

Shanghai Consulate News for Americans

Issue 69

October 2013

What Foreigners Can't Do In Free Trade Zone

Leaving China?

Did you know that you can end your enrollment with the Smart Traveler Enrollment Program (STEP) by visiting the step.state.gov site? If you previously submitted a paper enrollment form to the U.S. consulate, you may end your enrollment by sending an email request to: ShanghaiACS@state.gov.

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(By Ye Zhen, Shanghai Daily, 10-01-2013)

China released a negative list for foreign investment in its newly-opened free trade zone in Shanghai yesterday, allowing overseas participants to invest as freely as their domestic peers in business fields beyond the list.

The list, covering 18 sectors ranging from agriculture to manufacturing to finance to public services, specifies all the business areas in which restrictions will remain for foreign enterprises in the zone.

Foreign investment in banking, finance companies and trust firms will remain subject to related restrictions, according to the list. Foreign ownership in joint-venture securities firms and fund management companies is limited to no more than 49 percent and in insurers to no more than 50 percent. Foreign investment in research and development and manufacturing of automobile electronic devices can only be made through joint ventures. The proportion of foreign investment in production of batteries for new energy vehicles is up to 50 percent.

Foreign investors are forbidden from having a share in news agencies, publishing companies, radio and film producing companies and online gaming firms. Foreign participation is barred from Internet bars, the gambling industry and pornography, according to the list. Investment in high-end properties such as hotels, office buildings, exhibition centers and villas, as well as large-scale wholesale market for agriculture products also falls into the off-limits category.

Foreign companies can carry out businesses in any sectors that are not included in the list and this offers more leeway for foreign participants, Dai Haibo, deputy director of the zone administrative committee, said. Business types included in the list account for 17.8 percent of all the 1,069 detailed sectors in the national economy, he said.

The list is a temporary version for 2013 and the zone regulators will update the list every one or two years to better facilitate liberalization policies testing in the free trade zone. Tu Xinquan, vice director of the China Institute for WTO Studies of University of International Business and Economics, said the introduction of negative list was a major reform to the approval system with the list setting a border between the government and the market.

A registration system has been introduced for setting up an operation in areas not on the list, replacing the former approval system. It will simplify procedures and reduce processing time from 29 days to four. Kong Linglong, head of the National Development and Reform Commission's department of foreign capital and overseas investment, said the registration system would also apply to Chinese enterprises in the zone seeking outbound investment. "This will definitely enhance the convenience of overseas investment and enhance Chinese firms' ability to internationalize their operation," Kong said.

The measure is deemed as one of the priorities among major reforms in the zone as China is trying to cut the power of bureaucrats and reduce government intervention to empower private enterprises to play a bigger role in its economy.

Travel Warnings and Alerts

Security reminder: It is advisable that you and your family review your personal security profile and be aware of your surroundings at all times.

Since our previous Newsletter, the U.S. Department of State has issued new **Travel Warnings** for the following countries:

South Sudan	10/22/2013
Sudan	10/11/2013
Burundi	10/11/2013
Colombia	10/11/2013
Chad	10/10/2013
Lebanon	10/09/2013
Syria	10/07/2013
Tunisia	10/04/2013
Korea	10/01/2013
Kenya	09/27/2013

Travel Warnings are issued to describe long-term, protracted

conditions that make a country dangerous or unstable. A Travel Warning is also issued when the U.S. Government's ability to assist American citizens is constrained due to the closure of an embassy or consulate or because of a drawdown of its staff. This information is available at http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html.

Since our previous Newsletter, the U.S. Department of State has issued new **Travel Alerts**:

Madagascar	10/16/2013
Guinea	09/25/2013

Travel Alerts are issued to disseminate information about short-term conditions generally within a particular country or region that pose imminent risks to the

security of U.S. citizens. Natural disasters, terrorist attacks, coups, anniversaries of terrorist events, election-related demonstrations or violence, and high-profile events such as international conferences or regional sports events are examples of conditions that might generate a Travel Alert. This information is available at http://travel.state.gov/travel/cis_pa_tw/pa/pa_1766.html.

The most up-to-date information regarding permitted and **prohibited items** on flights can be viewed online at www.tsa.gov.

For additional information, please visit "**Americans Traveling Abroad**" on the website of the U.S. Department of State http://travel.state.gov/visa/americans/americans_1252.html.

