

Note: The English version is for reference only. If the English version and the Chinese version is different, please Chinese version shall prevail.

**Special Administrative Measures (Negative List) on Foreign Investment  
Access to the China (Shanghai) Pilot Free Trade Zone (2013)**

Shanghai Municipal People's Government

Interpretations

The "*Special Administrative Measures (Negative List) on Foreign Investment Access to the China (Shanghai) Pilot Free Trade Zone (2013)*" (the "Negative List"), which is based on the laws and regulations on foreign investment, the "*Framework Plan for the China (Shanghai) Pilot Free Trade Zone*," the "*Catalogue of Industries for Guiding Foreign Investment (2011 Amended Version)*", etc., set out administrative measures applicable to foreign investment projects and establishment of foreign-invested enterprises in the China (Shanghai) Pilot Free Trade Zone (the Pilot Free Trade Zone) where "national treatment" is not granted. The Negative List is compiled according to the "*Classification and Codes of National Economic Industries (2011)*" and includes 18 industries. Two sectors, namely "(S) Public management, social security and social organizations" and "(T) International organizations" are not subject to the Negative List.

For areas falling outside the Negative List, pre-approval will no longer be required for foreign investment projects (with the exception where pre-approval is still required even for domestic investment projects as stipulated by the State Council) and establishment of foreign investment enterprises; instead filing (i.e. reporting) requirements will apply.

Apart from the special administrative measures listed in the Negative List, foreign investors are prohibited (or restricted) from investment in industries which are prohibited (or restricted) by China, or by international agreements/treaties China concluded with other countries/jurisdictions. Foreign investors are also prohibited from investment in projects which would compromise China's national or social security, and from business operations which would compromise the public interest.

The following activities in the Pilot Free Trade Zone shall comply with relevant regulations: mergers and acquisitions by foreign investors, strategic investments in listed companies by foreign investors, foreign investors' using equity interest in domestic enterprises for capital contribution purpose; if a national security or anti-monopoly investigation is involved, relevant regulations shall be applied.

The Negative List also applies to investments in the Pilot Free Trade Zone by investors from the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan. If more favorable treatment (if applicable in the Pilot Free Trade Zone) is available for qualified investors according to the "*Mainland and Hong Kong/Macau Closer Economic Partnership Agreement*" and their supplements, the "*Cross-Straits Economic Cooperation Framework Agreement*" and the follow-up "*Cross-Straits Agreement on Trade in Services*," and other free trade agreements signed by China, such treatment shall prevail over the Negative List.

According to the laws and regulations on foreign investment and the development needs of the Pilot Free Trade Zone, the Negative List will be adjusted when appropriate.

**Special Administrative Measures (Negative List) on Foreign Investment  
Access in the China (Shanghai) Pilot Free Trade Zone  
(2013)**

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
A- Agriculture, forest, husbandry and fishery	A01- Agriculture, A02-Forest, A03- Husbandry, A04Fishery, A05- Agriculture, forest, husbandry, fishery services		<p>1.Planting/breeding for traditional Chinese medicine (equity or cooperative joint ventures only)</p> <p>2.Breeding of new crops, seeds production (restricted, equity controlled by Chinese party<sup>1</sup>)</p> <p>3.Crops seeds enterprises (equity or cooperative joint ventures only; minimum registered capital of US\$ 2 million for investing in seeds of grain, cotton and oil crops, with Chinese participation over 50%; minimum registered capital of US\$ 0.5 million for investing in other seeds)</p> <p>4. Cotton (seed cotton) processing (restricted)</p> <p>5.Processing of logs derived from rare species of woods (restricted, equity or cooperative joint ventures only)</p> <p>6.R&amp;D, breeding, cultivation of rare or peculiar species and production of relevant propagation materials including superior genes in crops, husbandry and aquatic sectors; R&amp;D in Genetically Modified Organisms (GMO) and production of genetically modified crop seeds, animal and aquatic breeds <b>(prohibited)</b></p> <p>7. Fishing of aquatic products of sea areas and inland waters within China <b>(prohibited)</b></p>

<sup>1</sup> "Equity controlled by Chinese party" refers to a situation where Chinese investors' participation rate is 51% or above

