

**WHU Center of Overseas Investment
Law**

Monthly Events

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Domestic Events

1. On February 5, the China Council for the Promotion of International Trade opened a legal consultation hotline for comprehensive cross-border trade and investment legal support platforms for enterprises to answer legal advice related to the outbreak of the new coronavirus pneumonia and safeguard their legitimate rights and interests.

(http://www.ccpit.org/Contents/Channel_3434/2020/0205/1239776/content_1239776.htm)

2. On February 6, 2020, in accordance with the laws and regulations of the Customs Law of the People 's Republic of China, the Foreign Trade Law of the People 's Republic of China, and the Regulations of the People 's Republic of China on Import and Export Tariffs and basic principles of international law, the State Council 's Tariff Commission decided to adjust Tariff measures for about 75 billion US dollars of imports originating in the United States. From 13:01 on February 14, 2020, from September 1, 2019, 10% tariffs will be added to the goods, and the tax rate will be adjusted to 5%. The rate was adjusted to 2.5%. In addition to the above measures, other tariff measures on the United States and Canada continue to be implemented in accordance with regulations. The elimination of tariffs on the United States and Canada continued.

(http://gss.mof.gov.cn/gzdt/zhengcejiedu/202002/t20200206_3466538.htm)

3. On February 10, the General Office of the Ministry of Commerce issued the “Notice on Actively Responding to the New Coronary Pneumonia Epidemic Situation and Strengthening the Services and Investment Attraction of Foreign-funded Enterprises”, focusing on the goal of stabilizing foreign investment and doing a good job of preventing and controlling the epidemic situation. Foreign-funded enterprise services and investment promotion work. The "Notice" requires local competent commercial authorities to actively help foreign-funded enterprises to resume normal production and operations in an orderly manner, strengthen service guarantees for large-scale foreign-invested projects, innovate and optimize investment promotion methods, and provide precise assistance to local conditions to continuously optimize the business environment.

(<http://www.mofcom.gov.cn/article/ae/ai/202002/20200202934745.shtml>)

4. On February 10, the Asian Infrastructure Investment Bank announced that it is in active consultation with the Chinese government to assist China in strengthening its infrastructure for public health emergencies. With the approval of the board of directors, the AIIB will provide China with loans for infrastructure projects in response to public health emergencies to support China's response to current and future public health needs.

(https://www.aiib.org/en/news-events/news/2020/20200210_001.html)

5. On February 14, in response to the U.S.'s recent initiation of a new round of charges against Huawei on the grounds of alleged blackmail and conspiracy to steal trade secrets,

Foreign Ministry spokesman Geng Shuang said that he urged the U.S. to immediately stop unreasonable suppression of Chinese companies. Geng Shuang pointed out that the United States has abused state power and unreasonably suppressed certain Chinese enterprises without showing any evidence for a long time. It is neither moral nor glorious, and it is against the standards of large countries. This kind of economic bullying is a blatant denial of the market economy principles that the United States has always advertised. It seriously damages the United States' own credibility and image and will also harm the interests of American companies.

(https://www.fmprc.gov.cn/web/wjdt_674879/fyrbt_674889/t1744959.shtml)

6. On February 17, the Ministry of Commerce announced the situation of foreign investment absorption in January 2020: in January this year, 3485 foreign-invested enterprises were newly established in the country, and the actual use of foreign capital was 87.57 billion yuan, a year-on-year increase of 4%; the actual use of high-tech industries Foreign capital was 31.35 billion yuan, a year-on-year increase of 27.9%, accounting for 35.8%. Among the main investment sources, investment in Singapore, South Korea, and Japan increased by 40.6%, 157.1%, and 50.2% year-on-year respectively. The countries along the “Belt and Road” and ASEAN actually The amount of foreign investment increased by 31.3% and 44.8% year-on-year respectively.

