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I. Administration of Concentrated Examinations on Patent Applications

On August 30, 2019 the China National Intellectual Property Administration ("CNIPA") issued the Administrative Measures for Intensive Examination of Patent Applications (for Trial Implementation) (the "Measures"). The Measures became effective from the date of issuance.

According to the Measures, patent applications in the area of key advantageous industries of the country or applications that have great significance for national interests or public interest, may require intensive examination. The aforesaid examination management department will take charge of an overall arrangement for and coordination of work on intensive examination.

II. Administrative Measures on Name List of Business Creditworthiness Joint Punishment Targets

The Ministry of Commerce ("MOFCOM") has published the Administrative Measures for Lists of Parties Subject to Joint Credit Punishment in the Commerce Sector (the "Measures") on July 17, 2019, the Measures became immediately effective from the date of issuance.

Article 6 of the Measures stipulates that the identification of punishment targets may be based on the following information:

(1) information which reflects the creditworthiness status of market entities, such as administrative punishment in business sector, administrative enforcement, administrative inspection etc.; (2) judicial rulings; and (3) any other information which may be treated as identification basis pursuant to the provisions of laws, regulations, rules and normative documents.

Once an entity is featured in the name list of punishment, it will be published on the Ministry of Commerce's website and the "Credit China" website and then passed over to the commerce authorities and other relevant authorities. Joint punishment might be imposed on such entities.

III. New policy in Shanghai: foreign arbitration and dispute resolution institutions are allowed to enter

On July 27, 2019, The State Council of China unveiled a Notice on Issuing the Overall Plan for the Lingang New Area of the China (Shanghai) Pilot Free Trade Zone.

According to the new policy, foreign renowned arbitration organizations and dispute resolution bodies will be allowed to register with the Judicial Administration Department of the Shanghai Municipal People's Government and file for the record with the Judicial Administration Department of the State Council for their establishment of business organization in the Lingang New Area, to carry out arbitration of civil and commercial disputes occurring in international commercial, maritime investment fields and others. In the near future, foreign dispute resolutions may resort to foreign arbitration organizations directly in Shanghai for trial.

This introduction of an “intense examination” raises the question, why different requirements for different patents should exist. In other words, was the examination for “normal patents” not thorough enough? Or is the accusation true that in China too many patents are granted despite of pre-existing very similar patents?

IV. SAFE Scraps Investment Quota Restrictions for QFII and RQFII

On September 10, 2019, the State Administration of Foreign Exchange announced to abolish the investment quota restrictions for the Qualified Foreign Institutional Investors and Renminbi Qualified Foreign Institutional Investors. According to their statement, qualified foreign institutional investors will only need to register to remit funds independently to carry out securities investment in the future. The Administration of Foreign Exchange, by abolishing the investment quota restrictions, wants to increase China’s financial markets attractiveness for foreign investors.

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