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Payment Options & Foreign Exchange Control in China

2025 UPDATE

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European small and medium-sized enterprises ("EU SMEs") exporting goods and services to China often raise questions about payment options, conditions, and procedures related to payment. Among their main concerns are how to assess the financial credibility of the buyers and how to minimise risks of delayed payment or no payment. They are not familiar with local bank products and services, nor with the fragmentation of the Chinese banking system and its position within the international banking system. Foreign exchange control procedures can be difficult to understand and time-consuming, raising questions on the average time needed for a payment to be completed.

In order to provide EU SME exporters with reliable information and help them to navigate international trade payments from China, the EU SME Centre prepared these guidelines.

Although many obligations in relation to payment lie with the importer or buyer in China, we include an explanation of these obligations and processes so that EU exporters can understand the complexity of overseas payments from China, and not be misled by arguments from the Chinese party if it insists on better conditions for its side (e.g. more advantageous payment methods), if it delays payment or fails to pay.

These guidelines cover the payment options and challenges that European SMEs can face when exporting goods and services to China.

1. PAYMENT IN FREELY CONVERTIBLE FOREIGN EXCHANGE

1.1 GENERAL INTRODUCTION TO FOREIGN EXCHANGE CONTROL IN CHINA

China still exercises strict control over foreign exchange. In practice, the control is made by supervising the flow of foreign exchange currency via two types of account: capital account and current account. The prevailing Foreign Exchange Control Regulations issued in 1996 essentially lifted foreign exchange controls on current account items; capital account items are still restricted. Basically, foreign exchange control over current account included trade items and non-trade (service) items, which will be subject to a detailed explanation below. Please note that we will not cover the foreign exchange control on capital account in this guideline, as exporting goods and services to China normally involves current account alone.

1.2 BEING PAID FOR EXPORTING GOODS TO CHINA

1.2.1 Foreign exchange administration for Chinese buyers

The Chinese buyers are allowed to purchase foreign currency freely in current account items as long as it is supported by real transactions. For instance, if a Chinese enterprise imports goods from overseas, the importer is able to purchase foreign exchange to pay to the overseas exporter. To purchase foreign exchange from a designated bank for the payment via current account, evidence of the transaction has to be presented to the bank.

In order to further improve foreign exchange services and administration for commodity trade, the State Administration of Foreign Exchange ("SAFE"), the General Administration of Customs ("GAC") and the State Administration of Tax ("SAT") jointly released the SAFE Announcement [2012] No. 1 ("Announcement 1"). Starting from 1 August 2012, the mode of foreign exchange administration of commodity trade switched from on-site verification of each foreign exchange payment to overall off-site inspection. The local branch office of the SAFE shall collect the data of each import and export transaction and each foreign exchange payment and collection. It has to verify and match the commodity flow with the capital flow to facilitate the foreign exchange payment and collection for the compliant commodity trade. Enterprises found to have abnormal transactions may be subject to intensive supervision and on-site inspection.

PRC enterprises are classified into types A, B and C according to their level of compliance with foreign exchange rules and the results of on-site and off-site inspections. This has very practical implications for foreign exporters. If an importer belongs to the category A, it will be easier and faster to receive payment from this importer.

The documentation submitted for payment by types A, B and C enterprises are listed out as below:

	Type A	Type B	Type C
Application of payment with the bank	Yes	Yes, but subject to inspection on electronic data conducted by the bank and the payment quota approved by SAFE	No, need to register with SAFE first
Documentation requirements	Declarations for importation of goods, or contracts, or invoices, which can substantiate the authenticity of the transactions.	The banks shall conduct inspection on electronic data for direct payment, open of letter of credit.	Type C enterprises shall submit the following documents to SAFE for registration: settlement by letter of credit or documentary collection: import contract. settlement by telegraphic transfer (excluding advanced payment): import contract, and Customs Declaration Form for importation. settlement in advanced payment: import contract, invoice, and guarantee letter issued by the exporter's bank if single payment amount exceeds USD 50 000.

In practice, the following situations happen:

1. Chinese buyers instruct EU exporters to ship the goods to Hong Kong, since there is no Customs Declaration Form issued by China Customs Office to support the physical inflow of goods to Hong Kong. In this situation, the Chinese buyers are not able to pay from mainland China; they can only pay the EU exporters from an offshore bank account.

2. Chinese buyers instruct EU exporters to ship the goods to mainland China and they pay from their Hong Kong account. The foreign exchange compliance risk (mismatch of goods flow and money flow) remains with the Chinese buyers. It should not affect EU exporter in receiving the payment for the goods.

3. Chinese buyers may instruct EU exporters to ship the goods to one city in mainland China and they pay from another city. As long as the bank account in the other city belongs to the Chinese buyers, upon examination of relevant transaction documents (e.g. import contract, invoice, etc.) by the bank, the payment for importation could still be valid.

1.2.2 Designated foreign exchange banks

All the financial institutions are required to obtain a license from the China Banking Regulatory Commissioner ("CBRC") to operate a financial business in China. In addition, a banking institution is required to obtain approval from the China's central bank (The People's Bank of China, hereinafter "PBOC") and from SAFE for foreign exchange business. If the banking institution gets the approval to conduct foreign exchange business in China, it becomes a designated foreign exchange bank. Foreign exchange sale and purchase shall be handled through a designated foreign exchange bank. Please refer to a list of major designated foreign exchange banks in Appendix 1.

These "designated foreign exchange banks" are crucial in the process of payment. Therefore, it pays off to choose or insist on a reputable bank which is able effectively process required payments. Designated foreign exchange banks carry out the operations of foreign exchange purchase, sale, and payment with clients, verify the prescribed valid proofs and business bills, sign and seal such proofs and business bills, and keep them for future reference in accordance with relevant rules on foreign exchange purchase, sale, and payment. Based on the prevailing foreign exchange administration regulations, if it is required to register with SAFE before applying for payment with the bank (e.g. when Type C enterprises make a payment for importation as mentioned above), designated foreign exchange banks will also require the applicants to submit the registration form/approval issued by SAFE.

Designated foreign exchange banks shall, on the basis of the RMB base rates quoted by the PBOC for the current day and the prescribed floating range, quote the exchange rates of RMB against foreign currencies and undertake foreign exchange purchase and sale operations with clients.

1.2.3 Major banks' products related to international trade

Generally, the daily banking transactions between a designated foreign exchange bank and a corporate customer in relation to international trade include conversions, payments and receipts.

A list of typical products provided by major designated foreign exchange banks does not differ from international practice:

Bank products	Description
Letters of credit ("L/C")	Issuance of L/C The L/C is a payment undertaking by banks to the importers. The opening bank will fulfill its payment obligation when the terms stipulated in the L/C are met. Advice of L/C Advice of L/C means the notification of the received L/C or its amendments to the beneficiary (exporter) by the opening bank. Confirmation of L/C Confirmation of L/C is the first payment obligation undertaken independently by the advising bank for the beneficiary beyond the opening bank. Examination of documents under L/C Examination of documents under L/C refers to comprehensive services with integration of document examination, document mailing, and reimbursement claiming provided by the opening bank for exporters under L/C.
Inward Collection	Entrusted by a foreign correspondent bank or an affiliated bank, and according to their instructions, the bank in China collects the import payment and delivers the relevant commercial documents to the importer.
Clean collection	Clean collection means the collection business of financial documents without any commercial documents as entrusted by the customer of banks in China. The clean collection includes two forms: documents against payment (D/P) and documents against acceptance (D/A).

Bank products	Description
Outward remittance	The service that banks in China authorise, entrusted by the remitter, an overseas affiliated bank or a correspondent bank to pay a certain amount of money to the specified remittee in the agreed method of remittance. The service is used for international settlement of fund transfer and remittance. Methods of remittance include telegraphic transfer, mail transfer and demand draft, among which telegraphic transfer and demand draft are frequently used. Bank demand draft A draft can be likened to a cheque and is a negotiable instrument issued by banks. The item instructs another bank to pay on demand, a fixed sum of money, be it in a foreign currency, to a named beneficiary. Bank demand draft A draft can be likened to a cheque and is a negotiable instrument issued by banks. The item instructs another bank to pay on demand, a fixed sum of money, be it in a foreign currency, to a named beneficiary. Telegraphic transfer ("T/T") T/T entails the remittance of funds between banks using electronic coded messages. The message provides the receiving bank with such information as the currency and amount, the value date of payment, the beneficiary's name and payment instructions.