(<http://www.mofcom.gov.cn/article/ae/ai/202002/20200202936446.shtml>)

7. On February 17, the Ministry of Commerce officially released the "Public

Information Service Platform for Cultural Trade" to guide and help Chinese cultural export companies to cope with the new crown pneumonia epidemic and open up the international market. The "Culture Trade Public Information Service Platform" of the Ministry of Commerce was re-established based on the "Culture Trade" section of the Service Trade Guide Website, with the domain name at <http://culture.tradeinservices.mofcom.gov.cn>. At present, the platform has a total of 10 columns, including policies and regulations, foreign cultural trade country guides, data and information downloads, cultural trade domestic and overseas exhibitions, local windows, national cultural export bases, national cultural export key enterprises, national cultural export focus Projects, information releases, hot topics, etc.

(<http://www.mofcom.gov.cn/article/ae/ai/202002/20200202936571.shtml>)

8. On February 18, the Ministry of Commerce issued the "Notice on Doing a Good Job of Stabilizing Foreign Trade and Foreign Investment to Promote Consumption in Response to the New Coronary Pneumonia Epidemic". The notice mainly includes four parts: first, to coordinate the resumption review department to speed up the procedures; second, to support the development of new foreign trade formats and models, strengthen export credit insurance support, actively respond to restrictions on overseas trade, and deepen services. The development of trade innovation encourages enterprises to make good use of the preferential policies of the FTA. Third, the commercial and financial departments must promptly arrange to use the 2020 central financial special funds issued in advance. Fourth, the competent commercial departments at all levels

must take the initiative to strengthen horizontal cooperation and vertical linkages, advance various tasks in accordance with the law, and make every effort to stabilize foreign trade and foreign investment to promote consumption.

(<http://www.mofcom.gov.cn/article/ae/ai/202002/20200202937069.shtml>)

9. On February 18, Zhang Ming, the head of the Chinese mission to the EU, held a briefing on the new crown pneumonia epidemic and China-EU relations. He said that in the past, China and the EU accelerated the negotiation of investment agreements. Breakthrough progress. After taking office at the end of last year, the EU and China leaders agreed to continue to deepen the development of China-EU comprehensive strategic partnership and achieve a smooth transition in China-EU relations. Zhang Ming revealed that although the new crown pneumonia epidemic is still developing, preparations for the 22nd China-EU Leadership Meeting have not stopped, and the two sides have determined that the meeting will be held in Beijing later.

(<https://www.yidaiyilu.gov.cn/xwzx/gnxw/117957.htm>)

10. On February 21, the Customs Tariff Commission of the State Council issued a notice on the second batch of the first exclusion list of tariffs imposed on the United States and Canada, of which the exclusion measures were implemented in two lists. There are 55 items in the first category, and the exclusion period is from February 28, 2020 to February 27, 2021. During this period, the tariffs imposed by me against the US 301 measures will no longer be levied. The customs duties and taxes shall be refunded, and

the relevant import enterprise shall apply to the customs for processing within 6 months from the date of the exclusion list. There are a total of 10 items in the second category. From February 28, 2020 to February 27, 2021, the tariffs imposed for the anti-US 301 measures will no longer be levied. However, the added tax will not be refunded.

(http://gss.mof.gov.cn/gzdt/zhengcefabu/202002/t20200221_3472600.htm)

11. On February 24, the person in charge of the Cooperation Department of the Ministry of Commerce announced the relevant situation of China's foreign investment cooperation in January 2020. In January 2020, domestic investors in China made non-financial direct investments in 1,117 overseas companies in 137 countries and regions around the world, with a cumulative investment of 57.57 billion yuan, a year-on-year decrease of 7.7% (equivalent to 8.32 billion US dollars, a year-on-year decrease 9.5%). The newly signed contract value of foreign contracted projects was 108.25 billion yuan, an increase of 74.2% year-on-year (equivalent to US \$ 15.65 billion, an increase of 71% year-on-year).

(http://www.gov.cn/xinwen/2020-02/24/content_5482777.htm)

12. On February 24, the General Administration of Customs specifically introduced ten measures to further promote the development of China-Europe trains to deepen economic and trade exchanges between countries along the route. These include: allowing enterprises to choose their own customs clearance modes, reducing the number of customs declarations, reducing customs declaration costs, promoting the

implementation of the "Guantietong" cooperation initiative, supporting the construction of the China-Europe railway train hub site, promoting the development of China-Europe railway multimodal transport business, and supporting the expansion of China-Europe railway train Import, support China-Europe trains to expand their business scope, increase mutual recognition and cooperation with "certified operators" (AEO) of countries along the "Belt and Road", support the construction of bonded supervision sites, and strengthen information sharing and interconnection.

