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Concerns abound despite obvious benefits of China Company Formation

China company formation may be one way of capitalising on economic opportunities in the world's most populous nation. But a leading US official has sounded a warning that access to Chinese markets is being restricted by a regressive attitude on the part of the Chinese authorities.

In a report by *Forbes*, US Under Secretary of Commerce Frank Lavin was quoted as saying that Chinese economic reform appeared 'dulled', particularly in areas such as foreign direct investment and the issue of technological standards applied in China..

He said that China's insistence on setting up its own homegrown technological standards, rather than integrating with international standards, was a 'mistaken but yet very seductive philosophical path'.

And a leading regional observer believes China has some way to go before company formation in China becomes the clearest strategy.

'China's economy is growing quickly, but it is still immature in many ways,' says Aidan Healy, managing director of Singapore based Healy Consultants. 'China company formation still has many potential pitfalls, from concerns over intellectual property rights (IPR) and enforcement of IP laws to issues of market access. Even the bureaucracy involved with China company set up can feel off putting to many potential investors.'

Despite the concerns, demand for wholly owned foreign enterprises (WOFEs) and joint ventures (JVs) continues to grow as China's economy expands by more than 10% per year, said Healy.

In addition to China company formation, Healy Consultants provides international tax planning, asset protection, company formation around the world, corporate and private bank accounts, as well as migration into Asia. With a headquarters in Singapore, the Group also has offices in Dubai, Hong Kong and Perth, Western Australia.

For more information on China company formation, kindly follow this link.