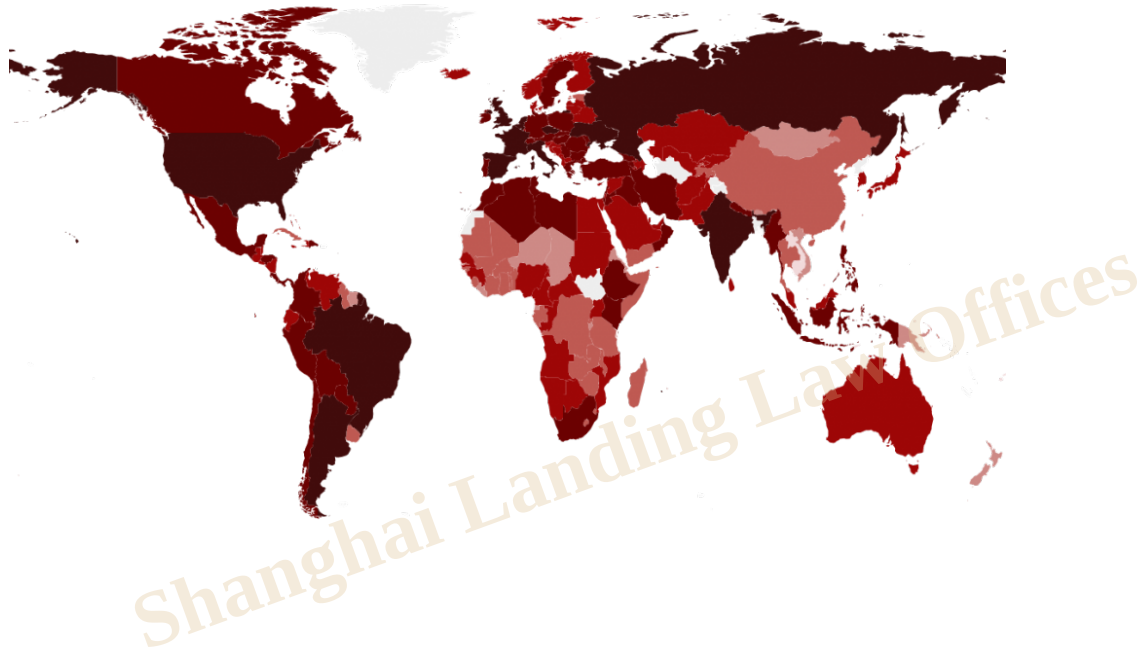


Steps for Incorporating a Foreign Direct Investment Company in China

Description

It is sad that to date the whole world is still clouded by the Covid-19 pandemic, and we have all had a hard time for the virus.



world pandemic demographic as of October 22, 2020

Though China was initially hit hardest early January and February, the country has however miraculously contained the virus quickly and effectively. Consequently, after a period of stringent national lockdowns, China has opened its economy sooner while the rest of the world is still struggling.

As a result, China is now probably the only country (at least the only major economy) in the world that has turned around its economy recording a positive growth in the second and third quarter of 2020. Coupled with spike in value of Chinese currency RMB against USD, it has seen foreign investments into China increasing and accelerating. China Ministry of Commerce published figures of foreign directly investment into China that saw a 25.1% jump in September compared to last September of 2019, quickening as against August of this year, also the sixth month of consecutive growth following the reining in of the pandemic in China.

You may not want to lag far behind to grab this precious opportunity in this 2020 to prevent further loss in your business. So you should consider investing in China now.

Thanks to the enactment of the new China Foreign Investment Law, setup of foreign invested companies in China has never been easier, and regional cities and provinces may step up their local favorable practice to embrace foreign investments. After all, when United States is retreating from

globalization, China is opening wider to the outside world.

Here we share a diagram with you outlining the steps that are taken to set up a foreign invested company in China:

[Steps-for-Setting-Up-Foreign-Invested-Company-in-China-2Download](#)



In this image, you will see the basic steps for a foreign investors (or investors) to set up a company in China. The whole steps could involve multiple government departments in China and it used to be tedious and onerous process as the investors needed to shuffle between those departments that were often located in different areas of the city. But now things have been streamlined and moved online.

If the foreign investment does not involve fixed asset investment, the process from the point that investors prepare their notarized and legalized identity documents, the certificate of incorporation could be issued in a week or two.

Of course, there are a lot of other aspects to consider before you decide to invest in China, such as what business you are going to engage in (compare it to the Negative List of Category of Foreign Investment).

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