

**WHU Center of Overseas Investment
Law**

Monthly Events

February 2019

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Domestic Events

1. On February 1, the National Development and Reform Commission and the Ministry of Commerce jointly carried out the revision of the Catalogue of Guidance for Foreign Investment Industries and the Catalogue of Foreign Investment Advantaged Industries in the Central and Western Regions. On the basis of the merger of the two catalogues, a new Catalogue of Industries Encouraging Foreign Investment (Draft for Comments) was formed to solicit public opinions.

(http://www.gov.cn/guowuyuan/2019-02/02/content_5363271.htm)

2. On February 1, under the authorization of the Arbitration Ordinance (Cap 609), the Hong Kong Department of Justice promulgated the Code of Practice on Third Party Subsidy Arbitration. The newly revised Arbitration Ordinance and the Code of Practice on Third Party Subsidy Arbitration and Conciliation came into force.

(<https://www.info.gov.hk/gia/general/201812/07/P2018120700587.htm>)

3. From February 14 to 15, Liu He, the Chinese leader of the China-US Comprehensive Economic Dialogue, held the sixth round of China-US high-level economic and trade consultation in Beijing with U.S. Trade Representative Robert Lighthizer and Finance Minister Mnuchin. The two sides conducted in-depth exchanges and consultations on issues of common concern, such as technology transfer, intellectual property protection, non-tariff barriers, agriculture, trade balance and implementation mechanism, and reached consensus on the main issues in principle.

4. On February 18, the Outline of the Development Planning for the Great Bay Area of Guangdong, Hong Kong and Macao, issued by the Central Committee of the CPC and the State Council, pointed out that deepening cooperation between Guangdong, Hong Kong and Macao, further optimizing the investment and business environment of the nine cities in the Pearl River Delta, enhancing the level of market integration in the Great Bay Area, fully docking with the international high-standard market rule system, speeding up the construction of a new open economic system, forming an all-round open pattern and jointly creating an international economy. The new advantages of economic and trade cooperation provide strong support for the construction of "the Belt and Road Initiatives".

http://www.gov.cn/zhengce/2019-02/18/content_5366593.htm#1

5. On February 21, China and Barbados signed the Memorandum of Understanding between the Government of the People's Republic of China and the Government of Barbados on Jointly Promoting the Construction of the Silk Road Economic Belt and the Marine Silk Road in the 21st Century. Barbados has a high degree of openness to the outside world and a better investment environment. At the same time, the Ministry of Commerce reminds enterprises investing in Barbados to pay attention to adapting to the local legal environment, earnestly making project risk assessment, effectively controlling costs, and striving for preferential policy support.

<https://www.yidaiyilu.gov.cn/xwzx/hwxw/80284.htm>

6. From February 21 to 24, the Special Envoy of Chairman Xi Jinping's and China-US Leader of the Comprehensive Economic Dialogue Liu He held the seventh round of high-level China-US

economic and trade consultation in Washington with U.S. Trade Representative Lighthizer and Finance Minister Mnuchin. The two sides further implemented the important consensus reached at the Argentine meeting of the two heads of state, negotiated around the text of the agreement, and made substantive progress on specific issues such as technology transfer, intellectual property protection, non-tariff barriers, services, agriculture and exchange rates.

http://www.xinhuanet.com/world/2019-02/25/c_1124156865.htm

7. From February 23 to 24, China International Economics and Trade Arbitration Commission held the first “CIETAC CUP” International Investment Arbitration Moot in Xi’an Jiaotong University, with the aim of promoting and enhancing the influence of investment arbitration in China, and cultivating and selecting talents in the field of investment arbitration.

<http://www.cietac.org/index.php?m=Article&a=show&id=15835>

8. On February 23, the China International Investment Arbitration Permanent Forum was formally established. The Permanent Forum was initiated by the China International Economic and Trade Arbitration Commission and the School of Law of Xi'an Jiaotong University. It was co-founded by Wuhan University, Zhong Lun Law Firm and other universities and law firms. The Permanent Forum is China's first professional research platform in the field of investment arbitration and investment law, serving for China's “Belt and Road Initiatives” and the theoretical and practical needs of international investment law and arbitration.

<http://www.cietac.org/index.php?m=Article&a=show&id=15834>

9. On February 23, the first conference of Arbitration League of Great Bay Area of Guangdong, Hong Kong and Macao was held in Guangzhou. Liu Zhenyu, the deputy minister of Ministry of Justice attended the conference and pointed out that the foundation of the Arbitration League is of great significance, which is a creative practice in implementing the Outline of the Development Planning for the Great Bay Area of Guangdong, Hong Kong and Macao as well as Several Opinions on Improving the Arbitration System and Improving the Credibility of Arbitration, taking a giant step forward in promoting the construction of a public legal service network covering the Greater Bay Area of Guangdong, Hong Kong and Macau.

