

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

A&Z Future Events

Standing Committee of Tianjin Municipal People's Congress Issues the Decision on Amending the Regulations of the China (Tianjin) Pilot Free Trade Zone

On September 27, the Standing Committee of Tianjin Municipal People's Congress issued the Decision on Amending the Regulations of the China (Tianjin) Pilot Free Trade Zone (the "Decision"), which has been implemented from the date of publication.

The Decision makes forty amendments to the Regulations of the China (Tianjin) Pilot Free Trade Zone, specifying that the Pilot Free Trade Zone focuses on early and pilot implementation in such industries as financial leasing, commercial factoring, offshore trade, aerospace, digital economy, artificial intelligence, biomedicine, bonded maintenance, shipping & logistics, cross-border ecommerce, and proposes to support the reform of the market subject registration system in the Pilot Free Trade Zone.

MOT Issues the Port Dangerous Goods Safety Management Regulations (Revised Draft for

November 11, Europe

On November 11, at 1 PM CET/ 8 PM CST, join us to hear more on the most relevant developments in China today. Ms. Mireia Paulo, Senior Consultant at A&Z Law Firm, will participate in a series called "The Circle of Experts", organized by the association iusTime. The talk will be held in Spanish, and will focus on business ties between Spain and China, and the latest legal developments that you should know about. Join us via

Comments)

On September 30, the Ministry of Transport ("MOT") issued the Port Dangerous Goods Safety Management Regulations (Revised Draft for Comments) (the "Draft for Comments") for comments by October 31.

The Draft for Comments maintains the original framework structure unchanged, and does not make large-scale adjustments to the original content. It mainly reflects the Production Safety Law and other new regulations, as well as the 15 new measures on the safety work from the Safety Commission of the State Council, including port safety management system for dangerous goods, the management requirements of the port operations of dangerous goods, the requirements of the construction of port safety supervision system, and increases in penalties for violations correspondingly.

GAC Issues Administrative Punishment Discretionary Benchmark of the Customs of the People's Republic of China (I) (Draft for Comments)

On October 1, the General Administration of Customs ("GAC") issued the People's Republic of China Customs Administrative Penalty Discretionary Benchmark (I) (Draft for Comments) (the "Draft for Comments") for comments by October 31.

The Draft for Comments will become a specific scale of standards for the implementation of administrative penalties by the Customs. The penalties are divided into five levels: non-punishment, mitigation, lighter penalties, general penalties, and severe penalties. The Draft for Comments also stipulates the "List of Exemptions for Minor Violations", the "List of Exemptions for Initial Violations", and "the discretion benchmark for the summary procedure and the cases of quick handling of administrative penalty " in the form of lists, which have the same effect as the benchmark.

SAMR Issues the Interim Measures for the Supervision and Administration of Food-related Product Quality Safety

On October 8, the State Administration for Market Regulation ("SAMR") issued the Interim Measures for the Supervision and Administration of Food-related Product Quality Safety (the "Measures"), effective from March 1, 2023.

The Measures stipulate that producers and sellers are responsible for the quality safety of food-related products produced and sold. For example, the Measures prohibit the production and sale of six types of food-related products, including "the explicitly invalid, spoiled food-related products". The Measures confirm that the state establishes a quality safety management personnel system of food-

LinkedIn LIVE on iusTime's page. +

A&Z Past Events

September 24, Europe

Ms. Mireia Paulo, Senior Consultant at A&Z Law Firm, had the pleasure of attending the annual meeting of the international law firm network IURISGAL. The gathering of representatives of law firms from all over the world, took place from in Lisbon, Portugal. IURISGAL is the first and only global network of independent law firms whose official languages include Spanish and Portuguese. Actively present on 5 continents, **IURISGAL** has 57member law firms in 52 countries, with more than 1,000 lawyers. Through this extensive network, A&Z can offer our clients the assurance of receiving quality services globally, whenever they may need them. +

September 27, Shanghai

A&Z Law Firm and Japan Asia Eurasia Research Institute jointly held a webinar in which Mr. Yasuo Oishi, Consultant at A&Z and Researcher at the Japan Asia Eurasia Research Institute, gave a speech on the current economic situation and outlook in China. Also, Peter Zeng, Senior Partner at A&Z, gave an

related product manufacturers. Food-related product producers shall establish a food-related product quality safety traceability system to ensure that all links from raw materials and additives procurement to product sales can be traced effectively. The Measures point out that the production license of food-related products is subject to the notification and commitment approval system and full coverage routine inspection. If the Market supervision and management departments announce the administrative penalty, the relevant information shall be recorded in the National Enterprise Credit Information Publicity System and published to the public according to law.

MOT Issues the Regulations on Safety Supervision and Management of Railway Dangerous Goods Transportation

On October 19, the Ministry of Transport ("MOT") issued the Regulations on Safety Supervision and Management of Railway Dangerous Goods Transportation (the "Regulations"), which will be officially implemented from December 1.

