

Catalog of Restricted Foreign Investment Industries

I. Agriculture, Forestry, Animal Husbandry and Fishery Industry

1. Seed selection of new varieties of crops, and development and production of seeds (the Chinese party shall have a controlling interest)
2. Processing and export of the logs of precious varieties of trees (limited to equity joint ventures and cooperative joint ventures)
3. Processing of cotton (seed cotton)

II. Mining and Quarrying Industry

1. Exploration and mining of special and rare kinds of coal (the Chinese party shall have a controlling interest)
2. Exploration and mining of barites (limited to equity joint ventures and cooperative joint ventures)
3. Exploration and mining of precious metals (gold, silver, platinum groups)
4. Exploration and mining of diamonds and other precious nonmetals
5. Mining and cradling of phosphorites
6. Mining of szaibelyite and ludwigite
7. Mining of celestite
8. Mining of oceanic manganese nodule and sea sand (the Chinese party shall have a controlling interest)

III. Manufacturing Industry

(I) Agricultural and Non-staple Food Processing

1. Processing of soybean oil, rapeseed oil and other edible oils (the Chinese party shall have a controlling interest), and deep-processing of corn
2. Production of biological liquid fuels (fuel ethanol and biological diesel oil) (the Chinese party shall have a controlling interest)

(II) Beverage Manufacturing

1. Production of yellow wine and famous brands of spirits (the Chinese party shall have a controlling interest)
2. Production of carbonated beverages

(III) Tobacco Processing Industry

1. Processing and production of threshed and redried flue-cured tobacco leaves

(IV) Printing Industry and Duplication of Recording Vehicles

1. Printing of publications (the Chinese party shall have a controlling interest, with the exception of printing of package and decoration)

(V) Petroleum Processing and Coking Industry

1. Construction and operation of oil refineries with an annual output of 8 million tons or below

(VI) Chemical Raw Materials and Chemical Products Manufacturing Industry

1. Production of sodium hydroxide and potash (potassium hydroxide)
2. Production of sensitive materials
3. Production of benzidine
4. Production of precursor chemicals (ephedrine, 3,4-Methylenedioxyphenyl-2-propanone, phenyl acetic acid, 1-phenyl-2-propanone, piperonal, safrole, Isosafrole, and acetic oxide)
5. Production of hydro-chloro-fluoro-carbons (HCFC), tetrafluoroethylene, aluminum fluoride and hydrofluoric acid
6. Production of cis-1, 4-polybutadiene rubber, emulsion polymerized styrene butadiene rubber and thermoplastic styrene butadiene rubber
7. Production of methane chlorides (excluding methyl chloride), and polyvinyl chloride (PVC) by calcium carbide process
8. Production of basic titanium dioxide by sulfuric acid process and potassium permanganate by open-hearth furnace process
9. Processing of ludwigite
10. Production of barium salt and strontium salt

(VII) Medical and Pharmaceutical Products Manufacturing Industry

1. Production of chloramphenicol, penicillin G, jiemycin, gentamicin, dihydrostreptomycin, amikacin, tetracycline hydrochloride, oxytetracycline, mydecamycin, kitasamycin, ciprofloxacin, fluperacid, and ofloxacin
2. Production of Analgin, paracetamol, Vitamin B1, Vitamin B2, Vitamin C, Vitamin E and multiplex vitamin agents and oral calcium agents
3. Production of immunity vaccines included in the state's plan (not including BCG vaccine and poliomyelitis vaccine), bacterins, antitoxins and anatoxin (DPT vaccine, measles vaccine, Type-B encephalitis vaccine, and epidemic cerebrospinal meningitis vaccine, etc.)
4. Production of bulk drugs of narcotics and the psychotropic drugs of category I (the Chinese party shall have a controlling interest)
5. Production of blood products
6. Production of non-self-destruction disposable injectors, transfusion sets, blood transfusion sets and blood bags

(VIII) Chemical Fibre Manufacturing Industry

1. Production of chemical fibre drawnwork silk noil yarn by conventional sectioning method
2. Production of viscose staple fibre

(IX) Rubber Product Manufacturing Industry

1. Old tire reconditions (radial tire excluded) and production of low-performance industrial rubber spare parts

(X) Nonferrous Metals Smelting and Pressing Industry

1. Smelting of tungsten, molybdenum, tin (excluding tin compounds), antimony (including antimony oxides and antimony sulphides) and other rare metals
2. Smelting of electrolytic aluminium, copper, lead, zinc and other non-ferrous metals
3. melting and separation of rare-earths (limited to equity joint ventures and cooperative joint ventures)

(XI) Metal Products Manufacturing Industry

1. Production of containers

(XII) General-purpose Equipment Manufacturing Industry

1. Manufacturing of various kinds of ordinary shaft bearings as well as the components (steel balls, cages) and roughcasts
2. Manufacturing of 300-ton or below wheeled or crawler cranes (limited to equity joint ventures and cooperative joint ventures)

