Regulations of the State Council of the PRC on Overseas Investment

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

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Article 1 — These Regulations are formulated in accordance with the Law of the People's Republic of China on Foreign Relations, the Foreign Trade Law of the People's Republic of China, and other laws, for the purpose of advancing high-standard opening up, promoting high-quality development of overseas investment, effectively implementing the administration of overseas investment, protecting investors and their lawful rights and interests in overseas investment, and safeguarding national sovereignty, security, and development interests.

Article 2 — These Regulations apply to overseas investment by investors within the territory of the People's Republic of China (hereinafter referred to as "within China").

For the purposes of these Regulations, "overseas investment," i.e., investment abroad, means the activities through which an investor directly or indirectly acquires ownership, control, operational and management rights, and other related rights and interests in enterprises, assets, and the like of another country (region) by contributing assets or rights and interests, or by providing financing, guarantees, or other means.

For the purposes of these Regulations, "investor" includes enterprises, other organizations, and resident individuals within China.

Article 3 — Work on overseas investment shall adhere to the basic state policy of opening up, implement the holistic approach to national security, coordinate development and security, coordinate domestic and international considerations, improve the overseas investment administration and service system, enhance the quality and level of overseas investment, and promote openness, cooperation, mutual benefit, and win-win outcomes.

Article 4 — The state shall proactively align with high-standard international economic and trade rules, advance the high-quality joint construction of the Belt and Road, promote the building of multilateral and bilateral investment cooperation mechanisms, actively participate in the formulation of international investment rules, promote international cooperation in industrial chains and supply chains, oppose unilateralism and protectionism, and promote the building of an open world economy.

Article 5 — The state supports investors in conducting overseas investment activities in accordance with market principles and actively participating in international cooperation and competition. Investors shall, in accordance with the law, enjoy autonomy in overseas investment, making independent decisions, bearing their own risks, and assuming responsibility for their own profits and losses.

When conducting overseas investment and related activities, investors shall abide by laws, regulations, and international practice, respect local customs and cultural traditions, observe business ethics, be honest and trustworthy and engage in fair competition, fulfill social responsibilities, safeguard the image of the state, shall not impair the order of market competition, damage the ecological environment, or harm the lawful rights and interests of workers, and shall not endanger China's national security or harm national interests and public interests.

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Article 6 — The state shall improve the comprehensive overseas service system, promote the integration of trade and investment, improve public platforms and services, and coordinate service resources in such fields as foreign affairs, law, finance and taxation, finance, economy and trade, logistics, exit and entry, customs, and trade promotion, so as to provide service guarantees for investors.

People's governments at or above the provincial level and their relevant departments shall enhance their public service capacity and level, and provide investors with public goods and services in respect of laws and regulations, policy measures, investment guides, intellectual property, risk prevention and response, and protection of rights and interests.

Article 7 — Professional service institutions in consultation and assessment, legal services, accounting and auditing, credit rating, mediation and arbitration, intellectual property, and other fields shall be supported in expanding their overseas service networks and improving their international service capacity and level, so as to provide investors and their overseas investment with high-quality professional services.

Relevant professional service institutions shall follow the principles of honesty and trustworthiness, diligence and due diligence, and independence and objectivity, establish effective risk control and internal control systems, employ personnel with corresponding professional competence, and conduct relevant service activities in accordance with the law.

Article 8 — Banking financial institutions shall, based on their functional positioning, follow the principles of market orientation, rule of law, commercial sustainability, and risk controllability, and provide investors with financing and other financial services for overseas investment within the scope of their business. Policy-oriented insurance institutions shall be encouraged to provide investors with services such as overseas investment insurance for their overseas investment.

Article 9 — Relevant industry associations and chambers of commerce shall, in accordance with laws, regulations, and their charters, strengthen industry self-discipline, enhance their capacity and level in serving investors and their overseas investment, and promptly reflect industry demands.

Industry associations and chambers of commerce and trade and investment promotion organizations shall, in accordance with their charters, provide services related to overseas investment in information consulting, market expansion, economic and trade exchanges, protection of rights and interests, and dispute handling.

