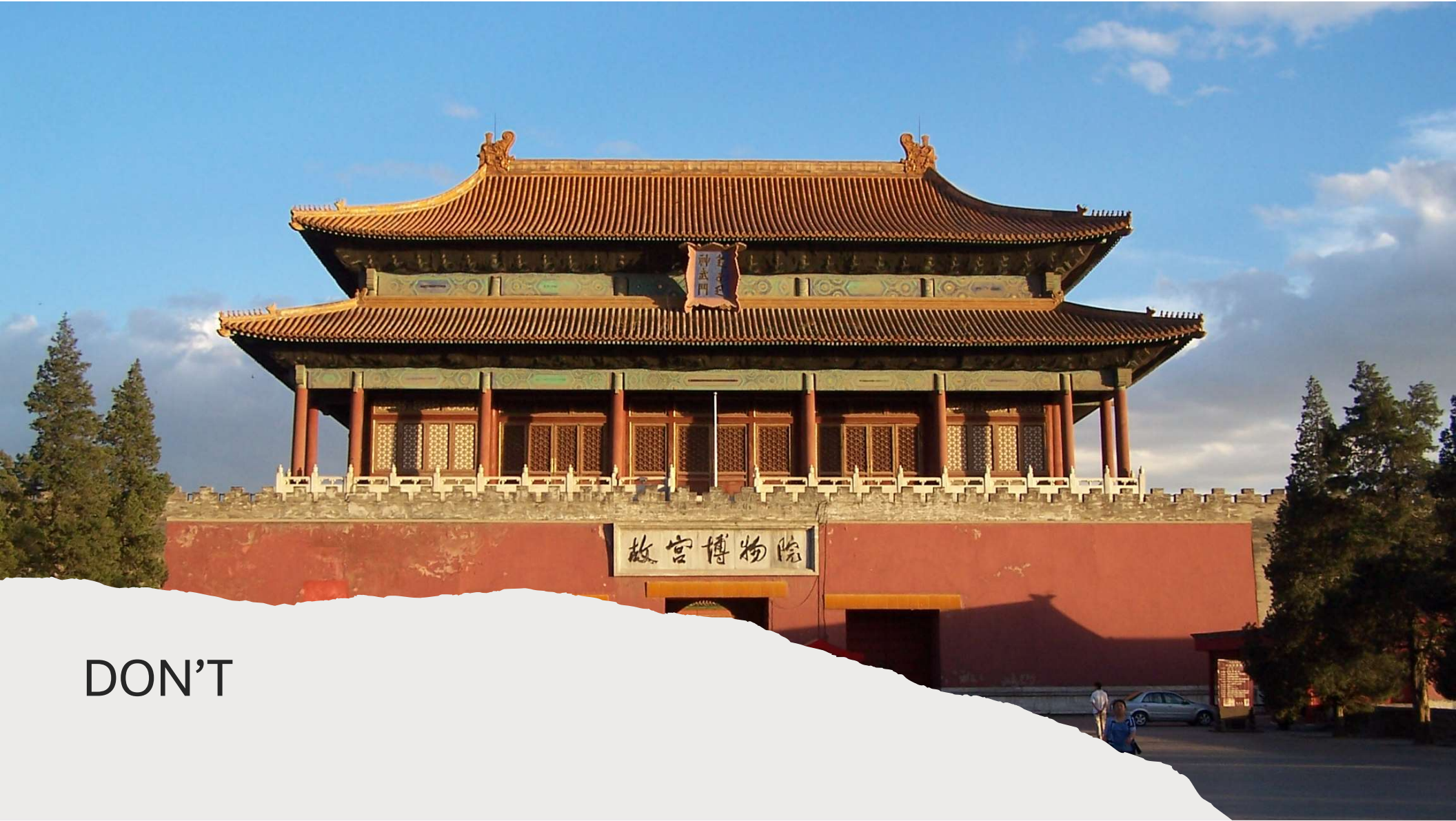


Doing Business in China

The Challenges and Opportunities





DON'T

Foreign Invested Enterprises (FIEs)

- China recognizes several types of FIE structures:
 - **Wholly Foreign-Owned Enterprises (WFOEs):** These are 100% foreign-owned companies.
 - **Equity Joint Ventures (EJVs):** Partners from both China and abroad jointly invest and share profits.
 - **Cooperative Joint Ventures (CJVs):** Similar to EJVs but with cooperative management.
 - **Branches of Foreign Enterprises:** Extensions of foreign companies.
 - **Joint Stock Companies:** Publicly traded companies.
- The **Foreign Investment Law (FIL)** provides regulations and protection for foreign investors^{1 2}.