1.2.4 Payment options for import of goods

Getting paid for sales of goods is naturally critical for any business. However, getting paid for an international transaction can be a very different experience from securing payment on business with Chinese customers/buyers, due to the number of extra factors that can influence the process.

The main factor in considering how an exporter expects to be paid for a transaction is the potential risk that the exporter and its customer are willing to face between them. There are different types of risk that you will face as an exporter under the following most popular payment methods:

1) Advance Payment

The most secure method of trading for exporters and, consequently the least attractive for buyers. Payment is expected by the exporter, in full, prior to goods being shipped.

Trade prepayment by T/T refers to an external foreign exchange payment by a corporate customer in advance by a remittance by T/T. The corporate customer or importer is the remitter and its bank serves as the remitting bank. Foreign exchange regulations have stipulated the valid documents and vouchers for prepayment under T/T. The point to be noted is that import payment for prepayment by T/T must be reported to SAFE through Trade Monitoring System after the goods have arrived.

Necessary documents:

The following materials are to be prepared and submitted to the bank by the importer when making the payment:

- An application form of remittance;
- Import contract;
- Invoice;
- Valid documents and vouchers required by T/T such as the import contract, invoice, etc;
- Import licence or other approval documents, if applicable; and
- Other materials required by the bank/SAFE.

Other considerations

- The importer shall file a record in the Goods Trade Monitoring System if there is a prepayment of more than 30 days. If the prepayment exceeds USD 100,000 and the proportion of prepayment accounts for more than 15% of the total amount of one transaction, a record form of import payment must be applied from SAFE before processing the remittance at the bank.

- The importer shall report import payment status to the SAFE via Goods Trade Monitoring System for payment under T/T after goods have arrived.

In light of the above, as one might imagine, having covered the two extremes on the payment risk ladder, commercial decisions have to be made; this usually results in selecting one of the middle rungs of the ladder. This is where banking products such as clean collection and L/C come into play. In addition, enterprises should note that none of the methods outlined above will completely eliminate the payment risks associated with international trade. Therefore, enterprises should consider their preferred payment option with care and hedge the risks along with appropriate credit insurance and credit checks on their customers.

2) Letters of Credit ("L/C")

Using L/C is fairly widespread in China. Opening L/C provides the exporter with a conditional payment commitment on top of the commercial credit, giving the exporter better credit by which the exporter may win favourable price terms for their goods.

L/C is common in international trade because the bank acts as an uninterested party between buyer and seller. A L/C is a bank-to-bank commitment of payment in favour of an exporter (the beneficiary), guaranteeing that payment will be made against certain documents that, on presentation, are found to be in compliance with terms set by the buyer (the applicant).

A payment by L/C refers to an external foreign exchange payment by a corporate customer under a letter of credit. A corporate customer of a bank in China, who is the importer as well as the applicant of a letter of credit, requests the bank to open a letter of credit in favour of a designated beneficiary; the bank effects payment to the negotiating bank upon the arrival of the documentation required by the letter of credit with no unacceptable discrepancies. **Foreign exchange regulations have stipulated the valid documents and vouchers for payment by L/C.**

Necessary documents

The following materials are to be prepared and submitted to the bank in China when applying to open a L/C and effect payment:

- An application form for opening a L/C;
- Import contract;
- Valid documents and vouchers required by the L/C, such as the bill of lading, invoice, etc;
- The import licence or other approval documents, if applicable;
- Other materials required by the bank/SAFE.

Other considerations

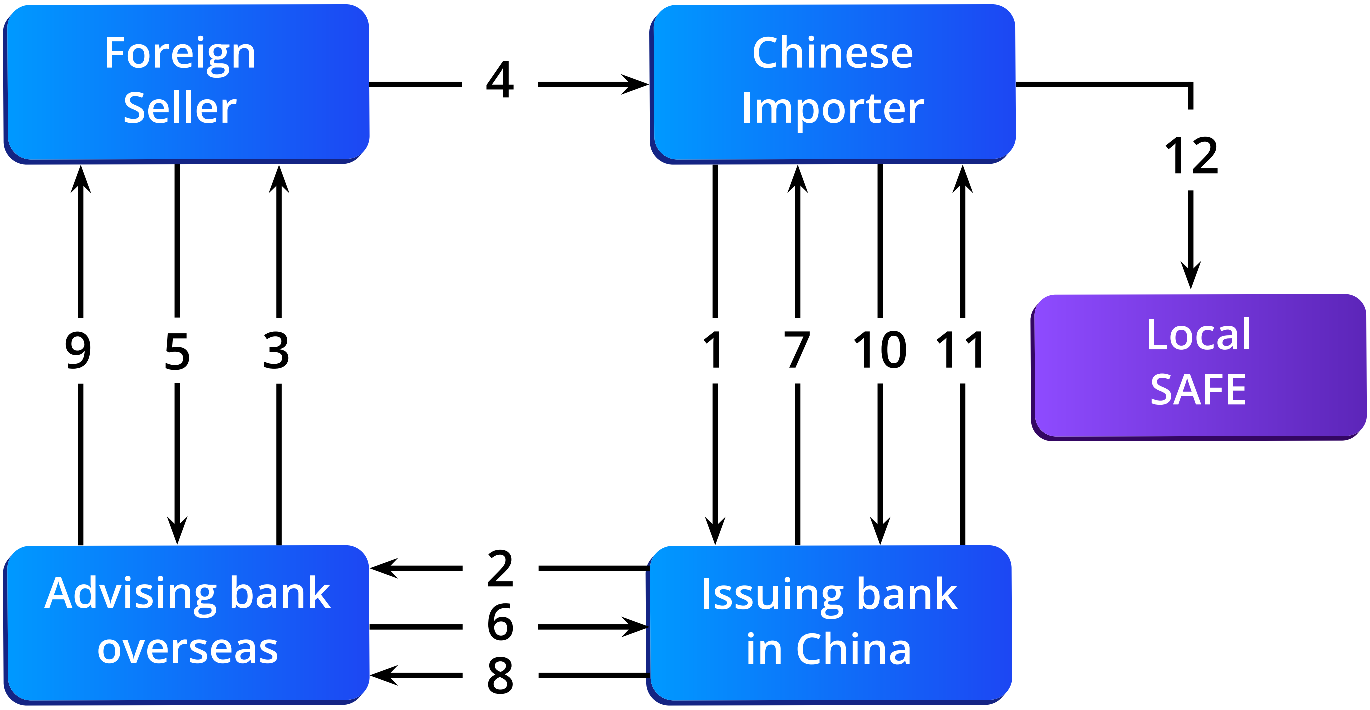
- The importer shall file a record in the Goods Trade Monitoring System if there is a prepayment exceeding 30 days.

- The importer shall report the import payment status to the SAFE via Goods Trade Monitoring System for payment under L/C after goods have arrived.

- The price terms specified in the import contract are to be verified carefully by the bank. If the freight charges and issuance premium have not been included in the value of the goods, the relevant payments are not to be made through the L/C.

- The importer must have enough credit facilities at the opening bank when applying to open a L/C. The credit facility may be granted by the bank through its internal approval procedures based on the application of the customer. In most cases, if the importer provides the full amount of cash for the opening of the L/C, the credit facility can be granted immediately.

