



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](mailto:alukina@a-zlf.com.cn) visit the A&Z website.

Sincerely,  
The Editors



### Legal Updates

#### **SMAR Issues Announcement on the Certification of Products for Stepped Utilization of New Energy Vehicle Power Batteries**

On March 2, the State Administration for Market Regulation ("SAMR") issued an Announcement on the Certification of Products for Stepped Utilization of New Energy Vehicle Power Batteries (the "Announcement"), which was effective on the date of publication.

The Announcement shows that SAMR and the Ministry of Industry and Information Technology ("MIIT") have decided to carry out voluntary certification of new energy vehicle power battery stepped utilization products, which will improve the power battery stepped utilization market system and promote the healthy and orderly development of the power battery stepped utilization industry. The product certification catalogue will be jointly determined and issued by SAMR and MIIT, and the implementation rules for product certification will be issued by the Certification and Accreditation Administration of the P.R.C. MIIT and SAMR will establish a database related to the stepped utilization of products and make it public to the society.

### A&Z Past Events

#### **March 1, Shanghai**

On March 1, Sophie An, Director and Principal Partner at A&Z Law Firm, Standing Committee Member of Shanghai Federation of Returned Overseas Chinese, and Andrew Zhang, Senior Partner at A&Z, as well as Paul Gao, Partner at A&Z, were invited to attend the launch ceremony of the "Overseas Chinese Community Law Promotion Month". Ms. An gave a speech on the popularization of law, and Mr. Zhnag and Mr. Gao provided free legal

## **Shanghai Office of CBIRC Issues Notice on Further Improving Financial Services, Optimizing Business Environment of Shanghai and Supporting High-quality Economic Development**

On March 10, the Shanghai Office of China Banking and Insurance Regulatory Commission ("CBIRC") issued a Notice on Further Improving Financial Services, Optimizing the Business Environment of Shanghai and Supporting High-quality Economic Development ("Notice"), which was effective from the date of publication.

The Notice explicitly requires banks to refrain from blindly withdrawing, cutting off or suppressing loans to enterprises with development prospects and good credit standing, but temporarily suffering from liquidity problems, and to extend the working mechanism of relief financing until the end of December 2023. Meanwhile, it supports loans on intellectual property pledges and intends to launch new products for supply chain financial services, focusing on supporting core enterprises in key industrial chains, such as biomedicine and automobile manufacturing. The Notice also clarifies policies on inclusive lending, continuous loan renewal, relief financing, green finance, digital finance, fee reduction and cost reduction, and financial services for bankruptcy restructuring.

## **National Information Security Standardization Technical Committee Issues Information Security Technology - Authentication Requirements of Cross-border Transmission of Personal Information (Draft for Comments)**

On March 16, the National Information Security Standardization Technical Committee issued Information Security Technology - Authentication Requirements of Cross-border Transmission of Personal Information (Draft for Comments) ("Authentication Requirements"), seeking public comments by May 15.

Authentication Requirements apply to the certification of personal information protection by certification agencies for the cross-border provision of personal information by personal information processors, and to the supervision, management and evaluation of the cross-border provision of personal information by competent authorities, third-party evaluation agencies and other organizations. Previously, the National Information Security Standardization Technical Committee released the Practice Guidance on Cybersecurity Standards - Security Authentication Specifications for Personal Information Processing Activities Across Borders v2.0 (the "Authentication Specifications v2.0") on 16 December 2022. The overall content of the Authentication Requirements is basically the same as the corresponding content of the Authentication Specifications v2.0, except for the new definitions of "sensitive personal information" and "separate consent".

consultation to overseas Chinese attendees.

## **March 8, Shanghai**

On March 8, A&Z Law Firm and the School of International Law of East China University of Political Science and Law jointly held a seminar on the "Legal Education and Research in the New Era and Cultivation of High-end International Law Talents." Sophie An, Director and Principal Partner at A&Z and Vincent Zhu, the Executive Director and Senior Partner at A&Z, expressed their heartfelt gratitude to the school for supporting the development of A&Z and for the careful organization of this event. In addition, Andrew Zhang, Senior Partner at A&Z delivered a speech on the topic of "The Current Situation and Outlook of the Protection Mechanism of Chinese Enterprises' Overseas Investment Rights and Interests," while Nico Xin, Head of the Dispute Resolution Department at A&Z, participated in the discussion on the "Application of Laws in the Overseas Business Activities of Chinese Enterprises."

## **March 24, Beijing and online**

The Cyber Security Association of China and the European Union Chamber of Commerce

### **MOFCOM Issues Notice on Several Measures to Promote the High-Quality Development of Border (Cross)-boundary Economic Cooperation Zones by Serving to Build a New Development Pattern**

On March 16, the Ministry of Commerce ("MOFCOM") issued a Notice on Several Measures to Promote the High-Quality Development of Border (Cross)-boundary Economic Cooperation Zones by Serving to Build a New Development Pattern ("Several Measures"), proposing to build border (cross)-boundary economic cooperation zones into high-level open platforms integrating border trade, processing and manufacturing, production services and logistics and procurement. The Several Measures also clarify that the relevant regions will be guided to provide support to the work related to the piloting of general VAT taxpayer status, support the implementation of policies to facilitate trade payments relating to the foreign exchange, encourage the strengthening of border trade and the cultivation of advanced manufacturing industries, such as equipment and instrumentation manufacturing. The Several Measures also propose to support the inclusion of government investment projects in the cooperation zone into the scope of special bond support and motivate banks to carry out cross-border RMB two-way loans.

