

[View this email in your browser](#)



里格律师事务所
A&Z LAW FIRM

A&Z Monthly Newsletter

August 2021

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

State Administration for Market Regulation: implement notification and commitment system for the renewal of cosmetics production license [Read more](#)

On August 6, the State Administration of Market Regulation announced “The Measures for the Supervision and Administration of Cosmetics Production and Operations”, which will be implemented from January 1, 2022.

The Measures focus on four aspects: 1) Make clear to implement the notification and commitment system for the renewal of cosmetics production license, and strengthen the supervision measures after notification and commitment, if the licensee does not meet the license conditions, the license shall be revoked according to law; 2) Request for the registrants, recorders and entrusted manufacturers of cosmetics to establish a production quality management system and implement the quality and safety responsibility system; 3) Refine and clarify the requirements for cosmetics operations and management. 4) In combination with the actual situation of the supervision, refine the responsibility for review, report, inspection and suppression of illegal activities of the organizers of e-commerce platforms, centralized trading markets and trade fairs, and strengthen the regulatory measures and responsibilities of regulatory authorities.

Beijing issued the industrial wage guidelines (2021) [Read more](#)

In order to strengthen the macro guidance on the wage distribution of enterprises in different industries, Beijing Municipal Human Resources and Social Security Bureau issued “The Notice on Issuing the Industrial Wage Guidelines of Beijing in 2021” on August 10.

The Notice pointed out that this year, industry wage guidelines were issued for 18 industries, including: food manufacturing, general equipment manufacturing, electrical machinery and equipment manufacturing, computer, communication and

A&Z Past Events

August 18, Shanghai

Shanghai A&Z Law Firm and Japan MYTS jointly held a webinar. Our principal partner, Sophie An, presented a keynote entitled ‘Political Outlook for the 100th Anniversary of the Founding of the Communist Party of China and Legislative Background of the New Important Laws’, and introduced the latest legal developments and legislative background of China to the audience.

August 23, Shanghai

The principal partner of our law firm, Sophie An, has participated in the special supervision and investigation activity, ‘The Inter-provincial Government Service Project in the Yangtze River Delta’ organized by the Shanghai Municipal Committee of the Chinese People’s Political Consultative Conference, as one of its members.

August 26, Shanghai



A seminar entitled ‘Investing and Doing Business in Israel, Opportunities and Challenges’ was held on the third floor of Okura Garden Hotel Shanghai, co-hosted by A&Z Law Firm and The Chahar Institute (Thinktank), and Harpaz, Oren, Adler & Co. of Israel. Ms. Sophie An, principal partner of A&Z Law Firm, delivered an opening

other electronic equipment manufacturing, retail of automobiles, real estate, etc. The Notice recommends that during the use of industrial wage guideline, the enterprises should refer to 1) the expected level of sales revenue and the average wage level of employees in the current year, and 2) the position of the three indicators which are: labor cost, investment and production in the same industry.

Shanghai issued the list of key industries in the EIA of construction projects in 2021 [Read more](#)

In order to continuously optimize the business environment, deepen the reform of "streamline administration and delegate powers" of Environmental Impact Assessment (EIA) and effectively connect the management of the license of pollutant discharge, Shanghai Municipal Bureau of Ecology and Environment recently issued "The list of key industries in the EIA of construction projects in Shanghai (2021 Edition)". Nine categories of industries are included in the list, including petrochemical, pharmaceutical and chemical fiber industries; non-metallic mineral products, ferrous metals and non-ferrous metals; environmental infrastructure industry.

Five departments issued "Several Provisions on Automobile Data Safety Management (for Trial Implementation)" [Read more](#)

On August 16, the Cyberspace Administration of China, the National Development and Reform Commission, the Ministry of Industry and Information Technology, the Ministry of Public Security and the Ministry of Transport jointly issued the "Several Provisions on Automobile Data Safety Management (for Trial Implementation)", which will come into force on October 1, 2021.

The Provisions follow up the latest Data Security Law, focusing on the security risks of personal information and important data in the automotive field. They advocate that the processors of automobile data shall adhere to the data processing principles such as "processing in vehicle", "non collection as default", "accuracy range applicable", "desensitization processing" in carrying out automobile data processing activities, so as to reduce the disorder collection and illegal abuse of automobile data. The Provisions also specify the specific requirements for the processors of automobile data to process personal information and sensitive personal information, as well as the specific systems for processing important data, including risk assessment report system, cross-border transfer safety assessment system, random inspection system, annual report system, and annual supplementary report system.

The State Council promulgated the "Security Protection Regulations for Critical Information Infrastructure" [Read more](#)

On August 17, the State Council announced the full text of the "Security Protection Regulations for Critical Information Infrastructure" adopted at the 133rd executive meeting of the State Council on April 27 this year, which will come into force on September 1, 2021.

The Regulations have six chapters and 51 articles, mainly including six aspects: 1) define the scope of critical information infrastructure and the principles and objectives of protection; 2) clarify the supervision and management system; 3) improve the identification mechanism of critical information infrastructure; 4) define the responsibilities and obligations of the operator; 5) define the safeguard and promotion measures; 6) clarify the legal responsibilities of each aspect.

The Standing Committee of the National People's Congress voted to pass The Personal Information Protection Law [Read more](#)

On August 20, the 30th meeting of the Standing Committee of the 13th National People's Congress voted and adopted the Personal Information Protection Law, which will come into force on November 1, 2021.