L/C flowchart



1. The importer goes to the bank to apply to open a letter of credit (L/C);

2. The issuing bank issues a L/C to the seller's advising bank;

3. The advising bank forwards the L/C to the seller;

4. The seller ships the goods to the appropriate port or location and obtains the required documents (e.g. bill of lading, invoice, packing list, etc.);

5. The seller presents the documents to its advising bank along with a draft for payment;

6. The advising bank forward the documents to the importer's issuing bank;

7. The issuing bank notifies the importer of the arrival of documentation under L/C; the importer examines it and confirms its acceptance to the issuing bank and prepares all the materials for payment;

8. The issuing bank pays the advising bank;

9. The advising bank pays the seller;

10. The importer authorises the issuing bank to debit its account for the payment;

11. The issuing bank releases all the documents to the importer;

12. After the goods have arrived and the customs declaration is completed, the importer reports the import payment status under the L/C through the Trading Monitoring System of SAFE.

3) Clean collection

More secure for an exporter than direct remittance trading, as the exporter's documentation is sent from an overseas bank to the buyer's bank in China. This invariably occurs after shipment and contains specific instructions that must be obeyed. Should the buyer fail to comply, the exporter retains title to the goods, which may be recoverable. The buyer's bank will act on instructions provided by the exporter, via the latter's own bank, and often provides a useful communication route through which disputes are resolved. The collection time can be largely reduced if an "immediate credit" agreement is made between the remitting bank and the paying/collecting bank.

Clean collection is normally used for transactions where it is impossible or inconvenient to provide commercial documents, such as mailing samples, high tech products (software) trading, seasonal goods trading, and intangible trading such as services and technical transfers.

There are two types of clean collection:

- Payment by Documents against payment ("D/P");
- Documents against Acceptance ("D/A"), usually determined by the payment terms agreed upon within a commercial contract.

A foreign exchange payment by D/P or D/A refers respectively to an external foreign exchange payment by a corporate customer under a documentary collection against payment, or documentary collection against acceptance. A clean collection is an operation in which a bank collects payment on behalf of the seller by delivering documents to the buyer. If delivery is against the sight payment of the buyer, it is a D/P. If delivery is against the acceptance by the buyer of a usance documentary collection, it is a D/A. Therefore, the corporate customer of a bank in China is the buyer as well as the drawee of the documentary collection and their bank serves as the collecting bank. Foreign exchange regulations have also stipulated the valid documents and vouchers for payment under a D/P or D/A.

Necessary documents:

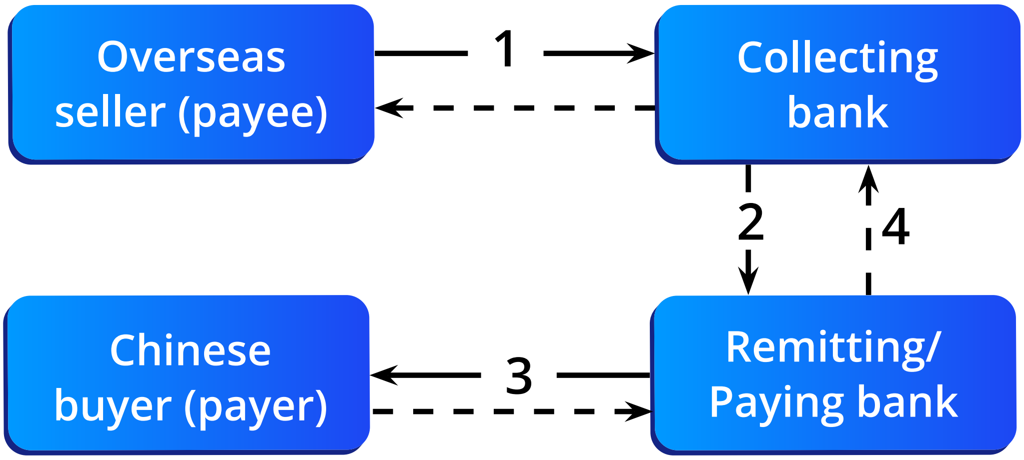
The following materials are to be prepared and submitted by the importer to the bank when making payment or acceptance:

- A notice of documentary collection issued by the bank with the confirmation of payment or acceptance from the importer;
- Sales and purchase contract;
- Valid documents and vouchers required by D/P or D/A, such as the bill of lading, invoice, etc;
- Import license or other approval documents, if applicable;
- Other materials required by bank/SAFE.

Other considerations

- The price terms specified in the import contract are to be verified carefully by the bank; if the freight charges and issuance premium have not been included in the value of the goods, the whole payment is not to be made through the D/P or D/A.
- The importer shall file a record in the Goods Trade Monitoring System if there is a prepayment exceeding 30 days (as described in the import contract).
- The importer shall report the import payment status to the SAFE via the Goods Trade Monitoring System for payment under D/P or D/A after the goods have arrived.
- The importer need not have sufficient credit facilities at the collecting bank when making the payment or acceptance under the D/P or D/A; the importer undertakes the responsibility for payment under a documentary collection.
- The currency denominated in the collection documents should generally be an exchangeable currency;
- Documents marked with limitation of circulation areas are difficult to collect;
- Documents which are meant to be transferred carry risks of being faked or altered: due precautions are in order;
- Fraud usually lies in documents that are strange, of a huge amount, or issued by an issuing bank with questionable credit.

Clean collection flowchart



1. The foreign payee presents the collection documents to the foreign collecting bank;

2. The foreign collecting bank will mail the collection documents to the Chinese remitting/ paying bank to collect the payment.

3. The Chinese remitting/paying bank presents documents to the payer and the payer pays the contract amount.

4. The Chinese remitting/paying bank pays the collection to the foreign collecting bank and the foreign collecting bank pays it to the payee.

4) Direct remittance

This is the least secure method of trading for the exporter, but the most attractive to buyers. Goods are shipped and documents are remitted directly to the buyer, with a request for payment at the appropriate time (immediately, or at an agreed future date). An exporter has little or no control over the process, except for imposing future trading terms (e.g. obtaining a credit insurance policy to cover the potential insolvency of the buyer) and conditions on the buyer.

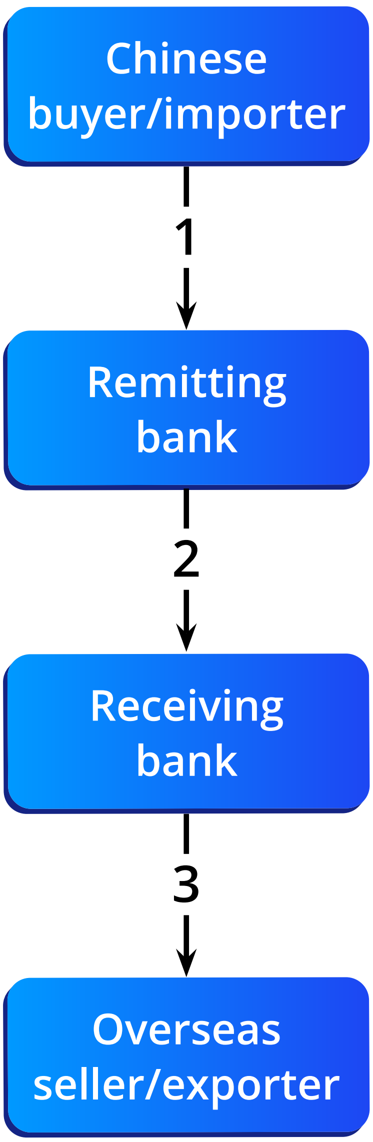
Clearly, this payment method is the most advantageous for the buyer, in cash flow and cost terms. As a consequence, direct remittance trading should only be considered when an exporter is sufficiently confident that payment will be received.

NECESSARY DOCUMENTS:

For getting payment from a Chinese importer/buyer, the Chinese importer/buyer is required to present:

- An outward remittance application form,
- The import contract,
- The customs declaration form
- Others documents if requested, i.e. to the bank for the purchase of foreign currency or outward remittance of foreign currency.

Direct remittance flowchart



1. The remitter submits the application form for outward remittance and the pay order for foreign exchange account or RMB cheque for foreign exchange purchase.

2. After verifying such documents, the bank in China sends the remittance instruction via telegraph (under telegraphic transfer) or instruction letter (under mail transfer) to the overseas affiliated bank or correspondent bank, or issue demand draft (under demand draft) to the remitter.

