



A&Z Monthly Newsletter

September 2020

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

[GAC Adjusts Regulatory Requirements for Some Imported and Exported Products](#) [Read More](#)

The General Administration of Customs released on August 31, 2020 the Announcement about Adjusting Regulatory Requirements for Some Imported and Exported Products, effective from August 28, 2020.

The document scrapped self-testing requirements for exporters of meat and aquatic products. It said that cosmetics importers should issue a statement that they have obtained a health certificate for imported cosmetics, and they don't have to provide approval documents. The regulatory requirements that cosmetics exporters previous had to pass have now been scrapped.

[SAFE Updates Business Guidelines for Foreign Exchange Under Current Account](#) [Read More](#)

The State Administration of Foreign Exchange released on August 31, 2020 the Business Guidelines for Foreign Exchange Under Current Account (2020 Version), effective from August 28, 2020.

The guidelines consolidated existing laws and regulations, streamlined some business procedures and business documents, and revoked 29 laws and regulations. The document is divided into such chapters as foreign exchange on cargo trade, foreign exchange on service trade, foreign exchange on personal current accounts, foreign currency banknotes and payment institutions' foreign exchange business. The guidelines do not involve substantive or substantial changes to existing policies.

[Two Ministries Revise Catalogue of Technologies Prohibited or Restricted by China from Export](#) [Read More](#)

The Ministry of Commerce and the Ministry of Science and Technology released on August 28, 2020 the Catalogue of Technologies Prohibited or Restricted by China from Export.

A&Z Upcoming Events

24th October, Shanghai

Sophie An, the Principal Partner at A&Z, will participate in the "4th Yangtze River Delta Competition Law Forum" and the "New Era Competition Policy and Competition Law" international academic seminar, which are jointly held by the Economic Law Research Association of the Anhui Law Society, the Competition Law Research Society of Zhejiang Law Society, the Competition Law Research Society of Shanghai Law Society and the Economic Law Research Society of Jiangsu Law Society.

A&Z Past Events

27th August, Shanghai



On August 27, 2020, the Shanghai CPPCC Committee on Friendship with Foreign Countries and the Social and Legal Affairs Committee jointly held a symposium, inviting some members of the CPPCC to participate in legislative negotiations, on the key project of the CPPCC's legislative negotiation this year, the "Shanghai Foreign Investment Regulations (Draft)". Sophie An, Principal Partner at A&Z and member of the the Shanghai CPPCC Committee,

The document revised five categories of technologies that are not allowed to be exported. Specifically, control points of space data transmission technology are revised into "satellite data encryption technology involving one of the following: 1. encryption principles, plans and roadmap design technology; 2. software and hardware related to encryption and decryption".

In the part regarding technologies that are restricted for export, there are 17 revisions. Pharmaceutical production technologies for chemical compounds and semi-compounds, natural medicines, and functional high polymer materials with biological activity are removed from the categories with export restrictions. Especially for TikTok, which has recently dominated its market, due to the impact of this adjustment of the catalogue, the algorithm that is regarded as the core competence is likely to be restricted from export.

[MOFCOM Revises Work Rules for Handling Complaints from Foreign-funded Enterprises](#) [Read More](#)

The Ministry of Commerce revised and released on August 31, 2020 the "Work Rules for Handling Complaints from Foreign-funded Enterprises", to be implemented from October 1, 2020.

The work rules stated that foreign-funded companies and foreign investors can file a complaint with a relevant department if they believe their legitimate interests are damaged by administrative actions or the investment environment is deteriorating. The work rules said a complaint will not affect the complainant's right to file an application of administrative review or an administrative lawsuit. As far as we know, the general foreign-invested complaint institution is the local foreign-invested enterprise association.

[SAMR to Streamline Product Certification Procedures and Facilitate Domestic Sales of Goods Originally Produced for Export](#) [Read More](#)

The State Administration for Market Regulation released on September 8, 2020 the "Announcement about Carrying Forward the Implementation Opinions of the General Office of the State Council on Supporting Domestic Sales of Goods Originally Produced for Export".