(http://www.gov.cn/xinwen/2020-02/24/content_5482783.htm)

13. On February 27, the Ministry of Justice published the full text of the "Regulations on the Management of Permanent Residence of Foreigners in the People's Republic of China (Draft for Solicitation of Comments)" for comments from all sectors of society. The public can provide feedback through the Ministry of Justice's website, as well as through letters, emails, etc.

(http://www.moj.gov.cn/government_public/content/2020-02/27/657_3242533.html)

International Events

1. On February 4, the U.S. Department of Commerce issued a formal announcement on "Revised Benefits and Specificity in Countervailing Investigations", which will take effect on April 6, 2020, and will apply to all countervailing investigations initiated on April 6, 2020. This amendment specifically addresses the subsidy formed by currency undervaluation, and revises the method of determining specificity related to currency undervaluation and how to calculate the benefits obtained under such subsidies.

(<https://www.commerce.gov/news/press-releases>)

2. On February 5, the Office of the United States Trade Representative (USTR) released the 19th batch of exclusion lists for tariff-added commodities in China, which mainly involved 119 items under 82 tariff lines of the 200 billion USD tariff-added commodities, of which 2 All categories of goods under each tariff heading are completely excluded. The exempted products can be refunded retroactively, and there is no need to add them afterwards.

(https://mp.weixin.qq.com/s/rMh_jmHpumvbutzvoBxswA)

3. On February 6, Trump announced that the United States would begin negotiations on a trade agreement with the Republic of Kenya. The Office of the United States Trade Representative will issue a notice in the Federal Register asking the public to comment on the direction, focus and content of the trade negotiations, and to announce the

objectives of the negotiations at least 30 days before the trade negotiations begin.

(<https://ustr.gov/about-us/policy-offices/press-office/press-releases>)

4. On February 7, ICSID released the latest case statistics. The report examines all ICSID cases registered for the first time since 1972 and also examines trends for the calendar year 2019. In 2019, ICSID registered 39 new cases. Most of the new cases were filed in accordance with the ICSID Convention Arbitration Rules (35 cases). The results between the state and investors remained balanced. Of the cases decided by the arbitral tribunal, 55% of the claims were partially or fully supported, 31% of the claims were rejected, 10% of the cases were rejected due to lack of jurisdiction, and 4% of the cases were due to a clear lack of law.

(<https://icsid.worldbank.org/en/Pages/News.aspx?CID=353>)

5. On February 10, the Office of the United States Trade Representative issued a notice in the Federal Register, updating the list of countries (regions) designated as developing or least developed countries under the U.S. countervailing duty law, announcing the cancellation of WTO for 25 economies Preferential treatment for developing countries, including China, Hong Kong, China, Albania, Argentina, Armenia, Brazil, Bulgaria, Colombia, Costa Rica, Georgia, India, Indonesia, Kazakhstan, Kyrgyz Republic, Malaysia, Moldova, Montenegro, Northern Macedonia, Romania, Singapore, South Africa, South Korea, Thailand, Ukraine, and Vietnam, etc.

(<https://ustr.gov/about-us/policy-offices/press-office/press-releases>)

6. From February 12th to 13th, the UNCITRAL secretariat participated in the Third International Coordination Meeting on Reform of Secured Transactions Law in Colombia. The theme of this meeting was to advance reforms globally and in Latin America through enhanced coordination. The meeting will continue to discuss the issues raised during the previous two meetings, review the latest progress and progress in legislative reform, and explore new possibilities for coordination and cooperation between relevant organizations.

(<https://uncitral.un.org/en/12-14.2.2020>)

7. On February 13, the Foreign Investment Risk Review Modernization Act issued by the U.S. Treasury Department came into effect. It's widely regarded that the bill is created to prevent Chinese interest groups from acquiring US companies and threatening US security. The content of the bill includes two aspects of conventional investment and real estate transactions. It expands the scope of the US Foreign Investment Commission's review of foreign investment, including Australia, Canada, and the United Kingdom as "excepted countries." beyond U.S. jurisdictional investment.