3. Under telegraphic transfer or mail transfer, the overseas affiliated bank or correspondent bank pays the remittance to the remittee following the instruction from the bank in China.

4. Under demand draft, the remitter delivers a demand draft to the remittee by himself, the remittee presents the demand draft to the paying bank noted on the draft, and the paying bank pays the remittance to the remittee.

1.2.5 ROLE OF THE CHINESE IMPORTER DURING THE PAYMENT PROCEDURE

Since the basic principle for payment of import is “who imports, who pays” under the prevailing foreign exchange regulations, the importer is eligible to apply to banks to pay the overseas seller. In the case of a Chinese buyer who does not have import rights, who has not secured import license and quota, engaging an import/export agent is required. For the payment, the Chinese buyer will normally pay RMB to the import/export agent and the latter will purchase foreign currency for outward remittance. The sales and purchase agreement, import and export agency agreement among the three parties (exporter, Chinese buyer and import-export agent) should be presented to the bank for the payment.

1.3 BEING PAID FOR EXPORTING SERVICES TO CHINA

1.3.1 Foreign exchange control

As mentioned above, businesses are allowed to convert foreign exchange freely in current account item, including outward payment for non-trade items (i.e. service trade). In accordance with Hui Fa [2020] No. 14, Circular of the State Administration of Foreign Exchange on Issuing the Guidelines for Current Account Transactions in Foreign Exchange (2020 Edition), the documentation requirements for foreign exchange transactions related to service trade have been revised. For transactions up to USD 50,000 (inclusive), banks are generally not required to review supporting documents unless the nature of the funds is unclear, in which case they must obtain relevant documentation from domestic institutions or individuals for verification.

For transactions exceeding USD 50,000, banks must follow due diligence principles, ensuring that key elements—such as the transaction entity, amount, and nature—are consistent with the foreign exchange receipts and payments applied for. While these updates simplify processing for small transactions, designated foreign exchange banks are still responsible for ensuring compliance. For larger transactions, supporting documents may include service contracts, invoices, and other relevant filings. Additionally, under PRC regulations, certain cross-border service transactions may require registration or filing with relevant authorities, such as the State Taxation Administration (STA) or the Ministry of Commerce (MOFCOM). For example, technology import agreements may need to be registered, and service agreements involving tax liabilities must follow applicable tax clearance procedures. These regulatory updates aim to streamline foreign exchange procedures while maintaining oversight, ensuring that international service trade transactions align with China's foreign exchange administration framework.

1.3.2 PRC tax withholding procedure related to payment for export of services

Previously, a Tax Clearance Certificate (TCC) was required for the outward remittance of certain service trade payments to ensure tax compliance. However, with the implementation of State Taxation Administration (STA) and SAFE Announcement [2013] No. 40 ("Announcement 40"), a record-filing system was introduced on 1 September 2013, replacing the TCC requirement and simplifying tax compliance for outward remittances. Under Announcement 40, domestic payers must file with their in-charge tax bureau before processing certain outward remittances, including service trade payments, dividends, interest, royalties, salaries, and capital gains, if a single payment exceeds USD 50,000. Once the tax bureau verifies the completeness of the filing documents, it will issue a stamped record-filing form, which the payer must submit to a designated foreign exchange bank along with any additional documents required under SAFE regulations to proceed with the remittance. According to State Taxation Administration and SAFE Announcement [2021] No. 19, the record-filing process has been further streamlined. Domestic institutions and individuals making multiple overseas payments for the same contract are now only required to complete one record-filing before the first foreign exchange payment. Additionally, applicants can now submit the Record-Filing Sheet electronically via the E-tax system or other online platforms, eliminating the need for physical submission. If filing at a tax service hall, the competent tax authority will input the record-filing information into the system immediately, generating a verification number and code, thereby removing the need for an on-the-spot tax review. Once record-filing is completed, applicants can use the record-filing verification number to proceed with foreign exchange payments at the designated bank, in accordance with China's foreign exchange administration regulations. These updates reflect the authorities' ongoing efforts to simplify administrative procedures while maintaining effective oversight of outward remittances for service trade payments. **The types of outbound payments that are subject to record-filing system** under Announcement 40 include most payments relating to income (other than those relating to trade in goods) derived by foreign organisations and individuals from China, such as the following:

- Income from services;
- transportation;
- tourism;
- communication;
- construction, installation and contracted labour services;

- insurance services;
- financial services;
- computer and information services;
- licensing of patents, know-how, copyrights, etc., and franchising;
- culture, sport and entertainment services;
- other commercial services; and
- government services.

Please note that Announcement No. 19 [2021] issued by the State Taxation Administration and the State Administration of Foreign Exchange has introduced a more streamlined record-filing process. Under the new framework, enterprises making multiple overseas payments under the same contract are now required to complete only a single record-filing. Additionally, enterprises can obtain the record-filing directly from the E-Tax service, eliminating the need for in-person submission at the tax bureau.

Fulfilling the tax record-filing form requirements does not mean that overseas recipients will automatically enjoy tax treaty benefits. The overseas recipients still need to comply with the current procedures under Guoshuifa [2019] No.35 if they wish to enjoy such benefits.

Procedures Under Guoshuifa [2019] No.35

In cases involving withholding at source or designated withholding, non-resident taxpayers who determine that they meet the conditions for treaty benefits and intend to claim such benefits are required to accurately complete the Information Report Form for Non-Resident Taxpayers to Claim Treaty Benefits. This form must be submitted to the withholding agent along with relevant supporting documents, which should be compiled and retained in accordance with applicable regulations.

Upon receiving the completed form, the withholding agent must verify the completeness of the information provided by the non-resident taxpayer. Once confirmed, tax withholding shall be carried out in accordance with both domestic tax regulations and the provisions of the applicable tax treaty. The withholding agent is also responsible for submitting the form as a supplementary document to the tax authorities alongside the withholding tax return.

If the non-resident taxpayer does not submit the Information Report Form for Non-Resident Taxpayers to Claim Treaty Benefits or provides incomplete information, the withholding agent shall withhold taxes in accordance with domestic tax laws.

Required Supporting Documents

The supporting documentation required for claiming treaty benefits includes the following:

1. Tax Resident Certificate – A certificate issued by the tax authority of the treaty counterparty, verifying the taxpayer's residency status for the fiscal year in which the income is derived or the preceding year. In cases involving international transport provisions under a tax treaty or an international transport agreement, alternative documentation proving compliance with the identity requirements set forth in the treaty may be used in place of the Tax Resident Certificate.

2. Income Ownership Documentation – Proof of ownership of the income, such as contracts, agreements, board/shareholder resolutions, payment vouchers, or other supporting materials.

3. Beneficial Owner Status Documentation – When claiming treaty benefits related to dividends, interest, or royalties, documentation substantiating the taxpayer's status as the "beneficial owner" must be retained.

4. Additional Supporting Documents – Any other documents deemed necessary by the non-resident taxpayer to demonstrate compliance with the requirements for treaty benefits.

Please refer to a flowchart of application of service contract registration and tax record-filing for the payment to the overseas service providers in Appendix 3.

2. PAYMENT IN RMB

2.1 GENERAL INTRODUCTION ON RMB PAYMENT

China's central bank, the People's Bank of China ("PBOC"), expanded the use of the RMB for global trade and non-trade (service trade) settlement. China is now encouraging the use of RMB outside of the mainland, with the goal of having the RMB become a fully convertible currency.

In the past, RMB could only be held inside China and all of China's internal trade was settled in RMB. China's currency can now be held and invested overseas. Trade of goods and services in and out of China can be settled in RMB. Trade finance methods are available in both onshore and offshore markets.

Enabling this cross-border flow is the fact that RMB accounts may be opened outside of mainland China, primarily in Hong Kong, but also in other jurisdictions. Currently, more than 900 financial institutions in over 70 countries are already doing business in the Chinese RMB. In addition, foreign companies **need not have** a legal entity established in China (or Hong Kong) in order to open an offshore RMB account.

