

Notice of the National Development and Reform Commission and Other Departments on the Issuance of The Several Policy Measures for Promoting the Expansion of Foreign Investment, Stabilizing Stock, and Improving Quality with a Focus on the Manufacturing Industry

Fa Gai Wai Zi [2022] No. 1586

People's governments of all provinces, autonomous regions, and municipalities directly under the central government, as well as the Xinjiang Production and Construction Corps:

The Several Policy Measures for Promoting the Expansion of Foreign Investment, Stabilizing Stock, and Improving Quality with a Focus on the Manufacturing Industry has been approved by the State Council and is now issued to you. Please carefully organize and implement it.

October 13, 2022

The Several Policy Measures for Promoting the Expansion of Foreign Investment, Stabilizing Stock, and Improving Quality with A Focus on the Manufacturing Industry

In recent years, China has deeply promoted high-level opening-up to the outside world, accelerated the construction of a new open economy system, utilized foreign investment to maintain growth, and played a positive role in promoting healthy economic development. In order to implement the decisions and deployments of the CPC Central Committee and the State Council, further expand the inflow of foreign investment, stabilize the scale of foreign investment, improve the quality of foreign investment utilization, and better play the positive role of foreign investment in promoting the high-quality development of China's manufacturing industry and deeper integration into the global industrial chain supply chain, with the consent of the State Council, the following policy measures are proposed.

I. Optimize the investment environment and expand the inflow of foreign investment

1. Deeply implement the negative list of foreign investment access. Do good jobs in implementing the negative list of foreign investment access in the 2021 version, ensure the timely implementation of new opening up measures, and transform the opening up policy into practical foreign investment projects as soon as possible. Implement the requirements of the Foreign Investment Law and its implementation regulations, and manage areas outside the negative list of foreign investment access in accordance with the principle of consistency between domestic and foreign investment. Continue to clean up restrictive measures beyond the negative list.

2. Implement high standards for national treatment after foreign investment access. Ensure that foreign-invested enterprises enjoy equal support policies for national industrial and regional development in accordance with the law and regulations, and ensure that foreign-invested enterprises enjoy equal treatment in terms of factor acquisition, qualification licensing, operation, intellectual property protection, standard formulation, bidding, government procurement, and other aspects.

3. Promote the signing and implementation of foreign-funded projects. Give full play to the traction and driving role of major foreign investment projects, and provide policy support for project land use, environmental impact assessment, planning, energy consumption, and other aspects. Increase support for key foreign investment projects, and strengthen service guarantees in areas such as land use, environmental protection, logistics, and personnel entry and exit. Improve the specialized mechanism for major and key foreign investment projects, and promote the implementation of a batch of major and key foreign investment projects as soon as possible. The corresponding local work teams should innovate their work methods, actively connect with projects, establish a sound project reserve, and track the implementation of service projects throughout the entire process.

4. Strengthen the guarantee of land elements. Each region should promote projects to follow the plan and land elements to follow the project. Based on local reality, further clarify key industries and fields in the manufacturing industry, guide land elements to allocate to projects with fast construction, good development, and high unit output, and ensure the reasonable demand for foreign investment projects in the manufacturing industry.

5. Carry out a series of international industrial investment cooperation activities. Organize and implement a series of international industrial investment cooperation activities, as well as dialogue and exchange activities with foreign invested enterprises, relevant chambers of commerce, and international organizations such as the World Economic

Forum. Timely promote and interpret major national and regional development strategies, foreign investment, technology, industry and other policies, build a platform for multinational company investment and local investment attraction, support deep docking and precise communication between multinational companies and local governments, and promote project signing and implementation. Local governments should combine local development plans and comparative advantages to scientifically determine key areas and projects for international industrial investment cooperation, and ensure the implementation of activities and achievements.

6. Improve the effectiveness of international investment public service platforms. Organize major exhibitions such as the China International Investment and Trade Fair and the Central China Investment and Trade Expo, strengthen the investment promotion service function of the exhibition, increase the invitation of multinational companies, and hold investment promotion activities such as investment docking for key industrial chains such as healthcare, semiconductors, and chemical energy.

II. Strengthen investment services and support the development of foreign-invested enterprises

7. Facilitate international business personnel exchanges. On the premise of well preventing and controlling the COVID-19, facilitate the entry and exit of executives, technicians and their families of multinational companies and foreign-invested enterprises. Each place should make good use of the "fast track" for the exchange of Chinese and foreign personnel, and further clarify standards and procedures based on local conditions to provide convenience for foreign personnel to come to China.

8. Strengthen freight logistics to ensure smooth operation. Give full play to the role of the State Council's Leading Group for Logistics Security and Smooth Flow, strengthen departmental collaboration and provincial linkage, efficiently coordinate epidemic prevention and control, and ensure smooth flow and smooth flow, promoting the security and stability of the industrial chain supply chain. Local governments should strengthen active coordination with foreign trade enterprises and their upstream and downstream affiliated enterprises, adhere to one-on-one coordination, and ensure smooth transportation of production materials and products for foreign-invested enterprises.

