

2025 Action Plan for Stabilizing Foreign Investment

Ministry of Commerce and

National Development and Reform Commission

Foreign investment is crucial for promoting high-level opening-up. It plays an important role in fostering new quality productive forces and advancing Chinese modernization. We have thus formulated this action plan to intensify efforts to attract and stabilize foreign investment in 2025.

I. Expanding self-initiated opening-up in an orderly manner

1. Expanding pilot programs to open up the telecommunications, healthcare, and education sectors. We will support efforts of the pilot regions to publicize and implement the opening-up policies for value-added telecommunications, biotechnology, and wholly foreign-owned hospitals, and assemble special teams to follow foreign-invested projects under discussion and help solve problems timely, and push for early implementation of these projects. We will expand pilot programs to open up the telecommunications and healthcare sectors at an appropriate time. We will study and formulate plans to expand self-initiated opening-up of the education and cultural sectors in an orderly manner, publish them at an appropriate time and implement them with steady steps.

2. Ensuring the lift of restrictions on foreign investment in the manufacturing sector is well-implemented. For areas not on the negative lists for foreign investment access, we will administer foreign investment access in the principle of equal treatment for domestic and foreign investment alike. We will revise the negative list for market access and further reduce the listed items to expand opening-up to all types of market operators.

3. Improving the national comprehensive demonstration zones for expanding opening-up in the services sector. We will support the leading role of the Beijing demonstration zone in expanding services liberalization to accelerate and intensify the pilot efforts. We will further expand the scope of the pilot to include new elements and tasks, and experiment with the opening-up measures in key areas in the demonstration zones first. We will conduct in-depth studies on policy measures to open up the services sector further, closely follow the progress of the pilot, and timely replicate

pilot experience. We will support the standardization in the national comprehensive demonstration zones for expanding opening-up in the services sector.

4. Advancing opening-up of the biomedicine sector in an orderly manner. We will support the participation of qualified foreign-invested enterprises (FIEs) in the segmented production of biological products on a pilot basis, speed up the review of pilot programs and quality monitoring programs at the provincial level, promote the optimization of resource allocation in the biomedicine industry, and coordinate for the timely resolution of difficulties facing enterprises in the pilot process. We will study and improve the opening-up policies for the pharmaceutical sector, facilitate more rapid launch of new drugs, optimize volume-based drug procurement, and make medical device procurement more predictable.

5. Encouraging foreign equity investment in China. We will earnestly implement the *Measures for the Administration of Strategic Investment in Listed Companies by Foreign Investors*, formulate and release guidelines for making strategic investment, and intensify publicity efforts targeting listed companies, overseas funds, investment institutions, etc., to encourage more high-quality long-term foreign investment in listed Chinese companies.

II. Improving the level of investment promotion

6. Building continuously the brand of “Invest in China”. We will deepen the institutional reform of the foreign investment promotion system as required, devise an annual implementation plan for building the brand of “Invest in China”, and meticulously design and implement a series of “Invest in China” events. Central and local governments will make coordinated efforts in organizing overseas investment promotion events to fill in the gaps in and strengthen industrial and supply chains in the manufacturing sector with foreign investment. In light of the different characteristics of China’s major sources of foreign investment, we will research and formulate differentiated investment attraction targets and strategies, work closely with bilateral joint (mixed) economic and trade committees, and fully activate bilateral investment promotion working groups to boost project matchmaking.

7. Strengthening support for FIEs’ reinvestment in China. We will keep optimizing the business environment and ensure full national treatment for FIEs. We will research and formulate policy measures to encourage FIEs to reinvest in China and use more of

their profits made in China for reinvestment. We will pilot an information report program for FIEs' investment in China.

8. Encouraging foreign investment in a wider range of industries. We will revise and expand the catalogue of industries where foreign investment is encouraged, optimize foreign investment mix, promote the high-quality development of China's manufacturing sector with foreign investment, steer foreign investment to the modern services sector, and support more foreign investment flows into China's central, western and northeastern regions.

9. Removing restrictions on foreign-invested investment companies' access to domestic loans. Foreign-invested investment companies will be allowed to access domestic loans for equity investment. We will make greater efforts to communicate relevant policies and provide facilitation for multinational companies to invest in and establish headquarters and similar institutions in China.

10. Encouraging multinational companies to invest in and establish investment companies. We will refine the rules for setting up foreign-invested investment companies and provide facilitation for multinational companies to invest in and establish investment companies in China in terms of foreign exchange administration, cross-border movement of personnel and cross border data flows. Companies invested in and established in China by foreign-invested investment companies will be eligible for FIE treatment in accordance with law and regulation.

