

Degree of the State Council of the People's Republic of China

No. 567

Measures for the Administration on the Establishment of Partnership Business by Foreign Enterprises or Individuals in China has been adopted at the 77th executive meeting of the State Council on August 19, 2009, and are hereby promulgated, which shall come into effect as of March 1, 2010.

Premier Wen Jiabao
November 25, 2009



Measures for the Administration on the Establishment of Partnership Business by Foreign Enterprises or Individuals in China

Article 1 For the purpose of regulating the establishment of partnership business by foreign enterprises or individuals in China and facilitating foreign enterprises or individuals to invest in China in the form of partnership to expand foreign economic cooperation and technical exchanges, the Measures herein shall in accordance with the Partnership Business Law of the People's Republic of China (hereinafter referred to as the Partnership Business Law) be formulated.

Article 2 The establishment of partnership business by foreign enterprises or individuals in China in the Measures herein refers to the establishment of partnership businesses by 2 or more foreign enterprises or individuals, and foreign enterprises or individuals and Chinese natural person, legal person and other organizations in China.

Article 3 The establishment of partnership business by foreign enterprises or individuals in China should abide by the Partnership Business Law, other relevant laws, administrative regulations and rules and related industrial policies for foreign investment.

The legitimate rights and interests of foreign enterprises or individuals shall be protected by law while establishing partnership businesses in China.

China shall encourage foreign enterprises or individuals with advanced technologies and management experience to establish partnerships in China to boost the development of the modern service industry and other industries.

Article 4 The currency utilized by foreign enterprises or individuals for contribution should be the foreign currency that can be freely exchanged as well as the Renminbi earned by law.

Article 5 In the event of the establishment of partnership business by foreign enterprises or individuals in China, the representatives designed or the agent jointly entrusted by the whole copartners should apply to the local industrial and commercial administration authorized by the administrative department for industry and commerce under the State Council (hereinafter referred

to as the enterprise registration organ) for registration of establishment.

The documents prescribed in the Measures of the People's Republic of China for the Registration of Partnership Enterprises and the explanation qualified for the industrial policies for foreign investment should be submitted to the enterprise registration organ while applying for establishment registration.

In the event approving to register, one enterprise registration organ should simultaneously notify the information related to registration to the competent commerce department at the same level.

Article 6 In the event the registration for partnership enterprises set up by foreign enterprises or individuals in China (hereinafter referred to as foreign investment partnership enterprise) alters, they should apply for alteration to the enterprise registration organ by law.

Article 7 In the event one foreign investment partnership enterprise is dismissed, liquidation should be done in accordance with the Partnership Business Law, and the liquidator should handle the cancellation of registration in the enterprise registration organ by law within 15 days upon the end of liquidation.

Article 8 In the event foreign copartners withdraw from one foreign investment partnership enterprise while the enterprise continues to operate, application for alteration should be filed to the enterprise registration organ according to law.

Article 9 In the event one foreign investment partnership enterprise alters or cancels registration, the enterprise registration organ should simultaneously notify the information involved in altering or canceling registration to the competent commerce department at the same level.

Article 10 In the event the Measures herein fails to provide for the other administrative issues for the registration of one foreign investment partnership enterprise, it should be subject to the Measures of the People's Republic of China for the Registration of Partnership Enterprises and relevant provisions of the state.

Article 11 The establishment of partnership enterprises by foreign enterprises or individuals in China involves such issues as financial accounting, taxation, foreign exchange, customs and personnel entry and exit, it should be handled according to relevant laws, administrative regulations and relevant provisions of China.

Article 12 In the event foreign enterprises or individuals join while Chinese natural person, legal person and other organizations set up partnership enterprises in China, it should be subject to relevant provisions in the Measures herein and go through the enterprise registration organ for the application for registration alteration.

Article 13 In the event the establishment of partnership enterprises by foreign enterprises or individuals in China involves the investment project that shall be checked and approved by the government, approval formalities for investment project shall be handled according to relevant provisions of China.

Article 14 In the event China has other provisions for the establishment of partnership enterprises by foreign enterprises or individuals in China with investment as the main business, it should be subject to the provisions.

Article 15 The establishment of partnership enterprises by the enterprises or individuals from Hong Kong Special Administrative Region, Macao Special Administrative Region and Taiwan should be subject to the Measures herein.

Article 16 The Measures herein shall come into effect as of March 1, 2010.