9. Strengthen financial support for foreign-invested enterprises. Support eligible foreign-invested enterprises to list on the Main Board, Science and Technology Innovation Board, Growth Enterprise Board, and Beijing Stock Exchange, list on the basic and innovative layers of the New Third Board, and issue corporate credit bonds for financing. Support various financial institutions to innovate products and services under the premise of legal compliance and controllable risks, and provide high-quality financial services and financing support for qualified foreign-invested enterprises in accordance with the principle of marketization. Encourage all regions to share information on foreign-invested manufacturing enterprises and projects with policy banks, large banks, joint-stock banks and other financial institutions in accordance with the law, and regularly hold "bank enterprise docking" activities.

10. Encourage foreign-invested enterprises to reinvest profits. Implement policies such as temporarily exempting withholding income tax from foreign investors' direct investment based on profit distribution, further optimize the processing process, and improve the convenience for enterprises to enjoy policies. Encourage local governments to provide foreign invested enterprises with the same supporting policies for profit reinvestment and new foreign investment, and strengthen the guarantee of land, energy and other factors. Various regions can introduce preferential policies for investment attraction within their legal jurisdiction, encouraging foreign invested enterprises to reinvest in the manufacturing industry within their borders, and reducing investment and operating costs for enterprises.

11. Support the import and export of foreign-invested enterprises in the manufacturing industry. Implement the Regional Comprehensive Economic Partnership (RCEP) with high quality, encourage the construction of public service platforms in various regions, increase the promotion and training of RCEP rules for foreign-invested enterprises in the manufacturing industry, guide enterprises to familiarize themselves with and master market opening commitments and rules, and explore market opportunities. Strengthen the promotion of trade facilitation policies and provide services and guidance on free trade agreements, trade clearance, export controls, trade remedies, and other aspects for foreign-invested enterprises in the manufacturing industry.

III. Guiding investment direction and improving the quality of foreign investment

12. Optimize the structure of foreign investment. In accordance with the requirements of the Outline of the 14th Five Year Plan, foreign investment in high-end equipment, basic components, key components, and other fields is mainly encouraged in advanced manufacturing and high-tech areas. In the modern service industry, we will focus on encouraging foreign investment in research and development design, modern logistics, and other fields. In terms of energy conservation and environmental protection, we will focus on encouraging foreign investment in new energy, innovation and demonstration applications of green and low-carbon key technologies. In terms of regional layout, we will provide policy support in areas such as basic manufacturing, applicable technology, and people's livelihood consumption in the central and western regions and Northeast China. Implement supporting policies to encourage foreign investment in industrial catalogs, and ensure that eligible foreign investment projects and enterprises are fully enjoyed.

13. Support innovative development of foreign investment. Various regions should guide foreign R&D centers to make good use of the import tax policies for supporting scientific and technological innovation during the 14th Five Year Plan period, further simplify the approval list process, optimize work processes, encourage foreign investment to establish R&D centers in China, and deepen scientific and technological openness and cooperation. Support foreign-invested enterprises to establish R&D and design links in China and create an industrial chain community. Encourage foreign investment to fully leverage its capital and technological advantages, deeply participate in intelligent manufacturing, and build intelligent manufacturing demonstration factories. Guide foreign investment to actively participate in the construction of national new industrialization industry demonstration bases and advanced manufacturing clusters. Actively introduce international innovation resources, enhance the level of opening up and cooperation in major scientific and technological infrastructure, support foreign-invested enterprises in undertaking national science and technology plan projects, and introduce world-class talent teams.

14. Accelerate the green and low-carbon upgrading of foreign investment. Guide foreign investment to actively participate in the carbon peak and carbon neutrality strategy, implement industrial low-carbon actions and green manufacturing projects, support the development of green technologies, design of green products, construction of green factories, create green supply chains, and create green design demonstration enterprises. Support foreign invested enterprises to participate equally in the formulation and revision of relevant standards in the green and low-carbon field, and scientifically determine the requirements for energy efficiency and energy consumption quotas for national key products. Support foreign invested enterprises to participate in the research and development, promotion and application of green and low-carbon technologies, and encourage them to become "leaders" in energy efficiency, water efficiency, and other aspects.

15. Guide the domestic gradient transfer of foreign-invested enterprises in the manufacturing industry. Coordinate and organize activities such as "local visits of multinational corporations", with a focus on promoting the invitation of multinational corporations in the manufacturing industry to prioritize development in the Midwest and Northeast regions with good industrial development foundations. We will continue to support national level new areas and development zones in the central, western, and northeastern regions, as well as undertake industrial transfer demonstration zones, key areas for processing trade gradient transfer, and national processing trade industrial parks to better leverage the driving role of manufacturing investment and undertake international and domestic industrial transfers. All relevant departments and localities should attach great importance to and strengthen cooperation, do a good job in expanding and increasing foreign investment, stabilizing stock, and improving quality, create a more optimized policy environment, stabilize foreign investment expectations, boost foreign investment confidence, promote high-quality development of foreign investment utilization, support foreign investment enterprises to better integrate into the domestic circulation, and promote domestic and international dual circulation. Large provinces that attract foreign investment should fully leverage their advantages, increase investment attraction efforts, and enhance their driving role in stabilizing foreign investment nationwide.