

**Regulatory  
Developments**

**2013 Statistical Bulletin on China's Foreign Direct Investments Published**

On September 9, the Ministry of Commerce, the National Bureau of Statistics and the State Administration of Foreign Exchange jointly published the 2013 Statistical Bulletin on China's Foreign Direct Investments (the Bulletin), officially announcing the annual data on China's foreign direct investments in 2013. The Bulletin consists of six parts - Overview of China's Foreign Direct Investments, Characteristics of China's Foreign Direct Investments, China's Investments in Major Economies, Composition of China's Foreign Direct Investments, Distribution of Enterprises Making Foreign Direct Investment by Region and Industry, Comprehensive Statistical Data.

According to the Bulletin, China's foreign direct investments in 2013 have the following major characteristics:

First, the investment flow exceeded USD100 billion for the first time. Second, the outstanding investment amount climbed by two places, and the regions and territories where the investments go further expanded. Third, the investments in all the regions grew at varying degrees, except for the investment in Europe that declined. Fourth, the investments covered different industries of the national economy, and the investment concentration of five industries exceeded 80%. Fifth, the target areas of M&A deals were diversified, and the amount of the single M&A deal hit a historical high. Sixth, the foreign investment by local enterprises grew steadily, and the share of local enterprises in non-financial investments exceeded 30% for the first time. Seventh, the share of non-state-owned enterprises kept growing and the share of state-owned enterprises in the investment flow fell down to 40%. Eighth, the sales revenue of Chinese enterprises operating abroad realized a two-digit growth, making an outstanding contribution to the host countries.

[MOFCOM News](#) (Currently Only Available in Chinese)!

**MOFCOM Publishes Revised Overseas Investment Regulation**

On September 6, the Ministry of Commerce published the revised Overseas Investment Regulation (MOF Decree (2014) No. 3), further defining the position of enterprises as the overseas investment entity, and enhancing efforts to facilitate investment overseas.

The Regulation contains 39 articles in 5 chapters, including General Provisions, Filing & Approval, Code & Service, Legal Liability and Supplementary Provisions. The Regulation has two main features. First, it establishes the administration mode

highlighting the filing mechanism as the principal mechanism and the approval mechanism as the auxiliary mechanism. The Regulation specifies that the approval mechanism applies to the investment in sensitive countries/territories and sensitive industries, and the filing mechanism applies to other investments. Second, the Regulation narrows the scope of approval and shortens the approval procedure. [MOFCOM News](#) (Currently Only Available in Chinese)

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