2.2 COMPARISON ON SETTLEMENT IN RMB AND FOREIGN CURRENCY

Foreign companies have historically believed that negotiating international agreements in foreign currencies (e.g. USD, EUR) isolates them from exposure to currency volatility. However, this practice often puts them at a competitive disadvantage compared to companies that transact in local currency.

Shifting to local currency has been a useful solution for trade with many countries. With China's changing currency regulations, overseas enterprises are learning that conducting business in RMB instead of foreign currency can make a significant difference. The PBOC has estimated that the administrative cost of transacting in USD is 2-3% higher than dealing in local currency due to embedded premiums.

2.3 HOW FOREIGN COMPANIES CAN RECEIVE A PAYMENT IN RMB

All overseas companies that have import and export trading business and other RMB settlement needs with enterprises in mainland China can, upon approval by the local regulators, open RMB commercial accounts in **participating banks overseas** (i.e. the bank which has engaged a Chinese onshore bank as an agent for RMB clearing) to settle their trade in RMB before the import/export transactions take place. The participating banks shall provide details on account opening procedures. The purchase and sale of RMB is available only if the concerned RMB is to be used to settle, or arises from, a cross-border trade transaction made with a mainland China enterprise within the previous 3 months.

Offshore companies could also apply to open a RMB account with **onshore banks** for RMB cross- border settlement purposes only. Offshore companies must complete an account opening application form and submit it, along with other required documents to the bank. The bank will then submit these documents to the local PBOC for approval. The required documentation varies within mainland China according to local rules, but the certificate of business incorporation/registration of the offshore company is required in all regions.

The product range for RMB trade services, advance payment and T/T is the same as for foreign currency products. Common types of trade are allowed under the scheme, including Documentary

Collections (D/P and D/A). With RMB trade, mainland China-based companies should continue to report balance of payments transactions for statistical purposes. For RMB inward and outward payments, mainland China-based companies are also required to complete 'Cross-Border Trade RMB Settlement Import Payment Explanation' and 'Cross-Border Trade RMB Settlement Export Payment Explanation' forms respectively.

On 10 July 2013, the People's Bank of China ("PBOC") released a circular regarding the simplification of RMB cross-border payment process. Banks are permitted to perform RMB cross-border settlement for both goods and service trade based on the principles of Know-Your-Customer ("KYC"), Know-Your-Business ("KYB") and due diligence processes. The supporting documents only need to be provided after RMB payment and supporting documents checking is no longer mandatorily required by regulator, when and what to check is subject to banks' decision. In this connection, RMB cross-border payment processing is more simple and efficient than foreign currencies settlement.

2.4 HOW CAN A FOREIGN COMPANY USE THE RMB RECEIVED

When a foreign company receives RMB for export of goods to Chinese buyers, it can choose to open a RMB account in participating banks overseas or onshore Chinese banks to keep the RMB received for (1) future import goods from Chinese vendors; (2) payment for services provided by Chinese suppliers; (3) making direct investment into China. The foreign company which received RMB via the bank account opened in overseas participating bank could also choose to convert RMB into foreign currency immediately.

2.5 PAYMENT IN RMB IF THE CURRENCY SHOWN IN THE IMPORT CONTRACT IS A FOREIGN CURRENCY

Chinese buyers can pay in RMB even if the currency shown in the import contract is in a foreign currency. The buyer needs to submit the following documents to the banks: (1) an application letter to explain the different currency used in import contract and payment; (2) the original hardcopy of import customs declaration form; (3) the RMB cross-border payment application form.

In summary, the acceptance of the RMB as a trading currency and the growth of the offshore market are inevitable. It is advised that companies review their processes and consider using the RMB in business dealings with China. As further evidence of the benefits and ease of RMB use, the hedging market is liquid and has been expanding in volume and tenor.

2.5.1 Advantages and Disadvantages of RMB Payments in Foreign Transactions

Using RMB for cross-border transactions offers several benefits:

- **Avoiding exchange rate fluctuation risks** – Settling payments in RMB eliminates uncertainties related to exchange rate volatility, allowing for more stable transaction values.

- **Reducing costs** – RMB payments help lower costs associated with currency conversion, reducing foreign exchange spreads and transaction fees typically charged by banks.

- **Simplified administrative procedures** – Enterprises classified as *Cross-border RMB High-Quality Enterprises* benefit from more efficient settlement processes, as they are not required to submit authenticity verification documents in advance.

- **Improved transaction efficiency** – A more streamlined settlement process and faster fund transfers enhance liquidity and operational efficiency in cross-border transactions.

However, there are also limitations to consider:

- **Limited International Acceptance** – Despite ongoing internationalisation efforts, the use of RMB in global trade remains relatively low, representing only 2.7 per cent of international transactions.

- **Constraints in international payment networks** – The RMB is not yet fully integrated into major global payment systems such as SWIFT, which continues to prioritise USD and EUR transactions.

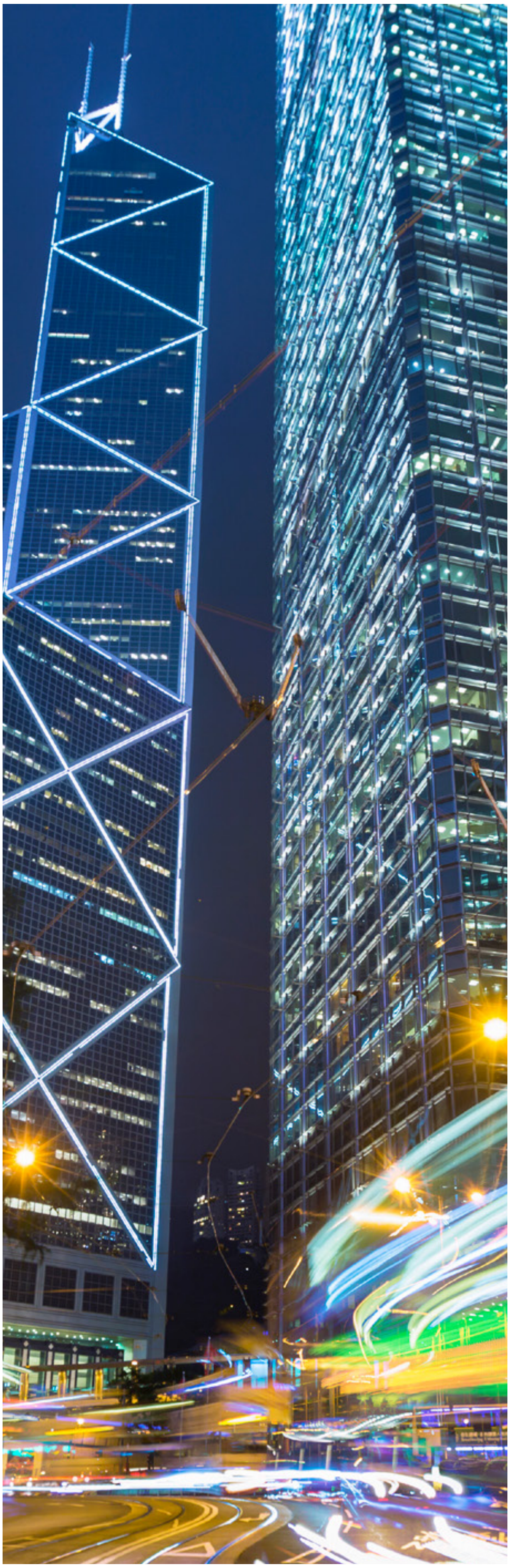
- **Cross-border payment restrictions** – Due to regulatory and technical limitations, RMB transactions may still face hurdles in certain markets, affecting their ease of use for international trade.

