



中国驻悉尼旅游办事处

CHINA NATIONAL TOURIST OFFICE SYDNEY(AU & NZ)

## **Regulations on the Establishment of Tourism Residential Representative Institutions in China by Foreign Enterprises**

**Article 1** This regulation is formulated in line with the Provisional Regulations on Administration of Residential Institutions of Foreign Enterprises, State Council, People's Republic of China, to promote international tourism exchange and cooperation and to better approve and administer the tourism residential representative institutions in China by foreign enterprises ("tourism residential institutions "for short).

**Article 2** Tourism residential institutions can only deal with travel consultation, Liaison, promotion and other non-commercial activities. No involvement in marketing and receiving activities is permitted except the ones designated by the state. Any direct or indirect involvement in any commercial activities is prohibited, and will have to be under the investigation and supervision from the approving agencies.

**Article 3** Foreign enterprises applying to establish tourism residential institutions in China must fulfill the following obligations:

1. Legal registration in their home countries and tourism is one entry of the scope of business;
2. Reliable business credit, holding full membership in their respective countries' Trade association of travel agencies or similar organizations;
3. No shorter than two years doing business with China, and no fewer than 2,000 tourist

generated to China every year.

**Article 4** when applying to establish tourism residential institutions in China, foreign enterprises must submit the following documents with Chinese translations:

1. Application signed by the Chairman of the Board or the General Manager of the enterprises, including the name of the institution, scope of business, number of representatives, term of residence, address of stayed;
2. Copy of business license and written permit to do tourism business issued by relevant authorities of their home countries;
3. Copy of membership certificate issued by the trade association of travel agencies or similar organizations of their home countries;
4. Credit certificate issued by financial institutions having business relations with the enterprises;
5. Certificate of nomination of chief representative and representatives signed by the Chairman of the Board or the General Manager of the enterprises, and the resume, photo and identification of the relevant personnel;
6. Brief introduction of the company, including the history, achievement, personnel in charge, constitution, business with china, etc.

**Article 5** Applying to establish tourism residential institution, a foreign enterprise should need the recommendation of one Category A travel agency in China, who will apply to the National Tourism Administration of the People's Republic of China on behalf of the foreign company. The procedures are as follows:

1. Those recommended by local Category A travel agencies are to be examined and approved by the tourism bureau of the provinces, autonomous regions or municipalities where they are located, prior to applying for the approval of the National Tourism Administration of the People's Republic of China;

2. Those recommended by central Category A travel agencies should apply directly to the National Tourism Administration of the People's Republic of China for examination and approval;
3. When they pass the qualification examination, the National Tourism Administration of the People's Republic of China will issue instruments of ratification, indicating terms of residence.

**Article 6** A recommending agency must comply with the following requirements:

1. It must be a Category A travel agency set up at the approval of the National Tourism Administration of the People's Republic of China;
2. It must have no shorter than one year of travel agency business relations with the recommended enterprise;
3. It should submit a letter of recommendation, indicating the number of visitors to China organized by the recommended company, and there is any payment in arrears;
4. It must not provide false witness; otherwise it will be deprived of the qualification to recommend.

**Article 7** The recommending agencies have the obligation to assist the examining and administrative organizations to supervise the residential institutions, and should dissuade and report promptly whenever any behavior against the law and regulation by the residential institution is discovered.

**Article 8** The office of the tourism residential institutions must be located within the area permitted by the People's Government of the local city.

**Article 9** When approved in accordance with Article 5, tourism residential institutions must turn up within 30 days at local industrial and commercial authorities of provincial level to go through the registration procedures and to receive registration certificates, by presenting the instruments of ratification; staff of foreign nationalities and the dependents should turn up at local public security office to go through the residence procedures and to receive residence permit.

After completing the registration and residence procedures, tourism residential institutions should report to the National Tourism Administration of the People's Republic of China the registration certificate, residence permit, detailed address and contact telephone numbers to be put on file.