Understanding Chinese Business Culture

- Cultural values and norms.
- Communication style and etiquette
- Cultural differences and integration challenges. eg. Guanxi and Face.

Legal and Regulatory Environment

- Business laws and regulations.
- Company registration
- Register trademarks, patents, and copyrights.
- Handling intellectual property rights.



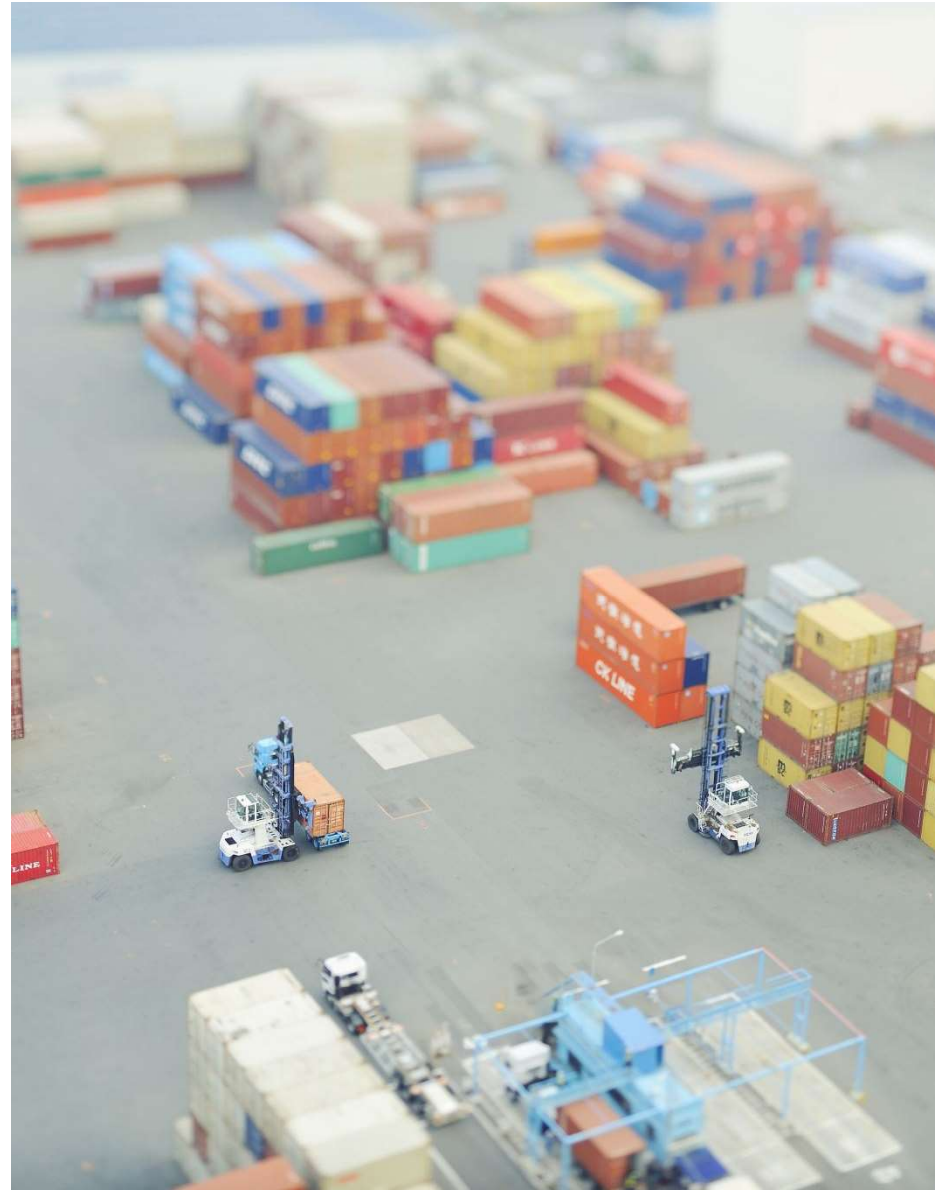


Employment Issues

- Comply with labor laws, contracts, and social insurance requirements.
- Understand employee rights and obligations.
- Cultural implications again.

Sales and Marketing Distribution and Supply Chain

- Understand China's distribution channels (e.g., distributors, agents, e-commerce platforms).
- Local partnerships can enhance market access.
- Sourcing of suppliers, contractors and service providers. Contracting



Financial Reporting, Taxation and Risk

- China has a complex tax system. Seek professional advice.
- Consider corporate income tax, VAT, and other taxes.
- Obligation to submit annual financial figures. Auditable.
- Identifying and mitigating risk. Crisis Management.



