

China Relaxed Requirements on Foreign Investment in Telecommunications Businesses

Chinese version China's State Council, the central government's cabinet, announced on September 12 the revised Administrative Provisions on Foreign-invested Telecommunications Enterprises (Provisions), which have lowered the registered capitals of foreign investment in nationwide or cross-province fundamental telecommunications businesses to RMB 1 billion from the original RMB 2 billion.

Furthermore, according to the decision of the State Council on revising the Provisions, if foreigners invest in and operate provincial fundamental telecommunications businesses, they must have a registered capital of RMB 100 million rather than previous RMB 200 million. However, those for the value-added telecommunications businesses remain unchanged.

Besides, the revised Provisions deleted the clauses for feasibility research reports by foreigners for their investment in telecommunications businesses and the rule that domestic telecommunications enterprises must have their offshore listings approved by the competent information industrial authorities of the State Council.

(Source: State Council)

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