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## **Notice of the State Council on Issuing Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (Negative List) (2017 version)**

Provinces, autonomous regions, municipalities, ministries and commissions and authorities directly under the State Council:

*Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (Negative List) (2017 version)* has been approved by the State Council and is now being issued to you. This amendment further relaxed the foreign investment access, and is an important measure in implementing a new round of high level opening up. All regions and departments should conscientiously implement this measure, enhance service awareness, improve the level of supervision, and effectively prevent and control risks. Major issues during the implementation should be promptly reported to the State Council.

*Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (Negative List) (2017 version)* will be implemented on 10 July, 2017. Meanwhile, *Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (Negative List) issued on 8 April, 2015* will be repealed.

General Office of the State Council  
5 June, 2017

(This document is available publicly.)

## Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (Negative List) (2017 version) Explanation

1. According to relevant laws and regulations, *Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (Negative List) (2017 version)* (hereinafter referred to as the “FTZ Negative List”) is now approved and issued by the State Council. The Negative List sets out the special administrative measure for foreign investment access that is not in line with the principle of national treatment, and is applied to the pilot free trade zones (hereinafter referred to as FTZs).
2. *FTZ Negative List*, according to *Classification of National Economy (GB/T 4754—2011)*, is divided into 15 categories, 40 entries, and 95 special management measures. Comparing to the previous version, the 2017 edition has reduced 10 entries, 27 measures. The special administrative measures include specific industry measures and levels of measures applicable to all sectors.
3. The FTZ Negative List does not list the special administrative measures related to national security, public order, public culture, financial prudence, government procurement, subsidies, special procedures, non-profit organizations and taxation, which will be carried out according to the existing regulations. If the foreign investment in the free trade pilot area involves national security, it shall conduct a security review in accordance with the *Trial Measures for the National Security Review of the Foreign Investment in China’s Pilot FTZs*.
4. Non-prohibited investment areas within the *FTZ Negative List* shall apply for foreign access permits. Areas that are not on the *FTZ Negative List* should be in accordance with the principle of consistent administration of foreign investment.
5. Investors from Hong Kong, Macao and Taiwan investing in the FTZs shall refer to the *FTZ Negative List*. The arrangement and the supplementary agreement for the establishment of a closer economic and trade relations between mainland China, Hong Kong and Macao, *Cross-strait Economic Cooperation Framework Agreement*, and investors who are eligible for a more favourable open measure in the free trade agreements signed by China, shall refer to the relevant agreement.

## Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (negative list) (2017 version)

Number	Industry	Special Administrative Measures
I. Agriculture, forestry, animal husbandry, fisheries		
(1)	Seeds industry	<p>1. Prohibited investment in the R&amp;D, breeding and planting of rare Chinese varieties as well as the production of relevant breeding materials (including quality genes of planting, animal husbandry and aquaculture).</p> <p>2. Prohibited investment in the breeding of genetically modified crop seeds, breeding stock, poultry and aquatic fingerlings and the production of genetically modified seeds (seedlings).</p> <p>3. Restricted investment in the seed selection and breeding of new crop varieties which must be controlled by a Chinese party.</p> <p>4. Prohibited collection of genetic resources of crops without an approval</p>
(2)	Fisheries	5. The operation of fishing business in waters under the jurisdiction of China must be approved by the Chinese government; the operation shall not be registered with a Chinese fishing vessel.
II. Mining		
(3)	Exclusive economic zone and continental shelf exploration and development	6. Any exploration, development or extraction of natural resources in Chinese exclusive economic zone and continental shelf has to be approved by the Chinese government.
(4)	Oil and Gas Exploration	7. Investment in exploration and development of crude oil, natural gas and coalbed methane should be in the form of a JV or cooperation with foreign operation franchised gas and oil companies approved by the Chinese government.
(5)	Non-ferrous metal ore and non-metallic mineral mining and mining support activities	8. Prohibited investment in the exploration, mining and beneficiation of rare earth; without permission it is prohibited to enter rare earth mine sites or to acquire geological information on the mines, ore samples or production technologies.

