

A&Z Monthly Newsletter April 2017

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. Mireia Paulo at mpaulo@a-zlf.com.cn, or visit A&Z website.

Sincerely,

The Editors

Legal Updates

Announcement of the General Administration of Customs
 [2017] No.16 -- Announcement on Promulgating the
 Annotations on Domestic Items under the Customs Import
 and Export Tariffs of the People's Republic of China (2017
 Adjusted and Invalidated Parts)

On the 11th of April, 2017, the General Administration of Customs published an Announcement on Promulgating the Annotations on Domestic Items of the HS code. It adjusts 14 Annotations on Domestic Items of the HS code, and abolishes 8 Annotations on Domestic Items of the HS code. The import and export companies involved with such products as those mentioned under the above document must pay attention to this new policy and adjust their customs declaration on the classification of those products concerned.

Shenzhen announced the minimum wage for 2017

Since June 1st, 2017, the adjusted minimum wage standard is RMB 2,130RMB/month, while part-time minimum wage is RMB 19.5/hour.

<u>Circular of the State Intellectual Property Office on Soliciting</u>
 <u>Public Comments on the Administrative Measures for</u>
 <u>Prioritized Patent Examination (Draft for Comment)</u>

On the 7th of April, 2017, the State Intellectual Property Office (SIPO) published the Administrative Measures for Prioritizing a

A&Z Upocoming events



10 May, Shanghai

Cross-Border Commerce Logistics Forum, to be held on May 10, 2017 in Shanghai, will provide pureplay and omni-channel retailers with access to expertise on new innovation that drives the development of agile, visible, and responsive cross-border e-commerce logistics operations in China. Mr. Zhang, Head of the European-American Overseas Investment Desks, will speak about used business models for the CBFC.

Learn more



8-9 May, Valencia, Spain

Sino-Spanish International Legal Forum organised by the University of Valencia, Startup Europe Accelerator, Jorge Muñoz Consultores and A&Z Law Firm. Ms. Paulo, Director of the European-American Market and

Patent Examination (Draft for Comment) to further improve the prioritized patent examination system in China. The general public can send written comments and suggestions to the Department of Legal Affairs of the SIPO until May 6, 2017.

• SAFE to Promote Trade Facilitation by Making Electronic Information on Customs Clearance Public

The State Administration of Foreign Exchange ("SAFE") recently issued the Circular on Making it Convenient for Banks to Examine and Verify Trade Documents (the "Circular") which will enter into force as of May 1, 2017. The Circular makes it clear that electronic information on customs clearance will be made accessible to nationwide banks, a move to provide banks with a channel to inquire the trade authenticity, without changing the existing formalities for enterprises to deal with relevant affairs.

A&Z Legal Opinion



Mobike may in trouble with locking its bikes

Angi Dong, Intellectual Property Department

Last month, China's bike-sharing company Mobike was brought to Court by Lingyun for infringing its patent rights with regard to cellphone-lock technology. Mobike is promoted energetically as a company with multiple IPs, particularly the inventions relating to the cellphone opening and locking system, and the GPS system. It is said that Mobike's company image and business may be affect greatly if its cellphone opening and locking system is held to constitute an infringement and Mobike is ordered to stop using it immediately. In such a case, all the orange and silver bikes may disappear from the market and go back to the factory to change their locks. Read More.

Industry News

Hollywood talent agency looks to expand brand in China

China Daily, 24 April

The Creative Artists Agency (CAA), which represents some of the world's most famous names, is launching a new agency in the Chinese capital, following others who have done the same. The CAA is working with CMC - a major Chinese investment firm, which already has stakes in Oriental DreamWorks and Warner Brothers among others.

<u>Draft regulation on shared bikes may bring healthy change</u>

China Daily, 24 April

On April 21, 2017, the Beijing Municipal Commission of Transport published for public opinion, a draft regulation on shared bicycles. While encouraging companies to provide shared bicycles in Beijing, the draft regulation also said the total number of shared bicycles should be controlled.

Overseas Investment Projects at A&Z, will speak about Commercial Arbitration in China

A&Z Past events



18 April, Shanghai

A&Z Law Firm together with one of its partners gave a lecture on the fully implemented Licensing System for Foreigners to Work in China. The head of A&Z's Employment Department, Partner lawyer Peter Zeng explained said licensing system thoroughly.

Learn more



13 April, Shanghai

Andrew Zhang was invited to the Shanghai University of Finance and Economics to lecture on the Articles and Cases relevant to the international technology trading contract. The lecture received high recognition by the professors and postgraduate students who attended.

Learn more



2 April, Shanghai

"Shanghai China-Japan Friendship Adult Ceremony" was held at the Gulden Hotel in Shanghai. The Director of A&Z Law Firm, Sophie An, as president of the Shanghai Friendship Overseas China-Japan Association Branch, attended said ceremony and made speech.

Learn more

Foreigners in Shanghai FTZ have easier access to China 'green cards'

China Daily, 24 April

121st China Import and Export Fair Phase II opens

The State Council of PRC, 24 April

World Bank to deepen cooperation with AIIB

Xinhua, 24 April

Emerging markets file more patents than the west

Xania News, 23 April

China, Canada to create joint research center for future energy and environment

Xinhua, 21 April

China's strides in the wine race are yielding robust results

Financial Times, 20 April

Hard landing for China's private jet market

Financial Times, 20 April

China to take more tax cut measures

The State Council of PRC,19 April

Tax cuts were approved on April 19 at a State Council executive meeting presided over by Premier Li Keqiang after the government announced measures to reduce business costs in the first quarter. According to the new policy, value-added tax will be simplified, more small and micro companies will enjoy income tax incentives, and pretax deductions for innovation-based tech companies will rise.

How Drugmakers Profit From China Biotech Boom (MRK, LLY, TSRO)

Investopedia, 13 April

China's Hollywood film quota to expand after Trump trade deal

The Guardian, 12 April

China is set to allow the release of more Hollywood films as part of a trade pact with the United States.

China's economy likely to grow by 6.8% in Q1: economists

Xinhua, 10 April

China's GDP is likely to grow by 6.8 percent year on year in the first quarter, faster than the 6.7-percent increase in Q1 of 2016.

Trump to visit China as Beijing touts 'new era' of ties with US

The Guardian, 8 April

Trademark official fees reduced by half from this April

CTMO, SAIC, 30 March

With effect from 1st April, 2017, the official fee of trademark filling, alteration, assignment, renewal, and licensing will be reduced by half, as regulated in the Announcement on Adjusting the Fee Charging Criteria for Trademark Registration. In particular, the most fundamental trademark filling fee will be RMB300, half of the previous price at RMB 600.

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 jurisdictions. 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.

A&Z welcomes any and all questions pursuant hereto. For this reason, we recommend that you directly contact one of our attorneys in assisting you to address your needs.

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

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