Documents of the Leading Group for Opening Up of Jiyuan City-Industry Integration Demonstration Zone

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**Notice of Jiyuan City-Industry Integration Demonstration Zone on Issuing the Measures for Promoting Foreign Investment (Interim)**

Administration offices of the Demonstration Zone, people’s governments of townships, sub-district offices, relevant departments of the Administration Committee of the Demonstration Zone, and relevant enterprises,

The Measures of Jiyuan City-Industry Integration Demonstration Zone for Promoting Foreign Investment (Interim) are hereby issued to you for your implementation.



Leading Group for Opening Up of Jiyuan Industry-City Integration Demonstration Zone

November 17, 2022

**Measures of Jiyuan City-Industry Integration Demonstration Zone for Promoting Foreign Investment (Interim)**

**Chapter I General Provisions**

**Article 1** To further the opening up of Jiyuan City to the outside world at a higher level, accelerate the construction of an innovative and high-quality modern demonstration zone, expand the inflow of foreign capital, improve the capital utilization quality, and maximize the role of foreign capital in promoting the high-quality development of the manufacturing industry in Jiyuan City-Industry Integration Demonstration Zone (hereinafter referred to as “the Demonstration Zone”), these Measures are specially formulated.

**Article 2** The administration offices of the Demonstration Zone, governments of various townships, and the sub-district offices shall enhance leadership and formulate preferential and supportive policies and measures to stimulate capital inflow. Relevant offices shall also make concerted efforts to help foreign-invested projects address operation problems promptly. The commercial department of the Demonstration Zone is responsible for improving foreign investment services, protecting foreign investors’ legitimate rights and interests, and regulating foreign investment management. Relevant departments of the Administration Committee of the Demonstration Zone are responsible for foreign investment promotion, protection and management according to their respective responsibilities.

**Chapter II Optimizing Foreign Investment Environment**

**Article 3** Implement the negative list for foreign investment access. The 2021 version of the Negative List for Foreign Investment Access and the Foreign Investment Law and its implementing rules shall be fully implemented. In fields not on the negative list, domestic and foreign investment shall be subject to the same rules. The Catalogue of Industries Encouraging Foreign Investment (2022 version) shall be introduced to enterprises. The market supervision and administration authorities shall improve their foreign-invested business registration services and efficiency by offering whole-process online registration and simplified cross-border electronic signature certification procedures.

**Article 4** The foreign investment permitted shall enjoy equal treatment to domestic investment. The commercial department of the Demonstration Zone, the administration offices of the Demonstration Zone, the people’s governments of townships, and the sub-district offices shall formulate overall planning for foreign investment optimization according to the industrial planning of the Demonstration Zone and the strategic positioning of each administrative area, strengthen the macro planning design, expand the investment size, and improve the utilization quality of foreign capital. Foreign-invested enterprises and local enterprises shall equally enjoy the supportive policies of the state, province, and the Demonstration Zone regarding government procurement, land supply, tax reduction and exemption, licensing, project application, intellectual property protection, professional title appraisal and employment, and human resource management in accordance with laws and regulations.

**Article 5** Promote the signing and implementation of foreign-funded projects. Give play to the driving role of major foreign-funded projects and implement preferential policies regarding land supply, fee reduction or exemption, and financial support within the statutory authority. Intensify the introduction and support of key foreign-funded projects and set up four special teams responsible for promoting investment from Hong Kong, Taiwan, Japan and Korea, and the world’s top 500 enterprises. Implement a joint meeting system. Hold joint meetings to promote the evaluation, investigation and implementation of major foreign-invested projects. Assign work to specific subordinates, carry out on-site inspections, designate supervisors to ensure work effectiveness, and offer efficient administrative approval services all the time. Boost investors’ confidence through service delivery activities such as “Enterprise Service Delivery Day”, “Field Visit to A Thousand Enterprises”, and “Ten Thousand People Provide Support to Ten Thousand Enterprises”.

