



PROCEDURE OF SETTING UP A MANUFACTURING WFOE IN CHINA

OVERVIEW

There are four major phases for registration a manufacturing WFOE in China, although the process and documentation can vary a little region by region, it is basically as described below, the four phases are:

Phase 1: Preliminary Project Application and Name Approval

Phase 2: Official Application for Government Approval

Phase 3: Application for Business License

Phase 4: Registration with Different Authorities

Phase 1

Preliminary Project Application and Name Approval

Agency:

State Administration of Industry and Commerce(SAIC)

Documentation:

1. Project Application based on feasibility study;
2. Environment Impact Self Evaluation Form(this is important to manufacturing Company);
3. Site selection Form for The Project(Including Lease Agreement, Ownership Certificate of Real Estate);
4. Name Pre-approval Application;
5. Letter of Authorization for Application For Business Name;
6. Bank reference Letter;
7. Certificate of Incorporation(Parent Company);

NOTE: In general, you will receive an approval letter and a business name approval notice within 5 working days after submitting documents mentioned above then proceed to Phase 2.

Phase 2

Official Application For Government Approval

Agency:

Municipal Commission of Commerce

Documentation:

1. Feasibility Report of Project;
2. Environmental Evaluation Report;
3. Article of Association(note: this is the key document lays out equity terms, registered capital as well as total capital);
4. List of Equipments & Raw Materials to be imported(if any);
5. List of name of WFOE Board Members & Official certificates of appointment;
6. Names of WFOE General Manager, Deputy Manager, Supervisor and Certificates of Appointment;
7. Copies of ID or Passport of Board Members and Supervisor as well as General Manager

NOTE: Normally it costs 21 DAYS to get certificate of approval and the certificate of approval will expire after 30 days at issuance.

Phase 3

Application for Business License

Agency:

State Administration of Industry and Commerce(SAIC)

Documentation:

1. Application for Establishment and Registration of FIE;
2. Form for Registration of “Legal representative” and “Evaluation” Form(declaring no illegal activities, etc);
3. Copies of ID or Passport of Board Members and General Manager & Deputy General Manager; Resume &Photos of legal representative;
4. Article of Association of WFOE;
5. Other Documents Required;

NOTE: After Phase 3, the Business license will be issued in 15 days and the WFOE company has been officially established. You must open a local bank account and fulfill your registered capital obligations and officially register with various government departments as stated in Phase 4.

Phase 4

Registration With Different Authorities

Agency:

State Bureau of Technical Supervision , Bureau of Taxation; Custom Bureau; Public Security Bureau; State Foreign Exchange Administration, Financial Affairs Bureau, etc

Procedure After Obtaining Business License:

1. Applying for Enterprise Organizational Code(2 Working Days);
2. Application For Carving Chops(4 Working Days);
3. Applying For the Tax Registration Certificate(10 Working Days);
4. Applying for Certificate of Foreign Exchange(2 working days);
5. Opening Bank Account(Subject to the Bank);
6. Paying Capital(Subject to WFOE);
7. Verifying the Capital(done by a CPA Firm);
8. Applying for the Statistics Registration Certificate(2 Working Days);
9. Applying for the Import and Export Operating Right(7 working days);

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10. Applying for Finance Registration Certificate(10 Working Days);
11. Applying for the Customs Registration Certificate(10 Working Days).

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