Dispute Resolution

- Litigation, arbitration, or mediation options.
- Choose the most suitable approach. Appoint trusted proxy.

Anti-Bribery and Compliance

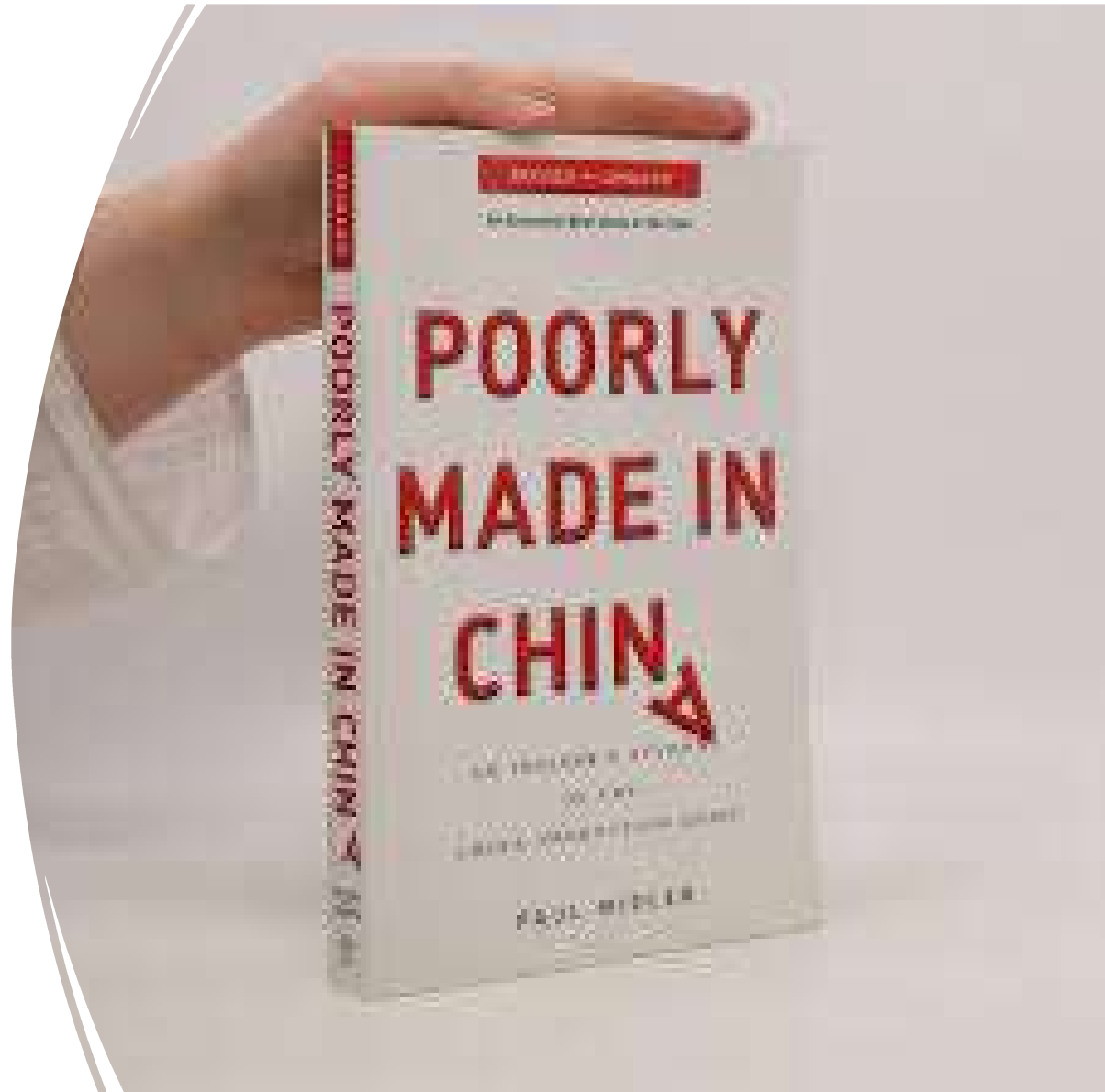
- Strict anti-corruption laws.
- Implement robust compliance programs.



Sources

- This was a brief summary level presentation only.
 - For more information, consult legal experts or specialized resources as below:
-
- 1. [Doing Business in China 2022 - Baker McKenzie](#)
 - 2. [The China Factor: Doing Business in China - Deloitte US](#)
 - 3. [Doing Business in China - World Bank Group](#)
 - 4. [China Guide | Doing Business in China - China Briefing](#)

Poorly Made in China by Paul Midler





Questions??