

## 《2017年境外投资者风险少》

As China's outbound investment has become less risky, the government will continue to encourage legal overseas investments, especially in projects tied to the Belt and Road Initiative, and will help with the development of domestic industries, a senior commerce official said on Monday.

Qian Keming, vice-minister of commerce, said that irrational outbound investment has effectively been curbed in the first half of the year as the country's outbound direct investment dropped by 42.9 percent year-on-year to 331.1 billion yuan (\$49.2 billion).

The changes came as the government increased scrutiny of overseas investment and reined in speculative deals by Chinese companies in sectors such as property, sports and entertainment.

"We have tightened the review of the authenticity and regulation compliance on the overseas investment, hoping to guide more investment into the real economy and to reduce investment in sectors such as real estate, hotels, entertainment and sports," Qian said at a news conference.

China's ODI in countries and regions related to the Belt and Road Initiative slid by 3.6 percent year-on-year in the first half of 2017, far less than the overall decline, Qian said.

The stricter scrutiny of overseas investment also came as China's top leadership has pledged to prevent financial risks, especially against the backdrop of the decline of the country's foreign exchange reserves and the rise of capital outflows.

Long Guoqiang, deputy head of the State Council's Development Research Center, said it is necessary for the government to properly manage and regulate cross-border investment to avoid massive fluctuations of cross-border capital flow.

"As a big country, it is important for China to maintain a stable financial market and to contain risks," Long said.

Analysts said that China's outbound investment activities will pick up for the remainder of the year and projects that are in line with the country's overall economic policies will continue to be supported by the government.

Following a challenging first quarter, Chinese investors have returned to the deal table and the country became the second-most acquisitive cross-border nation by value in the second quarter, with 94 deals worth \$35.9 billion, according to a report by law firm Baker & McKenzie.