Provisions of the State Council on Outbound Investment[1]

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Decree of the State Council of the People's Republic of China No. 837. The Provisions of the State Council on Outbound Investment, as adopted at the 83rd Executive Meeting of the State Council on 17 April 2026, are hereby promulgated and shall enter into force on 1 July 2026.

Premier: Li Qiang
5 May 2026

Article 1

These Provisions are hereby formulated, in accordance with the Foreign Relations Law of the People's Republic of China, the Foreign Trade Law of the People's Republic of China, and other applicable laws, for the purposes of promoting high-standard opening up, promoting the high-quality development of outbound investment, strengthening the administration of outbound investment, protecting the lawful rights and interests of investors and their outbound investment, and safeguarding the sovereignty, security, and development interests of the State.

Article 2

These Provisions shall apply to outbound investments undertaken by investors within the territory of the People's Republic of China (hereinafter referred to as "China").

For the purposes of these Provisions, "outbound investment" (also referred to as "overseas investment") means activities whereby an investor, through the contribution of assets or equity interests, or by providing financing, guarantees, or other means, directly or indirectly acquires ownership, control, management and operational rights, or other related rights and interests in enterprises, assets, or other interests located in other countries or regions.

[1] Translated by Health Law Asia – Pharmaceutical, Medical Device, and Cosmetics Law

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For the purposes of these Provisions, the term "investors" includes enterprises, other organizations, and individual residents within the territory of China.

Article 3

The administration of outbound investment shall adhere to the fundamental national policy of opening up, implement the holistic approach to national security, coordinate development and security, coordinate domestic and international priorities, improve the administrative and service framework for outbound investment, enhance the quality and standard of outbound investment, and promote open cooperation and mutually beneficial outcomes.

Article 4

The State shall proactively align with high-standard international economic and trade rules, advance high-quality Belt and Road cooperation, promote the establishment of bilateral and multilateral investment cooperation mechanisms, actively participate in the formulation of international investment rules, foster international cooperation in industrial and supply chains, oppose unilateralism and protectionism, and promote the development of an open world economy.

Article 5

The State supports investors in conducting outbound investment activities in accordance with market-oriented principles and encourages their active participation in international cooperation and competition. Investors shall enjoy, in accordance with law, the autonomy to undertake outbound investment, make independent investment decisions, bear their own risks, and be solely responsible for their own profits and losses.

In conducting outbound investment and related activities, investors shall comply with applicable laws and regulations and international practices, respect local customs and cultural traditions, observe business ethics, act with honesty and good faith, engage in fair competition, fulfil their social responsibilities, and uphold the national image. Investors shall not disrupt the order of market competition, damage the ecological environment, or infringe upon the lawful rights and interests of workers, nor shall they endanger China's national security or prejudice the national interests or the public interest.

Article 6

The State shall improve the comprehensive overseas service system, promote the integration of trade and investment, enhance public platforms and support services, coordinate service resources in such fields as foreign affairs, legal services, fiscal and taxation matters, finance,

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commerce and trade, logistics, exit and entry administration, customs, and trade promotion, and provide investors with comprehensive service support.

People's governments at or above the provincial level and their relevant departments shall strengthen the capacity and quality of public services by providing investors with public goods and services relating to laws and regulations, policy measures, investment guidance, intellectual property, risk prevention and response, and the protection of rights and interests, among other areas.

Article 7

The State supports professional service institutions engaged in consulting and evaluation, legal services, accounting and auditing, credit rating, mediation and arbitration, intellectual property, and other related fields in expanding their overseas service networks, enhancing their capacity and standards for international service delivery, and providing investors and their outbound investments with high-quality professional services.

The relevant professional service institutions shall adhere to the principles of honesty and good faith, due diligence, independence, and objectivity; establish effective risk management and internal control systems; employ personnel possessing the requisite professional qualifications and expertise; and carry out the relevant service activities in accordance with the law.

Article 8

Banking financial institutions shall, in accordance with their designated functions and responsibilities, adhere to the principles of market orientation, the rule of law, commercial sustainability, and prudent risk management, and shall, within the scope of their business operations, provide financing and other financial services to support investors' outbound investment activities. Policy-based insurance institutions are encouraged to provide overseas investment insurance and other related services for outbound investment.

Article 9

Relevant industry associations and chambers of commerce shall, in accordance with laws, administrative regulations, and their respective charters, strengthen industry self-regulation, enhance their capacity and standards in serving investors and their outbound investment activities, and promptly communicate the concerns and needs of the industries they represent.