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
B-Mining	B06-Coal exploitation and cleaning		Exploitation of special and rare type of coal resources (restricted, equity controlled by Chinese party)
	B07-Oil and natural gas exploration		<p>1.Coal bed gas exploration and comprehensive utilization of mine gas (equity or cooperative joint ventures only)</p> <p>2.Oil and natural gas exploitation (equity or cooperative joint ventures only)</p> <p>3.Exploitation of low permeability oil and gas reservoirs (fields) (equity or cooperation joint ventures only)</p> <p>4.Development and application of new technologies to improve oil recovery (equity or cooperative joint ventures only)</p> <p>5.Development and application of new technologies in oil exploration and exploitation (e.g. geophysical prospecting, drilling, measuring, logging, down-hole operation) (equity or cooperative joint ventures only)</p> <p>6.Exploitation of unconventional oil resources such as oil shale, oil sands, heavy crude oil and extra-heavy crude oil (equity or cooperative joint ventures only)</p> <p>7. Exploitation of unconventional natural gas resources such as shale gas, submarine natural gas hydrate (equity or cooperative joint ventures only)</p>
	B08-Ferrous metal mining		Pyrites exploitation and ore dressing/beneficiating operations; and ludwigite exploitation (restricted)
	B09-Non-ferrous metal mining		<p>1.Szaibelyite exploitation; lithium exploitation and ore dressing/beneficiating operations; and exploitation of noble metals (gold, silver and platinum group) (restricted)</p> <p>2. Exploitation of tungsten, molybdenum, tin and antimony; and exploitation and ore dressing/beneficiating operations of rare earth, radioactive minerals (<b>prohibited</b>)</p>
	B10-Nonmetals mining		<p>1.Exploitation of barites (restricted, equity or cooperative joint ventures only)</p> <p>2.Exploitation of important non-metal ores such as diamond, highaluminum fireclay, wollastonite, graphite; phosphorite exploitation and ore dressing/beneficiating operations; refinery of salt-lake brine resources; and exploitation of celestite (restricted)</p> <p>3.Exploitation of marine manganese nodules and sea sands (restricted, equity controlled by Chinese party)</p> <p>4. Exploitation of fluorite (<b>prohibited</b>)</p>
	B11- Ancillary mining activities		Processing of ludwigite ores (restricted)

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
C- Manufacturing	C13-Farm and sideline food processing	C131-Grain grinding	Processing of rice and flour (restricted)
		C133-Plant oil processing, C136-Aquatic product processing	<ol style="list-style-type: none"> <li>1. Processing of edible oils such as soy oil, rapeseed oil, peanut oil, cottonseed oil, camellia oil, sunflower oil, palm oil (restricted, equity controlled by Chinese party)</li> <li>2. Production of biological liquid fuels (ethanol fuel, biodiesel) (restricted, equity controlled by Chinese party)</li> </ol>
		C139-Other farm and sideline food processing	Corns deep-processing (restricted)
	C15-Alcohol, drinks and refined Tea manufacturing	C151-Alcohol manufacturing	Production of yellow rice wine ("huangjiu"), famous and highquality Chinese spirits (restricted, equity controlled by Chinese party)
		C153-Refined tea processing	Processing of green tea with Chinese traditional handicraft and special tea (including famous tea, dark tea, etc.) <b>(prohibited)</b>

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	C16-Tobacco products manufacturing	C161Tobacco redrying	Processing and production of leaf tobacco (i.e. threshing and redrying) (restricted)
		C169-Other tobacco-related products	Processing of cellulose diacetate or tow (equity or cooperative joint ventures only)
	C22-Paper and paper products manufacturing	C221-Paper pulp manufacturing, C222-Paper manufacturing	Mainly using overseas timber resources, production of chemical wood pulp with a single production line of 300,000-ton capacity per year or above, and chemical ground wood pulp with a single production line of 100,000-ton capacity per year or above, as well as simultaneous production of high-quality paper or containerboard (equity or cooperative joint ventures only)
	C23-Printing and reproduction of recorded media	C231-Printing	Printing of publications (restricted, equity controlled by Chinese party with minimum registered capital of RMB 10 million)
		C233-Reproduction of recorded media	Read-only CD reproduction (equity or cooperative joint ventures only, and equity controlled or dominated by Chinese party)
	C24-Culture and education, arts and crafts, sport and entertainment products manufacturing	C243-Arts and crafts products manufacturing	Ivory carving, tiger bone processing, production of bodiless lacquer ware, enamelwork, Chinese art paper and ink ingot ( <b>prohibited</b> )

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C- Manufacturing	C25-Oil processing, coking and nuclear fuel processing	C251-Refined petroleum products manufacturing	Atmospheric and vacuum oil refining below 10 million tons per year; catalytic cracking below 1.5 million tons per year; continuous catalytic reforming below 1 million tons per year (containing aromatics extraction); and hydrocracking below 1.5 million tons per year (restricted)
		C253-Nuclear fuel processing	Smelting and processing of radioactive minerals ( <b>prohibited</b> )
	C26- Chemical raw material and chemical products manufacturing	C261-Basic chemical raw materials manufacturing	Production of polyvinyl chloride (through acetylene method only), ethene with limited capacity and post-processing products, calcined soda, caustic soda, sulphuric acid, nitric acid, potassium carbonate and inorganic salt (restricted)
		C264-Coating, printing ink, pigment and similar products manufacturing	Production of benzidine, dyes and coatings (restricted)
		C265- Synthetic materials manufacturing	Production of butadiene rubber (excluding high cis-butadiene rubber), emulsion polymerized styrene butadiene rubber and thermoplastic styrene-butadiene-styrene rubber (restricted)
		C266-Specialty chemical products manufacturing	Production of precursor chemicals (ephedrine, 3,4-methylenedioxyphenyl-2-propanone, phenylacetic acid, 1-phenyl-2-propanone, piperonal, safrole, isosafrole and acetic anhydride), hydrogen fluoride and other low-end chlorofluorocarbon or chlorofluoro-compounds, and photosensitive materials (restricted)
		C267- Explosive, fire engineering and fireworks manufacturing	Arms and ammunition manufacturing ( <b>prohibited</b> )
	C27- Pharmaceutical manufacturing	C271- Manufacturing of active pharmaceutical ingredients for chemical medicines	Production of narcotic drugs and active pharmaceutical ingredients for first class of psychotropic drugs (restricted, equity controlled by Chinese party)
		C272- Chemical medicines manufacturing	Production of chloramphenicol, penicillin G, jiemycin, gentamicin, dihydrostreptomycin, amikacin, tobramycin, oxytetracycline, mydecamycin, kitasamycin, ciprofloxacin, norfloxacin, ofloxacin, analgin, paracetamol, vitamin B1, vitamin B2, vitamin C, vitamin E, multiplex vitamin preparations and oral calcium preparations (restricted)

