



21/05/2021

[National] The Several Provisions on Automobile Data Security Management (Draft for comment, released on May 13, 2021)

The Draft specifies the categories of vehicle data to be regulated, the main principles that operators adhere to in the process of processing personal information and important data, and the use of data. It is worth noting that the draft clearly points out that personal information or important data should be stored in China in accordance with the law. If it is really necessary to provide it overseas, it should pass the data exit security assessment organized by the national network information department.

[National] Supplementary Arrangement of the Supreme People's Court on the Reciprocal Enforcement of Arbitration Awards between the Chinese Mainland and the Hong Kong Special Administrative Region (released on May 18, 2021 and became effective on May 19, 2021)

Per the Supplementary Arrangement, the scope of application for recognition and enforcement of arbitral awards shall be determined according to the law where the applicant is from, so as to realize the full process coverage of arbitration preservation measures. The parties can apply to the courts of the mainland and Hong Kong for enforcement of arbitral awards at the same time.

[National] Preferential VAT credit refund regime extended to the whole advanced manufacturing sector.

Recently, the Ministry of Finance (the "MOF") and the State Administration of Taxation (the "SAT") have jointly issued the *Announcement [2021] No.15* to extend the preferential VAT credit refund regime to the whole advanced manufacturing industry.

Since 2019, China has been allowing Chinese enterprises to apply for the refund of excess VAT credit but subject to certain conditions and several limitations regarding the timing, the amount of refund etc. A preferential regime was granted to the taxpayers engaging in four advanced manufacturing sectors, offering to them a full VAT credit refund and much shorter application timing. Effective as from April 1st, 2021, the new policy brings five more sectors of advanced manufacturing industry under such preferential regime, including pharmaceuticals, chemical fiber, transport equipment, electrical machinery & equipment and instruments & meters.

[Regional] Regulations of Guangdong Province on Social Credit (revised version released on May 17, 2021 and will be effective on June 1, 2021)

The Regulations make it clear that the market credit information collection subjects such as merchants should fulfill the obligation of informing when collecting information, and prohibit the collection of natural person's religious belief, blood type, disease, medical history and biometric information. It is not allowed to disclose personal information at will, and the application of personal social credit information should have a clear and reasonable purpose.

[Regional] Cosmetic Advertisements Shall not Use “Chinese Herbal Medicine”.

Recently, the Shanghai Advertising Supervision and Administration Network has updated the Standards for Cosmetics Advertising (the “**Standards**”). The Standard states that cosmetic advertisements shall not use the terms “Chinese medicine”, “herbal medicine”, “Chinese medicine essence”, and etc. in conjunction with the cosmetic trademark or category.