**Article 6** Ensure land element supply. Municipal leaders share responsibilities for key foreign-funded projects. Regarding land use, land allocation meetings shall be held as necessary and special working teams for land reuse shall be set up to expand land space and strive for more construction land quota. For high-quality industrial projects in line with the new vision for development and having a strong driving effect on industrial development and significant contributions to technological innovation, the reserve price of land transfer shall not be lower than that of local land at corresponding grade prescribed in the National Standards for the Minimum Transfer Prices of Land for Industrial Purposes; for encouraged land-intensive projects in determined strategic emerging industries, the reserve price of land transfer shall not be lower than 70% of local land at corresponding grade prescribed in the National Standards for the Minimum Transfer Prices of Land for Industrial Purposes; for major foreign-funded projects, relevant departments may build the factory and enterprises may purchase at construction cost or may adopt the rent-to-own approach. The natural resource planning department shall revitalize the stock land and accelerate the delivery of approved land and the use of idle land. When allocating land quota, priority shall be given to foreign-invested projects and major projects with high added value, high output, short construction duration, and good results in advanced manufacturing, energy conservation and environmental protection, high-tech and emerging industries.

**Article 7** Carry out foreign investment cooperation activities. Step up multilateral and bilateral investment cooperation with countries along the Belt and Road. Strengthen exchanges and cooperation in economics, trade, investment, and cultural tourism with sister cities (Chilgok County in South Korea and Niiza in Japan) and domestic cities like Jinan, Dongguan, and Suzhou. Enhance publicity of the city’s favorable investment environment and projects through overseas offices. Promote investment in competitive industries in Jiyuan through industrial chain settings, implemented projects, overseas offices, and online platforms. Establish in-depth and precise communication with enterprises invested by the world’s top 500 and chambers of commerce (associations). Adopt innovative means of investment promotion, make full use of information technology to extend investment environment publicity, and continue to increase investment promotion efforts online, such as video conferences and online negotiations. Leverage the spillover effect of national and provincial exhibitions and economic and trade events. Host investment promotion events such as the “Silver Culture Festival” and other exhibitions to effectively promote investment and accelerate the implementation of foreign-invested projects.

**Chapter III Strengthening Foreign Investment Service Assurance**

**Article 8** Facilitate international business personnel exchanges. Streamline the entry and exit procedures for multinational company executives, foreign investment enterprise personnel, technicians, and their family members. Launch a “fast channel” and clarify qualification requirements and procedures, providing convenience for foreign personnel’s stay or residence in China, visa applications, and customs clearance. Offer services to foreign talents, returned talents, or foreign business visitors in Jiyuan in areas such as medical services, household registration, taxation, accommodation, children’s education, and wages to purchase foreign exchange.

**Article 9** Strengthen the smooth flow of freight logistics. Solve transportation problems to ensure safe and stable industrial and supply chains featured by smooth and efficient cargo transportation. Subsidize direct railway services transiting through (in/out) border ports. Continue to designate one-on-one “service officers” for key enterprises and ensure smooth transportation of production materials and products for foreign trade and foreign-invested enterprises.

**Article 10** Enhance financial support for foreign-invested enterprises. Qualified foreign-invested enterprises listed on the main boards of the Shanghai and Shenzhen Stock Exchanges, the Science and Technology Innovation Board, the Growth Enterprise Market, and the Beijing Stock Exchange will be awarded phased bonuses ranging up to 8 million yuan. Enterprises listed on the NEEQ basic and innovation layers will be rewarded with 1 million yuan and 2 million yuan, respectively. Foreign-invested enterprises raising funds through IPOs will receive a maximum bonus of 2 million yuan. Listed foreign-invested enterprises will be given a maximum bonus of 500,000 yuan for enabling equity investment from pre-listed enterprises. Listed foreign-invested enterprises will be eligible for a maximum reward of 1.5 million yuan for successful cross-border mergers and acquisitions. Support shall also be extended to banking and financial institutions to develop comprehensive financing plans for pre-listed enterprises, provided risks are controllable. A wide range of flexible financing options, including credit loans, intellectual property mortgage loans, guarantee loans, merger and acquisition loans, and trade financing, shall be made available.