3. PAYING FROM OUTSIDE MAINLAND CHINA

It is possible that the overseas exporter is being paid from an account placed outside mainland China (e.g. Hong Kong) even when the payer is a company registered in mainland China. According to prevailing foreign exchange regulations, Chinese companies (including both domestic and foreign invested companies) are allowed to keep their foreign exchange revenue received under trade and/or non-trade (service trade) items in their offshore bank accounts. The general requirements for application of keeping foreign currency revenue in offshore bank account included (1) derived income from goods and/or service trade and need to make payment in foreign currency frequently; (2) no incompliance record in the recent two years. The money kept in offshore bank account could be used for either goods trade payment or service trade payment by Chinese companies.

If the money in the offshore bank account of a Chinese company is not sufficient to pay the foreign goods seller or service provider, the Chinese company is also allowed to make the payment from their onshore bank account. To mitigate risk, exporters may require the Chinese company to pay from a single bank account. In case of receipt of service from a foreign company, if payment is made from offshore bank account of a Chinese company, the Chinese company still has the withholding obligation on the service income derived by overseas service providers. The relevant WHT shall be withheld and paid by the Chinese company through its onshore bank account separately. Please however note that if the Chinese company fails to perform its withholding obligation, the overseas service providers will be required to engage an agent for settlement of WHT or pay WHT by themselves. As such, if the Chinese buyers propose to use their offshore bank account for settlement, the tax withholding obligation shall be included in the contract.

In order to mitigate potential risks to receive payment from an offshore account of a Chinese company, the overseas exporters are recommended to understand whether the Chinese payer is in compliance with relevant foreign exchange regulations to retain foreign currency revenue in an offshore bank account.



4. REAL CASE SCENARIOS IN FOREIGN EXCHANGE AND CROSS-BORDER PAYMENTS

Cross-border transactions between European and Chinese companies require a structured approach to payment processing, foreign exchange compliance, and regulatory adherence. This chapter examines various case studies illustrating common transaction frameworks, including goods purchases, service agreements, and industrial equipment exports.

Each case outlines the payment methods, foreign exchange considerations, and compliance requirements under China's foreign exchange regulations. Additionally, the chapter highlights key risk mitigation strategies, such as structured payment terms, due diligence, currency hedging, and regulatory compliance, to ensure smooth and secure international transactions. By analysing these cases, businesses can gain insights into best practices for navigating cross-border payments, reducing financial risks, and ensuring compliance with evolving regulatory frameworks.

4.1 IMPORTING GOODS: A CASE STUDY OF AN EU IMPORTER PURCHASING FROM CHINA

Case Background

An EU-based company, ABC Inc., plans to purchase USD 100,000 worth of electronic products from a Chinese supplier, XYZ Co., Ltd. The agreed payment method is a telegraphic transfer (T/T) in EUR, with structured payment terms.

1. Trade Contract Signing

- The contract specifies product details, price (FOB Shanghai), payment terms (30% advance payment + 70% payment upon submission of shipping documents), and dispute resolution terms.
- The supplier provides an offshore or domestic foreign exchange account to receive the payment in EURs.

2. Foreign Exchange Purchase (If required)

- If ABC Inc. needs to convert local currency into USD, it completes a foreign exchange purchase through its bank, paying a transaction fee (0.1%-1%).
- Exchange rate fluctuations should be considered to minimize financial exposure, and hedging options may be explored.

3. Advance Payment (30% - USD 30,000)

- Payment is made via T/T to the supplier's designated account.
- Required documents: proforma invoice, contract copy, and foreign exchange purchase application (if applicable).
- Processing time: 1-3 business days for funds to be received.
- Verification of banking details is essential to prevent fraudulent transactions.

4. Production and Shipment

- Upon receipt of the advance payment, XYZ Co., Ltd. commences production and arranges shipment.
- Regular updates from the supplier ensure transparency and adherence to the timeline.

5. Submission of Shipping Documents

- After shipment, XYZ Co., Ltd. provides ABC Inc. with scanned copies of the bill of lading, commercial invoice, and packing list.
- ABC Inc. cross-checks the details against the contract before proceeding with the final payment.

6. Final Payment (70% - USD 70,000)

- ABC Inc. verifies the documents and transfers the remaining balance.
- Some agreements may require payment only after receiving the original bill of lading.
- Payment security measures such as escrow services may be considered.

7. Foreign Exchange Compliance Review in China

- XYZ Co., Ltd. declares foreign exchange income through its bank by submitting:
  - ◊ The contract
  - ◊ Invoice
  - ◊ Customs declaration form (post-clearance)
  - ◊ Overseas remittance application
  - ◊ Tax payment slip.
- Once approved, the funds are credited to XYZ Co., Ltd.'s account.

- Delays may occur if documentation is incomplete, so proactive preparation is recommended.

8. Customs Clearance and Delivery
- ABC Inc. clears customs and takes delivery using the original bill of lading and required clearance documents (e.g., certificate of origin, quality inspection report).
- Any discrepancies in shipment must be resolved immediately to avoid penalties.

4.2 EXPORTING GOODS: A CASE STUDY OF AN EU EXPORTER SELLING TO CHINA

Case Background
An EU-based supplier exports industrial equipment valued at EUR 500,000 to Shanghai XX Machinery Equipment Import Co., Ltd. The transaction is settled via telegraphic transfer (T/T) with a payment structure of 30% advance payment and 70% upon receipt of the bill of lading (B/L) copy. The Chinese company funds the payment through a combination of its foreign exchange account and purchased foreign exchange.

1. Contract Signing and Transaction Compliance
- The parties enter into a sales contract specifying key terms, including price, payment schedule, settlement currency (EUR), and delivery terms.
- The contract must align with China's Foreign Exchange Administration Regulations, ensuring transaction authenticity.

2. Foreign Exchange Registration and Supervision
- The transaction details are submitted via the Trade in Goods Foreign Exchange Monitoring System to the State Administration of Foreign Exchange (SAFE).
- No case-by-case approval is required due to the post-2012 aggregate verification framework.
- Required documents include the contract, proforma invoice, and import customs declaration.

3. Foreign Exchange Purchase (If necessary)
- If the importer lacks sufficient foreign exchange, it submits an application to its bank to purchase EUR using CNY.
- The bank verifies transaction authenticity before executing the purchase at the prevailing exchange rate.

4. Advance Payment (30% - EUR 150,000)
- The importer submits the relevant contract, exchange purchase proof (if applicable), and remittance application to the bank.
- Funds are transferred via SWIFT, subject to a handling fee (typically 0.1 %, minimum CNY 200).
- Processing time ranges from one to three business days.

5. Goods Shipment and Customs Declaration
- The exporter provides shipping documents, including the B/L, commercial invoice, and packing list.
- The Chinese buyer declares the goods with customs and settles applicable duties and VAT.

6. Final Payment (70% - EUR 350,000)
- Payment is initiated upon receipt of the supplier's B/L copy.
- Additional documentation may be required by the bank, such as a revised contract, customs declaration, or inspection certificate.
- Exchange rate risk management strategies, such as forward contracts, may be employed.

7. International Payment Declaration and Compliance
- Upon transaction completion, the bank reports the payment to SAFE under "goods trade."
- Compliance checks ensure consistency between contract, customs declarations, and invoices.
- Large advance payments (above USD 50,000) require a written explanation.

4.3 IMPORTING SERVICES: A CASE STUDY OF A EUROPEAN TECHNOLOGY FIRM OUTSOURCING TO CHINA

Case Background

A European technology company, EuroTech Ltd., engages a Chinese software development company, ChinaSoft Co., Ltd., to build a customised AI system for USD 500,000. The transaction is settled in USD via T/T, following a phased payment structure.

1. Service Contract Signing

- The contract defines the service scope (requirements, development timeline), payment terms (30% advance + 40% interim + 30% final payment), intellectual property rights, confidentiality clauses, and breach liabilities.
- ChinaSoft provides a USD-denominated account (either offshore or domestic foreign exchange account in China).
- Legal review of contract terms is advisable to protect both parties from potential disputes.

2. Foreign Exchange Purchase (If required)

- If EuroTech needs to convert EUR to USD, it processes the transaction through its local bank, incurring a fee (0.1%-1%).
- Foreign exchange hedging may be considered to mitigate currency fluctuation risks.