### **People's Government of Guangdong Province Issues the Notice on the Issuance of Several Policies and Measures for Promoting High-Quality Development of Investment Promotion in Guangdong Province**

March 20, the People's Government of Guangdong Province issued the Notice on the Issuance of Several Policies and Measures for Promoting High-Quality Development of Investment Promotion in Guangdong Province ("Notice"), which came into effect from the date of publication.

The Notice focuses on investment promotion, promoting industrial development and enhancing the quality of domestic and foreign investment attraction, creating a branded investment promotion activity platform, strengthening investment promotion policy support, and further optimizing the business environment. The Notice specifies that in the future, it will focus on bringing in 20 strategic industrial clusters, such as new electronic information, semiconductors and integrated circuits, support competent enterprises to create high-level research and development institutions, such as technology innovation centers, and give R&D funding support to those who meet the conditions. The Government will also strengthen anti-monopoly and anti-unfair competition, break local protection and administrative monopoly, and strictly honor the policy commitments made to foreign investors in accordance with the law.

in China organized the 2023 China-Europe Track II Digital Dialogue Plan. The event took place on March 24th, 2023, at the Hotel Nikko New Century Beijing and via Zoom for online participants. The Digital Dialogue Plan brought together thirty high-level representatives and experts from Chinese and European public, private, and research institutions. The guests included representatives from the Cyberspace Administration of China, the People's Republic of China Ministry of Foreign Affairs, OECD, legal professionals, universities, think tanks, research institutions, and industries such as automotive and health sectors. Mrs. Mireia Paulo, Senior Consultant at A&Z, was invited to participate in the first panel related to regulatory rules for cross-border data flow between China and Europe.

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### **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

### **SAMR Issues Enforcement Guidelines for Absolute Terms in Advertising**

On March 20, State Administration for Market Regulation ("SAMR") issued Enforcement Guidelines for Absolute Terms in Advertising ("Guidelines") which took effect from the date of publication.

The Guidelines make it clear that the provisions of the Advertising Law on absolute terms will not apply to the circumstance that the absolute terms used in the content of the advertisement do not refer to the goods promoted by the commodity operator or do not have the objective effect of misleading consumers or disparaging other operators.

The Guidelines require the market regulation departments to exercise their discretionary powers to impose administrative penalties in a reasonable manner, taking into account the content of the advertisement, the specific context, as well as the facts, nature and circumstances of the offences, the degree of social harm and the subjective fault of the person concerned. The Guidelines also point out that absolute terms related to efficacy, cure rate and efficiency in advertisements for medical treatment, medical beauty, pharmaceuticals and medical devices, as well as absolute terms related to investment yield and investment safety in advertisements for commodities with investment return expectations are generally not considered to be minor violations or socially less harmful.

### **SAMR Issues the Measures for the Administration of Internet Advertising**

Recently, State Administration for Market Regulation ("SAMR") issued the Measures for the Administration of Internet Advertising ("Measures"), which will come into effect on May 1.

The Measures further clarify the responsibilities of advertisers, Internet advertising operators and publishers, and Internet information service providers; to regulate pop-up advertisements, open-screen advertisements, and the use of smart devices to publish advertisements. It also refines the rules for the regulation of "soft advertisements", Internet advertisements containing links, bidding ranking advertisements, promotion by algorithmic recommendation and live stream of advertisement. At the same time, jurisdictional provisions for advertising spokespersons have been added, and the relevant system for strengthening the supervision and enforcement of Internet advertising has been stipulated, which also provides new impetus for the standardized and orderly development of the Internet advertising industry.

## **Industry News**

2004, A&Z's presence was expanded through the establishment of offices in Beijing, Dalian, Wuhan, Tianjin, Xiamen 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 Bayer Group rises in Chinese market**

China Daily, March 1

**Miniso charts global expansion plan**

China Daily, March 2

**Adidas counts heavily on Chinese market: CEO**

Xinhua, March 8

**China Energy's massive hydropower station to open in March 2024**

China Daily, March 15

**Reform of nuclear energy giant fuels innovation**

China Daily, March 20

**Streaming boosts recorded music revenue, China market growing**

Reuters, March 21

**Nike strides into environmental protection and uplifting girls**

China Daily, March 24

**Online retailers expanding global footprint**

China Daily, March 24

**Chinese food delivery giant Meituan beats Q4 estimates with 21.4% revenue jump**

Reuters, March 24

**Covestro aligns values with China's green goals**

China Daily, March 27

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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](http://www.A-ZLF.com.cn)



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