

**Article 52**

The fee for the right to the use of site obtained by a joint venture according to Article 47 of the regulations shall be paid annually from the day to use the land stipulated in the contract. For the first calendar year, the venture will pay a half-year fee if it has used the land for over six months; if less than six months, the site use fee shall be exempt. During the contract period, if the rates of site use fees are adjusted, the joint venture shall pay it according to the new rates from the year of adjustment.

**Article 53**

Joint ventures that have permission to use a site shall only have the right to the use of it but no ownership. Assignment of the right to use land is forbidden.

**Chapter VIII Planning, Purchasing and Selling**

**Article 54**

A joint venture shall work out a capital construction plan (including construction ability, building materials, water, power and gas supply) according to the approved feasibility study report, and the plan shall be included in the capital construction plan of the department in charge of the joint venture and shall be given priority in arranging supplies and be ensured to be carried out.

**Article 55**

Funds earmarked for capital construction of a joint venture shall be put under unified management of the bank where the venture has opened an account.

**Article 56**

A joint venture shall work out a production and operating plan in accordance with the scope of operation and scale of production stipulated in the contract. The plan shall be carried out with the approval of the board of directors and filed with the department in charge of the joint venture.

Departments in charge of the joint ventures and planning and administration departments at all levels shall not issue directive on production and operating plans to joint ventures.

**Article 57**

In its purchase of required machinery, equipment, raw materials, fuel, parts, means of transport and things for office use, etc. (hereinafter referred to as materials), a joint venture has the right to decide whether it buys them in China or from abroad. However, where conditions are the same it should give first priority to purchase in China.

**Article 58**

Joint ventures can purchase materials in China through the following channels:

- (1) Those under planned distribution shall be brought into the supply plan of departments in charge of joint ventures and supplied by materials and commercial departments or production enterprises according to contract;
- (2) Those handled by materials and commercial departments shall be purchased from these departments;
- (3) Those freely circulating on the market shall be purchased from production enterprises or their sale or commission agencies;
- (4) Those export items handled by foreign trade corporations shall be purchased from the appropriate foreign trade corporations.

**Article 59**

The amount of materials needed for office and daily life use for joint ventures purchased in China is not subject to restriction.

**Article 60**

The Chinese Government encourages joint ventures to sell their products on the international market.

**Article 61**

Products of joint ventures that China urgently needs or imports can be mainly sold on the Chinese market.

**Article 62**

A joint venture has the right to export its products itself or entrust sale agencies of the foreign participant or Chinese foreign trade corporations with sales on a commission or distribution.

**Article 63**

Within the scope of operation stipulated in the contract, a joint venture can import machinery, equipment, parts, raw materials and fuel needed for its production. A joint venture shall make a plan every year for items on which import licenses are required by the stipulation of the state, and apply for them every six months. For machines, equipment and other objects a foreign participant has contributed as part of his investment, the foreign participant can apply directly for import licenses with documents approved by examination and approval authority. For materials to be imported exceeding the stipulated scope of the contracts, separate application for import licenses according to state regulations is required.

A joint venture has the right to export its products by