C- Manufacturing	C27- Pharmaceutical manufacturing	C273- Traditional Chinese medicine decoction pieces processing, C274- Traditional Chinese medicine patent drug manufacturing	<p>1. Processing of materials for traditional Chinese medicines as listed in the "Regulations on Protection of Wild Medical Resources" and the "Catalogue of Rare and Endangered Chinese Plants"(prohibited)</p> <p>2. Processing of traditional Chinese medicines (through steaming, frying, moxibustion, calcination, etc.); and production of traditional Chinese medicine patent drugs with secret formulas (prohibited)</p>
		C276- Biopharmace uticals manufacturing	Production of blood products, vaccines which fall inside the scope of the national immunization plan (restricted)
	C28Chemical fibers manufacturing	C282- Synthetic fiber manufacturin g	Chemical fibers spinning of conventional chipper, production of viscose fiber (restricted)

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C- Manufacturing	C32-Non-ferrous Metal smelting and rolling processing	C321 Commonly used nonferrous metal smelting	Smelting of non-ferrous metals (e.g electrolytic aluminum, copper, lead, zinc) (restricted)
		C323-Rareearth metal smelting	<ol style="list-style-type: none"> <li>1. Smelting of rare non-ferrous metals (e.g. tungsten, molybdenum, tin (excluding tin compounds), antimony (including antimony oxides and antimony sulphides)) (restricted)</li> <li>2. Rare earth metal smelting and separation (restricted, equity or cooperative joint ventures only)</li> </ol>
	C34-General equipment manufacturing	C343-Material handling/moving equipment manufacturing	<ol style="list-style-type: none"> <li>1. Production of wheeled or crawler cranes (400 tons and above) (equity or cooperative joint ventures only)</li> <li>2. Production of wheeled or crawler cranes (400 tons below) (restricted, equity or cooperative joint ventures only)</li> </ol>
		C345-Bearings, gears and transmission components manufacturing	Production of all types of ordinary level (P0) bearings and parts (steel balls, retainers), blanks (restricted)
	C35 Specialty equipment manufacturing	C351-Mining, metallurgy and construction specialty equipment manufacturing	<ol style="list-style-type: none"> <li>1. Design of deep water (more than 3,000 meters) marine engineering equipment (equity or cooperative joint ventures only)</li> <li>2. Manufacturing of marine engineering equipment (including modules) (equity controlled by Chinese party)</li> </ol>

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C- Manufacturing	C35 Specialty equipment manufacturing	C351-Mining, metallurgy and construction specialty equipment manufacturing	3. Manufacturing of bulldozers ( $\leq$ 320 horsepowers), hydraulic excavators ( $\leq$ 30 tons), wheeled loaders ( $\leq$ 6 tons), graders ( $\leq$ 220 horsepowers), rollers, fork lifts, electric drive off-highway selfdumping trucks ( $\leq$ 135 tons), hydraulic mechanical transmission and off-highway self-dumping trucks ( $\leq$ 60 tons), asphalt concrete mixing and paving equipment and aerial work machinery, garden machinery and equipment, and concrete machinery (pump, mixer vehicle, mixing station, pump vehicle) (restricted)
		C352- Chemical, wood, nonmetallic processing specialty equipment manu- facturing	Manufacturing of large-scale coal chemical equipment (equity or cooperative joint ventures only)
		C355- Textiles, clothing and leather processing specialty equipment manu- facturing	Manufacturing of equipment in respect of general polyester filament, staple fiber (restricted)
		C359- Environmen- tal, social and public services and other specialty equipment manufacturing	Manufacturing of air traffic control system equipment (equity or cooperative joint ventures only)