Article 10 — The state shall improve the overseas investment administration system, refine regulatory and control measures, implement whole-process regulation on a classified and tiered basis, strengthen risk prevention and control, enhance the soundness and safety of overseas investment, and promote the combination of investment facilitation with effective risk prevention.

Article 11 — The investment competent department and the commerce competent department of the State Council shall, in conjunction with other relevant departments of the State Council, formulate, adjust, and implement overseas investment policies in light of the needs of national economic and social development and changes in the investment environment and the level of risk of relevant countries (regions), specify overseas investment that is encouraged, restricted, or prohibited, strengthen overseas investment regulation, and guide and supervise investors in regulating their investment and business conduct.

Article 12 — Where investors are required by law to complete formalities such as verification and filing, information reporting, and cross-border capital registration in conducting overseas investment activities, they shall handle such matters in accordance with relevant state provisions, truthfully submit relevant materials, and cooperate with the supervision and inspection of the relevant competent departments.

Article 13 — In conducting overseas investment activities, investors shall not export or use goods, technologies, services, and related data prohibited from export by the state, or export or use, without permission, goods, technologies, services, and related data restricted from export by the state; nor shall they transfer to another country (region) goods, technologies, services, and related data prohibited from export by

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the state, or transfer, without permission, to another country (region) goods, technologies, services, and related data restricted from export by the state, through means such as dispatching technical personnel across borders, organizing personnel to work in another country (region), providing cross-border technical guidance, or arranging cross-border training of personnel.

Article 14 — Matters concerning overseas investment involving the administration of foreign exchange of funds, import and export of goods and technologies, cross-border trade in services, cross-border data flows, exit and entry of personnel, as well as review of concentration of undertakings, export controls, cybersecurity regulation, tax collection administration, and supervision of state-owned assets, shall be governed by relevant laws, administrative regulations, and state provisions.

Article 15 — The state shall improve the security review system for investment abroad. The investment competent department and the commerce competent department of the State Council shall, in conjunction with other relevant departments of the State Council, conduct security reviews of investment abroad and the transfer and disposition of related assets and rights and interests that affect or may affect national security. Relevant organizations and individuals shall provide assistance and cooperation, shall not refuse or obstruct, and shall comply with security review decisions on investment abroad.

Article 16 — Investors and their enterprises investing in other countries (regions) shall improve their governance structures, establish and improve systems for compliant operations, internal control, production safety, and handling of emergencies, strengthen risk identification, prevention, and response, and invest necessary personnel, capital, equipment, and other resources to ensure the safety of their employees and assets.

Article 17 — Investors shall regulate their investment and business conduct, and shall not harm the commercial reputation and product reputation of other investors, infringe upon others' trade secrets, dump goods at low prices without justifiable reasons, seek improper benefits through bribery, fraud, or other means, or disrupt the order of the overseas investment market.

Article 18 — Relevant departments of the State Council shall strengthen monitoring, early warning, and risk assessment of overseas investment, promptly publish the security conditions of relevant countries (regions), give warnings about investment risks, guide and help investors in preventing security risks, and safeguard the state's overseas interests and the lawful rights and interests of investors.

Article 19 — The People's Republic of China shall, in accordance with international treaties and agreements it has concluded or acceded to, or on the principle of equality and mutual benefit, conduct cooperation and exchanges in the field of law enforcement with other countries (regions) and international organizations, and protect the safety of investors and the employees and assets of the enterprises and projects in which they have invested in other countries (regions), as well as the legitimate rights and interests of relevant organizations and individuals.

The state shall actively negotiate and conclude multilateral and bilateral trade and investment agreements and other international economic and trade agreements, raise the level of protection for overseas investment, and promote investment liberalization and facilitation.

Article 20 — The state shall, in accordance with the law, provide consular protection and assistance to Chinese citizens and organizations investing in other countries (regions) and to Chinese employees of the enterprises and projects in which they have invested in such countries (regions), so as to safeguard their legitimate rights and interests.

