

1.2 Application Procedures for Establishment of Foreign Enterprises

Step 1: Submission of Preliminary Application

The foreign investor of a foreign enterprise should submit a report to the foreign trade and economic cooperation department at county level or above at the place where the proposed enterprise is located.

Content of report: Objectives of the foreign enterprise, business scope, scale of operation, products to be produced, technology and equipment to be used, land area required, conditions and quantities of water, electricity, gas and other forms of energy resources required, and requirements for public facilities.

Step 2: Submission of Formal Application

After the foreign investor receives a written reply from the relevant government authorities, a formal application supported by all the required documents should be filed with the local foreign trade and economic cooperation department at county, municipal or provincial level.

Documents required: Application letter for establishing the foreign enterprise; feasibility study report; articles of association; list of legal representatives (or board of directors); foreign investor's legal papers and credit report; list of materials to be imported; written replies from the local approval authorities at county level or above; application for registration of the name of the enterprise approved by the provincial or municipal administration for industry and commerce; comments on the project by various government departments such as environmental protection, fire services, health and land administration. In case where two or more foreign investors are involved, copies of the contracts signed by them should be submitted to the approval authority for the record.

Step 3: Application for Approval Certificate

After the formal application is approved, the foreign investor should apply to the foreign trade and economic cooperation

department at county, municipal or provincial level for an approval certificate by presenting all the necessary documents.

Documents required: Application letter for establishing the foreign enterprise, feasibility study report, articles of association and list of board of directors.

Step 4: Registration

Upon collection of the approval certificate, an application for business licence should be filed with the provincial or municipal administration for industry and commerce within 30 days. Subsequently, the enterprise should complete such procedures as applying for official seal and enterprise code, opening bank account, and registering for tax payment and customs declaration with the local public security, technical supervision, taxation, Customs, finance, foreign exchange administration, banking, insurance and commodity inspection departments.