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
C- Manufacturing	C36- Automobile Manufactur- ing	C361- Automobile manufacturing, C362 Modified car manufacturing, C363- Low- speed truck manufacturing, C364- Trolley car manufacturing, C365-Car body shell and trailer manufacturing	<p>Manufacturing of automobiles, special purpose motor vehicles and agricultural transportation trucks (Chinese participation reaching 50% in the equity joint venture);</p> <p>For a joint stock company as a manufacturer of automobiles, special purpose motor vehicles and agricultural transportation trucks, if its shares were sold by a corporate shareholder, the company must still be controlled by one of its Chinese corporate shareholders and whose shareholding must exceed the total shareholdings by foreign corporate shareholders;</p> <p>One foreign investor may establish up to two equity joint ventures to manufacture automobiles in the same category (note: two categories - passenger vehicle and commercial vehicle), but this restriction may not apply to the case of acquiring other domestic automobile manufacturing companies together with its Chinese partners.</p>
		C366 Auto component and accessories manufacturing	<p>1. Manufacturing, research and development of automobile electronics: automobile electronic bus-network technology and electronic controller of electric power steering system (equity joint ventures only); embedded electronic integrated system (equity or cooperative joint ventures only)</p> <p>2. Manufacturing of energy-type power cells of clean energy vehicles (energy density <math>\geq 110\text{Wh/kg}</math> and cycle life <math>\geq 2,000</math> times) (foreign participation within 50%)</p>
	C37-Rail, vessel, aviation and other transportation equipment manufacturing	C371-Rail transportation equipment manufacturing, C372Urban rail transportation equipment manufacturing	<p>Rail transportation equipment (equity or cooperative joint ventures only): R&amp;D, design and manufacturing of trains used in highspeed railway, passenger dedicated railway line, inter-city railway, main railway line and urban rail transportation and their key components (traction drive system, control system and braking system); R&amp;D, design and manufacturing of passenger service facilities and equipment used in high-speed railway, passenger dedicated railway line, inter-city railway and urban rail transportation, as well as R&amp;D and design work relating to information systems;</p> <p>Rail transportation equipment (equity or cooperative joint ventures only): R&amp;D, design and manufacturing of rails and bridge-related equipment used in high-speed railways, passenger dedicated railway lines and inter-city railways; R&amp;D, design and manufacturing of communications &amp; signals systems of rail transportation; manufacturing of electrified railway equipment; R&amp;D of rail noise and vibration control technology; manufacturing of sewerage disposal equipment for passenger trains, as well as safety monitoring equipment for railway transportation</p>

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C- Manufacturing	C37-Rail, vessel, aviation and other transportation equipment manufacturing	C373-Vessel and relevant devices manufacturing	<p>1.Design of luxury cruise, design of low- and medium-speed diesel engines for vessels and their components, design and manufacturing of yachts (equity or cooperative joint ventures only)</p> <p>2.Manufacturing of low- and medium-speed diesel engines and crankshafts for vessels (equity controlled by Chinese party)</p> <p>3.Design and manufacturing of machinery for ship cabins (comparatively equity controlled by Chinese party<sup>2</sup>)</p> <p>4.Design and manufacturing of vessels (sub-block included) (restricted, equity controlled by Chinese party)</p>
		C374- Manufacturing of aircraft, spacecraft and relevant equipment	<p>1.Design and manufacturing of civil aircraft for general aviation purpose (equity or cooperative joint ventures only)</p> <p>2.Design and manufacturing of aero-engines and related components, aviation auxiliary power systems and airborne equipment for civil aviation (equity or cooperative joint ventures only)</p> <p>3. Design and manufacturing of civil helicopters (&lt;3 tons) (equity or cooperative joint ventures only); design and manufacturing of civil helicopters (≥ 3 tons) (equity controlled by Chinese party)</p>
		C374- Manufacturing of aircraft, spacecraft and relevant equipment	<p>4.Design and manufacturing of civil aircrafts for trunk line and feeder line (equity controlled by Chinese party)</p> <p>5.Manufacturing of ground effect and water surface effect aircrafts (equity controlled by Chinese party)</p> <p>6.Design and manufacturing of unmanned aerial vehicle and aerostat (equity controlled by Chinese party)</p>

	C37-Rail vessel, aviation and other transportation equipment manufacturing	C375-Motorcycle manufacturing	<p>1.Manufacturing of motorcycles (Chinese participation reaching 50% in the equity joint venture);</p> <p>For a joint stock company as a manufacturer of motorcycles, if its shares were sold by a corporate shareholder, the company must still be controlled by one of its Chinese corporate shareholders and whose shareholding must exceed the total shareholdings by foreign corporate shareholders;</p> <p>One foreign investor may establish up to two equity joint ventures to manufacture motorcycles, but this restriction may not apply to the case of acquiring other domestic automobile manufacturing companies together with its Chinese partners.</p> <p>2.Manufacturing of key parts of high engine displacement motorcycles (displacement &gt; 250ml): motorcycle electronic fuel injection technology (equity or cooperative joint ventures only)</p>
C-Manufacturing	C38-Electrical machinery and materials manufacturing	C381 Electric motor manufacturing	<p>1.Manufacturing of key supporting machineries used in 1 million KW supercritical thermal power units (equity or cooperative joint ventures only): safety valves, control valves</p> <p>2.Manufacturing of electric transmission and transformation equipment (equity or cooperative joint ventures only): amorphous metal transformers, 500+ KV high voltage switch operating mechanisms, arc-control devices, large disc insulators (1000 KV+, 50 Ka+), outlet devices used in transformer of 500 KV+, casing pipes (AC 500, 750, 1000 KV, all type of DC)</p>