**Article 11** Provide financial support to foreign-invested enterprises. Develop integrated foreign investment policies and provide a policy list. Implement policies such as exempting withholding income tax on reinvested profits by overseas investors. Encourage the flow of overseas and out-of-province capital into advanced manufacturing, high-tech industries, modern agriculture, renewable energy and environmental protection sectors, and modern services in the Demonstration Zone. Foreign-invested projects with a paid-up capital of $10 million (or equivalent in RMB) will be rewarded with 1 million yuan, with an additional 100,000 yuan for every additional $1 million (or equivalent in RMB). For foreign-invested projects in emerging and future industries, there will be an increase of 10% on the established standard. For significant foreign-funded projects, the reward shall be determined through case-by-case discussion. Existing foreign-invested enterprises will receive a bonus of 100,000 yuan for every additional $1 million of paid-up capital investment, with a maximum reward of 10 million yuan. Newly established regional headquarters and functional agencies of overseas and out-of-province enterprises will be eligible for rewards of up to 10 million yuan upon verification. Intermediary agencies or enterprises that have attracted significant investment projects will receive a bonus of 100,000 yuan for every 50 million yuan of invested capital received, with a maximum reward of 1 million yuan per project.

**Article 12** Support foreign-invested enterprises in the manufacturing industry to engage in the import and export business. Implement the Regional Comprehensive Economic Partnership Agreement (RCEP) with high quality. Increase publicity and training of RCEP rules for foreign-invested enterprises in the manufacturing industry, helping enterprises learn and master market-opening commitments and rules and further tap into the market. Efforts shall be doubled to promote trade facilitation policies and provide services and guidance on free trade agreements, customs clearance, export control, and trade remedies for foreign-invested enterprises in the manufacturing industry.

**Chapter IV Guiding Foreign Capital Flow Towards Specific Industries**

**Article 13** Improve the service system for major foreign-funded projects. Implement the full-service mechanism and supervisory management. For foreign-funded projects that have made significant contributions to local employment, economic growth, and technological innovation, the Demonstration Zone shall implement “green channels” and “enterprise-specific policies” in terms of fee reduction or exemption, land use, and public services and provide support in land use, environmental protection, and energy use.

**Article 14** Optimize the structure of foreign investment. Effectively utilize the Catalogue of Industries Encouraging Foreign Investment and ensure that eligible foreign-funded projects and enterprises fully enjoy the benefits. Encourage foreign investment in high-end equipment, basic components, and key parts sectors in line with the outline of the 14th Five-Year Plan. Formulate the 14th Five-Year Business Development Plan for Jiyuan City-Industry Integration Demonstration Zone while taking into account the city’s economic development status, so as to boost the high-quality development of foreign-funded enterprises in Jiyuan and foster industry-driven clusters. Use both domestic and foreign investments to establish a community of shared development for 14 key industrial chains within 8 industrial clusters, including non-ferrous metals and deep processing, iron and steel and equipment manufacturing, modern chemicals, electronic information, nanomaterials, green foods, new energy and energy conservation and environmental protection, and biological medicine, in accordance with the Implementation Plan of Jiyuan City-Industry Integration Demonstration Zone for the Dual-Leader System of Key Industrial Chains of Advanced Manufacturing Industry Clusters. Encourage and guide foreign investors to invest in key sectors such as advanced manufacturing, emerging industries, high-tech, energy conservation, and environmental protection. Support the establishment of R&D platforms in industries such as non-ferrous metals, modern equipment, and nanotechnology, represented by Futaihua, Lihui, Jinma Energy, and Yuguan Zinc Industry. Support the development of industrial parks in the new energy, green and low-carbon, and technological innovation fields, represented by Taihang Power, Nanotechnology Industrial Park, and Shijing Optoelectronics.