Industry associations, chambers of commerce, and trade and investment promotion organizations shall, in accordance with their respective charters, provide services relating to outbound investment, including information and advisory services, market development, economic and trade exchanges, protection of lawful rights and interests, and dispute resolution.

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Article 10

The State shall improve the outbound investment administration system, refine macro-regulatory measures, implement classified and tiered supervision throughout the entire investment process, strengthen risk prevention and control, improve the soundness and security of outbound investment, and promote the integration of investment facilitation with effective risk management.

Article 11

The competent investment authority and the competent commerce authority under the State Council shall, in conjunction with other relevant departments of the State Council, formulate, adjust, and implement outbound investment policies in light of the needs of national economic and social development, changes in the investment environment of relevant countries and regions, the level of associated risks, and other relevant factors. Such authorities shall specify categories of outbound investment that are encouraged, restricted, or prohibited, strengthen the supervision and administration of outbound investment, and provide guidance to and supervise investors in conducting investment and business operations in a lawful and regulated manner.

Article 12

Where investors are required by law to complete approval, filing, information reporting, cross-border capital registration, or other relevant formalities in connection with outbound investment activities, they shall complete such procedures in accordance with the applicable provisions of the State, truthfully submit the relevant materials, and cooperate with the supervision and inspection conducted by the competent authorities.

Article 13

In conducting outbound investment activities, investors shall not export or use goods, technologies, services, or related data whose export is prohibited by the State, nor shall they export or use, without the requisite authorization, goods, technologies, services, or related data whose export is subject to State restrictions.

Investors shall not, by means of dispatching technical personnel across borders, organizing personnel to work in other countries or regions, providing cross-border technical guidance, arranging cross-border training, or by any other similar means, transfer to other countries or regions any goods, technologies, services, or related data whose export is prohibited by the

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State, nor shall they, without the requisite authorization, transfer to other countries or regions any goods, technologies, services, or related data whose export is subject to State restrictions.

Article 14

Where outbound investment involves foreign exchange transactions, the import and export of goods and technologies, cross-border trade in services, cross-border data flows, the administration of the exit and entry of personnel, merger control review, export control, cybersecurity regulation, tax administration, the supervision of State-owned assets, or other related matters, the relevant activities shall be conducted in accordance with the applicable laws, administrative regulations, and other relevant provisions of the State.

Article 15

The State shall improve the security review system for outbound investment. The competent investment authority and the competent commerce authority under the State Council shall, in conjunction with other relevant departments of the State Council, conduct national security reviews of outbound investments, and of the transfer or disposal of related assets, rights and interests, where such investments or transactions affect or may affect national security.

Relevant organizations and individuals shall provide assistance and cooperation, shall not refuse or obstruct the conduct of such reviews, and shall comply with the decisions rendered pursuant to the national security review of outbound investment.

Article 16

Investors and the enterprises in which they invest in other countries or regions shall improve their corporate governance structures, establish and enhance systems for compliance management, internal control, occupational safety, and emergency response, strengthen risk identification, prevention, and mitigation mechanisms, allocate the necessary personnel, financial, equipment, and other resources, and ensure the safety and security of their employees and assets.

Article 17

Investors shall conduct their investment and business activities in a lawful and regulated manner. They shall not impair the commercial reputation of other investors or the reputation of their products, infringe the trade secrets of others, engage in price dumping without legitimate justification, obtain improper benefits through bribery, fraud, or other unlawful means, or otherwise disrupt the orderly functioning of the outbound investment market.

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Article 18

The relevant departments of the State Council shall strengthen the monitoring, early warning, and risk assessment mechanisms for outbound investment, promptly release information regarding the security situation in relevant countries and regions, issue investment risk alerts, provide guidance and assistance to investors in strengthening security risk prevention and management, and safeguard the overseas interests of the State and the lawful rights and interests of investors.

Article 19

In accordance with international treaties and agreements concluded or acceded to by the People's Republic of China, or on the basis of the principles of equality and mutual benefit, the People's Republic of China shall carry out cooperation and exchanges with other countries or regions and international organizations in the field of law enforcement, with a view to safeguarding the security of investors in other countries or regions, the enterprises and projects in which they have invested, the personnel engaged in such projects, and their assets, as well as the lawful rights and interests of the relevant organizations and individuals.

The State shall actively negotiate and conclude bilateral and multilateral trade, investment, and other international economic and trade agreements, enhance the level of protection afforded to outbound investment, and promote investment liberalization and facilitation.