		<p>9. Prohibited investment in the prospecting and mining of Tungsten, Molybdenum, Tin, Antimony and Fluorite.</p> <p>10. Prohibited investment in the prospecting, mining and beneficiation of radioactive minerals.</p>
(6)	Selection of metallic minerals and non-metallic minerals	11. Graphite exploration, mining.
III. Manufacturing		
(7)	Aviation manufacturing	12. The design, manufacturing and maintenance of trunk and feeder aircrafts shall be controlled by Chinese shareholders; the design, manufacture and maintenance of aircraft above six tonnes and nine seats (inclusive) is restricted to the forms of Sino-foreign equity and cooperative joint ventures; the manufacturing of ground or water effect aircrafts, and the design and manufacturing of drones and aerostats shall be controlled by Chinese shareholders.
(8)	Watercraft manufacturing	13. Maintenance, design and manufacture of watercrafts (whole or partial) is restricted (Chinese majority shareholder).
(9)	Auto manufacturing	14. The manufacturing of whole vehicles and special purpose vehicles falls under the categories where foreign investment is restricted, and Chinese shareholders shall hold at least 50 percent of all the shares of such projects. The same foreign investor may establish up to two equity joint ventures that produce the same category of whole vehicle products (i.e. passenger cars or commercial vehicles) within Mainland China, provided that the foreign investor is not bound by the foregoing restrictions if it merges other domestic auto manufacturers jointly with the Chinese partners to the equity joint ventures.
(10)	Telecommunication Equipment Manufacturing	15. Manufacture of ground receiving equipment and key components of satellite TV broadcast
(11)	Non-ferrous metal smelting and rolling processing and radioactive mineral smelting, processing	<p>16. Tungsten smelting.</p> <p>17. Rare earth smelting, separation is restricted to JV, cooperation.</p> <p>18. Investment in radioactive mineral smelting, processing is prohibited.</p>

(12)	Traditional Chinese medicine herbal decoction pieces manufacturing and Chinese patent drug production	19. Investment in application of technologies like steaming, stir-frying, cauterizing and calcine and other manufacture of confidential prescription products is prohibited.
(13)	Nuclear fuel and nuclear radiation processing	20. Manufacture, operation, import and export of nuclear fuel, nuclear materials, uranium products and relevant nuclear technologies must be specialised by central corporations with relevant qualifications.  21. Only state-owned and state-controlled corporations are allowed to take part in disposal of radioactive solid waste.
(14)	Other manufacturing	22. Investment in traditional arts like ivory sculpture, tiger bone processing, xuan paper and ink bar is prohibited.
IV. Electricity, heating, gas and water production and supply		
(15)	Atomic Energy	23. Construction and operation of nuclear plant must be controlled by Chinese partner.
(16)	Pipeline and Grid Equipment	24. For cities with population more than 500,000, gas, heat and water supply and drainage network's construction and operation shall be restricted (Chinese majority shareholder).  25. The construction and operation of the power grid shall be restricted (Chinese majority shareholder).
V. Wholesale and retail		
(17)	Monopoly and Franchise	26. Investment in the production, wholesale, retail and import and export of tobacco, cigarettes, flue-cured tobacco and other tobacco products is prohibited.  27. Adopt monopoly system for central oil and grain storage. <i>Sinograin</i> is responsible for the purchase, storage, operation and management of central oil and grain.  28. Adopt franchise and centralized management for the sales of duty-free commodities.  29. Adopt franchise for the issue and sales of lottery tickets. The issue and sales of foreign lottery tickets is now allowed in China.
VI. Transport, warehouse and post		