This law has 8 chapters and 74 articles. On the basis of relevant laws, this law further refines and completes the principles of personal information protection and the rules of personal information processing, defines the boundaries of rights and obligations in personal information processing activities, and improves the working system and mechanism of personal information protection.

This law includes a special chapter to clarify the obligations of personal information processors, such as compliance management and ensuring the security of personal information. It also emphasizes that personal information processors need to obtain individual consent and conduct personal information protection impact assessment in advance, when the personal information has been provided cross-border, and clarify the ways to provide personal information

speech. Mr. Eyal Oren, partner of Harpaz, Oren, Adler & Co., introduced Israel's technology and business investment environment to the Chinese audience. [Read more](#)

August 26, Shanghai

A&Z Law Firm has officially signed a Cooperation Agreement and a Donation Agreement with the school of international law, East China University of Political Science and Law, a well-known comprehensive University of law in China. According to the agreements, A&Z Law Firm will donate RMB 300,000 to the school of international law as a special fund to support its renovations and to encourage excellent students. Meanwhile, A&Z Law Firm will carry out all aspects of cooperation with the school of international law in many jurisprudential studies, so as to develop the legal academic level of A&Z Law Firm.

August 27, Shanghai

Ms. Anna Lukina, BD and Marketing Director, spoke about contract law and fraud prevention for the The Brazil-China Chamber of Commerce (CCCB). The CCCB aims to strengthen commercial ties between Brazil and China while contributing to effective communication between companies and entrepreneurs both in China and Brazil.

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 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).

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.

abroad, including passing the security assessment organized by the network and information security management department, certified by professional institutions, and concluding standard contracts.

[The financial industry innovation support policy \(version 2.0\) of Lingang Special Area of China \(Shanghai\) Pilot Free Trade Zone was released](#) [Read more](#)

On August 20, the Management Committee of Lingang Special Area of China (Shanghai) Pilot Free Trade Zone issued the revised Measures to Support the Innovative Development of Financial Industry in Lingang Special Area of China (Shanghai) Pilot Free Trade Zone, which is valid until December 31, 2025.

In terms of the scope of policy support, the Measures are applicable to domestic and foreign financial service enterprises and functional institutions registered in Lingang Special Area, with sound financial management system and good credit, including enterprises, such as licensed financial institutions, new financial institutions such as fintech companies, investment fintech companies.

The Measures specify that financial institutions falling in the scope will be given a reward for locating within, with a maximum of 60 million yuan; for the newly introduced abroad high-end financial talents in short supply, if they meet the conditions, they will be given subsidies to balance the individual income tax burden. The Measures also define the contents of economic contribution reward, characteristic business support, and financial innovation reward.

[The State Council promulgated “the Regulations of the People's Republic of China on the Administration of the Registration of Market Entities”](#) [Read more](#)

On August 24, 2021, the State Council announced the Regulations of the People's Republic of China on the Administration of the Registration of Market Entities adopted at the 131st executive meeting of the State Council on April 14 this year, which will come into force on March 1, 2022.

After the official implementation of the Regulations, the Administrative Regulation of the People's Republic of China on the Registration of Companies, the Administrative Regulation of the People's Republic of China on the Registration of Enterprise Legal Persons, the Administrative Measures of the People's Republic of China on the Registration of Partnerships, the Administrative Regulation on the Registration of Specialized Farmers' Cooperatives and the Administrative Provisions on the Registration of Legal Representatives of Enterprises as Legal Persons will be repealed at the same time.

The Regulations make unified provisions on the registration management of various enterprises, individual industrial and commercial households, farmers' professional cooperatives and other market entities engaged in business activities for profit in China, further optimize the registration process, reduce the registration links, simplify the application materials, improve the convenience of registration, reduce the institutional cost and reduce the burden on enterprises.

Industry News

[Economic Watch: NEVs gaining popularity among China's young generation](#)

Xinhua, August 3

[Explainer: What China keeps in its secretive commodity reserves](#)

Reuters, August 5

[China's auto sales up 19.3 pct in first seven months](#)

Xinhua, August 11

[China's passenger, cargo transport maintains expansion](#)

Xinhua, August 15

[Teaching Mandarin overseas a booming market](#)

China Daily, August 16

[China to strengthen macro policies to support employment](#)

Reuters, August 16

[China's major bicycle firms report surging profits in H1](#)

Xinhua, August 21

[Across China: Small watermelons are big business for Beijing farmers](#)

Xinhua, August 22

China's Anta Sports posts solid growth in first half of 2021

Xinhua, August 24

Air China, China Southern narrow quarterly losses as travel rebounds

Reuters, August 27

China's food industry records growth in production, sales

China Daily, August 29

China Focus-Explainer: The hows and whys of China's intensifying anti-monopoly moves

Xinhua, August 31

2021 World 5G Convention opens in Beijing

Xinhua, August 31

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

Scan the QR Code to subscribe to A&Z's WeChat account:
ligeHello



A&Z's Labour and Compliance Department WeChat account:
laodonghegui



A&Z values your privacy. A&Z will not sell or make available your email to any other third party without your express consent. Want to change how you receive these emails?
You can [update your preferences](#) or [unsubscribe from this list](#).

Copyright © 2021 | A&Z Law Firm, All rights reserved.