

Service Providers Working Group (SPWG) Newsletter November 2012

Intellectual property:

November 2012, the General Office of the State Council further defined the division of responsibilities in deepening S&T (Science and Technology) system reform and quickening national innovative system construction. Of these duties, "enhancing IPR creation, use, protection and management" is in the charge of the State Intellectual Property Office (SIPO) and others. China will strengthen IPR creation, use, protection and management and till the end of the Twelfth Five-Year Plan, every ten thousand people should obtain 3.3 invention patents. The country should establish patent trend analysis and early warning mechanism in national key technology field, improve IPR protection measures and consummate IPR aid mechanism.

Tax:

November 2nd, Jiangsu and Anhui provinces officially launched the pilot program of "changing business tax to value-added tax (VAT)". The pilot reform will further promote the transformation of the economic development pattern and economic restructuring in the two provinces and boost local socioeconomic development.

Human Resources:

October 2012, new draft regulations will allow companies listed in China to offer stock ownership plans that could increase staff retention. This plan, implemented by the China Securities and Regulatory Commission (CSRC), offers a way to minimise high turnover rates.

November 2012, Shenzhen has promulgated the first set of regional regulations on sexual equality in China. For the purposes of these Regulations, the term "sexual discrimination" means any act of differentiation, exclusion or restriction done based on sex and the objective or consequence of which is to directly or indirectly affect or infringe the equal rights and interests of the sexes. When an employer is recruiting and/or hiring personnel, it may not set requirements based on sex and may not refuse to hire a certain sex or set higher hiring standards for a certain sex based on grounds such as sex, marital status or pregnancy.

Insurance:

October 2012, The Chinese Insurance Regulatory Commission standardized guidelines for the management of compensation of Insurance Companies as well as instituting measures for the administration

of controlling shareholders of Insurance Companies. An insurance company shall determine the time period for payment of performance-based compensation according to the duration of risks and in principle such period may not be less than three years. Where the risks or losses specified in the system for deferred payment of performance-based compensation occur, the insurance company shall stop issuing unpaid performance-based compensation to the relevant responsible personnel . These new measures will come to effect on the first of January.

Exhibitions and events:

Protecting Your Company`s Intellectual Property in China, Shanghai, 13th November; Sofitel Hyland Shanghai, 15:30 -18:00

Partnering for Success: Finding and Working with Chinese Business Partners, Shanghai, 14th November ;Sofitel Hyland Shanghai, 8:00 -10:30

SPWG - Automotive market in China, 29th November; Shanghai Fesco Adecco, 18:00 - 20:00

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. The application and impact of laws can vary widely based on the specific facts involved. No one should act on such information without prior appropriate professional advice after a specific examination of the particular case.