(18)	Railway transport	<p>30. The construction and operation of the railway trunk road network must be controlled by Chinese partner.</p> <p>31. Rail passenger transportation is restricted and must be controlled by Chinese partner.</p>
(19)	Water transport	<p>32. Waterway transport companies (excluding international shipping enterprises established within the China (Shanghai) Pilot Free Trade Zone) shall be controlled by Chinese shareholders. They shall not operate domestic waterway transport business or supplementary services (including domestic ship management and proxy, waterway passenger transport agency and waterway freight transport forwarding) directly or by renting Chinese ships or shipping space.</p> <p>33. Waterway transport business operators shall not use foreign ships in domestic waterway transport business. However with the approval of the Chinese government, if there are no Chinese ships that meet the transport requirement and the ports or waters are open to foreign ships, waterway transport business operators can temporarily use foreign ships to engage in sea transport and towing within the time period and ship numbers determined by the Chinese government.</p> <p>34. The ratio of international to domestic ownership in a shipping enterprise must not exceed 51 percent.</p>
(20)	Public air transport	<p>35. Air transport company invested shall be Chinese majority shareholder; the investment ratio of a single foreign party (affiliated enterprises included) of public air transport invested shall be no more than 25% and the legal representative shall be Chinese. Only Chinese public air transport enterprises can operate domestic air services (domestic carrier rights) and provide regular and occasional international air services as China's designated carriers.</p>
(21)	General air transport	<p>36. General aviation enterprises are limited to joint ventures, except for general aviation enterprises engaging in agriculture, forestry and fishing operations; other general aviation enterprises shall be controlled by the Chinese partner and the legal representative shall be Chinese. Foreign aircraft or expatriates using Chinese aircraft for general aviation flight activities in China shall seek approval.</p>
(22)	Airport and air traffic management	<p>37. Investment and operation of air traffic control systems is prohibited.</p> <p>38. The construction and operation of civil airports shall be restricted (Chinese majority shareholder).</p>

(23)	Post	<p>39. Investment in postal enterprises and postal services is prohibited.</p> <p>40. Investment and the operation of domestic express shipping business of mailing letters are prohibited.</p>
VII. Information transmission, software and IT services		
(24)	Telecommunications	<p>41. Telecommunication companies are restricted to only operate business that China promised to open when joined the WTO, among which: the proportion of foreign invested value-added telecommunications services (except for e-commerce) shall not exceed 50 percent; basic telecommunications services (with the proportion of Chinese capital no less than 51%); basic telecom operators shall be legally established companies that specialize in basic telecom services, and hold state-owned equity or share no less than 51 percent (FTZ original area (28.8 square kilometres) follows the existing policy).</p>
(25)	Internet and related services	<p>42. Investment in online news service, online publishing, online audio-visual program service, online cultural business (except for music), and online public information release service is prohibited (except for those China promised to open in its WTO commitment)</p> <p>43. Online map compilation and publishing are prohibited, (except for those China promised to open in its WTO commitment)</p> <p>44. News and information services business cooperation involving internet news information service units and foreign investors should be reported to the Chinese government for safety assessment.</p>
VIII. Financial Services		
(26)	Banking services	<p>45. Overseas investors that invest in banking financial institutions shall be financial institutions or institutions of a particular type. Specific requirements are as follows:</p> <p>(a) The shareholders of wholly foreign-owned banks, and the foreign shareholders of Sino-foreign equity joint venture banks shall be financial institutions, and the sole foreign shareholder or controlling/major foreign shareholders shall be commercial banks;</p> <p>(b) Overseas investors that invest in Chinese-funded commercial banks and trust companies shall be financial institutions;</p> <p>(c) Overseas investors that invest in rural commercial banks, rural cooperative banks, rural credit (cooperation) cooperatives, and township/village banks shall be overseas banks;</p> <p>(d) Overseas investors that invest in financial leasing companies shall be financial institutions or finance leasing companies;</p> <p>(e) Overseas investors that are main capital contributors to consumer finance companies shall be financial institutions;</p> <p>(f) Overseas investors that invest in currency brokerage companies shall</p>

