Provisions on the Administration of Foreign-Invested Printing Enterprises of the PRC

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

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Chapter I — General Provisions

Article 1 — These Provisions are formulated in accordance with the Law of the PRC on Sino-Foreign Equity Joint Ventures, the Law of the PRC on Sino-Foreign Cooperative Joint Ventures, the Law of the PRC on Wholly Foreign-Owned Enterprises, the Regulations on the Administration of the Printing Industry, and other relevant laws and regulations for the purposes of further opening up the printing industry to the outside world, regulating the establishment of foreign-invested printing enterprises, and promoting the healthy development of the printing industry.

Article 2 — For the purposes of these Provisions, the term "foreign-invested printing enterprise" refers to a printing enterprise established within the territory of China by a foreign institution, company, enterprise, or other economic organization or individual (hereinafter referred to as "foreign investor") independently or jointly with a Chinese company, enterprise, or other economic organization (hereinafter referred to as "Chinese investor") in the form of a Sino-foreign equity joint venture, Sino-foreign cooperative joint venture, or wholly foreign-owned enterprise.

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Article 3 — Foreign-invested printing enterprises shall be established in compliance with the state's relevant provisions on foreign investment industries, conform to the macro-level planning and layout of the printing industry, and satisfy relevant state and industry standards. The establishment of foreign-invested printing enterprises engaged in the printing of publications shall also conform to the state's macro-level planning for the total number, structure, and layout of publication printing enterprises.

Article 4 — The administrative department of press and publication under the State Council shall be responsible for the examination, approval, supervision, and administration of foreign-invested printing enterprises nationwide. The administrative departments of press and publication of local people's governments at or above the provincial level shall be responsible for the preliminary examination and routine supervision and administration of the establishment of foreign-invested printing enterprises within their respective administrative areas. The administrative department of foreign trade and economic cooperation under the State Council and the local administrative departments of foreign trade and economic cooperation at the provincial level shall, within the scope of their respective duties, be responsible for the examination, approval, and administration of foreign-invested printing enterprises.

Chapter II — Conditions for Establishment

Article 5 — The Chinese investor in a foreign-invested printing enterprise shall satisfy all of the following conditions: (a) it is a company, enterprise, or other economic organization with the status of a legal person; (b) it has experience in the operation and management of a printing enterprise; (c) in the case of a Sino-foreign equity joint venture or Sino-foreign cooperative joint venture printing enterprise, the Chinese investor shall hold a controlling stake or be in a dominant position; (d) it is capable of providing the necessary operational conditions for the foreign-invested printing enterprise.

Article 6 — The foreign investor in a foreign-invested printing enterprise shall satisfy all of the following conditions: (a) it is a company, enterprise, or other economic organization or individual with the status of a legal person; (b) it has experience in investment in and management of a printing enterprise or other related operations; (c) it has good commercial reputation and credibility; (d) it is capable of providing internationally advanced printing technology, equipment, and management experience for the foreign-invested printing enterprise.

Article 7 — A foreign-invested printing enterprise shall satisfy all of the following conditions: (a) it is independently established as a legal person; (b) its total investment, registered capital, and business premises satisfy the requirements of the Regulations on the Administration of the Printing Industry and other relevant provisions; (c) it possesses printing equipment and technology that meet the state's requirements for printing enterprises; (d) it possesses qualified printing technicians and management personnel; (e) it complies with relevant state provisions on environmental protection, fire safety, and labor safety.

Article 8 — The establishment of a foreign-invested printing enterprise shall be limited to the following business scopes: (a) printing of publications, packaging and decoration printed matter, and other printed matter; (b) foreign-invested printing enterprises engaged in the printing of publications and packaging and decoration printed matter may also engage in the operation of pre-press activities such as plate making and typesetting. The specific scope of business shall be approved by the administrative department of press and publication at the provincial level and specified in the business license.

Chapter III — Examining and Approving Procedures

Article 9 — The Chinese investor applying to establish a foreign-invested printing enterprise shall submit the application documents to the administrative department of press and publication at the provincial level of the proposed place of establishment.