Article 20

The State shall, in accordance with the law, provide consular protection and assistance to Chinese citizens and organizations investing in other countries or regions, as well as to Chinese nationals employed by enterprises and projects in which such investments have been made, and shall safeguard their lawful rights and interests.

Where a war, armed conflict, civil unrest, major natural disaster, serious accident, major infectious disease outbreak, terrorist attack, or any other major emergency occurs in the country or region of investment, and the personal safety or property of investors or of Chinese nationals employed by the enterprises or projects in which they have invested is threatened and assistance is required, the diplomatic missions of the People's Republic of China stationed abroad shall promptly verify the relevant circumstances, urge the government of the relevant country or region to adopt effective measures to protect the personal safety and property of Chinese citizens and organizations, and provide assistance as appropriate in light of the circumstances. Where the Chinese Government adopts corresponding emergency evacuation or risk-avoidance arrangements, the relevant organizations and individuals shall cooperate therewith.

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Article 21

Investors are encouraged to resolve disputes arising from outbound investment through consultation, mediation, arbitration, litigation, or other appropriate means, so as to safeguard their lawful rights and interests.

Article 22

Where organizations or individuals within the territory of China participate in arbitration or litigation relating to outbound investment, or are subject to investigations conducted by foreign judicial or law enforcement authorities, and it is necessary to provide evidence or other relevant materials outside the territory of China, they shall comply with the applicable laws, administrative regulations, and other relevant provisions of the State concerning the protection of State secrets, data security, personal information protection, technology export administration, export control, judicial assistance, and other relevant matters.

Where the approval or authorization of the competent authorities is required by law, the relevant legal procedures shall be completed in accordance with the applicable legal requirements.

Article 23

Where investors encounter trade-related investment barriers or other obstacles to investment or business operations in the country or region of investment, the competent commerce authority under the State Council may, either independently or in conjunction with other relevant departments of the State Council, organize investigations into the matter. Relevant organizations and individuals shall provide the necessary assistance and cooperation.

Based on the findings of such investigations, the relevant departments of the State Council may adopt measures including adjusting investment policies applicable to the relevant country or region, prohibiting or restricting the import or export of relevant goods or technologies, or restricting international trade in services.

Article 24

Where any country or region, or any international organization, in violation of international law or the basic norms governing international relations, adopts discriminatory prohibitions, restrictions, or other similar measures against the People's Republic of China in relation to investment, business operations, or other related matters, the Chinese Government and its relevant departments may, in light of the actual circumstances, adopt corresponding measures

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to safeguard the security of investors and their outbound investments, protect their lawful rights and interests, and ensure that the overseas interests of the State are not threatened or infringed.

The relevant departments of the State Council may, in accordance with the Anti-Foreign Sanctions Law of the People's Republic of China, the Provisions on the Implementation of the Anti-Foreign Sanctions Law of the People's Republic of China, and other applicable laws and regulations, decide to place on the Countermeasures List any organization or individual that has directly or indirectly participated in the formulation, decision-making, or implementation of the discriminatory prohibitions, restrictions, or other similar measures referred to in the preceding paragraph, and may adopt corresponding countermeasures against such organization or individual.

Article 25

Where a foreign organization or individual endangers China's national sovereignty, security, or development interests, interrupts normal transactions with Chinese enterprises, other organizations, or individuals in violation of the principles governing normal market transactions, or adopts discriminatory measures against investors or their outbound investments so as to unreasonably deprive or restrict the lawful rights and interests of investors or their outbound investments, the relevant departments of the State Council may adopt such measures as prohibiting or restricting such organization or individual from engaging in import or export activities relating to China, prohibiting or restricting its investment within the territory of China, prohibiting or restricting organizations or individuals within China from engaging in relevant transactions, cooperation, or other activities with such organization or individual, prohibiting or restricting the entry into China of relevant persons, products, means of transport, or other items, or revoking or restricting the qualifications of relevant persons to work, stay, or reside within the territory of China.

The foregoing measures may also apply to organizations that are actually controlled by, or in whose establishment or operation such foreign organizations or individuals participate.

Article 26

Public officials shall, in accordance with the law, maintain the confidentiality of State secrets, work secrets, trade secrets, personal privacy, personal information, and other confidential information of which they become aware in the course of performing duties relating to the administration and provision of services for outbound investment, and shall not disclose or unlawfully provide such information to any other person.

