

Several Measures of the State Council on Promoting the Growth of Foreign Investment of the PRC

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

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Article 1 — These Several Measures are formulated to further reduce restrictions on foreign investment access, create a level playing field, improve the investment environment, and promote the steady growth of foreign investment.

Article 2 — The scope of the Special Administrative Measures (Negative List) for Foreign Investment Access shall be further reduced. Industries not covered by the Negative List shall be subject to the principle of national treatment, and foreign investment access examination and approval shall be replaced by record-filing administration.

Article 3 — The liberalization of foreign investment access in the following sectors shall be promoted: (1) manufacturing sectors, including special vehicles, new energy vehicles, ships, and aircraft; (2) the financial sector, including banking, securities, fund management, futures, and insurance; (3) the service sector, including telecommunications, internet access services, legal services, accounting and auditing services, and value-added telecommunications services.

Article 4 — Foreign investors shall be encouraged to participate in the optimization and reorganization of domestic enterprises. Foreign investors shall be supported to participate in the mixed-ownership reform of state-owned enterprises and to invest in advanced manufacturing, modern services, and high-tech industries through various means such as mergers and acquisitions.

Article 5 — Fiscal and tax policies in support of foreign-invested enterprises shall be improved. Foreign-invested enterprises shall be encouraged to reinvest their profits in China, and preferential tax policies such as deferred tax payment on reinvested profits shall be implemented.

Article 6 — The protection of intellectual property rights of foreign-invested enterprises shall be strengthened. Special campaigns shall be organized to combat infringement and counterfeiting, and punitive damages shall be imposed against intentional infringement of intellectual property rights, with the amount of compensation significantly increased.

Article 7 — The business environment for foreign-invested enterprises shall be optimized. All regional policies on promoting foreign investment shall be sorted out, policies without legal basis shall be abolished, and access conditions and operational thresholds beyond the central government provisions shall be removed.

Article 8 — The legitimate rights and interests of foreign investors shall be protected in accordance with the law. Normative documents that restrict the freedom of foreign-invested enterprises to operate in domestic and international markets and restrict their independent choice of technology shall be cleaned up.

Article 9 — A complaint mechanism for foreign-invested enterprises shall be established. Foreign-invested enterprises shall be entitled to file complaints with commerce departments or foreign investment complaint agencies regarding administrative acts that infringe upon their legitimate rights and interests, and the complaint-handling authorities shall handle such complaints in accordance with the law.

Article 10 — Local governments shall be supported to introduce measures for attracting foreign investment within the scope of their statutory authority. All regions shall be supported to introduce preferential policies for foreign investment in accordance with the law, and such policies shall be made public to ensure equal enjoyment by all types of enterprises.

Article 11 — A system of regular communication between the government and foreign-invested enterprises shall be established. Government departments shall listen to the opinions and suggestions of foreign-invested enterprises and chambers of commerce of foreign enterprises in a timely manner and respond to their concerns.

Article 12 — The entry and exit of foreign employees and their families, as well as their residence and work permit facilitation, shall be improved. The procedures and approval time for work permits and residence permits for high-level foreign talents and urgently needed professionals shall be simplified.

Article 13 — These Several Measures shall come into force on the date of issuance. All relevant departments and local governments shall formulate detailed implementing rules within three months.

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