricted access sectors include:

- (1) Financial sectors: banking, securities, insurance, trust, futures, fund management, financial leasing, and other financial businesses require licenses from the financial regulatory authorities;
- (2) Telecommunications sector: basic telecommunications services and value-added telecommunications services require telecommunications business operation licenses;
- (3) Energy sector: power generation, transmission, supply, oil and gas exploration and development, and other energy businesses require corresponding qualifications and licenses;
- (4) Transportation sector: civil aviation transport, railway transport, road passenger and freight transport, waterway transport, and other transportation operations require operating permits;
- (5) Education sector: the establishment of schools and other educational institutions requires educational administrative licenses;
- (6) Medical and health sector: the establishment of medical institutions, the production and distribution of pharmaceuticals, and the production and distribution of medical devices require permits;
- (7) Media and culture sector: press and publication, radio and television, online audio-visual, and other cultural businesses require operating permits;
- (8) Food and pharmaceutical safety: food production and operation, pharmaceutical production and distribution, and related activities require relevant licenses; and

(9) Other sectors: such as the establishment of law firms, accounting firms, tourism operations, and other sectors subject to licensing control.

Article 11 — The licensing authorities shall make decisions on applications for restricted market access items within the statutory time limit. They shall not refuse to accept applications, or refuse to grant licenses, without justification. The scope, conditions, and procedures for restrictions on market access shall be fair and reasonable.

Article 12 — All regions and departments shall strictly implement the licensing list for restricted market access items. They shall not, without authorization, expand the scope of the restricted items, set up additional licensing hurdles, or increase the difficulty of market access.

Article 13 — The state encourages all regions and departments to simplify the licensing procedures and conditions for restricted items where conditions permit, and to improve the efficiency of market access. The scope of pilot programs such as the notification and commitment system for enterprise-related business licensing matters may be steadily expanded.

Section IV — Supplementary Provisions

Article 14 — The Negative List shall apply uniformly nationwide. Where pilot free trade zones, the Hainan Free Trade Port, and other special regions have special provisions on market access, such provisions shall prevail.

Article 15 — Where foreign investors make investments within the territory of China, they shall also comply with the provisions of the negative list for foreign investment access. Where special provisions on market access exist for foreign investment, such special provisions shall prevail.

Article 16 — The National Development and Reform Commission and the Ministry of Commerce shall, in conjunction with relevant departments, establish and improve a system of case-by-case assessment, notification, and regulation for market access barriers, and shall promptly clear up and abolish various explicit and implicit barriers to market access.

Article 17 — Where any other provisions on market access issued by any region or department prior to the implementation of this Negative List are inconsistent with this Negative List, this Negative List shall prevail.

Article 18 — This Negative List shall take effect on November 1, 2024. The Negative List for Market Access (2022 Edition) shall be repealed simultaneously.

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