

Ministry: China to simplify FDI procedures

China received 7.5 billion U.S. dollars of foreign direct investment in August, up 7 percent from a year earlier, the first growth in 11 months since last October, said Yao Jian, spokesman of the Ministry of Commerce on Tuesday. Yao said that China may optimize its policies to further boost FDI.

In August, China approved 1687 foreign-funded enterprises, down 2 percent year on year. Foreign investment in manufacturing totaled 4.3 billion USD, contributing most to the growth. FDI in the service sector plunged 27.7 percent year on year in August and is expected to fall 35 percent in 2009.

Yao said that although August's FDI figure was better than expected, it did not necessarily indicate an all-around warm up.

"Currently, China's FDI policies have already had an complete framework, and are fair and impartial," said Yao Jian.

"However, they need adjustment and optimization to better support the country's economic restructuring and to create a resource-saving and environment-friendly society."

He noted that the adjustment and optimization would focus on simplifying investment procedures. Foreign investment filing system would replace the current examination and approval system.

Yao said that China's public bidding was "impartial". Foreign-funded enterprises' winning rate reached 80.5 percent in China's public biddings of mechanic and electric products in 2008.

From January to August, China's FDI totaled 55.86 billion USD, 17.5 percent lower year on year. 14,130 foreign-funded enterprises were approved during the same time, down 24.8 percent.

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