		<p>be currency brokerage companies;</p> <p>(g) Overseas investors that invest in financial asset management companies shall be financial institutions, and such investors may not participate in the establishment of financial asset management companies by promotion;</p> <p>(h) In the absence of explicit provisions under laws and regulations, overseas investors that invest in banking financial institutions shall be financial institutions.</p> <p>46. Overseas investors that invest in financial institutions shall comply with the requirements on asset amounts. Specific requirements are as follows:</p> <p>(a) Overseas investors with a controlling interest in banks as well as those who invest in Chinese-funded commercial banks, rural commercial banks, rural cooperative banks, township/village banks, credit companies and other banks shall hold total assets of no less than US\$10 bn at the end of the year prior to the application.</p> <p>(b) Overseas investors that invest in rural credit (cooperation) cooperatives and trust companies shall hold total assets of no less than US\$1 bn at the end of the year prior to the application.</p> <p>(c) Foreign-funded banks that plan to set up branches shall hold total assets of no less than US\$20 bn at the end of the year prior to the application.</p> <p>(d) Financial leasing companies of independent legal entity registered overseas as initiators shall hold total assets of no less than C¥10 bn or equivalent exchangeable currencies at the end of the most recent year.</p> <p>(e) Other overseas investors of financial agencies to which the laws and regulations are not clearly applicable shall hold total assets of no less than US\$1 bn at the end of the year prior to the application.</p> <p>47. Overseas investors that invest in currency brokerage companies shall have experience of more than 20 years in the currency brokerage business and required conditions such as global agency network and information communication network.</p> <p>48. A single overseas investor and agencies controlled or jointly controlled by it shall not hold more than 20 percent of the shares of any single Chinese-funded commercial bank, rural commercial banks, rural cooperative bank, rural credit (cooperation) cooperatives and financial asset management company. Multiple overseas investor and agencies controlled or jointly controlled by them shall not hold more than 25 percent of the shares of any single Chinese-funded commercial bank, rural commercial banks, rural cooperative bank, rural credit (cooperation) cooperatives and financial asset management company.</p> <p>49. In addition to meeting the requirements on the types of foreign investors that may be shareholders of banking institutions and relevant</p>
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		<p>qualification requirements, foreign-funded banks are also bound by the following conditions:</p> <p>(a) The branches of a foreign bank shall not engage in the business of ‘agency issuance, agency redemption and underwriting of government bonds’, ‘agency collection and payment of funds’ and ‘bank card business’ allowed under the Law of the People's Republic of China on Commercial Banks, and shall not engage in RMB business for domestic Chinese citizens except for taking fixed deposits of not less than RMB one million per transaction from domestic Chinese citizens;</p> <p>(b) Foreign-funded banks shall appropriate no less than C¥200 million or equivalent exchangeable currencies to their branches. 30 percent of the working capital shall be determined interest-earning assets; the time deposit shall be placed in three or fewer Chinese-funded banks within China.</p> <p>(c) The ratio of RMB and RMB-denominated risk-exposed assets in the working capital and reserve of the branches of foreign-funded banks shall not be below eight percent.</p>
(27)	Capital market services	<p>50. Foreign investment in futures companies shall not exceed 49 percent.</p> <p>51. Foreign investment in securities companies shall not exceed 49 percent.</p> <p>52. The proportion of shares held by a single foreign investor (including direct holding and indirect control) of listed domestic securities companies shall not exceed 20 percent; the proportion of shares held by all foreign investor (including direct holding and indirect control) of listed domestic securities shall not exceed 25 percent.</p> <p>53. Foreign investments in securities investment fund management company shall not exceed 49 percent.</p> <p>54. Oversea investors shall not become a member of the stock exchange or a member of the futures exchange.</p> <p>55. Oversea investors may not set up securities accounts for A shares or futures accounts, unless the Chinese government has other regulations.</p>
(28)	Insurance industry	<p>56. Foreign investments in insurance companies shall not exceed 50 percent; domestic insurance companies shall hold no less than 75 percent of the insurance assets management company’s share.</p> <p>57. When buying shares from insurances companies, all foreign shareholders shall be foreign financial institutions when investing for less than 25 percent of the company’s registered capital (except for when purchasing shares from insurance companies through stock exchanges). Total asset shall be no less than US\$2 bn at the end of the year prior to the application.</p>

