



Passion - Professionalism - Collaboration

Dear Friends,

This is a monthly newsletter focusing on legal matters in China, and related issues that shape the general business environment for foreign companies operating in China.

Should you have any comments or questions, please do not hesitate to contact Ms. Anna Lukina, BD & Marketing Director at alukina@a-zlf.com.cn visit the A&Z website.

Sincerely,
The Editors



Legal Updates

Shanghai Tax Administration Issues Notice on Further Improving the Inspection Service of Individual Income Tax Payment Voucher for Equity Change Registration

On November 28, Shanghai Municipal Tax Service, State Taxation Administration issued Notice on Further Improving the Inspection Service of Individual Income Tax Payment Voucher for Equity Change Registration (the "Notice"), which was officially implemented from December 20.

The Notice clarifies that if an individual applies for the change registration of shareholder for equity transfers, before registering the change with the administration for market regulation, the withholding agent and taxpayer shall file tax returns with the competent tax authorities at the place where the invested enterprise is located according to law. The Shanghai Municipal Tax Service, State Taxation Administration and the Shanghai Municipal Administration for Market Regulation implement an automatic interactive mechanism of personal equity transfer information, and the administration for market regulation can handle the registration of equity change according to the Tax Payment Form of Equity Change of Natural Person Shareholders provided by the tax authorities.

A&Z Past Events

December 7, Shanghai

As one of Shanghai Sub-forum's representative, Sophie An, Director and Principal Partner at A&Z Law Firm, attended the Beijing-Tokyo Forum on December 7. The theme of the event was the "China-Japan Responsibility for Maintaining World Peace and International Cooperation". At present, this forum is one of the largest and highest-level public diplomacy platforms between China and Japan, and it plays an important role in promoting the healthy and stable development

NISSTC Issues the Industrial Internet Enterprise Cyber Security Part 4: Protection Requirements of Data (Draft for Comment)

On December 1, the National Information Security Standardization Technical Committee ("NISSTC") issued the Industrial Internet Enterprise Cyber Security Part 4: Protection Requirements of Data (Draft for Comment) (the "Requirements"), which seeks comments by January 30, 2023.

The Requirements stipulates the security protection process, protection requirements and security management requirements of different levels of industrial Internet data, which are applicable to industrial enterprises, industrial Internet platform enterprises and industrial Internet identity analysis enterprises that apply industrial Internet to carry out data protection, and define the data security protection process, data classification, the classification protection requirements of the whole life cycle and data security management requirements of industrial Internet.

SAMR Issues Law Enforcement Guide on Use of Absolute Wording in Advertising (Draft for Comment)

On December 7, the State Administration for Market Regulation issued Law Enforcement Guide on Use of Absolute Wording in Advertising (Draft for Comment) (the "Guide"), which seeks comments by January 6, 2023.

The Guide clarifies that the provisions of the Advertising Law on the use of absolute wording would not be applicable if the use of an absolute term in an advertising does not target the promoted goods, or does not have the objective results of misleading the consumers or defaming other operators. Use of absolute wording in an advertisement for the first time with minor harmful consequences and the act is corrected promptly may not be given a penalty. Use of absolute wording in one's own business premises or release of an advertising on one's own media that lasts a shorter time or has few viewers and does not cause harmful consequences or causes minor harmful consequences may be given a lighter penalty. The Guide also points out that use of absolute wording related to efficacy, cure rates and efficiency in advertising of medical services, medicines, medical devices, health foods and formula foods for special medical purposes, as well as use of absolute wording related to investment yields and investment security in advertising of financial products, would not be generally considered as minor violations or having minor social harmfulness.

Shanghai Issues the Several Measures on Further Reducing Institutional Transaction Costs to Further Unleash the Vitality of Market Entities

of Sino-Japanese relations.

December 11, Shanghai

On December 11, Sophie An, Director and Principal Partner at A&Z Law Firm, attended the online annual meeting in 2022 of the Competition Law Research Association of Shanghai Law Society. As the director of the Research Association, Sophie was invited to give a speech on the theme of "Strengthening the legal control of commercial bribery", by explaining the forms of commercial bribery and the problems in its law enforcement.

December 12, Shanghai

On December 12, invited by the Shanghai Bar Association, Sharon He, Senior Attorney at A&Z Law Firm, attended a Japanese business research course in the "Pilot Program", organized by the Association. Taking the development of Japanese legal business as the theme, the courses invited representatives of famous Japanese law firms, trading companies and banks as lecturers to introduce the system related to Japanese business, as well as the expectations of Japanese enterprises for attorneys, with the current economic situation of China and the

On December 7, Shanghai Municipal People's Government issued the Several Measures on Further Reducing Institutional Transaction Costs to Further Unleash the Vitality of Market Entities (the "Measures"), which came into effect from the date of promulgation.

The Measures proposes to improve the convenience of cross-border trade, strengthen the RCEP enterprise service consultation station, guide enterprises to improve the utilization rate of the agreed preferential, and expand the scale of import and export trade with member countries. For express and perishable goods originating from RCEP member countries that arrive at the workplace under customs supervision and complete submission of relevant information, the convenience measures for release within 6 hours shall be implemented. Optimize the service function of "Single Window" in Shanghai's international trade. By the end of 2022, the rules of origin inquiry system will be put into use and the optimal tariff rate inquiry system will be updated to facilitate enterprises to inquire and enjoy the relevant benefits. Further optimize the supervision process on the return of the goods under the direct purchase import mode of the cross-border e-commerce, and allow export commodities and returned re-export commodities to be packaged in one package and transported overseas. Shipping companies and port management enterprises are encouraged to use block-chain technology to carry out paperless exchange of B/L, and get through the paperless "last mile" of the whole logistics process at the ports.

