
Shanghai relaxes foreign investment approval rules

BEIJING, July 23 (Xinhua) -- The Shanghai municipal government plans to give district-level authorities the power to clear foreign investment projects with an investment of up to 100 million U.S. dollars from August 1, up from the previous threshold of 30 million U.S. dollars.

The move is expected to attract more foreign investment to Shanghai, which aims to position itself as a global financial center, said Thursday's China Daily.

Sha Hailin, director of Shanghai Municipal Commission of Commerce (SCOFCOM), said foreign investors have set up 16 regional headquarters, five investment companies, and 10 research and development centers this year, taking the total number of international companies in the city to 708.

As the biggest industrial and financial metropolis in the mainland, the city has taken a much heavier toll from the financial crisis as its economy is largely dependent on foreign firms, the newspaper said.

The city posted a year-on-year growth of 5.6 percent in gross domestic product in the first half of the year, which was lower than the national average increase of 7.1 percent during the same period, according to the newspaper.

Latest data from SCOFCOM show that Shanghai attracted 5.15 billion U.S. dollars of foreign investment during the first six months of this year, up 2.5 percent from the same period last year.