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
C- Manufacturing	C38-Electrical machinery and materials manufacturing	C381 Electric motor manufacturing	<p>(continued)</p> <p>3.Manufacturing of electric transmission and transformation equipment (equity or cooperative joint ventures only): voltage regulation switches (AC500, 750, 1000kv on-load and no-load voltage switch), air core smoothing reactors used in AC power transmission,±800 KV converter valves used in AC power transmission (water cooling equipment, DC field equipment), electric contact material and Pb, Cd free solder in accordance with EU RoHS directive</p> <p>4.Manufacturing of large pumped-storage aggregate with rated power of 350MW and above (equity or cooperative joint ventures only): accessory equipment like pump turbines and governors, large variable speed reversible pump turbine aggregates, generator-motors and excitation and starter gear</p>
		C384-Battery cell manufacturing	Manufacturing of vented lead-acid batteries (i.e. direct acid mist discharge), silver oxide batteries with mercury button, alkaline zinc-manganese batteries with mercury button, paste zincmanganese battery and Cd-Ni battery ( <b>prohibited</b> )
	C39- Computers, communications and other electronics manufacturing	C392Communications equipment manufacturing	Design and manufacturing of commercial satellites; manufacturing of commercial satellite payloads (equity controlled by Chinese party)
		C393-Radio and television equipment manufacturing	Manufacturing of ground satellite TV broadcasting receiving facility and key parts (restricted)
	C43 Metal products, machinery and equipment maintenance	C433-Specialty equipment maintenance	<p>1.Repair of civil aircrafts for general aviation, aircraft engine and parts, auxiliary power units (equity or cooperative joint ventures only)</p> <p>2.Repair of trunk and regional civil airliners (equity controlled by Chinese party)</p> <p>3.Repair of marine engineering equipment (module included) (equity controlled by Chinese party)</p> <p>4. Repair of vessels (blocks included) (restricted, equity controlled by Chinese party)</p>

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
D-Electricity, heating, gas and water production and Supply	D44- Electricity and heating production and supply		<p>1.Construction and operation of nuclear power stations (equity controlled by Chinese party)</p> <p>2.Within small power grids, construction and operation of coalfired condensing power plants with unit capacity of 300,000KW or below, and coal-fired power of condensing-extraction steam plants with dual-use unit cogeneration whose unit capacity of 100,000KW or below (restricted)</p> <p>3.Construction and operation of power grid (restricted, equity controlled by Chinese party), and heat-supply pipe networks in cities with populations greater than 500,000 (restricted, equity controlled by Chinese party)</p> <p>4. Outside small power grids, construction and operation of coalfired condensing power plants with unit capacity of 300,000KW or below, and coal-fired power of condensing-extraction steam plants with dual-use unit cogeneration whose unit capacity of 100,000KW or below (<b>prohibited</b>)</p>
	D45-Gas production and supply, D46-Water production and supply		Construction and operation of gas-supply, water-supply and drainage pipe network in cities with populations greater than 500,000 (restricted, equity controlled by Chinese party)

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
E- Construction	E48-Civil engineering construction	E481- Railway, road, tunnel and bridge construction	<p>1. Construction and operation of feeder railways, local railways with relevant bridges, tunnels, ferry facilities and station facilities (equity or cooperative joint ventures only)</p> <p>2. Construction and operation of railway networks (equity controlled by Chinese party)</p> <p>3. Comprehensive maintenance of infrastructure of high-speed railways, passenger dedicated railway lines and inter-city railway (equity controlled by Chinese party)</p> <p>4. Construction and operation of city subways and light railways (equity controlled by Chinese party)</p>
F-Wholesale & retail	F51Wholesale	F511- Wholesale of agricultural, forest and husbandry products	Purchase of grain, wholesale and distribution of grain and cotton (restricted)
		F512- Wholesale of food, beverages and tobacco products	<p>1. Wholesale and distribution of vegetable oil, sugar and tobacco (restricted)</p> <p>2. Wholesale of salt (<b>prohibited</b>)</p>
		F514- Wholesale of cultural, sports and appliances products	<p>Qualified service suppliers from Hong Kong and Macao are allowed to invest in the business of distribution of audio and video products (including post-movie products) in the form of whollyowned enterprise, equity or cooperative joint venture.</p> <p>Distribution of audio and video products (excluding movies) for non-Hong Kong/Macao investors (restricted, cooperative joint ventures only)</p>

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
F-Wholesale & retail	F51Wholesale	F516- Wholesale of mineral products, building materials and chemical products	Wholesale and distribution of crude oil, chemical fertilizer, pesticide, agricultural film, refined oil products (including bonded oil) (restricted)
		F518-Trading brokerage and agency	Auction of cultural relics (prohibited)
	F52-Retail	F521-General retail	Retail and distribution of cotton, crude oil, pesticide, agricultural film and chemical fertilizer (restricted; chain stores with more than 30 branches and selling goods of different kinds and brands from multiple vendors – equity controlled by Chinese party)
		F522-Retail of food, beverage and tobacco products	Retail and distribution of grain, vegetable oil, sugar and tobacco (restricted; chain stores with more than 30 branches and selling goods of different kinds and brands from multiple vendors – equity controlled by Chinese party)
		F524-Retail of cultural, sports and appliances products	<p>1. Chain stores retailing books, newspapers and periodicals - <i>Qualified Hong Kong/Macao service suppliers</i>: participation rate for a single investor must be within 65%;  - <i>Investors from other jurisdictions</i>: no controlling interest is permitted if the number of chain stores is more than 30</p> <p>2. Qualified service suppliers from Hong Kong and Macao are allowed to invest in the business of distribution of audio and video products (including post-movie products) in the form of whollyowned enterprise, equity or cooperative joint venture.</p> <p>Distribution of audio and video products (excluding movies) for non-Hong Kong/Macao investors (restricted, cooperative joint ventures only)</p> <p>3. Cultural relic shops (prohibited)</p>

