



中國傳媒大學  
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Institute for a Community  
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## Foreign Investors enthusiasm to invest in China



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Foreign investors are optimistic about the immense opportunities in the Chinese market as the country continues to improve its conducive environment for investments, a focus that will be emphasized in this year's economic work. Chinese leadership is enhancing all efforts to widen market access, level the playing field further, and smooth the flow of innovation factors, all aimed at shoring up foreign investor confidence in developing businesses in China and boosting the quality and level of trade and investment cooperation.



Last year, in July 2023, China's Ministry of Commerce (MOFCOM) called for a roundtable system to improve communication between government departments, foreign-funded enterprises, and foreign business associations by holding roundtable discussions. And in August 2023, Chinese government guidelines issuance to attract foreign investment will further optimize and foster the investment environment by putting forward 24 points across six aspects, such as improving the quality of foreign capital utilization and strengthening foreign investment.

China's Ministry of Commerce stated that the number of newly established foreign-invested enterprises has increased significantly in the first month of 2024; 4,588 new foreign-invested firms were established across China, up 74.4 percent year on year, showcasing the increasing attraction of the Chinese market. Optimizing the business environment has become the

consensus of local governments to promote economic development, with Shanghai and eastern provinces like Zhejiang and Fujian introducing specific measures to attract foreign investment.

Moreover, in January 2024, the National Development and Reform Commission announced the launch of the seventh batch of landmark foreign-invested projects, totaling over \$15 billion in planned investment across 11 projects spanning biomedicine, automobile manufacturing, new-energy vehicle batteries, and chemicals, demonstrating its dedication to openness and fostering a welcoming environment for huge investments.

China has consistently implemented measures to encourage foreign investment, including the clearance of manufacturing items on the negative list for foreign investment in pilot free-trade zones and support for the establishment of foreign companies' research and development centers. Such



measures have bolstered investor confidence, with many foreign investment firms announcing plans to expand their presence in the country. Shanghai, in particular, has seen remarkable growth, with its GDP expanding by 5 percent in 2023 and foreign capital utilization reaching a record high of \$24 billion, positioning it as a top destination for multinational enterprises.

China has also put into effect various measures to facilitate the entry of foreign nationals into the country for business, education, and tourism, including a relaxation of port visa application



requirements and improved access to visa extension, replacement, and issuance services at local immigration departments. China's economic recovery is accelerating on a positive trajectory, and the building of a new development pattern is picking up speed as there are more opportunities for foreign enterprises in China, supported by prominent multinational companies playing a pivotal role in this investment surge, indicating businesses' confidence in China's market.

As the Chinese market offers immense opportunities, it has boasted a momentum of high-quality development, benefits from numerous favourable policies for attracting foreign investment, and possesses a talent advantage, underscoring China's commitment to fostering a dynamic and inviting business environment. The multinational companies remain optimistic about the development opportunities in the Chinese market, as evidenced by their great enthusiasm for investing more in China.

The coordinated measures to improve the business environment for foreign investment and promote institutional openness indicate a commitment to providing more opportunities and creating better environments for foreign enterprises, with many investors showing long-term determination to invest in China. China's door will open wider and wider with the enhancement of the local innovation talent team to serve the global market and promote institutional openness. The development strategies such as "In China, for China" and "In China, for the world," as well as transitioning from initially importing products to manufacturing locally and exporting products overseas, showcase the attractiveness and dynamism of the Chinese market globally.

China's approach to opening-up has shifted towards institutional opening-up, characterized by an open, transparent, stable, and predictable system that is expected to have a lasting impact on the confidence of both



domestic and foreign market participants, including foreign investors, and will promote the long-term development of the Chinese market; to improve investment quality,

The nation will draw more foreign investment in key sectors, support foreign enterprises to establish research centers in China, cooperate with domestic enterprises in technology exploration and application, and undertake major research projects while also enhancing the protection of foreign businesses' rights, strengthening law enforcement, and standardizing policy and regulation formation in foreign trade and investment. In terms of investment facilitation.

Furthermore, China will optimize its residence policies for employees of foreign enterprises and explore a safe management framework for cross-border data flows with less frequent inspection of those with low credit risks, while fiscal and tax support is also on the way, as the nation will strengthen its guarantee of promotion capital for foreign investment and encourage foreign enterprises to reinvest in China, especially in designated sectors.