



A&Z LAW FIRM

## A&Z Monthly Newsletter

June 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

- [NISSTC Invites Comments on Eight National Standards Including Information Security Technology: Personal Information Security Specification](#)

The Secretariat of the National Information Security Standardization Technical Committee ("NISSTC") has recently released eight national standards, including the Information Security Technology: Personal Information Security Specification (the "Draft for Comment"), to seek comments from the entities concerned by August 8, 2019.

The Draft proposes revisions in ten aspects such as a new subsection titled "5.3 Prohibition of Compulsory Collection of Personal Information" is added; subsection "5.7 Exemptions Which Do Not Require Authorization and Consent" is amended; subsection titled "7.5 Accumulation and Aggregation of Personal Information Collected for Different Business Purposes" and "8.7 Management of Third-party Access" are added; a new subsection titled "10.2 Records of Personal Information Processing Activities" is also introduced, among other others.

- [GAC Decides to Abolish 92 Certification Matters](#)

The General Administration of Customs said on June 24, 2019, that it will abolish 92 out of 116 certification matters.

In order to optimize public services and improve business climate, customs agencies should no longer require companies and individuals to present certificates that are not legitimized, not required for customs regulation, and that can be examined on the Internet or by other means. With respect to the existing 24 certification matters, the GAC will strive to further simplify examination procedures.

- [CNIPA Trademark Office to Reduce Some Trademark Registration Fees from July 1](#)

### Upcoming Events

#### [3 July, Shanghai](#)

Ms. Sophie An, Director and Principal Partner at A&Z Law Firm, will be invited to attend the Belt and Road Initiative - Seminar on Chinese Enterprises Going to the Asia-Pacific. The event aim is to open a dialogue about opportunities and challenges that Chinese enterprises face when internationalizing, mechanisms to maintain multilateral trading system, and facilitation of investment and trade in the Asia-Pacific. The seminar intends to build an exclusive platform for Chinese enterprises.

#### [30 June, Shanghai](#)

Ms. Sophie An, Director and Principal Partner at A&Z Law Firm, will be invited to attend the Third Forum of Competition Law in Yangtze River Delta. This year theme is "Competition Policy in the National Strategy of Regional Integrated Development," which aims to promote in-depth theoretical research on competition law in the region and exchange of practical experiences.

### A&Z Past Events

#### [24 June, Tokyo](#)



The Trademark Office of the China National Intellectual Property Administration ("CNIPA") has issued the Announcement on Adjusting the Trademark Registration Fee Standards (the "Announcement").

The Announcement reads that: 1. The trademark registration renewal fee will be halved from CNY1,000 to CNY500; 2. The fee standard for changes to information on a registered trademark will be lowered from CNY250 to CNY150, and if applicants submit online applications for changes to information on registered trademarks and agree to receive electronic certificates, such changes will not be charged.

- **CAC Invites Comments on Measures for Security Assessment for Cross-border Transfer of Personal Information**

The Cyberspace Administration of China ("CAC") has recently issued the Measures for Security Assessment for Cross-border Transfer of Personal Information (the "Draft for Comment") for public consultation by July 13, 2019.

The Draft provides that where a network operator intends to provide the personal information it has collected during its business operations within the territory of China overseas ("cross-border transfer of personal information"), a security assessment shall be conducted in accordance with these Measures. If the security assessment establishes that the cross-border transfer of personal information is likely to undermine national security or harm public interest or it is difficult to effectively guarantee the safety of personal information, the cross-border transfer shall be banned. In addition, prior to the cross-border transfer of personal information a network operator shall report the cross-border transfer of personal information to the provincial-level cyberspace regulator at its locality to organize a security assessment. The Draft for Comment expressly states that cyberspace regulators may order network operators to suspend or cease the cross-border transfer of personal information under any of the given circumstances: where "the network operator or the information recipient is troubled by a relatively serious accident, such as data leakage and data misuse."

