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****Announcement of the Standing Committee of the Thirteenth People's Congress of Hunan Province****

****(No. 86)****

The Regulation on China (Hunan) Pilot Free Trade Zone, as adopted at the 28th Session of the Standing Committee of the Thirteenth People's Congress of Hunan Province on January 11, 2022, is hereby issued, and shall come into force on March 1, 2022.

Standing Committee of the People's Congress of Hunan Province

January 11, 2022

Regulation on China (Hunan) Pilot Free Trade Zone

(Adopted at the 28th Session of the Standing Committee of the Thirteenth People's Congress of Hunan Province on January 11, 2022)

Chapter 1 - General - Provisions

Article 1  In order to promote and guarantee the construction and development of China (Hunan) Pilot Free Trade Zone, these regulations are formulated in accordance with relevant laws, administrative regulations and the "Overall Plan for China (Hunan) Pilot Free Trade Zone" approved by the State Council and in light of the actual conditions of this province.

Article 2 These Regulations are applicable to the China (Hunan) Pilot Free Trade Zone (hereinafter referred to as the Pilot Free Trade Zone) approved by the State Council, including the Changsha Area, Yueyang Area, and Chenzhou Area (hereinafter referred to as the Area), as well as the pilot free trade zones approved by the State Council. zone extension.

Article 3: The Pilot Free Trade Zone takes institutional innovation as the core, takes replicability and promotion as the basic requirements, actively serves the national opening-up strategy, and builds an advanced manufacturing cluster, an international investment and trade corridor connecting the Yangtze River Economic Belt and the Guangdong-Hong Kong-Macao Greater Bay Area, The Pilot Zone of China-Africa Economic and Trade In-depth Cooperation and the New Heights of Reform and Opening Up in the Inland Areas strive to build a high-standard and high-quality free trade park with convenient trade and investment, optimized industrial layout, perfect financial services, safe and efficient supervision, and outstanding radiation and driving effects.

Article 4: The Changsha area focuses on docking the "Belt and Road" construction, highlights the airport economy, focuses on the development of high-end equipment manufacturing, new generation information technology, biomedicine, e-commerce, agricultural technology and other industries, and builds a global high-end equipment manufacturing base, inland The regional high-end modern service industry center, the pioneer zone of China-Africa economic and trade in-depth cooperation, and the rising growth pole of the central region.

Yueyang area focuses on docking the development strategy of the Yangtze River Economic Belt, highlights the port economy, focuses on the development of shipping logistics, e-commerce, new-generation information technology and other industries, and builds a comprehensive shipping logistics center in the middle reaches of the Yangtze River and an inland port economy demonstration zone.

The Chenzhou area focuses on the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, highlights the direct connection between Hunan, Hong Kong and Macao, focuses on the development of non-ferrous metal processing, modern logistics and other industries, and builds an important platform for inland areas to undertake industrial transfer and transformation and upgrading of processing trade, as well as a demonstration zone for Hunan-Guangdong-Hong Kong-Macao cooperation.

The pilot free trade zone can dynamically adjust the key areas of industrial development in the area according to the national strategic development requirements and the international and domestic industrial development trends.

Article 5   Areas should establish a consultation and liaison mechanism based on functional division and industrial development planning to achieve complementary and differentiated development through cooperation.

Support the non-regional regions in the province to realize the coordinated development of the industrial chain with the free trade pilot zone according to their own industrial characteristics. Support non-regional enterprises in the province to settle in the free trade pilot zone for development, and explore the establishment of a local tax sharing mechanism and performance statistics system between the free trade pilot zone area and the original location of the enterprise.

Article 6 Encourage units and individuals to carry out innovative activities in the Pilot Free Trade Zone on matters that are not explicitly prohibited or restricted by laws, regulations and national policies.

Units and individuals that have made significant contributions to the system innovation and construction and development of the Pilot Free Trade Zone may be commended and rewarded in accordance with relevant regulations.