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Article 10 — The application documents for the establishment of a foreign-invested printing enterprise shall include: (a) the written application for the establishment of the enterprise, setting forth the name and address of the enterprise, the reasons and purpose of establishment, the scope and scale of business, and other basic information; (b) the feasibility study report and the project proposal; (c) the joint venture contract and articles of association of each investor, or the articles of association in the case of a wholly foreign-owned enterprise; (d) the valid business registration certificate, creditworthiness certificate, and the identity certificate of the legal representative of each investor; (e) the verification report or capital verification certificate of the registered capital; (f) the ownership certificate or lease agreement for the business premises and the production site; (g) the list of printing equipment and the certificates of origin and technical specifications of the equipment; (h) the credentials and qualification certificates of the legal representative and key management and technical personnel; (i) other documents required by the administrative department of press and publication.

Article 11 — The administrative department of press and publication at the provincial level shall, within 30 working days from the date of receipt of all application documents, complete the preliminary examination and, where the conditions are met, submit the application and the preliminary examination opinion to the administrative department of press and publication under the State Council for approval.

Article 12 — The administrative department of press and publication under the State Council shall, within 60 working days from the date of receipt of the application documents and the preliminary examination opinion, make a decision on approval or disapproval. Where approval is granted, a printing business license shall be issued; where approval is not granted, the reasons shall be stated in writing.

Article 13 — Upon obtaining the printing business license, the applicant shall apply to the administrative department of foreign trade and economic cooperation at the provincial level for a certificate of approval for a foreign-invested enterprise. The administrative department of foreign trade and economic cooperation shall, within 30 working days from the date of receipt of the application, make a decision on approval or disapproval.

Article 14 — Upon obtaining the certificate of approval for a foreign-invested enterprise, the applicant shall, within the prescribed time limit and in accordance with the law, apply to the administrative department for industry and commerce for registration and obtain a business license before commencing operations.

Chapter IV — Supervision and Administration

Article 15 — A foreign-invested printing enterprise shall comply with the laws, regulations, and rules of the PRC, operate within the approved scope of business, and accept the supervision and administration of the administrative department of press and publication and other relevant administrative departments.

Article 16 — A foreign-invested printing enterprise shall establish and improve a system for undertaking and verifying printing business, a printing registration system, a printing product safekeeping system, and a printing product delivery system, among other management systems, and shall not engage in the printing of any content prohibited by laws and administrative regulations.

Article 17 — Where a foreign-invested printing enterprise falls under any of the following circumstances, the administrative department of press and publication shall, depending on the circumstances, order it to make corrections, issue a warning, impose a fine, or revoke the printing business license in accordance with the Regulations on the Administration of the Printing Industry: (a) printing without authorization or beyond the approved scope of business; (b) printing content prohibited by laws and regulations; (c) failing to establish or implement the printing verification, registration, safekeeping, and delivery systems as required; (d) transferring or leasing the printing business license by any means; (e) other conduct in violation of laws and regulations.

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Chapter V — Supplementary Provisions

Article 18 — Printing enterprises established in the mainland of China by investors from the Hong Kong Special Administrative Region, the Macao Special Administrative Region, and the Taiwan region shall be governed with reference to these Provisions.

Article 19 — The limitation on the proportion of foreign capital in foreign-invested printing enterprises shall be governed by the Special Administrative Measures (Negative List) for Foreign Investment Access and other relevant state provisions.

Article 20 — These Provisions shall enter into force on January 29, 2002. Matters not covered by these Provisions shall be governed by the relevant provisions of the Regulations on the Administration of the Printing Industry and the relevant laws, regulations, and rules on foreign-invested enterprises.

Disclaimer: This translation is provided for informational purposes only and does not constitute legal advice. While every effort has been made to ensure accuracy, only the original Chinese-language text issued by the relevant Chinese authorities carries legal force. Users should consult qualified legal professionals regarding the application or interpretation of these Provisions in specific circumstances. Dan Young Business Consultancy assumes no liability for any errors, omissions, or reliance on this translation.

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