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I. Official Reply of the Supreme People's Court on Issues Concerning the Application of Law to Jurisdiction over Certain Civil Cases (the "*Reply*")

On 30 December 2025, the Supreme People's Court issued the *Reply* on Issues Concerning the Application of Law to Jurisdiction over Certain Civil Cases (SPC Interpretation No. 15 [2025]), effective on 31 December 2025. The *Reply* clarifies the scope of the parties' agreed jurisdiction under Article 35 of the Civil Procedure Law.

It confirms that parties to contract or property disputes may agree in writing to submit to a court in a location having an "actual connection" with the dispute (e.g. the principal business place of a company, place of contract filing and registration, domicile of the legal representative, location of the head office, or location of a branch). It is not limited to the five statutorily listed places (i.e. defendant's domicile, place of contract performance, place of contract conclusion, plaintiff's domicile, or place of the subject matter). However, parties bear the burden of proving such an actual connection; otherwise, the jurisdiction agreement may be deemed invalid.

The *Reply* also stipulates that: (1) agreements attempting to override exclusive specialized jurisdiction are invalid; (2) jurisdiction agreements need not specify a precise court if one can be reasonably determined; (3) "either arbitration or litigation" clauses invalidate only the arbitration agreement, not the litigation; and (4) for liability insurance disputes, the insured's domicile may serve as a competent place of jurisdiction.

This *Reply* primarily affects non-foreign-related cases, since rules for foreign-related disputes (Article 277 of the Civil Procedure Law) do not require an "actual connection" for chosen courts anymore. Therefore, the *Reply* has little practical effect on our foreign clients or Chinese clients engaged in foreign-related business.

II. Measures for the Supervision and Regulation of Contract Manufacturing of Food

On 12 December 2025, the State Administration for Market Regulation ("**SAMR**") issued the *Measures for the Supervision and Administration of Food Contract Manufacturing* (the "**Measures**"). The Measures sets out rules for contract regarding manufacturing of food and food additives in China and will take effect on 1 December 2026.

Under the Measures, both the brand owner (the entrusting party) and the contracted manufacturer (the entrusted party) must meet baseline qualification and compliance requirements. The brand owner must hold the relevant food production or operation licence (or complete the filing where it only sells pre-packaged food) and be capable of supervising the contracted manufacturer's compliance. The contracted manufacturer must hold a food production licence covering the relevant food categories and have corresponding production and food safety assurance capacity. Further, the Measures confirms that the brand owner is responsible for the safety of food manufactured under the entrustment contract and must supervise production, while the contracted manufacturer remains responsible for its production conduct and must refuse or cease production if induced to breach statutory requirements or other applicable code of conduct. In addition, the parties must sign a written contract before production and report the arrangement to the competent county-level market regulator within **ten** working days, with updates required upon changes or termination. They must also keep required records and ensure labels for pre-packaged food identifying both parties. The Measures set out detailed administrative penalties for various forms of non-compliance.

In conclusion, the Measures does not alter PRC food safety standards, but aims to increase regulatory visibility over contracted manufacturing arrangements. Practical compliance risks may arise where the brand owners' supervision is weak.

III. The Guidelines for Enterprise Deregistration (2025 Revision)

The Guidelines for Enterprise Deregistration (2025 Revision) ("**the 2025 Guidelines**") took effect on December 12, 2025. This marks the third revision since the initial introduction in January 2019, following updates in 2021 and 2023. The Guidelines sets out detailed procedures, compliance requirements, and liabilities for company deregistration in China. Below is a brief overview of the key amendments.

Deregistration can be done in simplified or regular procedures. Companies eligible for simplified process benefit from less documentation and a streamlined workflow. The 2023 Guidelines excluded companies needing pre-approval, facing dissolution orders, being on credit watchlists, holding restricted assets, having tax or legal issues, or with unresolved penalties. The 2025 Guidelines adds unpaid customs duties (including fines) as a disqualifying condition. The 2025 Guidelines also introduces an “integrated one-stop service,” consolidating tax, registration, customs, social security, and seal procedures onto one online platform. This removes the need to contact separate authorities and improves efficiency. Additionally, more detailed guidance is provided for complex cases like lost licenses or missing/uncooperative legal representatives.

In summary, while the 2025 Guidelines streamlines business exit through a one-stop process, it also strengthens compliance by introducing new disqualifiers like unpaid customs duties. As a result, more companies, including foreign-invested enterprises, will face closer scrutiny during exit procedures.