**Article 15** Encourage foreign investment in innovative fields. Establish foreign-invested R&D centers in Jiyuan and collaborate with provincial departments such as the Department of Commerce and Finance Department to speed up the construction and accreditation of such centers. Deepen cooperation in science and technology: encourage local key enterprises, scientific research institutions, colleges and universities to exchange and cooperate with foreign-funded R&D platforms, mutually reinforcing with advantageous industrial production bases of non-ferrous metals, chemicals, and nanomaterials. Support foreign-invested enterprises to strengthen independent research and development, accelerate the establishment of high-level research institutions, and fully leverage capital and technological advantages to engage in intelligent manufacturing, build intelligent manufacturing demonstration factories and promote advanced manufacturing clusters. Efforts shall be doubled to bring in international innovative talents and improve the opening up and cooperation of major scientific and technological infrastructure projects. Foreign-invested enterprises shall equally engage in constructing scientific and technological platforms in the Demonstration Zone, the application and accreditation of high-tech enterprises and provincial key laboratories, and enjoy equal access to funds, policies, guidance, and service support. The Industry and Innovation Committee, the Bureau of Development Reform and Statistics, and the Bureau of Finance, among other departments, shall support R&D centers in the industrialization of research results, patent applications, and product imports and implement fiscal and taxation preferential policies. The Public Security Bureau, Human Resources and Social Security Bureau, Education and Sports Bureau and other departments shall provide services regarding entry and exit, settlement, medical care, education, and housing for foreign scientific researchers.

**Article 16** Accelerate the green development and gradient transfer of foreign capital. Foreign investors are encouraged to set up new headquarters and functional offices in Jiyuan City-Industry Integration Demonstration Zone. Eligible enterprises will be rewarded with no more than 10 million yuan. Implement the investment attraction incentive policy. Organizations, investment agencies, and foreign-funded enterprises will be rewarded (ranging up to 1.05 million yuan) according to the investment amount for introducing foreign-funded projects in the encouraged leading sectors. We encourage the development of green technology and green products and the establishment of green factories, green supply chains, and green design demonstration enterprises. We encourage foreign-invested enterprises to develop, promote and apply green and low-carbon technologies, acting as forerunners in improving energy efficiency and water efficiency. We aim to accelerate the construction of the Jiyuan National Processing and Trade Industrial Park to high standards, with perfect systems and mechanisms and complete public service functions. The Industry Park will effectively improve the city’s capacity to carry on domestic and international industry transfer and cooperate with foreign-funded manufacturing enterprises in the southeast coastal area of China, making the manufacturing industry more prominent in attracting investment.

**Article 17** Perfect the foreign investment service system. Provide full services for foreign-invested enterprises, such as business guides, policy notification, investment consultation, and complaint response. Formulate the Guideline for Foreign Investment in Jiyuan with an English version. Launch a foreign investment information platform that provides foreign investors and foreign-invested enterprises with one-stop services, including information consultation (foreign investment laws, regulations, rules, normative documents, policy measures and projects) and project matchmaking. Promulgate normative documents such as policies, measures, and regulations related to foreign-invested enterprises, with reference to the opinions and suggestions of foreign-invested enterprises. The Foreign Investment Service Center of the Jiyuan Municipal People’s Government is responsible for handling complaints from foreign-invested enterprises and shall regularly report the handling of complaints. Establish a government-enterprise communication mechanism to learn the opinions and suggestions of foreign-invested enterprises through regular visits, hotline services, and symposiums and help them address problems in a timely manner.

**Chapter V Supplementary Provisions**

**Article 18** All administration offices of the Demonstration Zone, people’s governments of townships, sub-district offices, and relevant departments of the Administration Committee must attach great importance to foreign investment attraction. Concerted efforts shall be made in all aspects to spur the growth of high-quality capital inflow and create a secure policy environment where foreign capital can be made the best use and foreign-invested enterprises can better integrate into the domestic environment, promoting the international business environment as well.