

# Foreign Investment Action Plan Released

## Policy Express

By LU Zijian

Aimed at stabilizing foreign investment in China in 2025, an action plan putting forward 20 measures was released by the State Council on February 19.

Devised by the Ministry of Commerce and the National Development and Reform Commission, the plan proposes to expand opening up, enhance the level of promoting investment, strengthen the efficiency of open platforms, and intensify services and guarantees for foreign investment.

The plan notes that foreign investment is a crucial part of promoting high-level opening up, and plays an important role in developing new quality productive forces and driving Chinese modernization.

China will expand the pilot projects in telecommunications, medical care and the education sector, and support the pilot regions in the implementation of policies regarding value-added telecommunication, biotechnology and wholly foreign-owned hospitals.

Eligible foreign-invested enterprises will be supported to participate in segmented production of biological products on a pilot basis. In addition, the resource allocation of the biomedical industry will be optimized and problems



A roll-off ceremony of the 6 millionth car produced by BMW Brilliance Automotive takes place in Shenyang, northeast China's Liaoning province, May 8, 2024. (PHOTO: XINHUA)

encountered by enterprises will be timely resolved.

Efforts should also be made to implement the removal of all limitations on the entry of foreign investment in the manufacturing sector, according to the plan.

Meanwhile, the plan suggests that support will be given to foreign-owned enterprises to take part in the country's process of promoting new industrialization with a focus on introducing foreign investment in high-tech fields.

Foreign investors are encouraged to conduct equity investment and reinvestment, and enlarge the scale of industries they invest in such as extending investment to the modern service industry. Regulations and transaction procedures of mergers and acquisitions in China for foreign investors will also be optimized.

To encourage multinational enterprises to set up investment companies in China, measures will be taken to make it more convenient for them in areas of foreign exchange administration,

border entry and exit and cross-border data flow.

It is planned that the cross-border flow of personnel will be elevated by optimizing policies regarding port visa, transit without visa and regional visa-free entry. Unilateral visa-free policies are to be extended to a larger group of countries in a prudent manner.

Financial institutions are encouraged to offer financing services to foreign-invested companies, and guidance should be given to various types of funds to cooperate with foreign-invested enterprises in equity investment, supporting them to deep delve into the Chinese market.

The plan also proposes the institutional reform of economic and technological development zones to boost the development level of their export-oriented economy.

Moreover, support is to be given to pilot free trade zones to increase stress testing in foreign investment access, and expand institutional opening up areas like rules, regulations, management and standards. The implementation of core policies regarding the Hainan Free Trade Port is to be accelerated to create a highland for attracting foreign investment.

Other measures include better understanding requests of foreign-invested enterprises and effectively responding to their concerns, supporting to add more foreign investment projects to the list of major and key foreign investment projects, etc.

# New Policies Bolster Investment in Innovation

By WANG Manxi

Comprehensive improvements of financial services for tech-oriented enterprises are on the cards, following a recent policy titled *Implementation Opinions on Capital Markets in Improving Five Major Financial Areas*, released by the China Securities Regulatory Commission (CSRC).

The five major financial areas are fintech, green finance, financial inclusion, pensions and digital finance. The newly issued policy outlines eight sections and 18 measures aimed at fostering China's modernization, including developing new quality productive forces and emphasizing the deepening of comprehensive reforms in capital market investment and financing.

The policy outlines further optimization of systems for mergers, acquisitions and equity incentives for listed tech companies. It supports mergers and acquisitions aimed at industrial transformation, upgrading, and strengthening supply chains. It also introduces streamlining diversified exit channels, broadening funding sources, and promoting a virtuous cycle of fundraising, investment, management and exits.

In addition, it is proposed that multi-tiered bond market support for

technological innovation should be strengthened. Optimization of the registration process for issuing technology innovation bonds is also featured.

Moreover, the CSRC continues to implement policies like the "16 Measures for Technology" and the "Eight Measures for the STAR Market," aiming to increase inclusivity in new industries, business models and technologies. It also encourages tech companies to utilize both domestic and international markets and resources.

The innovation of technology enterprises has received significant support. A number of hard and core technology companies in key core technology areas have listed on the A share market, with some achieving technological breakthroughs and leapfrog development post-IPO. Industrial clustering effects in integrated circuits, biopharmaceuticals, and high-end equipment manufacturing have effectively promoted the deep integration of capital, industry, technology and talent.

As of now, high-tech enterprises has accounted for over 90 percent of listed companies on the STAR Market, ChiNext, and the Beijing Stock Exchange. Strategic emerging industries represent more than half of all listed companies in the market.

# Action Plan to Boost Energy Storage Manufacturing

By WANG Manxi

China's advanced energy storage manufacturing sector is set for a boost after the release of the high-quality development plan of the advanced energy storage manufacturing industry in February. The plan seeks to enhance the innovation capabilities and comprehensive competitiveness of the sector by 2027, achieving high-end, intelligent and green development.

The action plan was jointly released by the Ministry of Industry and Information Technology and seven other departments. It envisions an accelerated improvement of the industrial ecosystem, with three to five dominant enterprises emerging. It also aims to establish a more concentrated industrial structure with regional clusters. Product performance is expected to improve significantly, with a continuous enhancement in the supply capacity of advanced energy storage products that are safe, reliable, energy-

efficient, long-lasting and economical viable.

The advanced energy storage manufacturing industry encompasses the production of energy storage, information processing and safety control products for advanced energy storage systems. It primarily focuses on energy storage products like new types of batteries and various advanced energy storage technologies, as well as the manufacturing of power electronic devices, thermal management systems, and energy control systems.