Where there are mistakes or deviations in carrying out innovation activities, but they conform to the reform direction determined by the state, the decision-making procedures comply with laws and regulations, fulfill the obligation of diligence and responsibility, and do not seek illegitimate interests or maliciously collude to damage social and public interests, the relevant units and individuals shall be punished. Liability can be disclaimed.

Article 7   The Pilot Free Trade Zone shall coordinate the relationship between development and security, openness and security, establish and improve a risk warning mechanism covering foreign investment, finance, trade and data, etc., and strengthen the prevention of major or systemic risks.

Article 8   Establish a statistical monitoring system for the Pilot Free Trade Zone, and organize statistical work in the Pilot Free Trade Zone in a scientific and effective manner. State agencies, enterprises, public institutions, and other organizations in the Pilot Free Trade Zone shall, in accordance with relevant regulations, provide the information required for statistics in a true, accurate, complete, and timely manner.

Article 9 The provincial people's government improves the assessment and evaluation system oriented to support reform and innovation, and incorporates the relevant work of the people's government of the city where the area is located in supporting the construction and development of the Pilot Free Trade Zone into the scope of performance assessment management.

Article 10: To implement reform and innovation measures in the Pilot Free Trade Zone, if it is necessary to adjust or stop the application of relevant laws, administrative regulations, and departmental rules, it shall report to the competent authority for approval in accordance with legal procedures; if it is necessary to adjust or stop the application of relevant local regulations and local government regulations , and shall be handled by the enacting authority according to law.

Chapter 2 - Management System

Article 11 The China (Hunan) Pilot Free Trade Zone Work Office is responsible for organizing and implementing the reform pilot tasks of the Pilot Free Trade Zone, coordinating affairs related to the construction and development of the Pilot Free Trade Zone, and performing the following duties:

(1) To implement the laws, regulations, rules and policies for the construction and development of the Pilot Free Trade Zone;

(2) Study and draw up the development plan and major work plan of the Pilot Free Trade Zone, and improve the system construction of the Pilot Free Trade Zone;

(3) Coordinating, guiding, and supervising the implementation of reform pilot tasks in the Pilot Free Trade Zone, checking and evaluating the implementation, summarizing innovative cases, replicating and promoting innovative achievements;

(4) Connect with the competent authorities of the national pilot free trade zone and seek support from relevant state departments;

(5) Strengthen exchanges and contacts with other pilot free trade zones (ports), and establish cooperation mechanisms;

(6) Guide the area to scientifically promote major projects, rationally arrange financial funds and bond funds in the area, actively introduce social capital, and promote the accelerated development of the Pilot Free Trade Zone;

(7) Responsible for the external publicity work of the Pilot Free Trade Zone, coordinating media resources, and strengthening the promotion of construction achievements;

(8) Other duties assigned by the Provincial People's Government.

Article 12: Relevant departments of the Provincial People's Government shall actively support the construction and development of the Pilot Free Trade Zone, undertake relevant reform and innovation tasks in the Pilot Free Trade Zone, and issue specific supporting policies and measures.

Customs, taxation, foreign exchange management, financial supervision and other central units in Hunan should implement policies and measures such as investment opening, trade facilitation, and financial innovation in the Pilot Free Trade Zone, and support the reform and innovation of the Pilot Free Trade Zone.

The Pilot Free Trade Zone should improve the communication and coordination mechanism with central units in Hunan, such as customs, taxation, foreign exchange management, and financial supervision, and strive for the support of relevant state departments to support reform and innovation measures in investment opening, trade facilitation, and financial innovation in the Pilot Free Trade Zone. First try first.

Article 13 The people's government of the city where the area is located shall assume the main responsibility for the construction and development of the Pilot Free Trade Zone, strengthen policies, funds, organizations, talents, etc., and promote the reform and innovation of the Pilot Free Trade Zone.

