



A&Z LAW FIRM

A&Z Monthly Newsletter

May 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, or visit [A&Z website](#).

Sincerely,

The Editors

Legal Updates

- **NMPA Invites Comments on Administrative Measures for Record-filing of Non-special-purpose Cosmetics**

The National Medical Products Administration ("NMPA") has recently drafted and issued the Administrative Measures for Record-filing of Non-special-purpose Cosmetics (Draft for Comment) (the "Draft for Comment") to seek public opinions by June 15, 2019.

The Draft for Comment provides that entities applying for record-filing shall register non-special-purpose cosmetics with the drug regulators in charge of administration of record-filing, prior to the marketing or import of such cosmetics. In case that the entity applying for record-filing is an overseas enterprise, it shall set up a representative office within the territory of China or designate a legal-person enterprise in China as its domestic responsible person to deal with the record-filing of non-special-purpose cosmetics.

- **CAC's Imminent Regulation Intended for Safeguarding Security of Personal Information and Important Data**

The Cyberspace Administration of China ("CAC") has recently enacted and issued the Administrative Measures for Data Security (the "Draft for Comment") for public consultation by June 28, 2019.

The Draft for Comment provides that network operators that collect and use personal information from websites, applications (Apps) and other products shall respectively prepare and publish their rules on data collection and use, adding that if they gather personal information of minors under the age of 14, they shall obtain consent from their guardians. The Draft for Comment also requires that where network operators make use of user data and algorithms to push news information, commercials, etc. to targeted users, they shall expressly indicate the word "targeted pushing" in a very visible way, and enable users to disable the function of receiving the information sent to targeted users.

Upcoming Events

30 May - 2 June, Hungary

Director of the European-American Markets and Overseas Investment Projects, Ms. Mireia Paulo, was invited to speak at several conferences - held in Budapest, Hungary - about China capital venture funds and foreign investment regulations. Additionally, Ms. Paulo met with partners from IURISGAL international law firm network to discuss the respective business environments and opportunities.

10 June, Webinar



Together with Woodburn, Crayfish, A&Z Law Firm is conducting a series of complimentary webinars on developing effective E-Commerce sales strategies in China, providing information and tools to enrich your China business skills and enhance your market entry efforts to achieve sales success on the Chinese market. The series is aimed at international companies focused on inbound China investments.

19 June, Germany

Ms. Mireia Paulo, Director of the European-American Markets, will be a guest speaker at the Universität Wuppertal to present a lecture and advice on work environment and regulations with the aim to attract German

- **CAC Invites Comments on Measures for Cybersecurity Review (Draft for Comment)**

The Cyberspace Administration of China released on May 24, 2019 the Measures about Cybersecurity Censorship (Exposure Draft) to gather public opinions until June 24, 2019.

According to the exposure draft, cybersecurity censorship will focus on potential risks to national security to be brought by procurement activities, and seven factors will be taken into consideration, including:

- (1) Impact on the continuous, safe and stable operation of key information infrastructures, including the possibility of the key information infrastructures being controlled, disrupted or undermined;
- (2) Possibility of the leak, loss, damage or export of massive personal information and important data;
- (3) Controllability, transparency and supply chain safety of products and services are at risk, including the possibility of suspended supply of products and services due to political, diplomatic and trade reasons;
- (4) Impact on technologies and industries related to military defense and key information infrastructures.

- **SAMR Unveils Licensing Rules for Units Engaged in Manufacturing and Filling of Special Equipment**

The State Administration for Market Regulation ("SAMR") has recently enacted and released, upon approval, the Licensing Rules for Units Engaged in Manufacturing and Filling of Special Equipment (the "Rules") for implementation.

The Rules state that special equipment licenses are classified into two types, including the Special Equipment Production License of the People's Republic of China and the Mobile Pressure Vessel (Cylinder) Filling License of the People's Republic of China, and both will be valid for a period of four years. Also, the Rules state that an applicant shall have in place the resources, such as "personnel" and "workplaces", which are suitable for the licensed business scope and sufficient to meet production needs. The Rules also provide that an applicant shall prepare the trial design documents and provide the sample machine (product) that has passed its own inspection and is accompanied by adequate documentation prior to the authentication and review process, when it applies for the license for the first time, for the licensing of an additional business item, or for raising the level of licensing parameters.

- **NISSTC Solicits Public Opinion on Measures for Determining Illegal Information Collection**

The National Information Security Standardization Technical Committee on May 5th, 2019 released the Measures for Determining Illegal Information Collection by APPs (Exposure Draft), soliciting public opinion until May 26.

The Exposure Draft specifies seven circumstances of illegal collection of personal information, including information collection without disclosing the rules for the gathering; information collection without explicitly stating the purposes, methods and scope of use of the information to be collected; and the use and collection of information without prior consent.