3. Advance Payment (30% - USD 150,000)

- Payment is made via T/T to ChinaSoft's designated account.
- Required documents: proforma invoice, signed contract, foreign exchange purchase application (if applicable).
- Processing time: 1-3 business days.
- Ensuring that the banking details are secure reduces risks of fraudulent transfers.

4. Project Initiation

- ChinaSoft begins development, following contract terms and providing periodic progress updates.
- Regular communication and milestone tracking enhance transparency and quality assurance.

5. Interim Payment (40% - USD 200,000)

- Upon completing a milestone (e.g., system prototype), ChinaSoft submits an interim acceptance request.
- EuroTech reviews, approves, and processes the payment.
- Key documents: interim acceptance report, updated commercial invoice.
- A structured acceptance process ensures that the deliverables meet agreed specifications.

6. Final Payment (30% - USD 150,000)

- ChinaSoft delivers the final product, including source code, test reports, and operational documentation.
- EuroTech confirms acceptance and releases the final payment.
- A warranty retention (5%-10%) may be held for a post-maintenance period.
- It is advisable to negotiate post-delivery support terms in advance.

7. Foreign Exchange Compliance Review in China

- ChinaSoft declares foreign exchange income by submitting:
    - ◊ Service contract
    - ◊ Proforma and commercial invoices
    - ◊ Tax Filing Form for Service Trade and Other Outbound Payments (if required)
    - ◊ Foreign exchange remittance application
- The bank reviews documents before crediting funds to ChinaSoft's account.
- Any tax implications must be carefully evaluated to ensure full compliance.

8. Tax Compliance and Reporting

- ChinaSoft: VAT 6% but can enjoy VAT refund.
- EuroTech: May need to declare service imports and pay VAT under EU tax regulations.
- Failure to comply with tax regulations could result in fines or additional administrative scrutiny.

4.4 EXPORTING SERVICES: A CASE STUDY OF A EUROPEAN FIRM PROVIDING SERVICES TO A CHINESE COMPANY

Case Background

Beijing XX Technology Consulting Co., Ltd. engages an EU-based company for technical consulting services, with a contract value of EUR 200,000. The payment is structured as a full telegraphic transfer (T/T) after service completion. The Chinese company funds the payment through a combination of its foreign exchange reserves and purchased CNY funds.

1. Signing the Service Contract

- The contract must include:
  - ◊ Scope of services: technical consulting
  - ◊ Amount: EUR 200,000
  - ◊ Payment terms: post-service acceptance
  - ◊ Settlement currency: EUR
  - ◊ Compliance with China's Service Trade Foreign Exchange Management Guidelines
- Transactions must reflect actual business activity. Split payments or misrepresentation (e.g., disguising service fees as other payments) are strictly prohibited.

2. Service Trade Foreign Exchange Registration (Bank Review)

- The importer submits transaction details to its bank for verification, including:
  - ◊ Service contract
  - ◊ Proforma invoice issued by the EU company
  - ◊ Service completion proof (e.g., acceptance report)
- Banks assess compliance by checking:
  - ◊ Whether services align with the company's business scope
  - ◊ If the service fee (EUR 200,000) aligns with industry benchmarks

3. Foreign Exchange Purchase Application (If required)

If the company lacks sufficient foreign exchange, it applies to purchase EUR by submitting:

- ◊ Foreign Exchange Purchase Application
- ◊ Contract and proforma invoice
- ◊ Tax filing form (if required for payments exceeding EUR 50,000)

- The bank executes the foreign exchange purchase at the real-time rate (e.g., 1 EUR = 7.80 CNY).
- The payment must be categorised as "service trade expenditure"—diversion of funds to other purposes is not permitted.

4. Foreign Exchange Payment Processing

- The importer submits the following to the bank:
  - ◊ Contract and invoice
  - ◊ Tax filing form (if applicable)
  - ◊ Service completion proof (e.g., email confirmation, signed acceptance report)
  - ◊ Cross-border remittance application form (specifying transaction code, e.g., "223010 Technical Consulting Fees")
- Bank Fees: ~0.1 % of remittance amount (minimum CNY 100) + telegraphic transfer fee (~CNY 150).
- Processing time: 1–2 business days (if direct bank channels exist).

5. International Payment Declaration and Compliance

- The bank submits a transaction declaration to SAFE under "Service Trade – Consulting Services".
- Internal audits verify:
  - ◊ Consistency of declared transaction details, contract, and invoice amounts
  - ◊ Proper tax filing and withholding where applicable.

6. Tax Compliance

- Payments from Beijing XX Technology Consulting Co., Ltd. to the EU-based service provider are subject to Value-Added Tax (VAT) at 6 % and may be subject to withholding tax (WHT) if the EU service provider is deemed to have a permanent establishment (PE) in China. In such cases, Beijing XX Technology Consulting Co., Ltd. is responsible for withholding and remitting the applicable taxes before processing the final payment.
- Additionally, tax treaty benefits may apply, potentially reducing the WHT rate if a Double Taxation Agreement (DTA)exists between China and the EU country of the service provider. To claim such benefits, the EU-based provider must complete the necessary tax registration and filing procedures with the Chinese tax authorities before payment execution.

4.5 MITIGATING RISKS IN CROSS-BORDER TRANSACTIONS

To ensure a secure and efficient payment process, businesses engaged in cross-border transactions should implement risk mitigation strategies:

- **Thorough Due Diligence:** Research the financial credibility and operational history of trading partners to avoid fraud or payment defaults.

- **Structured Payment Terms:** Implement milestone-based payments with clear conditions for release to minimize exposure to non-performance.

- **Escrow Services and Letters of Credit:** Utilize escrow accounts or bank guarantees to enhance payment security and reduce counterparty risk.

- **Currency Hedging:** Protect against exchange rate fluctuations by employing hedging instruments such as forward contracts.

- **Compliance with Regulations:** Stay updated on foreign exchange control policies and tax regulations to avoid penalties and transaction delays.

- **Comprehensive Documentation:** Ensure that all required documents are properly maintained and submitted to expedite banking and regulatory approvals.

- **Legal and Contractual Safeguards:** Include arbitration clauses, dispute resolution mechanisms, and jurisdiction agreements to address potential conflicts.

Key Regulations and Considerations

- **Document Consistency:** All documentation (contract, invoice, tax filing) must align to avoid payment rejection.

- **Tax Compliance:** Payments for overseas services may be subject to:
    - ◊ VAT (6%) and withholding tax (if a permanent establishment is deemed).
    - ◊ Tax treaty benefits may reduce applicable taxes (e.g., certain EU-China agreements cap technical service fees at 6%).

- **Prohibition on Split Payments:** Dividing large payments (e.g., EUR 200,000 into four EUR 50,000 transfers) to avoid tax filing or SAFE review is strictly prohibited.

- **Additional Documentation for Special Services:**
    - ◊ Intellectual property fees: Proof of licensing agreements may be required.
    - ◊ Commission payments: Sales or agency agreements must demonstrate industry-standard commission rates.

CONCLUSION

In conclusion, best practices and recommendations in relation to getting paid for exports to China by EU SMEs will include the following:

- To carefully review the export contract and proactively check with banks regarding the documentation requirement and application procedure for payment.
- To engage an experienced importer and learn about importer status.
- To learn the latest regulations and local practice of SAFE and banks for goods and service trade.
- To discuss with banks to better understand the risk and benefit of proposed payment options based on the available bank products.
- To engage a professional advisor to assist to apply for the relevant WHT file-record form and conduct PRC tax implication assessment.