**Article 10** Tourism residential institution that requests for the change of the name of its institution, of personnel and of the term of residence should submit a letter of request, duly signed by the Chairman of the Board or General Manager of its enterprise, 30 days prior to the date of change to the organization which originally examined and approved its application; and there by apply for further approval by the National Tourism administration of the People's republic of China through the original application procedures. Once approved, with an instrument of ratification, the local organizations for registration and public security will register the altering and changes including in the length of stay. Changes in office addresses should, after going through relevant registration procedure, be reported to the National Tourism Administration of the People's Republic of China to be put on file.

**Article 11** Personnel sent and employees hired by the tourism residential institutions should comply with the following requirements:

1. Total number of personnel sent from abroad should not exceed 5 persons;

2. Hiring of staff from the recommending organization as representatives should be given the consent of the organization and should, after being approved by the National Tourism Administration of the People's Republic of China, be registered at the institution for foreign affairs services and at the industry and commerce administration designated by the local People's government;
3. Hiring of domestic public officials as representatives should be registered at the relevant institution for foreign affairs services, and be submitted to the National Tourism Administration of the People's Republic of China for examination and approval;
4. Hiring of staff of the Foreign Enterprises Service Corporation (FESCO) as representatives should be approved and registered according to regulations along with the testimonial papers from the personnel department of FESCO;
5. Hiring of any employees should abide by the regulations on the hiring of employees by residential representative institutions of foreign enterprises formulated by the competent departments of the People's Republic of China.

**Article 12** The National Tourism Administration of the People's Republic of China, as the organization to examine, approve and administer tourism residential institutions, shall assume the following responsibilities in accordance with the relevant laws and regulations in China:

1. Directly administering the ratified, registered tourism residential institutions recommended by central Category-A travel agencies; entrusting tourism bureau of relevant provinces, autonomous regions and municipalities under direct state administration to administer the ratified, registered tourism residential institutions recommended by local Category-A travel agencies;
2. Exercising supervision and inspection of the day-to-day operation of the tourism

residential institutions, and to provide them with consultation services;

3. Conducting annual check according to the annual reports of the tourism residential institutions;
4. Coordinating timely with other relevant departments to study and solve problems through exchange of information.

**Article 13** All activities of the tourism residential institutions and of their personnel should abide by this Regulation and by the other relevant laws and regulations in China. In the case of any violation, the National Tourism Administration will, together with relevant departments or by entrusting the tourism bureaus of relevant provinces, autonomous regions and municipalities under direct state administration to, resort to legal settlement.

1. Any privately established tourism residential institutions and other illegal institutions that have not been approved or gone through registration procedures according to this Regulation will be ordered to close and be fined as seen fit;
2. Any commercial operation activities that are conducted in violation of Article 2 of this Regulation will be compelled to stop, and the earnings from the said activities will be confiscated; and in case of serious violation, the institution will be closed down;
3. Cases like hiring of employees without permission, delay in applying for extension of term of residence without sound justification, and failure in notifying the change in office addresses will be regarded as institutions having failed in passing the annual check and therefore be punished;
4. Any tourism residential institution that has failed in passing the annual check for two consecutive years will not be permitted to go through further examination and approval procedures;
5. In addition to normal punishment given to tourism residential institutions that have

committed the above-mentioned acts of violation, the results will be published on newspapers as seen fit according to seriousness of each case, or be notified to the tourism departments of their home country governments, trade association of travel services, etc.

**Article 14** Any tourism residential institution wishing to terminate residential status ahead of residential term should notify the organization for its examination, approval and administration in written form 30 days prior to the desired date of termination, and, after clearing with tax and other related matters, hand in for cancellation its instrument of ratification and finish with the formalities of registration cancellation at the original organization of registration.

Responsibilities of exterminated activities of a tourism residential institution should be carried on by the foreign enterprise which the institution belongs to.

**Article 15** This Regulation applies to any tourism representative and operational offices, agencies, liaison offices and other tourism residential institutions under different names established by foreign enterprises in China.

**Article 16** Cases of enterprises of Hong Kong and Macao regions applying to set up tourism residential institutions in the mainland will be dealt with in reference to the above-mentioned regulations.

**Article 17** This Regulation will be put into practice upon the date of its issuance.

**Article 18** The right of interpretation of this Regulation rests with the National Tourism Administration of the People's Republic of China.