Provisions on the Administration of Foreign-Invested Import and Export Trading Companies

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

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Article 1 — These Provisions are formulated in accordance with the relevant laws and administrative regulations on foreign investment and foreign trade of the People's Republic of China for the purpose of further expanding opening-up and promoting the development of foreign trade.

Article 2 — These Provisions shall apply to the establishment of foreign-invested import and export trading companies within the territory of the People's Republic of China.

Article 3 — Foreign-invested import and export trading companies established in accordance with these Provisions shall be foreign-invested enterprises established in the form of Sino-foreign equity joint ventures, Sino-foreign cooperative joint ventures, or wholly foreign-owned enterprises within the territory of China, and shall engage in the import and export of goods and technologies and related services.

Article 4 — A foreign-invested import and export trading company shall meet the following conditions:

(1) The foreign investor shall have a good business reputation and shall have engaged in foreign trade business for not less than three years;

(2) The registered capital of the foreign-invested import and export trading company shall not be less than the minimum registered capital prescribed by the relevant laws and regulations of the State Council;

(3) The foreign-invested import and export trading company shall have a fixed business site and the facilities necessary for conducting business;

(4) The foreign-invested import and export trading company shall have professional personnel suitable for the import and export business.

Article 5 — For the establishment of a foreign-invested import and export trading company, the applicant shall submit the following documents:

(1) An application for the establishment of a foreign-invested import and export trading company;

(2) The contract and articles of association of the foreign-invested enterprise;

(3) A feasibility study report signed by all investors;

(4) Certificates of the legal person status, creditworthiness, and legal representative of the investors;

(5) The pre-approval notification of the enterprise name issued by the administrative department for industry and commerce;

(6) Other documents required by the examination and approval authority.

Article 6 — The establishment of a foreign-invested import and export trading company shall be subject to examination and approval by the competent commerce authority in accordance with the provisions on the administration of foreign investment. After obtaining the approval, the company shall register with the administrative department for industry and commerce and complete the registration procedures for foreign trade operators with the competent commerce authority.

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Article 7 — A foreign-invested import and export trading company may engage in the import and export of goods and technologies and related services, and may also engage in domestic distribution business in accordance with law.

Article 8 — A foreign-invested import and export trading company shall abide by the laws, regulations, and rules of the People's Republic of China on foreign trade, foreign investment, customs, foreign exchange, taxation, commodity inspection, and other matters, and shall accept the supervision and administration of the relevant State authorities.

Article 9 — A foreign-invested import and export trading company shall, in its import and export business activities, abide by the principles of fair competition and shall not engage in any of the following conduct:

(1) Engaging in unfair competition;

(2) Infringing upon the lawful rights and interests of other business operators;

(3) Damaging the interests of consumers;

(4) Carrying out other activities prohibited by laws and regulations.

Article 10 — Where a foreign-invested import and export trading company needs to change its business scope, term of operation, investors, or other registered matters, it shall apply to the original examination and approval authority for approval and complete the formalities for change registration in accordance with law.

Article 11 — Where a foreign-invested import and export trading company is dissolved or terminates its business operations, it shall be liquidated in accordance with law and shall complete the formalities for cancellation of registration.

Article 12 — The provisions of the State regarding special administration of certain import and export commodities shall prevail in respect of the import and export of goods and technologies by foreign-invested import and export trading companies.

Article 13 — These Provisions shall be interpreted by the Ministry of Commerce.

Article 14 — These Provisions shall enter into force 30 days from the date of promulgation.

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