



A&Z LAW FIRM

## A&Z Monthly Newsletter

January 2019

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](mailto:mpaulo@a-zlf.com.cn), or visit [A&Z website](#).

Sincerely,

The Editors

### Legal Updates

- **CAC Releases Administrative Provisions for Block Chain Information Services**

The National Intellectual Property Administration issued the Guideline about the Handling of Nonstandard Patent Labeling. The document has two parts; text, and law enforcement papers and forms. The part of text includes three chapters: overview, identification of nonstandard patent labeling, and handling of nonstandard patent labeling. The document made detailed provisions about patent labeling, gave clear definitions about patent fabrication and patent labeling mistakes, and offered guidelines about how to handle related cases.

- **MOHURD Clarifies Matters Concerning Foreign-invested Enterprises' Applications for the Survey Qualification for Construction Projects**

The General Office of the Ministry of Housing and Urban-rural Development ("MOHURD") has recently issued the Circular on Matters Concerning Applications of Foreign-invested Enterprises for the Survey Qualification for Construction Projects (the "Circular"). The Special Administrative Measures for Foreign Investment Access (Negative List) (2018 Edition) show that survey business for construction projects does not fall into the scope of sectors in which foreign investment is banned. Authorities shall, under the principle of equal treatment to domestic and foreign investment, apply the same approval criteria and requirements to applications they receive from foreign-invested enterprises for the survey qualification for construction projects, as those applicable to applications filed by domestic enterprises, from the date this Circular is released.

- **Mainland and HKSAR Ink the Arrangement on Reciprocal Recognition and Enforcement of**

### A&Z Past Events

#### **26-30 January, Shanghai**



The Chinese People's Political Consultative Conference, second meeting of the 13<sup>th</sup> session of the Shanghai Committee, was held during 26-30 January. Ms. Sophie An, Director and Principal Partner, as CPPCC member, attended the meeting, and introduced a proposed motion. While suggesting improvement of the business environment paying greater attention to supervision and regulation, she also called for reduction of the pressure and academic workload imposed on students.

#### **22 January, Shanghai**

Ms. Sophie An, Director and Principal Partner, was invited to the Bureau of Justice to attend the symposium of lawyers' representatives and members, which was hosted by the Communist Party Secretary, director of the Bureau of Justice Mr. Lu Weidong. Ms. An provided deep insights, showed outcomes, and explained achievements during her period as a member.

#### **17 January, Shanghai**

## Judgements in Civil and Commercial Matters

On January 18, 2019, the Supreme People's Court ("SPC") and the Department of Justice ("DOJ") of the Hong Kong Special Administrative Region ("HKSAR") signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters between the Courts of the Mainland and of the Hong Kong Special Administrative Region (the "Arrangement"). It provides for the scope regarding the reciprocal recognition and enforcement of judgements in civil and commercial matters between the mainland and the HKSAR, contents of judgements, procedures and ways to apply for the reciprocal recognition and enforcement, examination of jurisdiction of courts handling the original trials, circumstances where the claimed reciprocal recognition and enforcement will be declined, and approaches to seek remedy. Judgements not involving monetary payments, and those rendered for some intellectual property lawsuits also fall into the scope of said reciprocal recognition and enforcement.

- **Five Departments Pledge Further Convenience to Enterprise Deregistration**

Recently, five departments, including the State Administration for Market Regulation ("SAMR"), have jointly issued the Circular on Advancing the Work on Providing Convenience for Enterprise Deregistration (the "Circular"). The Circular states that all relevant departments shall achieve objectives set for shortening the list of required documents and optimizing business processes. By March 1, 2019, efficiency in the enterprise deregistration process shall be enhanced. By September 1, 2019, all regions are required to realize their goals in respect of the establishment of a specific online service module for enterprise deregistration, making it possible to deregister an enterprise on one network.

- **State Council's Customs Tariff Commission Publishes the 2019 Tariff Schedule for Imports and Exports**

The Customs Tariff Commission of the State Council has recently issued the Tariff Schedule of the People's Republic of China for Imports and Exports (2019) (the "Tariff Schedule") which has entered into force from January 1, 2019. It includes three parts: the "Instructions", the "Tariff Schedule for Imports," and the "Tariff Schedule for Exports." The "Instructions" mainly specify and explain the respective applicable scope of various tariff rates, country codes, units of measurement, etc. The "Tariff Schedule for Imports" covers a broad spectrum of 8,549 tariff items, while the Tariff Schedule for Exports covers 102 ones.

- **NIPA Issues Guideline on Handling of Nonstandard Patent Labeling**

The National Intellectual Property Administration issued the Guideline about the Handling of Nonstandard Patent Labeling. The document has two parts; text, and law enforcement papers and forms. The part of text includes three chapters: overview, identification of nonstandard patent labeling, and handling of nonstandard patent labeling. The document made detailed provisions about patent labeling, gave clear definitions about patent fabrication and patent labeling mistakes, and offered guidelines about how to handle related cases.



The 15<sup>th</sup> A&Z Annual Gala was held on January 17, 2019. Our firm welcomed clients and partners to participate in this event. The purpose of A&Z Gala was not merely to show our gratitude to our client's support for the past year, but also to promote exchanges and to facilitate further cooperation in the future.

### **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).

## **A&Z Special Notice**



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

## **Bright Dairy Accused of "Trademark Infringement" by Bakery**

### **Chain Store**

The trademark infringement case concerning "85°C" logo between Bright Dairy and Gourmet Master went through the second instance, during which Mr. Allen Zhao, A&Z senior attorney, was representing Bright Dairy. Shanghai Intellectual Property Court issued the second instance judgment, which rejected all the claims raised by Gourmet Master in the first instance. The case obtained a mass Chinese online media repercussion, and illustrated A&Z's professionalism in the field of IP and litigation. [Chinese Source.](#)

## **Industry News**

### **Overseas investors hold more yuan bonds in 2018**

**China Daily, 29 January**

### **US unveils criminal charges against Huawei**

**Financial Times, 29 January**

### **China to Outlaw Government Roles in Determining Famous Trademarks**

**People, 24 January**

### **Southeast Asian merchants lead in benefiting from Chinese mobile payment: Nielsen report**

**The Business Times, 24 January**

### **Chinese demand drives Aussie wine exports to \$2b in 2018**

**China Daily, 23 January**

### **Public welfare a priority for justice system**

**China Daily, 17 January**

### **Trade war sees China's provinces slash growth forecasts for 2019**

**South China Morning Post, 17 January**

### **China's ODI up to almost \$130 billion in 2018**

**China Daily, 16 January**

### **China's 2018 trade surplus with U.S. highest on record going back to 2006**

**Sharenet, 14 January**

### **China grants first crude import license to private trading firm**

**Tradesville, 14 January**

### **China to set lower GDP growth target of 6-6.5 % in 2019 - Sources**

**The Herald, 14 January**

### **China will continue expanding opening-up, market access: FM spokesperson**

**Xinhua, 11 January**

### **Key Indicators of IP Make Steady Progress in 2018**

**China IP News, 10 January**

### **SPC Intellectual Property Tribunal Is Inaugurated**

**Court, 3 January**

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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**A&Z Address:**

Unit 2001-2002, 20F, Tower 2, **Jing An Kerry Centre**

No.1515 Nanjing Road West

Shanghai, 200040 P.R.China

Tel.: +86-21-5466-5477

Fax: +86-21-5466-5977

For editorial and business development enquiries  
please contact Ms. Mireia Paulo at [mpaulo@a-zlf.com.cn](mailto:mpaulo@a-zlf.com.cn).

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