

Category:	printing & publishing
Detail:	printing
Question:	- Legality: is this open for foreign investors (any specific regulations) ?

Answer:

- (1) The foreign investor shall meet the following requirements:
- a) Can provide worldwide leading operation / management model and experience of printing industry
 - b) Can provide worldwide leading printing technology and equipment
 - c) Can provide sufficient capital
- (2) Share-holding situation
- a) for packaging printing segment:
 - i. it is open to foreign investors. Foreign investors can set up either WFOE (wholly foreign owned enterprise) or JV (joint-venture) with Chinese partner(s).
 - ii. there is no limitation on the share-holding situations.
 - iii. The WFOE or JV shall be in the format of limited company.
 - iv. The registered capital of the WFOE / JV shall not be lower than 10 Mn RMB (~ 1.25 Mn USD).
 - b) for publication printing segment:
 - i. it is open to foreign investors, however, foreign investors can only set up joint-venture with Chinese partner(s).
 - ii. in the JV, the Chinese partner shall take the majority share or take the controlling position.
 - iii. There shall be more Chinese directors than foreign directors in the board of directors. And the chairman of the board shall be a Chinese individual representing the Chinese partner.
 - iv. The registered capital of the JV shall not be lower than 10 Mn RMB (~ 1.25 Mn USD).
 - c) For other printing segment(s):
 - i. it is open to foreign investors, however, foreign investors can only set up joint-venture with Chinese partner(s).
 - ii. in the JV, the Chinese partner shall take the majority share or take the controlling position.
 - iii. The registered capital of the JV shall not be lower than 5 Mn RMB (~ 0.625 Mn USD).

USD).

(3) Company format

- a) The JV / WFOE shall be in the format of limited company.

(4) Operation period

- a) Generally speaking, the operation period of the JV / WFOE shall not exceed 30 years.

Source: <Guidelines for foreign invested printing companies> by GAPP (General Administration of Press and Publication)

www.mofcom.gov.cn (Official website, Ministry of Commerce)