Where major emergencies such as war, armed conflict, riot, serious natural disasters, major accidents and disasters, major outbreaks of infectious diseases, or terrorist attacks occur in the destination country (region) of investment, and investors in that country (region) and the Chinese employees of the enterprises and projects in which they have invested need assistance because their personal and property safety is

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threatened, the diplomatic missions stationed abroad shall promptly verify the situation, urge the relevant country (region) to take effective measures to protect the personal and property safety of Chinese citizens and organizations, and provide assistance according to the relevant circumstances; where the Chinese government makes corresponding arrangements to avoid danger, the relevant organizations and individuals shall cooperate.

Article 21 — Investors shall be encouraged to resolve disputes and conflicts related to overseas investment through negotiation, mediation, arbitration, litigation, and other means, so as to safeguard their own lawful rights and interests.

Article 22 — Where organizations and individuals within China participating in arbitration or litigation related to overseas investment, or subject to relevant investigations by overseas judicial or law enforcement institutions, need to provide evidence or relevant materials abroad, they shall comply with laws, administrative regulations, and state provisions on safeguarding state secrets, data security, personal information protection, technology export administration, export controls, and judicial assistance. Where permission from the competent authority is required by law, the relevant legal procedures shall be completed.

Article 23 — Where investors encounter trade-related investment barriers or other investment and business obstacles in the destination country (region) of investment, the commerce competent department of the State Council may organize and conduct investigations on its own or in conjunction with other relevant departments of the State Council, and relevant organizations and individuals shall provide assistance and cooperation. Based on the investigation results, relevant departments of the State Council may take measures such as adjusting the investment policies for the relevant country, and prohibiting or restricting the import or export of relevant goods and technologies or international trade in services.

Article 24 — Where any country (region) or international organization, in violation of international law and the basic norms governing international relations, adopts discriminatory prohibitions, restrictions, or other similar measures against the People's Republic of China in respect of investment and business operations, the Chinese government and its relevant departments may take corresponding measures according to the actual circumstances, so as to protect the safety and legitimate rights and interests of investors and their overseas investment, and protect the state's overseas interests from threats and infringement.

Relevant departments of the State Council may, in accordance with the Anti-Foreign Sanctions Law of the People's Republic of China, the Provisions on the Implementation of the Anti-Foreign Sanctions Law of the People's Republic of China, and other laws, decide to include organizations and individuals that directly or indirectly participate in formulating, deciding on, or implementing the discriminatory prohibitions, restrictions, or other similar measures prescribed in the preceding paragraph on a countermeasure list, and take corresponding measures.

Article 25 — Where foreign organizations or individuals endanger China's national sovereignty, security, and development interests, interrupt normal transactions with Chinese enterprises, other organizations, or individuals in violation of normal market transaction principles, or adopt discriminatory measures against investors and their overseas investment, unreasonably depriving or restricting the legitimate rights and interests of investors and their overseas investment, relevant departments of the State Council may take measures such as prohibiting or restricting them from engaging in import and export activities related to China, prohibiting or restricting them from investing within China, prohibiting or restricting organizations and individuals within China from conducting relevant transactions, cooperation, and other activities with them, prohibiting or restricting the entry of relevant personnel, products, means of transport, and the like, and canceling or restricting the qualifications of relevant personnel to work, stay, or reside within China. The relevant measures may apply to organizations actually controlled by foreign organizations or individuals or in whose establishment or operation they participate.

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Article 26 — Public officials shall, in accordance with the law, keep confidential state secrets, work secrets, trade secrets, personal privacy, and personal information that they learn in the performance of duties related to the administration and services of overseas investment, and shall not divulge or illegally provide them to others.

Article 27 — Where an investor invests in overseas investment prohibited by the state, the investment competent department and the commerce competent department of the State Council shall, in accordance with the division of duties, order the cessation of the investment activity, disposition of the shares and assets within a prescribed time limit, and confiscation of the illegal gains; where the investor refuses to comply, a fine of not less than 5‰ and not more than 10‰ of the investment amount shall be imposed; and the directly responsible person in charge and other directly responsible personnel shall be fined not less than 50,000 yuan and not more than 100,000 yuan.