APPENDIX 1: LIST OF DESIGNATED FOREIGN EXCHANGE BANKS

Type	Name of bank	Abbreviation
Nationwide **State-owned commercial banks**	Industry and Commercial Bank of China	ICBC
	Bank of China	BOC
	Agriculture Bank of China	ABC
	China Construction Bank	CCB
Other commercial banks	*Examples:*	
	Bank of Communications	BOCOM
	CITIC Industrial Bank	CITIC
	China Merchants Bank	CMB
	China Everbright Bank	CEB
	Huaxia Bank	HXB
	Shanghai Pudong Development Bank	SPDB
	China Guangfa Bank	CGB
	China Minsheng Banking Corporation	CMBC
	Ping An Bank	PAB
City commercial banks	*Examples*:	
	Bank of Beijing	BOB
	Bank of Shanghai	BOS
Foreign funded banks	*Examples:*	
	HSBC Bank (China) Company Limited	HSBC
	Citi Bank (China) Co. Ltd.	CITI
	Deutsche Bank (China) Co. Ltd.	DB

Notes:

Generally, there are three levels in the overall management of a commercial bank in China: head office, branch and sub-branch. Each level financial institution shall obtain a license from CBRC to operate a financial business in China. Please however note that if the bank at a higher level becomes a designated foreign exchange bank, it does not necessarily mean that its branches and sub-branches are designated foreign exchange banks as well. In this connection, it is suggested that the customers should check the business scope of a bank indicated in its license to make sure the bank could conduct foreign exchange business in China.

APPENDIX 2: LIST OF MAIN LAWS AND REGULATIONS RELATED TO PAYMENT PROCEDURE AND FOREIGN EXCHANGE CONTROL

Basic regulations

1. Regulations on the Foreign Exchange System of the People's Republic of China (State Council Order No.532)
2. Administration of the Settlement, Sale and Payment of Foreign Exchange Provisions (Yinfa [1996] No.210)

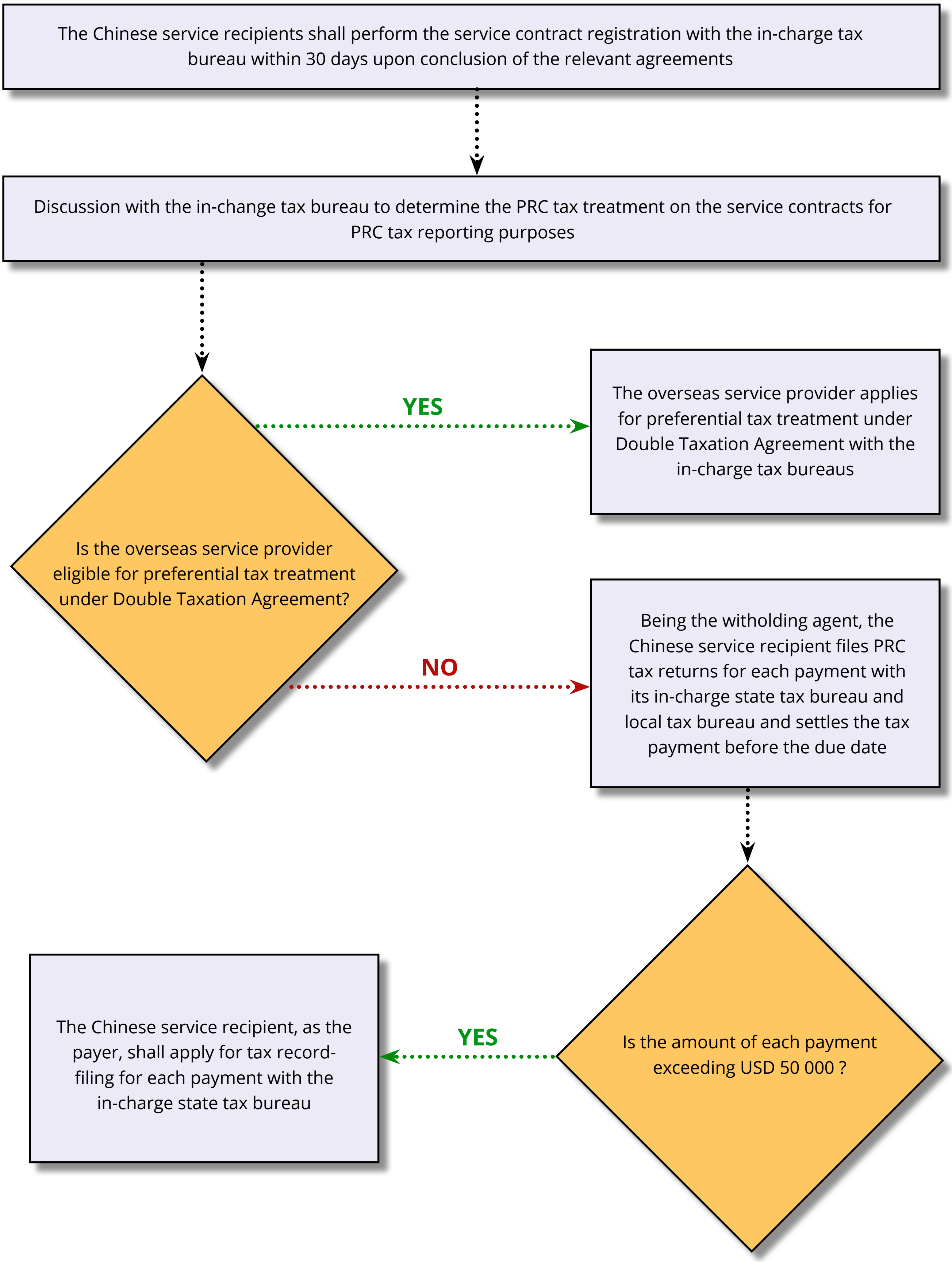
Regulations in relation to administration of current account

1. Foreign exchange administration on goods trade
    - ◊ Some provisions for the import and export agency business (issued by MOFCOM, GAC and SAFE, Waijingmaozhengfa [1998] No.725)
    - ◊ Notice regarding the reform of foreign exchange administration for commodity trade (SAFE Announcement [2012] No. 1)
    - ◊ Circular of the State Administration of Foreign Exchange on Further Optimizing the Administration for Foreign Exchange Transactions in Trade (Huifa [2024] No. 11)
    - ◊ Circular of the State Administration of Foreign Exchange on Issuing the Guidelines for Current Account Transactions in Foreign Exchange (2020 Edition) (Huifa [2020] No.14)
2. Foreign exchange administration on service trade
    - ◊ Circular of the State Administration of Foreign Exchange on Issuing the Guidelines for Current Account Transactions in Foreign Exchange (2020 Edition) (Huifa [2020] No.14)
    - ◊ Announcement on issues concerning the tax-recording-filing for the foreign payment under service- trade (Announcement SAT & SAFE [2013] No. 40)
    - ◊ Announcement of the State Taxation Administration and the State Administration of Foreign Exchange [2021] No.19

3. List of major foreign exchange regulations in force (as of December 31, 2024)

You will find at the following link a list in Chinese of the major foreign exchange regulations:
http://m.safe.gov.cn/safe/file/file/20250206/00494a2a8a9a4fbea152a83abecac39d.pdf.

APPENDIX 3: SERVICE CONTRACT REGISTRATION AND TAX RECORD FILING FOR PAYMENT TO OVERSEAS SERVICE PROVIDERS



ABOUT THE EU SME CENTRE

The EU SME Centre is an initiative funded by the European Union to assist small and medium-sized enterprises (SMEs) from EU Member States and countries participating in the Single Market Programme, getting them ready to do business in China.

Our core mission is to facilitate market access and provide a comprehensive range of free first-line services to inform, advise, train, and connect SMEs. The Centre forms partnerships with business support organisations and trade promotion organisations to bring our services and expertise to European SMEs of all sectors.

This initiative created in 2010 is now in Phase IV (2022-2025) and is implemented by 4 consortium partners with 2 associated partners, with networks throughout Europe and China.

Consortium partners

Camera di Commercio Italiana in Cina 中国意大利商会 China-Italy Chamber of Commerce

European Chamber 中国欧盟商会

ICCF Italy China Council Foundation

spi Sociedade Portuguesa de Inovação

Associated partners

TRADE PROMOTION EUROPE One voice for European trade promotion

EU-China Business Association 欧盟中国贸易协会

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