The plan outlines six major initiatives. The advanced energy storage technology innovation initiative encourages the development of diversified advanced energy storage technologies, supports breakthroughs in efficient integration and intelligent control technologies, and focuses on tackling multi-dimensional safety technologies throughout the product lifecycle.

Industrial collaborative development promotion focuses on planning the industrial layout, guiding the optimi-

zation of supply and demand relationships, strengthening resource security and utilization, and cultivating high-quality enterprises.

The industrial transformation and upgrading development initiative aims to improve production safety capabilities, adhere to green and low-carbon development, and enhance intelligent manufacturing levels.

The document highlights application scenario expansion, encourages advanced energy storage to participate in the electricity market as an independent entity, accelerates the application of grid-forming energy storage, and enhances the support capabilities of advanced energy storage for the stable operation of power systems.

The industrial ecosystem improvement initiative aims to establish a safety risk assessment system for advanced energy storage batteries, formulate graded and classified battery standards, and strengthen the implementation of mandatory national safety standards. It also emphasizes strengthening intellectual

property protection and utilization, and building innovation service platforms.

The trade and investment cooperation enhancement initiative explores integrating international cooperation in advanced energy storage into frameworks like the Belt and Road Initiative and BRICS cooperation mechanisms. It supports relevant enterprises in orderly international expansion and attracts foreign financial institutions to invest in China.

In addition, the plan proposes key measures to ensure its implementation. It encourages local governments to introduce specialized policies supporting technological advancement and transformation in the advanced energy storage manufacturing industry.

Meanwhile, increased policy support, regulated industry order and accelerated talent cultivation is expected to promote high-quality development of advanced energy storage manufacturing, fostering innovation and driving sustainable economic growth.



The G60 S&T Innovation Valley of the Yangtze River Delta in Shanghai. (PHOTO: VCG)

# Sci-tech Empowers Ecological Environment

By ZHONG Jianli

In a significant move towards enhancing ecological preservation in China, the Ministry of Ecology and Environment (MEE) and other related departments have recently issued an implementation guideline on strengthening technological innovation in the ecological environment sector to promote the construction of Beautiful China.

The document provides crucial guidance for local governments, research institutions, universities and enterprises looking to innovate in ecological technology.

One of the highlights is to create an "open and inclusive innovation environment" in the ecological environment sector. This includes establishing a coordinated ecological environment technology policy system, strengthening the leading role of enterprises in technological innovation, and building a market-oriented green technology innovation system.

It also outlines specific measures to cultivate leading enterprises in ecological technology, support companies in undertaking significant technological challenges and regional demonstration projects, and improve the market mechanism for technology application and transfer, while emphasizing international scientific cooperation in global environmental governance.

By 2035, key technologies and equipment for environmental monitoring and simulation are expected to achieve notable improvements, alongside enhanced original innovation capabilities and the transfer of scientific results. To meet these goals, five key actions have been proposed:

- Enhancement of basic research: Focusing on strengthening foundational research in ecological protection theories and principles.
- Breakthroughs in key technologies: Promoting significant projects to address critical ecological technology challenges and developing key environmental restoration equipment.
- Transfer and application of technological achievements: Accelerating the application of ecological technology achievements and integrating green and low-carbon industry innovation chains.
- Optimization of innovation platforms: Improving construction of technology innovation platforms and enhancing research infrastructure.
- Talent development: Strengthening the ecological and environmental talent pool and enhancing educational efforts in environmental science.

This comprehensive approach demonstrates China's commitment to leveraging technology in the pursuit of ecological sustainability and a cleaner, healthier environment for future generations.

# Unleashing Potential of 'Blue Energy'

By WANG Manxi & CAO Xiuying

Covering approximately 71 percent of the Earth's surface, the ocean is seen as the world's largest solar energy collector and energy storage system. As a vital component of natural resources, ocean energy boasts significant development potential, sustainable utilization and green and clean advantages.

Recently, six departments, including the Ministry of Natural Resources (MNR) and the National Development and Reform Commission, issued guidelines on promoting the large-scale utilization of ocean energy. The document proposes achieving an installed capacity of ocean energy reaching 400,000 kilowatts by 2030, with the construction of multi-energy complementary power systems on islands and large-scale demonstration projects for ocean energy.

According to the document, the ap-

plication scenarios for ocean energy will continue to expand, leading to the development of efficient, stable and cost-effective ocean energy technology and equipment products. Meanwhile, it seeks to cultivate enterprises with strong technological R&D capabilities and global competitiveness in the large-scale development and utilization of ocean energy.

Ocean energy encompasses tidal range energy, tidal current energy, wave energy, thermal gradient energy and salinity gradient energy. Pan Huimin, deputy director general of the Department of New Energy and Renewable Energy Sources of the National Energy Administration (NEA) explained that China's long coastline, vast maritime territory, and abundant ocean energy resources present significant untapped potential. Coastal provinces have a high demand for electricity, particularly green electricity. As land resources become increasingly

scarce, the development and utilization of ocean energy will play a positive role in alleviating energy shortages in eastern coastal regions, islands and remote offshore areas.

Gu Wu, director general of the Department of Marine Strategic Planning and Economics of the MNR, said that MNR will organize and conduct classified surveys and assessments of China's ocean energy resources, and calculate the potential for resource development in a scientific way and establish a database and service platform for ocean energy resources.

To further enhance China's ocean energy technology and equipment level, the document sets out technological and model innovation in the large-scale utilization of ocean energy, accelerating breakthroughs in key technologies and improving technological economic efficiency.