According to the announcement, before the end of 2020, enterprises are allowed to make a self-declaration that their products meet China's compulsory national standards and then sell products in the domestic market. Enterprises can make such a statement on public service platforms, on its product manual or product certificate. Local market regulators should open a green channel to approve these companies' application for domestic sale of their products that are originally planned to be exported, and optimize approval procedures for industrial production licenses and production permits for special equipment.

[China Extends Tariff Exclusions for Some US Imports by One Year](#) [Read More](#)

The Customs Tariff Commission of the State Council released on September 15, 2020 the Announcement about the List of First Tariff Exclusions for US Imports. According to the announcement, the period of tariff exclusions on 16 products imported from the United States will be extended by one year from September 17, 2020 until September 16, 2021.

Industry News

[China's services sector sustains recovery as hiring picks up](#)
Reuters, September 3

[Economic Watch: China advances digital trade to fuel economic growth](#)
Xinhua Net, September 7

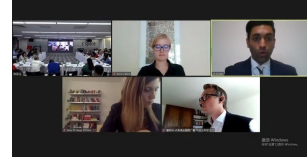
[Cosmetics firm Clarins launches first overseas lab in Shanghai](#)
Xinhua Net, September 9

[Shenzhen sees over 90,000 foreign-invested enterprises](#)
Xinhua Net, September 12

[Yuan strength reveals market confidence in Chinese economy](#)
Xinhua Net, September 16

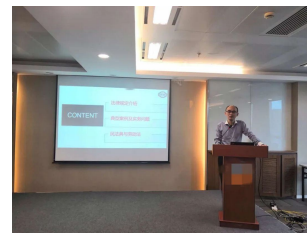
participated in the discussion. Ms. An said in her speech that Shanghai is an important destination for foreign investment in China. The promulgation of "Shanghai Foreign Investment Regulations" is necessary to promote the continued development of Shanghai's open economy. [Read More](#)

8th September, Beijing and online



Anna Lukina, BD and Marketing Director, European-American Desk at A&Z, participated in a panel discussion at the 'International Seminar on Digital Trade & Innovation Resources'. It was held by the Beijing Municipal Bureau of Economy and Information Technology. Ms. Lukina shared the common legal issues that businesses encounter in the process of operating cross-border e-commerce. Ms. Lukina's speech was well-received by an international audience. [Read More](#)

15th September, Shanghai



Peter Zeng, Senior Partner and Head of the Labor Compliance team at A&Z, was invited by a well-known insurance company to conduct a special training for its personnel of managers operating across China. The training lecture was widely praised by the attendees. [Read More](#)

16th September, Riga and online

Anna Lukina, BD and Marketing Director, European-American Desk, spoke about 'Ways of Entering the Chinese Market' for EU companies, in a webinar held and organized by LIAA, the Investment and Development Agency of Latvia. Ms. Lukina also communicated with the audience in a question and answer format, and the audience responded very enthusiastically to the webinar. [Read More](#)

24th September, Shanghai

On 24th September, 2020, Sophie An, Principal Partner at A&Z, at the invitation of the Shanghai Japan Chamber of Commerce and Industry, gave a lecture entitled "Ways for Foreign Companies to Win Under Normalization of Epidemic Prevention

[China boosts tourism resumption before holiday](#)
Xinhua Net, September 17

[Science, technology to drive economic growth](#)
China Daily, September 19

[China approves investment projects worth 13 bln USD in August](#)
Xinhua Net, September 20

[China's industrial internet enters fast lane, official says](#)
China Daily, September 21

[Why China's economy can easily meet 6 per cent growth in the next five years](#)
SCMP, September 28

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 legal practices. 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.

and Control” for its Pudong Associations. The lecture was very well-received by the audience.

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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