(XIII) Special-purpose Equipment Manufacturing Industry

1. Manufacturing of low or medium class of type-B ultrasonic displays
2. Manufacturing of equipment for producing ordinary dacron filament and short fiber
3. Manufacturing of bulldozers of 320 horsepower or below, hydraulic excavators of 30 tons or below, wheeled loaders of 6 tons or below, graders of 220 horsepower or below, road rollers, fork-lift trucks, off-highway dumper trucks of 135 tons or below, road surface milling machinery and equipment, garden machine and equipment, and commodity concrete machine (pitot pump, agitating lorry, mixing station and pump truck)

(XIV) Transport and Communication Facility Manufacturing Industry

1. Repair, design and manufacturing of ordinary vessels (sections) (the Chinese party shall have a controlling interest)

(XV) Manufacturing Industry of Communication Equipment, Computers and Other Electronic Equipment

1. Production of satellite telecasting ground receivers and the key components
2. Manufacturing of fiscal cash registers

IV. Production & Supply of Electricity, Gas and Water

1. Construction and operation of, in those small power networks in Tibet, Xinjiang and Hainan, coal condensing thermal power plants whose single-machine

capacity is 300,000kw or below, and coal pumping and condensing thermoelectricity cogeneration power plants whose single-machine capacity is 100,000kw or below

2. Construction and operation of power network (the Chinese party shall have a controlling interest)

V. Transportation, Warehouse Management, and Postal Service

1. Railway goods transport companies
2. Railway passenger transport companies (the Chinese party shall have a controlling interest)
3. Highway passenger transport companies
4. Entry and exit automobile transport companies
5. Water transport companies (the Chinese party shall have a controlling interest)
6. General aviation companies for photography, prospecting, industry, etc. (the Chinese party shall have a controlling interest)
7. Telecommunication companies: value-added telecommunication services (the proportion of foreign capital shall not exceed 50%), mobile voice and data services in basic telecommunication services (the proportion of foreign capital shall not exceed 49%), and domestic and international business in basic telecommunication services (the proportion of foreign capital shall not exceed 35%, at most be 49% before December 11th, 2007)

VI. Wholesale and Retail Business

1. Various kinds of commercial companies engaging in direct sales, mail order, online sales, franchise business, commission business and business management, etc.
2. Wholesale, retail and logistic delivery of food, cotton, vegetable oil, sugar, medicine, tobacco, automobile, crude oil, pesticide, agricultural plastic film and fertilizer (the Chinese party shall have a controlling interest as for a chain store which has 30 or more branch stores and distributes different varieties and brands of products from two or more suppliers)
3. Distribution of audio and video products (movies excluded) (limited to equity joint ventures, and the Chinese party shall have a controlling interest)
4. Commodity auction
5. Vessel agency companies (the Chinese party shall have a controlling interest), ocean shipping tally (limited to equity joint ventures and cooperative joint ventures)
6. Wholesale of product oil and construction and operation of gas stations (the Chinese party shall have a controlling interest as for a chain gas station which has 30 or more branch stores funded by a same foreign investor and distributes different varieties and brands of product oil from two or more suppliers)

VII. Finance Industry

1. Banks, finance lease companies, finance companies, trust investment companies, and currency brokerage companies
2. Insurance companies (as for life insurance companies, the proportion of foreign capital shall not exceed 50%)
3. Securities companies (which may only underwrite A-shares, and underwrite or trade B-shares, H-shares and government bonds and corporate bonds, and the proportion of foreign capital shall be 1/3 or below), and securities investment fund management companies (the proportion of foreign capital shall not exceed 49%)
4. Insurance brokerage companies
5. Futures companies (the Chinese party shall have a controlling interest)

VIII. Real Estate Industry

1. Tract development of land (limited to equity joint ventures and cooperative joint ventures)
2. Construction and operation of high-grade hotels, villas, high-class office buildings, and international exhibition centers
3. Real estate secondary market transactions and real estate intermediate or brokerage companies

IX. Leasing and Commercial Services

1. Legal consultancy
2. Market survey (limited to equity joint ventures and contractual joint ventures)
3. Credit investigation and grading service companies

X. Scientific Research, Technical Services and Geological Prospecting

1. Surveying and mapping companies (the Chinese party shall have a controlling interest)
2. Import-export commodity inspection, appraisal and certification companies
3. Photography services (including aerial photography and other trick photography services, but not including mapping-targeted aerial photography, limited to equity joint ventures)

XI. Water Conservancy, Environment and Public Utility Management

1. Construction and operation of the pipeline network of big cities for fuel gas, heating power and water supply and sewage (the Chinese party shall have a controlling interest)

XII. Education

1. Ordinary senior high schools (limited to equity joint ventures and contractual joint ventures)

XIII. Health, Social Security and Community Welfare

1. Medical establishments (limited to equity joint ventures and contractual joint ventures)

XIV. Culture, Sports and Entertainment

1. Broadcast and TV programming projects, and film-making projects (limited to equity joint ventures)
2. Construction and operation of movie theaters (the Chinese party shall have a controlling interest)
3. Construction and operation of large-scale theme parks
4. Brokering agencies for stage performances (the Chinese party shall have a controlling interest)
5. Operation of recreation places (limited to equity joint ventures and contractual joint ventures)

XV. Other industries restricted by the state or International Treaties that China has concluded or acceded to