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
F-Wholesale & retail	F52-Retail	F526- Retailing of automobiles, motorcycle, fuel and components	Establishment and operation of gasoline stations (restricted; chain stations with more than 30 branches and selling processed oils of different kinds and brands from multiple vendors – equity controlled by Chinese party)
		F529 Stalls, non-store and other retails	Direct selling, mail order selling and online retailing (restricted)
G-Transport, warehouse and postal service	G53-Railway transport	G531- Railway passenger transport	Investment in railway passenger transport companies (restricted, equity controlled by Chinese party)
		G532- Railway cargo transport	Investment in railway cargo transport companies (restricted, equity or cooperative joint ventures only)
	G54-Road transport	G542Highway passenger transport	Investment in highway passenger transport companies (restricted; equity joint ventures only; foreign participation within 49%; one of major investors as a Chinese enterprise engaged in the business of highway passenger transport in China for more than five years)
		G543-Road cargo transport	Investment in motor transport companies engaged in cross-border road transport business (restricted)
	G55-Water transport	G551-Water passenger transport, G552-Water cargo transport	Investment in water transport companies (restricted, equity controlled by Chinese party); international maritime transport, whether scheduled or not (equity controlled by Chinese party)

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
G-Transport, warehouse and postal service	G55-Water transport	G553- Supporting activities to water transport	<ol style="list-style-type: none"> <li>1. Cargo handling for international maritime freight transport, container freight station and container yard businesses (equity or cooperative joint ventures only)</li> <li>2. Shipping agency (restricted, equity controlled by Chinese party)</li> <li>3. Cargo tally (restricted, equity or cooperative joint ventures only)</li> </ol>
	G56-Air transport	G561-Air passenger and cargo transport	Investment in air transport companies (equity controlled by Chinese party; operation period within 30 years; a foreign investor's participation (including that of its related parties) within 25% for a public-transport air company whose legal representative have to be Chinese national)
		G562- General aviation service	<ol style="list-style-type: none"> <li>1. Investment in general aviation companies in the sectors of farming, forestry and fishing industry (equity or cooperative joint ventures only)</li> <li>2. Investment in general aviation companies in the sectors of business flight, sightseeing flight and industrial services (equity controlled by Chinese party)</li> <li>3. Investment in general aviation companies for aviation photography, mining exploration and industry purposes (restricted, equity controlled by Chinese party)</li> <li>4. Operation period for a general aviation company must be within 30 years and the legal representative must be Chinese national.</li> </ol>
		G563- Aviation transport supporting activities	<ol style="list-style-type: none"> <li>1. Except for qualified Hong Kong/Macao service suppliers, investors from other jurisdictions must comply with relevant stipulations on foreign participation when they invest in aviation supporting services, and operation period of the invested enterprise must be within 30 years.</li> <li>2. Aircraft repair (with obligation of taking business from international market) and aviation fuel project (equity controlled by Chinese party)</li> <li>3. Computerized airline reservations system (prohibited for non-Hong Kong/Macao investors; equity controlled by Mainland China party for qualified Hong Kong/Macao service suppliers)</li> <li>4. Construction and operation of civil airports (comparatively equity controlled by Chinese party)</li> <li>5. Air transport agency (equity or cooperative joint ventures only for non-Hong Kong/Macao investors; a wholly-owned enterprise allowed for qualified Hong Kong/Macao service suppliers)</li> <li>6. Investment in air traffic control companies (prohibited)</li> </ol>

	G59- Warehousing	G591- Warehousing of agricultural products like grain, cotton	Food enterprises which are responsible for operation and management of grain reserves and supplying military food (solely owned or equity controlled by the State)
	G60-Postal service	G601-Basic postal service, G602 Courier service	Domestic courier business of delivering letters, investment in postal service companies ( <b>prohibited</b> )

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
I-Information transmission, software and information technology (IT) service	I63- Telecommu- nication, radio/TV and satellite transmission service	I631- Telecommu- nication, I632-Radio and television transmission service, I633- Satellite transmission service	1. Telecommunication; radio, TV and satellite transmission (restricted)  2. Investment in any radio station, TV station, radio and TV channel and transmission network (transmitting station, relay station, broadcast satellite, satellite uplink station, satellite receiving and broadcasting stations, microwave station, monitoring station, and cable TV network) ( <b>prohibited</b> )
	I64-Internet and related service	I641-Internet access and related service, I642-Internet information service, I649- Other internet service	1. Information service (other than app stores) (foreign participation within 50%)  2. Domestic internet virtual private network (VPN) service (foreign participation within 50%)  3. News websites, online audio-visual program service, venues to provide internet access (i.e. cybercafé), and internet culturerelated services (excluding music service) ( <b>prohibited</b> )  4. Direct or indirect participation in online game operation ( <b>prohibited</b> )
	I65-Software and IT service	I654-Data processing and storage, I659-Other IT service	1. E-commerce business (foreign participation within 55%); other online data and transaction processing service (foreign participation within 50%)  2. Internet data center service ( <b>prohibited</b> )