<http://gd.people.com.cn/n2/2019/0224/c123932-32674972.html>

10. On February 25, Xi Jinping presided over the second meeting of the Central Committee for Comprehensive Ruling by Law. The meeting emphasized the necessity to speed up the construction of the legal system applicable outside the country's jurisdiction, strengthen the training of foreign-related rule of law professionals, develop foreign-related legal services, and strengthen the enterprise's awareness for regulation compliance to guarantee and serve for the high level of opening-up.

<http://www.court.gov.cn/zixun-xiangqing-143802.html>

11. From February 26 to 27, the National Foreign Investment Conference was held in Beijing. Wang Shouwen, deputy minister of the Ministry of Commerce and deputy representative of international trade negotiations, attended the meeting and pointed out that it is necessary to focus on institutional development, legalization of foreign investment policies, pay attention to optimize services, and improve foreign investment and protection levels to ensure the overall stability and enhance the quality and efficiency of the use of foreign capital.

<http://www.mofcom.gov.cn/article/ae/ai/201902/20190202838721.shtml>

International Events

1. On January 29, the Asian Infrastructure Investment Bank released its Infrastructure Financing Report for Asia 2019 in Beijing. According to the report, infrastructure projects focusing on cross-border interconnection provide significant investment opportunities and are critical to long-term economic growth in Asia. Despite the uncertainties and short-term challenges in the current market, most parts of Asia, including China, still have a large number of infrastructure investment opportunities.

(https://www.aiib.org/en/news-events/news/2019/20190129_001.html)

2. On February 10, at the just concluded African Union summit, Botswana and Zambia joined the Continental Free Trade Area (AfCFTA) agreement. So far, only three of the 55 AU members have not signed. In terms of membership, AfCFTA will become the largest free trade area in the world since the establishment of the World Trade Organization.

(<https://www.yidaiyilu.gov.cn/xwzx/hwxw/79424.htm>)

3. On February 13, the European Parliament adopted the EU-Singapore Investment Protection Agreement, which the EU claimed would greatly promote the development of economic cooperation between the EU and Singapore and increase its influence in the rapidly developing Southeast Asia region.

(http://europa.eu/rapid/press-release_IP-19-906_en.htm)

4. On February 14, the European Parliament passed the Foreign Investment Review Bill, taking an important step in investment scrutiny, which will strengthen the scrutiny of foreign acquisitions in strategic areas such as communications and artificial intelligence. Under the Act, if public order or security is involved, individual EU countries will provide information on foreign investment to other member states. The measures will take effect in 18 months.

(<http://www.europarl.europa.eu/news/en/press-room/20190207IPR25209/eu-to->)

5. On February 20, Russian President Putin delivered a state of the Union address to the upper and lower houses of Parliament in Moscow. Russia will continue to build a unified market for Eurasian Economic Union and develop external cooperation, including continuing to promote the docking of Eurasian Economic Alliance and "the Belt and Road Initiatives". This is the preface to establish the Eurasian partnership.

(<https://www.yidaiyilu.gov.cn/slyww.htm>)

6. On February 22, organized by the Florida State Bar Association, the American Arbitration Association (AAA) and the International Dispute Resolution Center (ICDR), the 3rd iLaw2019 International Law Global Forum was held in Miami, USA. The conference focused on three areas: international litigation, international arbitration and international business transactions. The meeting particularly set up a discussion about "the Belt and Road Initiatives", reflecting the Initiative is getting more attention from the arbitration and legal profession in USA and expanding its international influence.

(<http://internationallawsection.org/event/ilaw2019/>)

7. From February 23 to 24, investment experts from across the APEC region convened in Santiago to discuss strategies on strengthening the investment climate. Amongst the issues addressed: preventing and resolving disputes with investors by ensuring transparency and scrutiny of policy and decision making processes; incorporating gender issues in investment policy; and the hundreds of outdated treaties – out of more than 3,300 in total – that, if ratified, should be revised or reconsidered altogether.

(https://www.apec.org/Press/News-Releases/2019/0225_IEG)

8. According to a press report on February 26, Japan and each ASEAN member state will sign an amendment protocol in early March, which will enter into force after completing the domestic approval process, thereby determining the latest status of its economic partnership agreement and to resolve the unsolved issues of investment and service liberalization.

(<https://asia.nikkei.com/Economy/ASEAN-and-Japan-to-ink-revamped-economic-pact-in-March>)

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