



RECENT CHINESE LEGISLATION & REGULATIONS

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Latest Legislation

China's Anti-Foreign Sanction Framework

Anti-foreign Sanctions Law of the People's Republic of China

2021.06.10



Prohibit the compliance with **discriminatory restrictions** imposed on Chinese citizens or entities by foreign countries



Entitle individual or entities impacted by the discriminatory restrictions to **sue for compensation**



Authorize the Chinese government to **take counter measures:**

- Individuals and organizations directly or indirectly participate in the **enacting, deciding or execution of the discriminatory restrictions** will be listed in the counter measure list;
- Their **related individuals and organizations** will also be listed;
- Available counter measures include: **visa and border prohibitions, blocking of assets, prohibition of transactions;**
- Persons violating the above counter measures may be subject to **prohibition or restriction on undertaking certain activities;**

China's Anti-Foreign Sanction Framework

Supplementary Regulations

Regulations	Effective Date	Key Provisions
Rules on Counteracting Unjustified Extra-territorial Application of Foreign Legislation and Other Measures (the “Blocking Rules”)	2021.01.09	Authorize the COFCOM to issue Prohibition Orders on unjustified extra-territorial application of foreign legislation and other measures against normal economic or trade interactions with China . Obligation to report . Entitle impacted nationals to sue for compensation .
Provisions on the Unreliable Entity List	2020.09.19	Authorized a State-established working mechanism to establish a list of foreign entities that endanger the national sovereignty, security or development interests of China or seriously damage the legitimate rights and interests to Chinese nationals by suspending normal transactions with or applying discriminatory measures against such Chinese nationals.. The listed entities will be subject to several punitive measures fines and import/export prohibition .

Other Statutes Regarding Foreign Regulatory Interventions

Statutes	Effective Date	Key Provisions
Law of the People's Republic of China on International Criminal Judicial Assistance (the ICJAL)	2018.10.26	Art. 4 No foreign institution, organization or individual may conduct criminal proceedings prescribed by this Law within the territory of the People's Republic of China without the approval of the competent authority of the People's Republic of China , and no institution, organization or individual within the territory of the People's Republic of China may provide evidentiary materials and assistance prescribed by this Law to foreign countries.
Securities Law of the People's Republic of China (the "Securities Law")	2020.03.01	Art. 177 The overseas securities regulatory agencies shall not directly conduct investigation, evidence collection, and other activities in the territory of the People's Republic of China. Without the consent of the securities regulatory agency of the State Council and the appropriate departments of the State Council , no entity or individual may provide documents and materials related to securities business activities to any overseas parties .
Data Security Law of the People's Republic of China (the "DSL")	2021.09.01	Art. 36 The competent authority of the People's Republic of China shall process a request for data from a foreign judicial or law enforcement authority in accordance with relevant laws and international treaties and agreements entered into or acceded to by the People's Republic of China, or under the principle of equality and reciprocity. Without the approval of the competent authority of the People's Republic of China , a domestic organization or individual shall not provide data stored in the territory of the People's Republic of China to any foreign judicial or law enforcement authority .
Personal Information Protection Law of the People's Republic of China (the "PIPL")	2021.11.01	Art. 41 The competent authority of the People's Republic of China shall process a request for personal information stored within the territory of the People's Republic of China from a foreign judicial or law enforcement authority in accordance with applicable laws and international treaties and agreements concluded or acceded to by the People's Republic of China, or under the principle of equality and reciprocity. Without the approval of the competent authority of the People's Republic of China , a personal information processor shall not provide personal information stored within the territory of the People's Republic of China to any foreign judicial or law enforcement authority .



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Other Regulatory Trend on Certain Industries

The Real Estate Development Industry

Tightening of Finance	2016.10	The tightening of financing for real estate companies began in October 2016 with the classification supervision by exchanges, and thereafter financing channels such as corporate bonds, bank loans, non-standard financing, and trusts have been tightened.
Central Economic Work Conference	2016.12	First introduced the principle that “houses are for living in, not for speculation” , which was reiterated in multiple conference or reports since then.
The “Three Redlines”	2020.08.20	The Key Real Estate Enterprise Symposium announced the “Fund Monitoring and Financing Management Rules for Key Real Estate Enterprises” , imposing the Three Redlines on leading real estate companies, including minimum asset-liability ratio after the exclusion of advance payment of 70%; net debt ratio not exceeding 100% and; maximum cash short-term debt ratio of 1.0.
New round of local macro-control measures on the real estate market	Began 2021	Major cities including Shanghai, Shenzhen, Guangzhou, Hangzhou, Nanjing and etc. posed additional control measures on the local real estate market.



Challenges Faced by the Internet Industry



Crackdown on the internet-based P2P Financing platforms



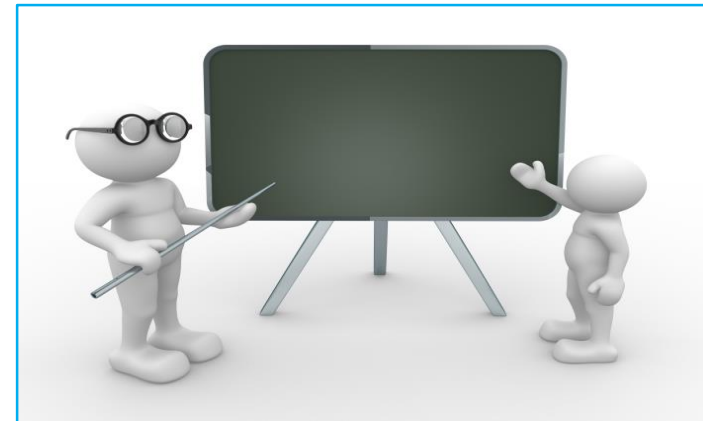
Anti-trust enforcement on platform economy giants such as Alibaba and Tencent



The “Double Reduction” policy and a freezing winter faced by the education and training industry



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Thank you!



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