MIIT Issues the Administrative Provisions on Deep Synthesis of Internet Information Service

On December 12, the Ministry of Industry and Information Technology ("MIIT") issued the Administrative Provisions on Deep Synthesis of Internet Information Service (the "Regulations"), which will come into effect on January 10, 2023.

The Regulations clarifies the management norms of deep synthesis data and technology, requiring deep synthesis service providers and technical supporters to ensure data security, pay attention to protecting personal information, and conduct safety assessment on tools that produce or edit biometric information and information that may involve national security, national image, national interests, etc., and require that services such as intelligent dialogue, synthesized human voice, human face generation, etc. shall be clearly marked to avoid confusion or misidentification.

MIIT Issues Measures for Data Security Management in the Industrial and Information Sector (for trial implementation)

On December 13, the Ministry of Industry and Information Technology ("MIIT") issued the Measures for Data Security

future trends of Japanese enterprises.

December 12, Shanghai

On December 12, Sophie An, Director and Principal Partner at A&Z Law Firm, was invited to be the host of the China-Japan Carbon Neutral Forum organized by Shanghai Academy of Social Sciences and Mitsubishi Corporation China Co., Ltd., and presided over the round-table forum. The forum aims to promote the cooperation between China and Japan in the field of carbon neutrality. Experts, scholars and business representatives from China and Japan, who attended the meeting, conducted in-depth discussions and exchanges on the situation and policies, industry and technology, and international cooperation of carbon neutral industry.

...

About A&Z Law Firm

A&Z is a leading Chinese law firm, which employs over 50 experts composed of a team of professionals comprising attorneys, legal assistants, Japanese translators, client managers, and business specialists across 5 offices in 11 legal practices. Having been active in Shanghai since 2004, A&Z's presence

Management in the Industrial and Information Sector (for Trial Implementation) (the "Measures"), which will come into effect on January 1, 2023.

The Measures is applicable to the data processing activities and safety supervision in the industrial and information fields carried out in China. Data in the field of industrial and information include industrial data, telecommunications data and radio data. Data processors in the field of industrial and information should regularly sort out data, identify important data and core data in accordance with relevant standards and specifications and form a specific catalog. To provide data externally, the scope, categories, conditions, procedures, etc. should be clearly provided. For the external transfer of important data and core data, data processors shall sign a data security agreement with the data recipient.

NISSTC Issues Specification V2.0 on Safety Authentication for Cross-border Personal Information Processing Activities

On December 16, the National Information Security Standardization Technical Committee ("NISSTC") issued the Guide to Cybersecurity Standards - Specification on Security Authentication for Cross-border Personal Information Processing Activities V2.0 (the "Specification"). The Specification, including basic principles, the personal information protection by personal information processors and overseas in cross-border personal information processing activities, and the protection of the rights and interests of personal information subjects, provides basis for authentication institutions to carry out authentication for the cross-border personal information processing activities conducted by personal information processors, and also offers reference for personal information processors to regulate their cross-border personal information processing activities. The specification requires that both personal information processors and overseas recipients, who carry out cross-border personal information processing activities, shall appoint a person in charge of personal information protection, set up a personal information protection agency, as well as agree and jointly abide by the same cross-border personal information processing rules.

MEM Issues Notice on Strengthening the Safety Management for Online Sales of Hazardous Chemicals

On December 21, Ministry of Emergency Management ("MEM") issued the Notice on Strengthening the Safety Management for Online Sales of Hazardous Chemicals (the "Notice"), which were implemented from the date of publication.

The Notice clarifies that the e-commerce platform should not provide operators on them with the services for release of sales information related to hazardous chemicals,

was expanded through the establishment of offices in Beijing, Dalian, Wuhan, and Tokyo. A&Z focuses on advising multi-national groups, major corporations, banks, and SMEs on various legal issues relevant to their business endeavors.

A&Z's practices include Foreign Investment, Overseas Investment, Competition and Antitrust, Intellectual Property, M&A and Corporate Restructuring, Labour and Social Security, Dispute Resolution, Compliance and CSR, Finance and Capital Markets, Customs Logistics and Maritime Commerce, and Environment, Health and Safety (EHS).



individuals are prohibited from releasing sales information of hazardous chemicals online, and network service providers are not allowed to provide individuals or organizations that have not obtained the work safety license for hazardous chemicals producers or the license for operation of hazardous chemicals with the network access services for release of information on hazardous chemicals, instead, they should strengthen the management of their access websites and users' release of information, and conduct periodical inspection on released information.

Industry News

China eyes 10% cut in pesticide use on fruit, vegetables by 2025

Reuters, December 1

Tesla sold 100,291 China-made vehicles in Nov -Xinhua

Reuters, December 5

China's pet sector purrs with growth

China Daily, December 8

Lululemon delivers a strong fiscal third quarter

China Daily, December 12

AstraZeneca China signs major deal with UK company Medcity

China Daily, December 15

GAC Toyota upgrades NEV production capacity

Xinhua, December 21

China shoots to fifth place in robot density rankings

China Daily, December 23

Land-sea trade corridor facilitates sugar import from India

Xinhua, December 22

China's industrial profits slump on COVID fallout, next year seen improving

Reuters, December 27

China to facilitate green technology innovation with new implementation plan

Xinhua, December 28

The information contained in this Newsletter is for reference on matters of interest only, and is not intended to be comprehensive. Although we try to ensure accuracy, please note that the application and impact of laws can vary based on contextual and circumstantial variables.

Before taking any action, please ensure that you obtain professional advice specific to your circumstances.

There are numerous ways for you to keep up-to-date with legal updates, A&Z's practice, and valuable events.

Visit our website: www.A-ZLF.com.cn



由未来链接提供技术支持

一体化云平台助力企业或社群组织与客户云端互联