Article 27

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Where an investor undertakes outbound investment prohibited by the State, the competent investment authority and the competent commerce authority under the State Council shall, in accordance with the division of their respective responsibilities, order the investor to cease the investment activity, dispose of its shares or assets within a prescribed time limit, and confiscate any unlawful gains; where the investor refuses to comply, a fine of not less than 5‰ and not more than 10‰ of the investment amount shall be imposed; and the persons directly in charge and other directly liable persons shall each be subject to a fine of not less than RMB 50,000 and not more than RMB 100,000.

Where an investor fails to complete the approval or filing procedures for outbound investment as required, or applies for the relevant approval or filing by submitting false materials, concealing true information, or by other such means, the authority responsible for approval or filing shall order the investor to make corrections, confiscate any unlawful gains, and impose a fine of not less than 1‰ and not more than 5‰ of the investment amount; where the investor refuses to make corrections, it shall be ordered to cease the investment activity and to dispose of its shares or assets within a prescribed time limit, and shall be subject to a fine of not less than 5‰ and not more than 10‰ of the investment amount; and the persons directly in charge and other directly liable persons shall each be subject to a fine of not less than RMB 20,000 and not more than RMB 50,000.

Where an investor obtains approval or filing for outbound investment through improper means such as bribery or fraud, the authority responsible for approval or filing shall revoke the approval or filing document, confiscate any unlawful gains, and impose a fine of not less than 1‰ and not more than 5‰ of the investment amount; where the investment has already been made, the investor shall be ordered to cease the investment activity and to dispose of its shares or assets within a prescribed time limit, and shall be subject to a fine of not less than 5‰ and not more than 10‰ of the investment amount; and the persons directly in charge and other directly liable persons shall each be subject to a fine of not less than RMB 20,000 and not more than RMB 50,000.

From the date on which a penalty decision as prescribed in the preceding three paragraphs takes effect, the relevant competent authorities may, for a period of three years, decline to accept any application for approval or filing submitted by the offender, or prohibit the offender from engaging in outbound investment activities for a period of not less than one year and not more than three years.

Article 28

Where any person, in violation of Article 15 of these Provisions, refuses to cooperate with a national security review of outbound investment, provides false materials or conceals relevant information, or fails to comply with a decision rendered pursuant to a national security review of outbound investment, the relevant departments of the State Council shall order such person to make corrections, confiscate any unlawful gains, and impose a fine; where national security has been endangered, such person shall be ordered to adopt the necessary measures to

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eliminate the adverse impact on national security, and may be prohibited from engaging in outbound investment activities for a period of not less than one year and not more than three years; where the investment has already been made, such person may be ordered to cease the investment activity and to dispose of its shares or assets within a prescribed time limit.

Article 29

Where an investor violates Article 17 of these Provisions, the competent investment authority and the competent commerce authority under the State Council may, in accordance with the division of their respective responsibilities, order the investor to make corrections within a prescribed time limit; where harmful consequences have been caused, the investor may be prohibited from engaging in outbound investment activities for a period of not less than one year and not more than three years.

Article 30

Where, in conducting outbound investment activities, an investor violates these Provisions and thereby causes personal injury or property damage, the investor shall bear civil liability in accordance with the law; where the violation constitutes an act in breach of public security administration, public security administrative penalties shall be imposed in accordance with the law; where the violation constitutes a criminal offence, criminal liability shall be pursued in accordance with the law.

Where, in conducting outbound investment activities, an investor violates other laws or regulations, the competent authorities vested with jurisdiction shall order the investor to make corrections and shall deal with the matter in accordance with the law.

Article 31

Where a public official, in the administration of outbound investment, abuses his or her authority, neglects official duties, engages in malpractices for personal gain, or discloses or unlawfully provides to any other person any State secret, work secret, trade secret, personal privacy, or personal information of which he or she has become aware, disciplinary sanctions shall be imposed in accordance with the law; where the conduct constitutes a criminal offence, criminal liability shall be pursued in accordance with the law.

Article 32

The administration of investments made by investors in the Hong Kong Special Administrative Region, the Macao Special Administrative Region and the Taiwan region shall be carried out

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with reference to these Provisions; where laws, administrative regulations or the State Council provide otherwise, such provisions shall prevail.

Article 33

The administration of investments made by investors in financial markets outside the territory of China using their own funds, raised funds, or other entrusted funds shall be governed by these Provisions and other relevant provisions of the State.

The administration of reinvestments made outside the territory of China using assets, rights and interests, or other interests obtained through outbound investment shall be governed by these Provisions and other relevant provisions of the State.

The detailed measures governing outbound investment by individual residents and other persons within the territory of China shall be formulated by the competent investment authority and the competent commerce authority under the State Council.

Article 34

These Provisions shall enter into force on 1 July 2026.

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