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
J-Financial services	J66-Monetary financial service, J67- Capital market services, J68Insurance, J69-Other financial services	J661-Central bank service, J662- Monetary banking service, J663- Nonmonetary banking service, J664Bank supervision service, J671Securities market service, J672Futures market service, J673Securities and futures supervision service, J674- Capital investment service, J679- Other capital market service, J681-Life insurance, J682- Property insurance, J683Reinsurance, J684- Pension, J685-Insurance brokerage and agency, J686Insurance supervision service, J689- Other insurance activities, J691- Financial trust and management service, J692- Holding company service, J693- Payment service by nonfinancial institutions, J694Financial information service, J99-Other unspecified financial service	<p>1. Investment in banks, finance companies, trust companies and currency brokerage companies (restricted)</p> <p>2. Investment in insurance companies (including group companies), insurance intermediary institutions (including insurance brokers, agents and assessment companies) and insurance asset management companies (restricted, foreign participation in a life insurance company within 50%)</p> <p>3. Investment in <u>securities companies</u> (restricted; foreign participation within 49%; initial business scope including underwriting and sponsorship of shares (A shares and foreign invested shares) and bonds (government/corporate bonds), brokerage of foreigninvested shares, trading and brokerage of bonds; business scope to be expanded upon application after two-year operation given other conditions qualified), <u>securities investment fund management companies</u> (restricted; foreign participation within 49%), <u>securities investment consulting institutions</u> (restricted; foreign participation limited to Hong Kong/Macao securities firms and within 49%), <u>future companies</u> (restricted; foreign participation limited to qualified Hong Kong/Macau service suppliers and within 49%)</p> <p>4. Investment in micro-credit companies and financing guarantee companies shall company with relevant regulations.</p> <p>5. Investment in financial leasing companies (total assets of the foreign investor reaching US\$ 5 million; minimum registered capital of US\$ 10 million for the leasing company; senior management with required expertise and professional experiences of no less than three years)</p>

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
K-Real estate	K70-Real estate	K701-Real estate development and operation	<p>1. Development of pieces of land (restricted, equity or cooperative joint ventures only)</p> <p>2. Construction and operation of luxury hotels, high-class office buildings, international conference and exhibition centers and large wholesale markets for agricultural products (restricted)</p> <p>3. Construction and operation of villas (prohibited)</p>
		J703-Real estate intermediary service	Real estate transaction in secondary market, investment in real estate agents or brokerage firms (restricted)
L-Leasing and business service	L71 Leasing	L712 Leasing of cultural goods and daily consumables	<p>1. Chain stores leasing books, newspapers and periodicals</p> <ul style="list-style-type: none"> <li>- <i>Qualified Hong Kong/Macao service suppliers</i>: participation rate for a single investor must be within 65%;</li> <li>- <i>Investors from other jurisdictions</i>: no controlling interest is permitted if the number of chain stores is more than 30</li> </ul> <p>2. Qualified service suppliers from Hong Kong and Macao are allowed to invest in the business of leasing audio and video products (including post-movie products) in the form of wholly-owned enterprise, equity or cooperative joint venture.</p> <p>Leasing of audio and video products (excluding movies) for non-Hong Kong/Macao investors (restricted, cooperative joint ventures only)</p>
	L72-Business service	L721-Enterprise management service	Requirements to set up an investment company: <b>(1)</b> (i) Total assets of the foreign investor reached US\$ 400 million in the year preceding the application, and such investor has established enterprises in China with US\$ 10 million of paid registered capital; or (ii) The foreign investor has established more than ten enterprises in China with US\$ 30 million of paid registered capital; <b>(2)</b> The registered capital of the investment company is not less than US\$ 30 million; and <b>(3)</b> The foreign investor is a foreign company, enterprise or business organization; if there are more than two foreign investors, one of them with greater equity interest must meet the requirement set out in (1)

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
L-Leasing and business service	L72-Business service	L722-Legal service	<ol style="list-style-type: none"> <li>1. Legal consultation (restricted)</li> <li>2. Foreign law firms can provide legal services only by setting up representative offices.</li> </ol>
		L723- Consultation and investigation	<ol style="list-style-type: none"> <li>1. Accounting firms (partnerships only)</li> <li>2. Market research (restricted, equity or cooperative joint ventures only)</li> <li>3. Social research (<b>prohibited</b>)</li> </ol>
		L726-Human resources service (HR service)	<ol style="list-style-type: none"> <li>1. Except for qualified Hong Kong/Macao service suppliers which are allowed to set up wholly-owned HR agencies, non-Hong Kong/Macao investors may only set up HR agencies in the form of equity joint ventures with 70% foreign participation or below.</li> <li>2. Minimum registered capital for HR agencies is US\$ 125,000; the foreign investor must be a foreign company, enterprise or other business organization with at least three years of experience in HR agency service</li> </ol>
		L727-Travel agencies and related service	Overseas travel agencies (excluding tourism business in Taiwan) (equity joint ventures only)
		L728-Security service	Security companies engaged in armed security service (foreign participation within 49%)
		L729-Other business service	Rating service (restricted)