The Regulations confirm that the dangerous goods which are excluded from the "railroad dangerous goods list", but identified as dangerous goods according to the relevant regulations or national standards, shall also comply with the relevant transport procedures in accordance with the Regulations. The Regulations also add the requirements for shippers on protection measures, information notifications, waybill reporting, emergency contact, related to dangerous goods, and require railway transport enterprises to sign safety agreements with the relevant units for the transportation of dangerous goods, and to carry out positioning monitoring and information management on dangerous goods transport vehicles. A new trial run system is added, requiring railway transport enterprises to organize relevant units to carry out a trial run for dangerous goods with new names, and new packages, for which safe transport conditions have not been clearly defined. The requirements for investigation and management of potential safety hazards in the transportation of dangerous goods, emergency plans, drills and emergency treatment have been stipulated too.

CNIPA Solicits Opinions on the Online Oral Hearing Method of Administrative Adjudication Cases

On October 21, the China National Intellectual Property Administration ("CNIPA") issued the Measures for Online Oral Trial of Administrative Adjudication Cases (Draft for Comment) (the "Draft for Comment"), which is seeking comments by November 21.

analysis of the latest legal developments, especially the Chinese laws regarding foreigninvested companies.

October 18, Europe

On October 18, Ms. Mireia Paulo, Senior Consultant at A&Z Law Firm, and Arbitrator/Mediator at the Shanghai International Arbitration Centre, participated in a webinar on the topic "Digital Markets Act (DMA) and Digital Services Act (DSA) – Opportunities and challenges for EU-China relations" organized by the Europe-Asia Centre, Brussels. A high-level dialogue with European Parliament's member and lead rapporteur Dr. Andreas Schwab and Dr. Wang Huiyao, President of China Center for Globalization (China). +

October 26, Shanghai

Ms. Anna Lukina, A&Z **BD** and Marketing Director, was invited by BritCham Shanghai to deliver a speech at a webinar on the topic of crisis management. At present, the Covid-19 pandemic is reshaping China's business and investment landscape, and multinational enterprises must adjust. Ms. Lukina explored the topic with a few case studies, and introduced the application of force majeure clause, as well

The Draft for Comments stipulates that CNIPA is entitled to apply online oral hearings to four types of cases, such as "administrative adjudication cases of major patent disputes", infringement taking into account circumstances of the case, the parties' intentions and technical conditions, and in case of one of the situations that "it is really necessary to check the original or real object offline", the online oral hearing is not applicable. The Draft for Comments makes it clear that for cases that are applicable to an online oral hearing, procedures such as preparation before oral hearing, oral hearing investigation, debate and so on should be carried out and shall protect the rights of the parties to apply for withdrawal, proof, cross-examination, presentation and debate. The Draft for Comments also points out that the online oral hearing process should be made public in cases where an online oral hearing is applicable. For administrative adjudication cases involving personal privacy and other situations, if the parties apply for a non-public online oral hearing, the online oral hearing process may not be made public.

NDRC Issues Catalogue of Industries Encouraging Foreign Investment (2022 Edition)

On October 28, the National Development and Reform Commission ("NDRC") issued the Catalogue of Industries Encouraging Foreign Investment (2022 Edition) (the "Catalogue"), which will come into effect from January 1, 2023.

The Catalogue will continue to encourage foreign investment in the manufacturing industry as a key direction, enhance the supply chain of the industry chain, and add or expand the entries related to components, parts, and equipment manufacturing. At the same time, it will guide foreign investment regarding productive services, and promote the integration of services and manufacturing industries as the focus of the revision. In addition, the entries on professional design, technical services and development will be added or expanded to optimize the regional distribution of foreign investment.

as explaining how international companies may regain or maintain control of their China subsidiary. +

•••

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 7 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, Xiamen, Tianjin and Tokyo. A&Z focuses on advising multi-national groups, major corporations, banks, and SMEs on various legal issues relevant to their business endeavors.

Industry News

China's electronic information manufacturing sector records steady growth

Xinhua, October 4

More brands embrace eco-friendly building concept to create 'safer world'

China Daily, October 6

China's power battery output surges over 101 pct in September

Xinhua, October 16

25 millionth car rolls off FAW-Volkswagen production line

Xinhua, October 25

Short-trip boom boosts car rental, camping business

Xinhua, October 8

Chinese smart robots stand by for service bells

China Daily, October 12

Upcoming China Eastern flight to be powered by sustainable aviation fuel

China Daily, October 13

Chinese automaker Geely's new energy brand Farizon raises over \$300 mln

Reuters, October 27

5th CIIE gears up for the launch

China Daily, October 31

'Dreaming of the Heavens': China launches final module to space station

Reuters, November 1

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.

Visit our website: www.A-ZLF.com.cn



一体化云平台助力企业或社群组织与客户云端互联