Where an investor fails to complete the verification and filing formalities for investment abroad as required, or applies for relevant verification and filing by submitting false materials or concealing true information, the verification and filing authority shall order rectification, confiscate the illegal gains, and impose a fine of not less than 1‰ and not more than 5‰ of the investment amount; where the investor refuses to rectify, the investor shall be ordered to cease the investment activity and dispose of the shares and assets within a prescribed time limit, and a fine of not less than 5‰ and not more than 10‰ of the investment amount shall be imposed; and the directly responsible person in charge and other directly responsible personnel shall be fined not less than 20,000 yuan and not more than 50,000 yuan.

Where an investor obtains verification and filing for investment abroad through bribery, deception, or other improper means, the verification and filing authority shall revoke the verification and filing documents, confiscate the illegal gains, and impose a fine of not less than 1‰ and not more than 5‰ of the investment amount; where investment has already been made, the investor shall be ordered to cease the investment activity and dispose of the shares and assets within a prescribed time limit, and a fine of not less than 5‰ and not more than 10‰ of the investment amount shall be imposed; and the directly responsible person in charge and other directly responsible personnel shall be fined not less than 20,000 yuan and not more than 50,000 yuan.

From the date the penalty decisions prescribed in the preceding three paragraphs take effect, the relevant competent departments may refuse to accept applications for verification and filing filed by the violator within three years, or prohibit the violator from engaging in overseas investment activities for a period of not less than one year and not more than three years.

Article 28 — Where, in violation of Article 15 of these Regulations, a person refuses to cooperate with the security review of investment abroad, provides false materials or conceals relevant information, or fails to comply with a security review decision on investment abroad, the relevant departments of the State Council shall order rectification, confiscate the illegal gains, and impose a fine; where national security is endangered, the person shall be ordered to take necessary measures to eliminate the impact on national security, and may be prohibited from engaging in overseas investment activities for a period of not less than one year and not more than three years; where investment has already been made, the person may be ordered to cease the investment activity and dispose of the shares and assets within a prescribed time limit.

Article 29 — Where an investor violates Article 17 of these Regulations, the investment competent department and the commerce competent department of the State Council may, in accordance with the division of duties, order rectification within a prescribed time limit; where harmful consequences are caused, the investor may be prohibited from engaging in overseas investment activities for a period of not less than one year and not more than three years.

Article 30 — Where an investor, in conducting overseas investment activities, violates these Regulations and causes personal injury or property damage, the investor shall bear civil liability in accordance with the law;

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where the violation constitutes a violation of public security administration, a public security administration penalty shall be imposed in accordance with the law; and where a crime is constituted, criminal liability shall be pursued in accordance with the law.

Where an investor's overseas investment activities violate other laws or regulations, the competent authority shall order rectification and handle the matter in accordance with the law.

Article 31 — Where public officials abuse their authority, neglect their duties, or engage in malpractice for personal gain in overseas investment work, or divulge or illegally provide to others state secrets, work secrets, trade secrets, personal privacy, or personal information they have learned, they shall be given sanctions in accordance with the law; where a crime is constituted, criminal liability shall be pursued in accordance with the law.

Article 32 — The administration of investment by investors in the Hong Kong Special Administrative Region, the Macao Special Administrative Region, and the Taiwan region shall be implemented with reference to these Regulations; where laws, administrative regulations, or the State Council provide otherwise, those provisions shall prevail.

Article 33 — The administration of investment by investors in financial markets outside China using their own funds, raised funds, and other entrusted funds shall be governed by these Regulations and other relevant state provisions.

The administration of reinvestment by investors outside China using assets, rights and interests, and the like obtained from overseas investment shall be governed by these Regulations and other relevant state provisions.

Specific administrative measures for overseas investment by resident individuals and others within China shall be formulated by the investment competent department and the commerce competent department of the State Council.

Article 34 — These Regulations shall come into force on July 1, 2026.

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