		<p>Foreign insurance companies applying to set up foreign funded insurance companies shall meet the following requirements:</p> <p>(a) has operated insurance business for more than thirty years</p> <p>(b) has established a representative office in China for more than two years</p> <p>(c) the total asset shall be no less than US\$5 bn at the end of the year prior to the application.</p>
IX. Leasing and business services		
(29)	Legal services	<p>58. Foreign law firms can only enter China in the form of representative offices. They must seek approval from the Chinese judicial administrative department when setting up representative offices and representatives in China.</p> <p>59. Engaging in legal affairs in China or becoming a partner of a domestic law firm is prohibited.</p> <p>60. Representative office of foreign law firms shall not hire a Chinese practicing lawyer (中国执业律师); the auxiliary staff shall not provide legal services to the parties.</p>
(30)	Consultation and survey	<p>61. Investment in social services is prohibited.</p> <p>62. Market research is limited to JVs and cooperation, among which broadcast television and viewing survey shall be restricted (Chinese majority shares).</p>
X. Scientific research and professional and technical services		
(31)	Professional and technical services	<p>63. Investment in geodetic surveying, hydrographic surveying, aerial photography for surveying and mapping, surveying and mapping of administrative boundaries, making of topographic and ordinary maps, administrative map of the world, China administrative map, administrative map at or below provincial level, national and local school cartography and real 3-D maps, regional geological mapping, mineral geology, geophysics, geochemistry, hydrogeology, environmental geology, geological disasters, geological remote sensing and other surveys is prohibited.</p> <p>64. Surveying and mapping companies (restricted, equity controlled by Chinese parties).</p> <p>65. Development and application of human stem cell and genetic diagnosis and treatment technology are prohibited.</p>

		66. Establishment and operation of humanities and social sciences research institutions are prohibited.
XI. Management of Water Conservancy, Environment and Public Establishment		
(32)	Protection of wild life resources	67. Investment on exploiting wildlife resources which are native to China and protected by the Chinese Government is prohibited.  68. Collection or purchase of wild plants under Special State Protection is prohibited.
XII. Education		
(33)	Education	69. Foreign education institutions, other organisations or individuals may not independently set up schools and other education institutions that mainly enroll Chinese citizens (excluding vocational skills training schools not included in the official education system).  70. Foreign education institutions may cooperate with Chinese education institutions to run education institutions that mainly enroll Chinese citizens. Chinese and foreign parties that cooperate with each other in running schools may run all levels and types of education institutions in the form of Sino-foreign cooperative joint ventures, provided that: (a) They shall not run education institutions that provide compulsory education. (b) Foreign religious organisations, religious institutions, religious schools and religious teaching personnel shall not run schools in the form of Sino-foreign cooperative joint ventures in Mainland China, and schools in the form of Sino-foreign cooperative joint ventures shall not provide religious education and conduct religious activities (c) Ordinary high school education institutions, institutions of higher learning and pre-school education institutions fall under the categories where foreign investment is restricted, and shall be led by Chinese parties (their principals or principal administrative officers shall be Chinese citizens residing in Mainland China; Chinese members shall not be less than half of all members of their councils, boards of directors or joint management committees; and, their educational and teaching activities and course materials shall be in compliance with relevant Chinese laws, regulations and provisions).
XIII. Health and social activities		
(34)	Health	71. Medical institutions are limited to JVs and cooperation.
XIV. Culture, sports and entertainment industry		