11. Facilitating merger & acquisition (M&A) investment in China by foreign investors. The *Provisions on the Merger and Acquisition of Domestic Companies by Foreign Investors* will be amended under the framework of the Foreign Investment Law, with refined M&A rules and transaction procedures, better defined scope of administration and lower threshold for cross-border share swaps.

12. Intensifying investment attraction in key sectors. We will encourage and ensure national treatment for foreign investment in animal husbandry-related sectors such as breeding, production of rearing equipment and production of animal feed and veterinary medicine. To create more business opportunities and cooperation space for FIEs, we will support their participation in China's new industrialization process, with a focus on high-tech sectors. Foreign investment utilization will be encouraged in services sectors including elderly care, culture and tourism, sports, healthcare, vocational

education and finance to meet consumer demand for multi-tiered services.

13. Promoting communications on economic policies and the business environment. Press releases and briefings, interviews and expert comments will be fully utilized to showcase and explain China's new policies, measures and highlights for expanding high-standard opening up.

III. Strengthening the functions of opening-up platforms

14. Deepening institutional reforms in economic and technological development zones. We will improve policy support systems and develop policy papers on deepening reforms and innovations in national economic and technological development zones, roll out new measures in guaranteeing production factors, opening up key sectors, carrying out pilot reform tasks and delegating economic management power, so as to improve the standards of export-oriented economy in national economic and technological development zones. For national high-tech industrial development zones, special customs supervision areas and various provincial development zones, we will tap into their role as opening-up platforms for stabilizing foreign investment.

15. Implementing the strategy to upgrade pilot free trade zones. We will improve the quality and efficiency of pilot free trade zones, expand the authorization of reform tasks, accelerate the implementation of core policies for the Hainan Free Trade Port and create a highland for attracting foreign investment. We support pilot free trade zones in stepping up stress tests in sectors accessible to foreign investment and continuing to expand institutional opening up in rules, regulation, management and standards.

IV. Redoubling efforts to enhance services

16. Promoting the implementation of major and key foreign-invested projects. We will encourage the inclusion of more foreign-invested projects in the lists of major and key foreign-invested projects and enhance policy support and services to accelerate the implementation of projects.

17. Establishing a system of standards for domestic products in government procurement. We will speed up developing and issuing relevant documents to specify the standards of domestic products in government procurement and ensure that

products produced by enterprises of different ownerships within China participate equally in government procurement activities. We will enhance policy communication in the field of government procurement and improve the handling of complaints from FIEs.

18. Broadening financing channels for FIEs. We will encourage financial institutions to provide financing services for FIEs, research the borrowing needs, investment and operation of key FIEs, and organize targeted bank-enterprise matchmaking events. Various types of funds will be guided to carry out equity investment cooperation with FIEs, and FIEs supported in expanding their investment and business and deepening their footprint in China.

19. Facilitating personnel exchange. We will accelerate negotiations on mutual visa exemption agreements, and continue to expand the coverage of China's unilateral visa-free policy in a prudent manner. Policies for port visa, visa-free transit and regional visa-free entry will be optimized to promote cross-border movements of people. *A Guide to Working and Living in China as Business Expatriates* will be upgraded.

20. Improving the level of trade facilitation for FIEs. We will work earnestly on issuing Certificates of Origin under preferential trade agreements to help FIEs enjoy tariff concessions from agreement partners. The inspection and regulation of complete sets of equipment imported for key foreign-invested projects will be optimized. More efforts will be made to support FIEs in obtaining the "Authorized Economic Operator" (AEO) certificate, and random inspections will be further optimized and reduced for AEOs. We will promote the adoption of inspection results of imports in an active and prudent manner, and include more qualified Chinese and foreign inspection institutions on the list of institutions whose inspection results are adopted. FIEs will be encouraged to apply for recordation of their intellectual property rights, and any infringement in the process of import and export will be resolutely combated.

Under the centralized and unified leadership of the Central Committee of the Communist Party of China, all regions and relevant departments should unswervingly deepen reform and opening up, refine specific implementation measures, and innovate working methods and strengthen policy and factor support in areas including investment promotion, rights and interests protection and services guarantee, to ensure that the measures can be put in place and take effect in 2025, so as to effectively boost the confidence of foreign investors. Relevant departments should be organized to visit key

regions and major FIEs to better understand the requests of FIEs and effectively respond to their concerns. The Ministry of Commerce and the National Development and Reform Commission will work with relevant departments and agencies to enhance guidance and coordination for effective policy communication and implementation. Significant matters should be reported in a timely manner.