Upcoming Holidays & Other Closures

A full list of all of our closures is online at <http://shanghai.usembassy-china.org.cn/service.html>. The ACS Unit will be **CLOSED** to the public on:

<u>November 11, 2013, Monday</u>	Veterans Day	退伍军人节	Tuìwǔ Jūnrén Jié
<u>November 28, 2013, Thursday</u>	Thanksgiving Day	感恩节	Gǎn'ēn Jié
<u>November 29, 2013, Friday</u>	Administrative Closure	行政管理日	Xíngzhèng Guǎnlǐ Rì

American Citizen Services (ACS) Contact Information

U.S. Consulate General, Shanghai, China, 1038 West Nanjing Road, 8/F
Westgate Mall 梅龙镇广场 (Méi Lóng Zhèn Guǎng Chǎng)

To Make Or Cancel An Appointment:

<https://evisaforms.state.gov/acs/default.asp?postcode=SHG&appcode=1>

Mon - Fri *Closed on Wednesday afternoons, weekends, and holidays.

After Hours Emergencies: (86-21) 3217-4650

Homepage: shanghai.usembassy-china.org.cn/service.html

More Foreigners Get Residency Permits

(By Zhang Yan and Cao Yin, China Daily, 09-16-2013)

Chinese green cards help attract talent from abroad, enhance country's interaction with world, official says.

A larger number of Chinese permanent residency permits were issued in 2012 than in previous years, a police official said.

Zheng Baigang, head of the Ministry of Public Security's Bureau of Exit and Entry Administration, told China Daily that 1,202 permits were granted last year, up more than 83 percent from the previous year.

Of those who received the permits, more than half are family members who came for a reunion and the rest are mostly professionals, executives and professors, according to the ministry. Most are from the United States, Japan, Canada, Australia and Germany, and mainly live in big cities such as Beijing, Shanghai and Guangzhou.

"The principle of China's 'green card' regulation is to attract foreign talent to promote economic and social development and enhance international communication," Zheng said.

Applicants with higher education backgrounds and business experience are more likely to get the permits, he said.

Ada Jen, a Chinese American who applied for a Chinese permanent residency permit in 2011, said it brings her a sense of belonging, which she eagerly wants in China.

The permit can provide some privileges and more convenience in the country, such as social insurance and reduced work restrictions, said the 66-year-old, who is a government affairs director at an international school in Beijing.

"I have to go back to the US once or twice every year to see my family, and the green card reduces exit-entry troubles," she said, adding many of her friends intend to apply for the certificate.

"But not everyone has the chance to get the card, because of the strict application requirements," she said.

The ministry is working with the Foreign Ministry to draft a document that could help issue more permits and make the application easier, the Ministry of Public Security said earlier.

Mu Yansong, an official with the Beijing Exit-Entry Administration, said 266 foreigners applied for Chinese residency permits in Beijing last year, up from 176 in 2010.

Mu said more than 1,000 foreigners in the capital have become permanent Chinese residents since 2004, enjoying convenient exit-entry procedures.

"The number of foreigners who come to the administration for consulting and getting knowledge about the 'green card' can reach 20 every day, let alone those who call us to learn about the policy," he said.

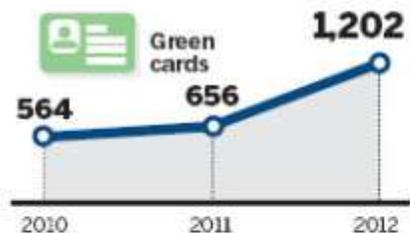
The rising demand has prompted the administration to establish a window especially for green card consultation and application.

Beijing has about 118,000 foreign residents.

There were 633,000 foreigners living in China by the end of 2012, up from 525,000 in 2010.

An Baijie contributed to this story.

CHINESE GREEN CARDS AT A GLANCE



Top five countries of origin of Chinese green card holders:



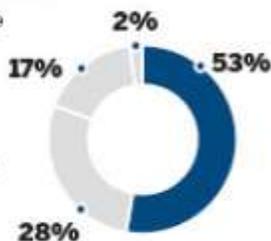
Source: Ministry of Public Security

Who received green cards?

53 percent received the cards to live in China with Chinese family members

28 percent were professionals working in China who had made contributions to the country's development

17 percent were senior managers in high-tech companies or professors in major universities



2 percent were overseas investors and their family members

ZHANG YE / CHINA DAILY