(35)	Broadcasting, transmission, production, and operation of radio and television programmes	<p>72. All radio stations, television stations, radio frequencies, television channels, fixed-time radio and television programmes, radio and television transmission and coverage networks (transmitting stations, relay stations [including transposer stations and receiving and transmitting stations], radio and television satellites, satellite uplink stations, satellite receiving and transmitting stations, microwave stations, monitoring stations, and cable radio and television transmission and coverage networks), radio and television video-on-demand business, and installation service of satellite telecasting ground receiving facilities are prohibited.</p> <p>73. Investment in radio and television program production company is prohibited.</p> <p>74. Ground overseas satellite channel landing approval system. Investment in introduction of foreign movies and television series is prohibited; introduction of other foreign television programmes transmitted by satellite is subject to pre-approvals by authorities designated by the State Administration of Press, Publication, Radio, Film and Television of the People's Republic of China.</p> <p>75. Production of television series (including television animations) by Sino-foreign joint ventures is subject to the licensing system.</p>
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<p>(36)</p>	<p>Press, publication, radio, film, television, and financial information</p>	<p>76. Investment on news agencies, newspapers, publishing houses, and news institutions is prohibited.</p> <p>77. Permanent news institution presence and permanent journalists by foreign news institutions are subject to pre-approval of the Chinese government.</p> <p>78. News-related service in China provided by foreign news agencies is subject to pre-approval of the Chinese government.</p> <p>79. Investment or the operation of the investment in the management of books, newspapers, periodicals, audio-visual products and electronic publications editing, publishing, production business is prohibited; the operation of print media page is prohibited. However, with the approval of the Chinese government, the Chinese and foreign publishing houses may carry out Sino-foreign cooperation projects in the press and publication, while ensuring Chinese parties operation initiative and the final content review right and in compliance with other conditions issued by the Chinese government.</p> <p>80. The business cooperation between Chinese and foreign news agencies shall be leading by the Chinese party and approved by the Chinese government.</p> <p>81. Printing of publications is restricted (equity controlled by Chinese parties).</p> <p>82. Without the approval of the Chinese government, providing financial information services in China is prohibited.</p> <p>83. Foreign media (including foreign and Hong Kong, Macao, and Taiwan newspapers, periodicals, book publishers, audio and video publishers, electronic publishing companies and radio, film, television and mass media broadcasting organizations) shall not set up representative agencies or editorial department in China. Without the approval of the Chinese government, foreign media agencies shall not set up offices; offices can only engage in liaison, communication, counseling, and reception services.</p>
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(37)	Film production, distribution, and screening	<p>84. Investment in film production companies, distribution companies, and cinema chains is prohibited.</p> <p>85. Construction and operation of cinemas (restricted, with equity controlled by Chinese parties), total length of time of foreign film screenings (subject to the time length ratio between Chinese productions and foreign productions set by the Chinese government: the total time length of screenings of Chinese productions shall constitute at least <math>\frac{2}{3}</math> of the total time length of all screenings of a screening facility</p>
(38)	Protection of cultural relics and intangible cultural heritage	<p>86. The investment or operation on cultural relic auction enterprises, cultural relics purchase and sale enterprises is prohibited.</p> <p>87. The investment or operation on state-owned cultural relics museum is prohibited.</p> <p>88. Transferring, mortgaging or leasing immovable cultural relics or national export-prohibited relics to foreigners are prohibited.</p> <p>89. The establishment or operation of intangible cultural heritage investigation agencies is prohibited.</p> <p>90. Intangible cultural heritage researches, archaeological investigations, prospecting and excavation made by foreign organizations or individuals within Chinese territory must cooperate with Chinese parties with specific approval.</p>
(39)	Culture and entertainment	<p>91. The establishment of cultural performance groups is prohibited.</p> <p>92. Performance agency institution is restricted (equity controlled by Chinese parties, except for services provided for local provinces and cities).</p>
XV. All industries		

(40)	All industries	<p>93. Individual business, investors for individual-owned enterprises, members of rural professional cooperatives is prohibited.</p> <p>94. Foreign-funded partnership enterprises concerning items included in the “Catalogue of Industries In which Foreign Investment is Restricted”, or items noted as “joint ventures only”, “cooperative joint ventures only”, “joint ventures or cooperative joint ventures only”, “equity relatively controlled by Chinese parties” or others with requirement on foreign capital percentage cannot establish foreign invested partnership.</p> <p>95. For domestic companies, enterprises or individuals merging their legally established or controlled companies abroad with associated domestic companies, involving the establishment and alteration of foreign investment projects and enterprises, current regulations shall apply.</p>
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**Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (Negative List) (2017 version)**  
**Reductions to previous version**

Category	Field	Reduced in the Management Measures from the previous version
Mining	Mining and dressing of metal ores and non-metallic ores	1. The exploration and exploitation of precious metals (in the groups of gold, silver and platinum) fall under the categories where foreign investment is restricted.
		2. The exploitation and dressing of lithium ores fall under the categories where foreign investment is restricted.
Manufacturing	Aviation manufacturing	3. The design and manufacturing of civil helicopters of three tonnes and above shall be controlled by Chinese shareholders.
		4. The design, manufacture and maintenance of aircraft below six tonnes and nine seats are restricted to the forms of Sino-foreign equity and cooperative joint ventures.
	Ship manufacturing	5. The manufacturing of low and mid-speed diesel engines and crankshafts for vessels shall be controlled by Chinese shareholders.
6. The manufacturing and repair of marine engineering equipment (including modules) shall be controlled by Chinese shareholders.		