Article 14  The area management agency established by the people's government of the city where the area is located is specifically responsible for the construction, management, and service of the area, and performs the following duties:

(1) Organizing and implementing the development plan and implementation plan of the area;

(2) Implement the policies and measures of the Pilot Free Trade Zone and the reform pilot work in the area, and explore institutional measures for reform and innovation;

(3) Formulating and implementing the district management system;

(4) Exercising economic and social management authority such as administrative licensing in the area according to law;

(5) Responsible for the management of economic affairs such as investment promotion, economic trade, and statistics in the area, and coordinate the construction of major projects, industrial development, and optimization of the business environment in the area;

(6) Coordinating the administrative work of relevant departments in the area;

(7) Other duties assigned by the people's government of the city where the province or area is located.

Article 15 The provincial people's government and the people's government of the city where the area is located shall, according to the needs of the construction and development of the Pilot Free Trade Zone, grant relevant economic and social management authority to the area management agency in accordance with the law.

According to the needs of construction and development, the area management agency may apply to the provincial or municipal people's government where the area is located to exercise relevant economic and social management authority.

The people's government of the city where the province or district is located guides and supervises the management authority granted, and dynamically adjusts the authority granted according to the exercise situation.

Article 16: Establish a unified regulatory information sharing platform in the Pilot Free Trade Zone to promote the collection and sharing of information. Units with supervisory responsibilities should proactively provide information in a timely manner, participate in information sharing, and rely on supervisory information platforms to improve the effectiveness of joint supervision and services.

Chapter III   Investment Openness and Trade Freedom and Facilitation

Article 17: Implement the pre-access national treatment plus negative list management system for foreign investment. Fields outside the negative list for foreign investment access shall be managed in accordance with the principle of consistency between domestic and foreign investment.

The pilot free trade zone shall implement the foreign investment security review system.

Article 18   Increase policy support for the development of the headquarters economy, and encourage enterprises to set up headquarters, regional headquarters, R&D centers, settlement centers and logistics centers in the Pilot Free Trade Zone.

Article 19   Protect the legally owned equity, intellectual property rights, investment income, and other legal rights and interests of investors in accordance with the law. Qualified foreign investors can freely transfer their legal investment income.

Article 20   Encourage investors in the Pilot Free Trade Zone to carry out various forms of overseas investment. The filing system shall be implemented for general projects of overseas investment, except those that are reserved and approved by the State Council.

Article 21 - Serve and integrate into the national "Belt and Road" construction, and support the construction of cross-border delivery service networks, international marketing and service systems for countries and regions along the "Belt and Road".

Improve the information release system for the laws, investment environment, quality and safety standards, and public emergencies of countries and regions along the "Belt and Road" route, and establish a safety risk early warning and emergency protection mechanism for overseas assets and personnel.

Article 22: The management between the special customs supervision area in the Pilot Free Trade Zone and overseas is the first-line management, and the management between the special customs supervision area and the domestic and foreign areas is the second-line management. In accordance with the principle of "opening up the first line, safe and efficient control of the second line, and free circulation within the zone", a regulatory model that is compatible with the business development needs of international trade and other businesses shall be established in the Pilot Free Trade Zone.

The Pilot Free Trade Zone strengthens cooperation in cross-customs area transportation, customs clearance, supervision, etc., expands the scope of commodities and institutions that accept third-party inspection results, and explores the implementation of inland waterway freight for imported transit goods that are not included in the duty-paid value, and the facilitation of customs clearance for imports of medicines and food from the same source and other new models of trade regulation.

Article 23: Implement the "single window" service model for international trade, realize information exchange, mutual recognition of supervision, and mutual assistance in law enforcement among customs, taxation, foreign exchange management, and financial supervision departments, and promote data coordination and simplification between departments. and standardization.

Natural persons, legal persons and unincorporated organizations can submit the standardized electronic information required by various departments at one time through the "single window", and the processing results are fed back through the "single window".

Relying on the "single window" of international trade, strengthen the development and construction of local characteristic application projects such as Hunan enterprises' overseas service, water transport logistics service, and airport information platform.