- **CAC Seeks Public Comments on Provisions on Cyber Protection of Personal Information of Children**

The Cyberspace Administration of China ("CAC") has recently drafted and issued the Provisions on Cyber Protection of Personal Information of Children (the "Draft for Comment") for public consultation by June 30, 2019.

The Draft states that network operators shall establish specific rules for protection of children's personal information and user agreement, and set up the post of personal information protection specialist or designate personnel to specially take charge of protecting children's personal information. The user agreement applicable to children should be prepared in a concise and lucid style. Network operators that collect and use personal information on children, shall, in a notable and clear way, notify children's guardians of their data collection and use, and obtain an explicit consent from children's guardians. Moreover, the Draft provides that network operators shall not use children's personal information for any other purposes not agreed upon or beyond the agreed scope. Where it is truly necessary for them to use children's personal information for other purposes or beyond the agreed scope, due to their business needs, they shall once again seek an explicit consent from children's guardians.

## Industry News

**What is the new economic agenda for Europe?**  
Euro News, 26 June

**President Xi Jinping leaves Beijing Thursday to attend the 14th Group of 20 (G20) summit in Osaka, Japan, from June 27 to 29**  
China Daily, 37 June

**China retail steps into data-driven future with Carrefour sale**



On June 24, A&Z Law Firm conducted a lecture on Chinese laws regarding healthcare. 50 pharmaceutical companies and institutions attended. Ms. Sophie An, Director and Principal Partner at A&Z Law Firm, and Mr. Vincent Zhu, Senior Partner of A&Z Law Firm, spoke about "Current Situation and Trends of Chinese Medical Health Industry" and "Compliance Outline and risks in Chinese Healthcare Industry" respectively, which were highly praised by the audience.

### **22 June, Hangzhou**



Andrew Zhang, Senior Partner, was invited as one of the main guest speakers to attend the Belt and Road International Industrial Investment and Trade Summit Forum organized by the Investment Association of China (AIC). In the forum, Andrew delivered a speech on legal risks that Chinese enterprises encounter when internationalizing and how to avoid investment risks. In addition, Mr. Zhang also highlighted key success factors to consider for succeeding abroad.

### **19 June, Germany**

Ms. Mireia Paulo, Director of the European-American Markets, was a guest speaker at the Universität Wuppertal to present a lecture and advice on work environment and regulations with the aim to attract German companies and engineers to invest and work in China.

### **10-14 June, Webinar**



Asia Nikkei, 25 June

[Jaguar Land Rover Wins Case Against Chinese Copycat — in China](#)

Caixin Global, 25 June

[Supreme Court Calls for Stronger Punishments for Illegal Activities on Tech Board](#)

Caixin Global, 22 June

[China, UK pledge more cooperation](#)

China Daily, 18 June

[Belarus set to benefit from the Silk Road of the 21st Century](#)

Euro News, 21 June

[China leads global electric car market: expert](#)

Xinhuanet, 18 June

[Economic Watch: Shanghai-London stock connect, a step forward in China's opening-up](#)

Xinhuanet, 18 June

[China's BRI creates opportunities for German companies: business association speaker](#)

China Daily, 18 June

[Second import expo set to attract more global tech giants](#)

China Daily, 18 June

[Zhejiang Province to Build China's First County-Level Driverless Test Zone](#)

Yicai Global, 17 June

[China's Huawei signs deal to develop 5G network in Russia](#)

The Guardian, 6 June

[China's Didi kicks off expansion in Latin America with moves into](#)

[Chile and Colombia](#)

Tech Crunch, 5 June

[China says it will 'soon grant' 5G licenses for commercial use](#)

Tech Crunch, 4 June

#### 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).

Together with Woodburn, Crayfish, A&Z Law Firm conducted 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 aimed at international companies focused on inbound China investments.

#### 1 June, Budapest, 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.

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:

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