	Auto manufacturing	7. The products produced by newly-established manufacturers of pure electric passenger cars shall have their own brands, own proprietary intellectual property rights, and possess relevant invention patents already licensed.
	Manufacturing of rail transport equipment	<p>8. The manufacturing of rail transport equipment shall be limited to the forms of Sino-foreign equity and cooperative joint ventures (excluding the R&amp;D, design and manufacturing of supporting passenger service facilities and equipment for high-speed railway lines, special passenger railway lines and intercity railway lines, the R&amp;D, design and manufacturing of track and bridge equipment related to high-speed railway lines, special passenger railway lines and intercity railway lines, the manufacturing of electric railway equipment and apparatuses, the manufacturing of pollutant discharge equipment for railway passenger compartments, etc.)</p> <p>9. 70% or more of the equipment used in urban rail transport projects shall be domestically manufactured.</p>
	Manufacturing of communications equipment	10. The design and manufacturing of civil satellites, and the manufacturing of civil satellite payloads shall be controlled by Chinese shareholders.
	Mineral smelting and rolling processing	11. The smelting of tungsten, molybdenum, tin (excluding tin compounds), antimony (including antimony trioxide and antimony sulfide) and other rare metals falls under the categories where foreign investment is restricted.

	Pharmaceutical manufacturing	12. Foreign investment in the processing of Chinese medicinal materials that are listed in the Regulations on the Administration over the Protection of Wild Medicinal Resources and the Catalogue of Chinese Rare and Endangered Plants for Protection is prohibited.
Transportation	Road transport	13. Road passenger transport companies fall under the categories where foreign investment is restricted.
	Water transport	14. Ocean shipping tally falls under the categories where foreign investment is restricted, and shall be limited to the forms of Sino-foreign equity and cooperative joint ventures.
Information technology services	Internet and Internet-related services	15. Foreign investment in internet access services is prohibited.
Financial services	Banking services	16. The branches of a foreign bank shall not engage in the business of "agency issuance, agency redemption and underwriting of government bonds", "agency collection and payment of funds" and "bank card business" allowed under the Law of the People's Republic of China on Commercial Banks.
		17. A foreign-funded bank shall meet the requirements on the minimum period of business operations before being approved to engage in RMB business.
		18. Overseas investors that invest in banking financial institutions shall comply with the requirements on a certain amount of total assets.

	Insurance Services	19. Unless approved by China's insurance regulatory authorities, a foreign-invested insurance company shall neither act as a ceding company nor as a reinsurer with regard to reinsurance business with its affiliated enterprises.
Leasing and Business Services	Accounting and audit	20. Only Chinese citizens can serve as the chief partners of, (or hold other positions that perform supreme management duties in,) accounting firms of special general partnership.
	Statistics compilation and survey	21. Foreign-related survey agencies shall be subject to qualification accreditation, and foreign-related social investigation projects shall be subject to examination and approval.
		22. Rating services fall under the categories where foreign investment is restricted.
	Other business services	23. The legal representative of an intermediary providing services for entry and exit due to private reasons shall be a Chinese citizen who has both a Mainland permanent household register and full civil capacity.
Education	Education	24. Not to run education institutions that provide military, police, political and Party education as well as education of other special fields.
Culture, sports and entertainment	Press and publication, radio, film and television, and financial information	25. Foreign investors are prohibited from engaging in the import of cultural products such as movies, radio and television programs, arts and digital literature databases and their publications, etc.(Services already liberalized by China under its commitments upon accession to the WTO shall be excluded.)



	Culture and entertainment	26. Performance brokerage agencies fall under the categories where foreign investment is restricted, and shall be controlled by Chinese shareholders (excluding those providing services for the provinces which have the FTZs)
		27. The construction and operation of large theme parks fall under the categories where foreign investment is restricted.

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\* Note: Comparing to the previous version, the *Special Administrative Measures for Foreign Investment Access to Pilot Free Trade Zones (Negative List) (2017 version)* has reduced 10 entries, 27 measures. Among them, the reduced part includes 6 articles, covering rail transportation equipment manufacturing, pharmaceutical manufacturing, road transport, insurance business, accounting audit, other business services; meanwhile, it has merged and cut 4 articles.