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Government Findings on Encouraging Multi-national Companies to Establish Regional Headquarters (RHQs) in Shanghai ?? ?????????????

Released on December 3, 2008 and effective as of the same date

These findings issued by the Shanghai Commerce Commission, Shanghai Finance Bureau and other six relevant governmental authorities stipulate the following:

- RHQs newly registered in Shanghai in the form of investment companies are eligible for an establishment subsidy of up to RMB 5 million, payable in three installments of 40%, 30% and 30% over three years.
- Newly-registered Shanghai RHQs that lease office buildings for self-use, purchase or construct their own office buildings will be provided a subsidy over three years, calculated as 30% of a rental equivalent of RMB 8 yuan per day, for up to 1,000 square meters.
- If a Shanghai-based RHQ is approved by the Ministry of Commerce as a national-level RHQ, the RHQ can be awarded up to RMB 10 million (for investment companies) or RMB 5 million (for management companies) in a lump sum payment, provided that annual operational turnover exceeds RMB 1 billion or RMB 500 million respectively, These awards will be granted in three installments over three years (40%, 30% and 30% respectively).
- Relevant authorities will also provide to Shanghai RHQs simplified services involving customs, taxation and foreign exchange management.