Article 24 - Support the development of the following new forms of trade:

(1) Support the entry of mineral products that meet the requirements of national laws and regulations and relevant standards such as heavy metal concentrates, and support the development of ore mixing business;

(2) Support the undertaking of diamond import and export and high-end jewelry processing trade, and expand the transaction service functions such as gemstone inspection and evaluation, ore source tracing;

(3) Supporting the development of bonded maintenance and imported remanufacturing in the comprehensive bonded zone with high technology content, high added value, and environmental protection requirements;

(4) Support the export of cultural products such as publishing books, film and television media, animation games, etc., and promote the development of the cultural industry;

(5) Support the cultivation of digital service exports, explore the establishment of a digital product trade supervision model that takes into account both safety and efficiency, and promote the agglomeration and development of high-end digital trade formats;

(6) Explore the gradual cancellation or relaxation of restrictions on trade in services for cross-border delivery, overseas consumption, and movement of natural persons in the fields of education, engineering consulting, and business services.

Article 25: Make use of the import-exemption tax policy for exhibits purchased at international exhibitions in the central and western regions to promote the integrated development of the exhibition industry and Hunan’s advantageous industries, cultivate international professional exhibitions, and provide exhibitors with customs clearance, inspection, transportation supervision and financial services. Foreign exchange and other aspects of support.

Chapter 4   Financial Innovation

Article 26: Explore measures to facilitate foreign exchange receipts and payments for trade in goods that meet the needs of economic development, and allow banks in the Pilot Free Trade Zone to follow the "Three Principles for Business Development" when handling foreign exchange purchase and payment, foreign exchange collection and settlement, and transfer procedures. Determine the type of audit transaction documents.

Support reforms to facilitate foreign exchange payments under the capital account, simplify foreign exchange payment procedures under the capital account, relax the entry conditions for centralized operation and management of cross-border funds of multinational companies, and promote the facilitation of cross-border investment and financing settlement.

Article 27  Explore the business of cross-border transfer of domestic RMB trade financing assets.

Banking institutions in the Pilot Free Trade Zone can transfer legal, definite, transferable and unexpired domestic trade financing assets within the scope of business to overseas institutions and conduct cross-border settlement in RMB. Cross-border capital flow risk monitoring and early warning management.

Article 28 - All kinds of financial institutions are encouraged to set up branches in the Pilot Free Trade Zone on the premise of complying with the relevant laws and regulations of the country to carry out innovations in financial products, businesses and services. Support financial institutions to use blockchain, big data, biometrics and other technologies to improve financial service capabilities.

Article 29: Improve the level of international railway freight transport, and explore the use of railway transport documents as documents for letter of credit negotiation.

Explore a new model for the development of financial leasing service equipment manufacturing industry, and support the import and leasing of high-end equipment that cannot be produced domestically or whose performance cannot meet the needs. Under the premise of complying with the relevant national regulations, carry out domestic and overseas leasing asset transactions.

Article 30  Support foreign equity investment that meets the development needs of the real economy. Carry out the pilot program of qualified overseas limited partners of foreign-invested equity investment enterprises. Relax the application conditions for foreign investors to establish investment companies, reduce the total assets requirements of foreign investors, and cancel the number requirements for foreign investors to establish foreign-invested enterprises in China.

Chapter 5   Advanced Manufacturing Clusters

Article 31   Utilize both international and domestic markets and resources, strengthen system integration innovation, and focus on building and forming advanced manufacturing clusters such as construction machinery, advanced rail transit equipment, aerospace equipment, and innovation industries, advanced materials, and new energy.

Article 32: Pilot Free Trade Zones shall enhance cluster innovation capabilities, cultivate cluster development subjects, promote cluster green development, strengthen cluster platform economy, enhance cluster agglomeration capabilities, deepen cluster openness and cooperation, improve factor service levels, and enhance the level of foreign investment introduction and quality, building an important national advanced manufacturing highland.

Article 33: The Pilot Free Trade Zone supports the construction of a cluster-oriented industrial Internet platform, promotes the construction of a "5G+Industrial Internet" integrated application pilot area for clusters, explores the establishment of an industrial cross-border e-commerce service platform, and promotes the digital and intelligent transformation of the manufacturing industry.