- **GAC to Fully Promote Self-service Printing of Certificates of Origin**

The General Administration of Customs ("GAC") has recently issued the Announcement [2019] No. 77, deciding to fully promote the self-service printing of certificates of origin across the country from May 20, 2019.

The announcement reads that: 1. A certificate of origin applicant or its agent may print out, by itself, the standard certificate of origin granted by the customs after examination, through the "single window" for international trade or the "Internet plus customs" integrated online service platform, and 15 types of certificates, including the certificate of origin under the Free Trade Agreement between China and Australia, could be printed out in this manner; 2. A certificate of origin applicant or its agent shall upload its electronic seal and the electronic signature of the operator as required for the column "Enterprise's Declaration" indicated on the certificate of origin before printing out the certificate on its own.

companies and engineers to invest and work in China.

24 June, Tokyo

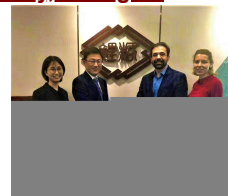
On June 24, A&Z Law Firm will conduct a lecture on Chinese laws regarding healthcare. 50 pharmaceutical companies and institutions will attend. Ms. Sophie An, Director and Principal Partner at A&Z Law Firm, and Mr. Vincent Zhu, Senior Partner of A&Z Law Firm, will speak about "Current Situation and Trends of Chinese Medical Health Industry" and "Compliance Outline and risks in Chinese Healthcare Industry" respectively.

28 June, Shanghai

Shanghai Jasgo Business Consulting Company, Han Long Mandarin and A&Z Law Firm will jointly organize a lecture on Chinese labor law on June 28, 2019. Ms. Judy Zhu, attorney at A&Z Law Firm, will introduce the status and trends of protection scope of Chinese labor law in the lecture.

A&Z Past Events

27 May, Shanghai



On May 27, the European-American Market and Overseas Investment Team held a friendly meeting with Brazilian Partner from IRUSGAL international law firm network. As members of BRICS, Brazil and China benefit from extensive cooperation opportunities. We look forward to future collaborations between two countries.

17 May, Zhangjiagang



On May 17, 2019, a Safety Production and Environment Protection Salon hosted by SIP Lvse Jiangnan Public Environment Concerned Center was held in Zhangjiagang. Ms. Zhang Xiuxiu, engaged in

Industry News

[2019 European election results](#)
European Parliament, 27 May

[China negotiates to join Hague system protecting industrial design patents](#)
China Daily, 27 May

[First International Forum on Law and Finance takes place in Shanghai](#)
China Daily, 27 May

[Commerce environment, investment growth lauded in coastal metropolis](#)
China Daily, 27 May

[It's been more than a year since the US-China trade war started. Here's a timeline of everything that's happened so far](#)
Business Insider, 23 May

[Doing Business in China: An Analysis On Doing Business in the Chinese Markets](#)
The tradable, 24 May

[E-Commerce Giant Alibaba to Integrate Blockchain Into Intellectual Property System](#)
Coin Telegraph, 23 May

[Portugal to issue Chinese Panda Bonds](#)
Essential Business, 22 May

[China FDI expands 6.4 pct in January-April](#)
Xinhuanet, 16 May

[China tariffs list includes 194 pages of products as trade war escalates](#)
Fastcompany, 13 May

[China hits back in trade war with US](#)
BBC news, 14 May

[China \(Shaanxi\) Pilot Free Trade Zone Development Forum is held to further the country's opening up and development](#)
China Invest Overseas, 14 May

[Q&A: U.K. Chancellor Describes How Britain Can Be a Partner on the Belt and Road](#)
Caixin global, 8 May

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.

environmental laws from A&Z Law Firm, shared corporates' responsibility types of safety production and the accountability method. The aim was to assist enterprises to conduct EHS self-inspection and provide legal guidance on safety production and environment protection.

13 May, Belgium

Director of the European-American Markets and Overseas Investment Projects, Ms. Mireia Paulo, attended the Conference "EU-China 2020 Strategic Agenda for Cooperation" in Brussels. Both European and Chinese officials presented their opinions about the strategic partnership. International guests and representatives from business discussed about the economic and political relationship between Europe and China.

10-11 May, Huzhou



Vincent Zhu, Senior Partner of A&Z Law Firm, was invited to attend the 'Shanghai Medical Health Industry Entrepreneurs Association Huzhou Forum.' The forum by providing a platform for sharing the experience of innovation and entrepreneurship, has given an opportunity for members to communicate the future layout and development of health industry.

10 May, Shanghai

Mr. Andrew Zhang, Senior Partner at A&Z Law Firm, was invited to Shanghai University of Finance and Economics to carry out a lecture concerning the current international technology import and export regulations and case studies.

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:

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