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Office of the People’s Government of Hengyang

Notice on Printing and Distributing *Measures of Hengyang for Facilitating High-quality Economic Development by Making Better Use of Foreign Investment (Trial)*

People’s Government of all counties, cities and districts, departments directly under the municipal government, and state-owned and provincial enterprises in Hengyang:

Approved by People’s Government of Hengyang, *Measures of Hengyang for Facilitating High-quality Economic Development by Making Better Use of Foreign Investment (Trial)* is now printed and distributed to you, please follow.

Office of the People’s Government of Hengyang (Seal)

December 14, 2020

(This document is actively disclosed)

**Note: These measures should be based on Chinese. The English translation is for reference only.**

Measures of Hengyang for Facilitating High-quality Economic Development by Making Better Use of Foreign Investment (Trial)

These measures are formulated to thoroughly act upon the *Opinions of the State Council on Making Better Use of Foreign Investment* (G.F. [2019] No. 23) by promoting greater use of overseas investment, continuing to foster an enabling business environment that is up to international standard, governed by law and and with increased facilitation to boost high-quality economic development.

**I. Implementing the state policy of further opening-up**

(1) Giving foreign investments greater market access to more sectors. We will implement the system of pre-establishment national treatment plus a negative list across the board by following the *Special Management Measures for Foreign Investment Access (Negative List)* (2020 Edition). Through fair competition in accordance with the law, foreign firms will be treated the same as domestic firms when it comes to government procurement with no other restrictions set to ensure fair competition between domestic and foreign enterprises.

(2) Encouraging fully-funded foreign investment and reinvestment in China. We’ll take steps to attract foreign investment with funds in place. For foreign enterprises whose registered capital actually paid by domestic and foreign shareholders in the year (subject to foreign exchange funds in place, excluding foreign shareholders' domestic investment), 0.5% of the registered capital (equivalent to RMB) shall be paid by foreign shareholders will be rewarded, and the maximum reward for a single enterprise during the year will not exceed 2 million yuan. For the profits distributed by foreign investors from Chinese domestic resident enterprises, the scope of application of the withholding income tax policy for domestic direct investment is temporarily not levied, and expanded to all non-prohibited foreign investment projects and fields.

**II. Taking steps to attract foreign investment**

(3) Carrying out special programs to attract foreign investment. We will foster a number of advantageous factors, attract and cultivate foreign enterprises year by year through overall planning in a scientific way. By playing the role of major economic and trade cooperation activities at state and provincial levels, we will carry out year by year investment promotion and exchange events for the signing of high-quality projects with foreign investment. Thus the role of foreign investment in driving economic development can be strengthened continuously by stabilizing stock and boost growth.

(4) Strengthening the construction of investment promotion carriers. The role of the development zone as a major carrier of foreign investment should be given full play by encouraging key development areas to introduce targeted policies and measures, and increasing the share of foreign investment in the zone. We will encourage key development areas to actively explore and establish international industrial cooperation parks, and work towards new heights in gathering high-quality foreign investment for development.

(5) Supporting delegations to go abroad for investment promotion. Overseas (abroad) economic and trade delegations are required to take investment promotion as their main work. Top priority should be given by all relevant functional departments, counties, districts, and parks to overseas (abroad) economic and trade delegations with substantive foreign investment promotion tasks.

**III. Promoting the facilitation of foreign investment**

Promoting the convenience of government services. We will cut the time, cost, material and links it needs for foreign investment, thus the the core indicators such as enterprise start-up, construction permit, real estate registration and tax payment will be improved. We will thoroughly implement the foreign investment information reporting system to optimize the business registration procedures. We will encourage the people's governments and parks in all counties and cities to act as an agency during the whole process of foreign investment to open up green channels for foreign projects.

(7) Balancing the investment elements. We will adopt "one case one discussion" for major foreign investment projects, so as to provide the necessary territorial elements guarantee for foreign investment. Regular seminars for key foreign-invested enterprises will be held to solve the difficulties in the production and operation of foreign-invested enterprises as a way to boost the development of enterprises.

**IV. Creating an enabling environment for foreign investment**

(8) Protecting the intellectual property rights of foreign enterprises. We will protect the intellectual property rights of foreign-invested enterprises in accordance with the law, strengthen the comprehensive enforcement, complaining system, rights protection assistance and arbitration and mediation, and take tough steps to punish all activities that damage intellectual property rights of foreign enterprises. We’ll accept and hear cases, complaints and disputes regarding intellectual property rights in a prompt way, create a fair and just innovative development environment for foreign-invested enterprises. We will also work to deliver a creative environment that is fair and just for foreign investment with the rule of law.

(9) Optimizing the procedures for foreigners' permits in China. We will fully implement the *12 Immigration and Entry-Exit Facilitation Policies* issued by the National Immigration Administration to ensure the visa facilitation for foreigners, and serve the economic growth of Hengyang.

(10) Continuously improving policy service capabilities. We will strengthen the study of foreign investment laws, regulations and operational practices, devote attention to policy research and training related to foreign investment promotion, service, management, etc. We’ll also speed up efforts to cultivate professional talents, and comprehensively improve the overall quality of foreign investment.

Send a duplicate to: Municipal Party Committee Department, Hengyang Garrison Command, Office of the Standing Committee of the Municipal People’s Congress, Municipal CPPCC Office, Municipal Intermediate People’s Court, Municipal People’s Procuratorate, Municipal Committees of all Democratic Parties

Office of the People’s Government of Hengyang

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