Chapter VI International Investment and Trade Corridors

Article 34—Strengthen coordinated development with the Yangtze River Economic Belt, actively connect with the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, participate in arrangements and cooperation between the Mainland, Hong Kong and Macao to establish closer economic and trade relations, and achieve market integration, mutual recognition of standards, policy coordination, and rule alignment , to create an international investment and trade corridor.

Article 35: Accelerate the construction of the Changsha four-hour aviation economic circle, promote the implementation of the fifth aviation right, expand international (regional) air passenger and cargo routes, improve the scale and quality of the China-Europe Express (Changsha) operation, and accelerate the development of Changsha inland port logistics hub.

Improve the functions of Yueyang Chenglingji Port Area, build a Yueyang port-type national logistics hub, comprehensively promote the construction of golden waterways, support enterprises in the orderly development of direct waterways from Yueyang to Hong Kong, and actively expand relay routes to ASEAN, Japan, South Korea and other countries and regions.

Support Chenzhou to open up a fast track to Hong Kong and Macao, and build an inter-provincial regional logistics hub in Hunan, Guangdong and Jiangxi.

Article 36  Actively explore the path and mode of undertaking the transfer of coastal industries, carry out economic cooperation in enclaves, and establish and improve mechanisms for inter-regional interaction, cooperation and benefit sharing.

Explore the establishment of a cross-provincial qualification and certification mutual recognition mechanism. After an enterprise moves into a free trade pilot zone across provinces, it will continue to enjoy the original qualification and certification after performing the necessary review procedures.

Article 37   The area shall establish a mechanism for attracting investment in key areas such as the Yangtze River Economic Belt and the Guangdong-Hong Kong-Macao Greater Bay Area, and may entrust social organizations to undertake investment attraction work. Encourage each area to establish a joint investment promotion mechanism to strengthen investment information sharing and cooperation.

Chapter VII China-Africa Economic and Trade Cooperation Pilot Zone

Article 38: Utilize the platform of China-Africa Economic and Trade Expo to guide the clustering and development of economic and trade enterprises with Africa, build a pioneer zone for in-depth economic and trade cooperation between China and Africa, and cultivate African non-resource products in China. Logistics Center.

Article 39   Hold the China-Africa Economic and Trade Expo, build an internationally renowned exhibition brand, and establish a normalized mechanism for China-Africa cooperation. Establish an intersessional docking and exchange mechanism to promote practical cooperation with Africa. Implement preferential tax policies for imported exhibits sold during the exhibition period.

Article 40: Build the Hunan-Guangdong-Africa rail-sea transport channel, expand the passenger and cargo route network from Changsha to major African aviation hubs, develop the river-sea combined transport relay route from Yueyang to major African ports, and support the construction of an international smart logistics information platform for Africa.

Article 41: Build a distribution, trading, and processing center for African non-resource products in China, set up an exhibition hall for African characteristic products, and build African characteristic non-resource products "African investment production-financing import-bonded processing-global sales-easy Goods trade" industry chain.

Article 42   Explore the development of China-Africa barter trade, innovate the barter trade model, and establish a barter trade service system with functions such as information release, transaction matching, and financial services.

Article 43   Promote the mutual recognition and cooperation of "certified operators" between Chinese and African customs, establish a green customs clearance mechanism for African goods imports, and improve the level of port customs clearance facilitation.

Article 44: Explore and innovate financial platforms and products for economic and trade cooperation with Africa, support the construction of a China-Africa cross-border RMB center, promote the implementation of cross-border RMB business policies in the fields of cross-border trade with Africa, clearing and settlement, investment and financing, etc. Financial service capabilities.

Article 45 - Support enterprises in the pilot free trade zone to invest in key African countries and regions, support the construction of China-Africa investment and trade resident service centers, and provide economic and trade services for China-Africa economic and trade cooperation such as information collection, matchmaking, and project landing.

Chapter VIII - Service and Guarantee

Article 46  Create a fair and convenient access environment, improve the fair competition system, and achieve equal access to the market for various market players. All types of market entities shall not be prevented from entering and exiting the market on an equal footing in accordance with the law, the free flow of commodities and elements between regions shall be restricted, and discriminatory preferential policies shall not be implemented.