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M-Scientific research and technology service	M73 Research and experimental development	M731- Research and experimental development on natural sciences	Development and application of technologies in respect of human stem cells ( <b>prohibited</b> )
		M734- Medical research and experimental development	Development and application of gene technologies in diagnosis and medical treatment ( <b>prohibited</b> )
	M74-Special technology service	M744- Surveying and mapping service	1. Investment in surveying and mapping companies (restricted, equity controlled by Chinese party)  2. Geodetic surveying, marine charting, aerial photography for surveying and mapping, surveying and mapping of territorial boundaries of administrative divisions, compiling topographic and common maps and navigation e-maps ( <b>prohibited</b> )
		M745-Quality inspection service	1. Investment in companies engaged in certification service for import/export goods (restricted)  2. A foreign investor of a certification institution must be accredited by authorities in its home country and have three years of experience in certification activities.
		M747- Geological survey	1. Exploration of coal bed gas, junior exploration of oil and natural gas, exploration of unconventional oil resources (e.g. oil shale, oil sands, heavy crude oil and extra-heavy crude oil, etc.) and unconventional natural gas resources (e.g. shale gas, submarine natural gas hydrate, etc.) (equity or cooperative joint ventures only)  2. Exploration of noble metals (gold, silver and platinum group) and important non-metal ores such as diamond, high-aluminum fireclay, wollastonite, graphite etc. (restricted)

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
M-Scientific research and technology service	M74-Special technology service	M747- Geological survey	<p>3.Exploration of barites (restricted, equity or cooperative joint ventures only)</p> <p>4.Exploration of special and rare types of coal resources (restricted, equity controlled by Chinese party)</p> <p>5. Exploration of tungsten, molybdenum, tin, antimony, fluorite, rare earth and radioactive minerals <b>(prohibited)</b></p>
		M749-Other special technology service	Photography service (including special photography such as aerial photography) (restricted, equity joint ventures only)
N- Management of water conservancy, environment and public facilities	N76-Water conservancy management	N762-Water resource management, N763-Natural water collection and resource allocation	Construction and operation of comprehensive hydro projects (equity controlled by Chinese party)
	N77 Ecological and Environmental protection	N771- Ecological protection	<p>1. Construction and operation of nature reserves and internationally important wetland <b>(prohibited)</b></p> <p>2. Exploitation of wildlife animals and plants originating from China and protected by the State <b>(prohibited)</b></p>
P-Education	P82-Education	P821-Preschool education, P822- Primary education, P823-Secondary education, P824- Higher education, P825- Special education, P829- Vocational & skills training, education support and other forms of education	<p>1.Investment in profit-seeking education and training institutions, profit-seeking vocational skills training institutions (cooperative joint ventures only)</p> <p>2.Investment in non-profit education institutions (preschool education, secondary vocational education, normal high school education and higher education), non-profit education and training institutions, nonprofit vocational skills training institutions (cooperative joint ventures only; no branch is allowed)</p> <p>3. Investment in compulsory education, as well as special education institutions focus on military affairs, policemen, political, religions and Party school <b>(prohibited)</b>; investment in profit-seeking education institutions (preschool education, secondary vocational education, normal high school education and higher education) <b>(prohibited)</b></p>

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
Q-Health and social activities	Q83-Health	Q831-Hospitals, Q832-Community medical and health center, Q833-Clinics, Q835-Maternal-and child-care service center Q839 Other health-related activities	Minimum total investment in a medical institution is RMB 20 million; no branch is allowed; maximum operation period is 20 years
R-Culture, sports and entertainment	R85-News and publishing	R851-News agency, R852-Publishing	<p>1.Investment in news agencies (<b>prohibited</b>)</p> <p>2.Publishing of books, newspapers and periodicals (<b>prohibited</b>)</p> <p>3.Production and publishing of audio-visual products and electric publications (<b>prohibited</b>)</p>
	R86-Production of radio, television program, film and relevant audio recording	R861-Radio, R862-Television R863-Film and TV program production, R864-Film and TV program distribution, R865-Film broadcasting, R866-Audio recording	<p>1Construction and operation of movie theaters (restricted, equity controlled by Chinese party)</p> <p>2Production of radio, TV program (works) and films (restricted, cooperative joint ventures only)</p> <p>3. Investment in production companies of radio and TV program (works), film-making companies, film distribution and marketing companies (<b>prohibited</b>)</p>

Classes (Codes & Descriptions)	Categories (Codes & Descriptions)	Sub-categories (Codes & Descriptions)	Specific regulations
R-Culture, sports and entertainment	R87 Culture and arts	R871-Literary and artistic creation and performance, R872-Arts performance venues, R873-Library and archives, R874-Protection of cultural relics and intangible cultural heritage, R875-Museum, R876-Martyrs' park and memorial hall, R877-Cultural activities of the public, R879 Other culture and arts industry	Investment in culture and art industry must comply with relevant regulations.
	R88 Sports	R882-Stadiums	Construction and operation of golf courses (prohibited)
	R89 Entertainment	R891-Indoor entertainment activities	Investment in venues to provide internet access (i.e. cybercafé) (prohibited)
		R892-Amusement park	Construction and operation of large-scale theme parks (restricted)
		R893 Betting activities	Gambling (including investment in gambling horse racing turfs) (prohibited)
R899-Others	Erotic industry (prohibited)		

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