

## Explanatory Notes on Main Statistical Indicators

**Legal Entity** refers to any organization that has the right to own assets and bear liabilities, and conducts social and economic activities independently (or conducts transactions with other entities). A business entity shall meet all of such conditions as: (1) established in accordance with law, having its own name, organization and site, capable of assuming civil responsibilities independently; (2) independently owning and using (or using under authorization) assets or outlays, assuming liabilities, having the right to sign contracts with other entities; (3) maintaining accounts including balance sheet, or capable of preparing accounts as needed.

**Single-industry Legal Entity** refers any business entity conducting only one industrial activity. Such business entity is also an industrial activity entity.

**Multi-industry Legal Entity** refers to any business entity composed of two or more industrial activity entities which are managed and controlled by the business entity.

**Registration Type** of an enterprise as legal person or as industrial activity entity shall be completed according to the type registered at the administration for industry and commerce. In the event of any change in registration type, and no registration alteration is made with administration for industry and commerce in good time, the registration type shall be completed according to the actual situation. Registration type for other legal persons and industrial activity entities shall be completed according to the main source of outlays and management manner, pursuant to the actual conditions, and by referring to the *Type of Enterprise Registration and Code*.

**State-owned Enterprise** refers to non-corporation economic organizations where the entire assets are owned by the state and which have registered in accordance with the *Regulation of the People's Republic of China on the Management of Registration of Corporate Enterprises*, excluding solely state-funded corporations in limited liability companies.

**Collectively-owned Enterprise** refer to economic organizations where the assets are owned collectively and which have registered in accordance with the *Regulation of the People's Republic of China on the Management of Registration of Corporate Enterprises*.

**Joint-equity Cooperative Enterprise** refers to a form of collective economic organizations based on cooperative system, where capitals come mainly from employees as their shares, with certain proportion of capital from the public, where production is organized on the basis of independent operation,

independent accounting for profits and losses, joint work, democratic management, and where the distribution system integrates distribution according to work with distribution according to capital share.

**Associated Enterprise** refers to organizations established by two or more corporate legal persons or institutional legal persons of the same or different ownership, through joint investment on the basis of equality, voluntary participation and mutual benefits. They include state-owned associated enterprises, collectively-owned associated enterprises, state-collective associated enterprises and other associated enterprises.

**Limited Liability Company** refers to organizations established with investment from 2-50 shareholders and registered in accordance with the *Regulation of the People's Republic of China on the Management of Registration of Corporations*, each shareholder bearing limited liability to the corporation depending on its share of investment, and the corporation bearing liability to its debt to the maximum of its total assets. Limited liability companies include solely state-funded limited liability companies and other limited liability companies.

**Private Enterprise** refers to profit-making organizations established by natural persons or controlled by natural persons using employed labor. Private enterprises include solely private-funded enterprises, private partnership enterprises, private limited liability companies, private companies limited by shares, and private-funded enterprises registered in accordance with provisions in the *Corporation Law*, *Partnership Enterprises Law*, *Interim Regulations on Private Enterprises* and *Sole Proprietorship Enterprise Law*.

**Other Enterprise** refers to domestically funded organizations other than those mentioned above.

**Hong Kong, Macao and Taiwan-invested Enterprise** refers to enterprises established by investors from Hong Kong, Macao and Taiwan in accordance with laws and rules of the People's Republic of China on foreign-related businesses. They include joint ventures with investors from Hong Kong, Macao and Taiwan, cooperative enterprises with investors from Hong Kong, Macao and Taiwan, enterprises wholly funded by investors from Hong Kong, Macao and Taiwan, companies limited by shares and funded by investors from Hong Kong, Macao and Taiwan, and other enterprises funded by investors from Hong Kong, Macao and Taiwan.

**Foreign-invested Enterprise** refers to enterprises

established by foreign enterprises or foreigners in accordance with laws and regulations of the People's Republic of China on foreign-related businesses. They include Sino-foreign joint ventures, Sino-foreign cooperative enterprises, foreign wholly-funded enterprises, foreign-funded companies limited by shares, and other foreign-funded enterprises.

**Non-public Economy** means enterprises as business entities whose shares are controlled by "non-public entities" and

whose assets are controlled by individuals, investors from Hong Kong, Macao and Taiwan, and foreign investors, along with enterprises not as business entities and self-employed operators whose main funds are from individuals, investors from Hong Kong, Macao and Taiwan, and foreign investors. Here, enterprises controlled by individuals, investors from Hong Kong, Macao and Taiwan, and foreign investors mean economic sectors with absolute or relative control by such companies.