Article 47: Deepen the reform of the commercial system, implement a registration and confirmation system for commercial entities, realize independent inquiry and declaration of enterprise names, promote electronic registration throughout the process, and promote the separation of certificates and certificates, and the reform of "one business, one certificate".

Article 48: Learn from the internationally accepted rules and international practices in terms of market operation rules and management models, create a market-oriented, legalized, and internationalized business environment, and insist on equal protection of various market entities in the Pilot Free Trade Zone in accordance with the law.

Establish a smooth and effective government-enterprise communication mechanism, adopt various methods to listen to the feedback and appeals of market players in a timely manner, and establish a mechanism for handling corporate appeals.

Article 49: Implement a strict intellectual property protection system, establish a diversified intellectual property dispute resolution and rapid rights protection mechanism, and improve the linkage mechanism between administrative protection and judicial protection.

Article 50 - Strengthen ecological and environmental protection work, implement environmental protection laws, regulations and standards, and encourage enterprises in the FTZ to implement internationally accepted environmental and energy management system standard certification.

Article 51   Promote the management of the total amount of urban and rural construction land, scientific allocation, comprehensive conservation, and efficient utilization. Establish and improve a standard system for intensive land use, monitor and evaluate indicators such as land use intensity, use structure, input-output, and per-mu taxation; implement a turnover land use index reward policy linked to land conservation and intensive use.

Article 52 The people's government of the city where the area is located shall set up a special fund for talent development in the Pilot Free Trade Zone to support high-level talents, teams and their innovative projects, and shall formulate relevant incentive policies for the introduction of high-level talents.

The people's government of the city and county (city, district) where the area is located shall establish and improve service systems for residence, household registration, housing, medical treatment, social security, spouse relocation, children's schooling, and parental health care for high-level talents at home and abroad.

Establish and improve the "three windows in one" system for foreigners to come to Hunan for health examination, work permit, and residence permit management services.

Support professionals in finance, construction, planning and other fields with Hong Kong and Macao qualifications to provide professional services to enterprises in the Pilot Free Trade Zone after being filed with relevant departments or institutions.

Article 53: The provincial people's government, the people's government of the city where the area is located, and the county (city, district) people's government should increase investment and arrange funds to support the construction and development of the Pilot Free Trade Zone.

Article 54: Encourage regional management agencies to introduce high-level talents and urgently needed talents in the form of leadership appointment system, personnel contract system and salary performance system, and strengthen talent training and talent introduction.

The area can explore the establishment of statutory institutions or entrust social organizations to undertake professional, technical or socially participatory public management and service functions.

Article 55: Improve the integrity system of investment promotion, earnestly fulfill the policy commitments made to investors according to law and various contracts concluded according to law. If it is necessary to change or terminate policy commitments and contracts due to national interests or social public interests, the losses of investors shall be compensated according to law.

Article 56: In accordance with the principle of encouraging innovation, implement inclusive and prudent supervision of new technologies, new industries, new business forms, and new models. On the premise of ensuring quality and safety, leave enough room for development, and shall not simply ban or not supervise .

Article 57: Implement a hierarchical and classified supervision system based on the credit status and risk level of the supervised objects, and implement a linkage mechanism for encouraging trustworthiness and punishing dishonesty.

Article 58   Cultivate and develop professional and international law firms, arbitration, mediation, notarization, appraisal and other legal service institutions.

Support law firms in the province to establish partnership associations with law firms in Hong Kong and Macau, and encourage law firms in the province to cooperate with law firms in Hong Kong and Macau as well as foreign law firms.

Article 59   Establish a diversified commercial dispute resolution mechanism in which mediation, arbitration, and litigation are connected in an orderly manner, carry out international arbitration and commercial mediation services, and enhance the internationalization of commercial dispute resolution.

Chapter IX Supplementary Provisions

Article 60   These Regulations shall come into force on March 1, 2022.