(<https://amcham.eventbank.cn/event/18056/>)

8. Based on the assumption of Article 7, paragraph 2, of the first-stage economic and trade agreement signed by the United States and China on January 15, 2020, the Office of the United States Trade Representative announced the establishment of a new

bilateral assessment and dispute resolution office on February 14, 2020. The office will monitor China's compliance with its commitments under the first phase of the agreement and will work with China's corresponding bilateral assessment and dispute resolution office to resolve disputes arising from implementation matters.

(<https://ustr.gov/about-us/policy-offices/press-office/press-releases/2020/february/ustr-announces-formation-bilateral-evaluation-and-dispute-resolution-office-pursuant-us-china-phase>)

9. On February 17, the WTO released a barometer of trade in goods, indicating that the growth of world merchandise trade may remain weak in early 2020. The real-time measure of trade trends is currently 95.5, down from 96.6 recorded last November and well below the index's benchmark value of 100.

(https://www.wto.org/english/news_e/news20_e/wtoi_17feb20_e.htm)

10. On February 17, the Secretary-General of UNCTAD and the Deputy Minister of Arab Ministry of Foreign Trade signed an agreement. The conference will discuss issues related to increasing efforts to promote investment in sustainable development. Leaders and senior CEOs from around the world will promote sustainable investment globally.

([https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2281&Sitemap_x0020_Taxonomy=UNCTAD%20Home;#6;#Investment and Enterprise](https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2281&Sitemap_x0020_Taxonomy=UNCTAD%20Home;#6;#Investment%20and%20Enterprise))

11. From February 18th to 20th, the WTO held the 14th Trade Policy Review Conference for the European Union. It also reports from four aspects: economic environment, investment regime, trade measures, and policies of various EU departments. The European Union stated that since the last trade policy review of the European Union in July 2017, Europe and the world have experienced increasing trade tensions, economic uncertainty, and the rise of multilateralism. Nonetheless, the EU is firmly committed to a rules-based trading system and is committed to opening its markets.

(https://www.wto.org/english/tratop_e/tpr_e/tp495_e.htm)

12. On February 18, the Hague Court of Appeal overturned the previous decision of the Hague District Court in the Yukos v. Russia arbitral award. The Hague Arbitration Court originally ruled that Russia should compensate the former shareholders of Yukos for \$ 50 billion, but the ruling was rescinded by the Hague District Court in April 2016 on the grounds that the arbitral tribunal had no jurisdiction. The Russian defense argues that hearing the dispute in The Hague was itself wrong, because Russian law does not allow disputes over tax measures related to national public policy to be submitted to international arbitration. The Russian Ministry of Justice said that the Russian Federation will continue to defend its legitimate interests and will appeal to the Dutch Supreme Court, requesting that the appeals court's decision be revoked.

(https://mp.weixin.qq.com/s/JiDrBSO_u3ukhUnYwEOldw)

13. On February 19, the UK Supreme Court ruled on the enforcement of the ruling in *Micula v. Romania*. The ruling supported Micula's appeal and the suspension of the execution of the ICSID investment arbitration award. At this point, the six-year-long enforcement dispute in the case has finally come to an end. The British court held that its obligations under Articles 54 and 69 of the ICSID Convention are not only for EU member states, but also for non-EU member states, and that the United Kingdom had become a party to the ICSID Convention before joining the EU. The European Union's priority principles under Article 351 of the European Union Operational Treaty do not apply in this case. The plaintiff has included Article 351 of the Treaty as a reason for prosecution when appealing the European Commission's decision to suspend execution to the European Commission since November 2015, but the European Court did not respond and the British court denied the violation of the principle of good faith cooperation as provided for in Article 4, paragraph 3, of the European Union Operational Treaty.

(<https://www.supremecourt.uk/cases/uksc-2018-0177.html>)

14. On February 19, the Office of the United States Trade Representative announced the 20th batch of exclusion lists for tariff-added commodities in China, which mainly involved 47 items under 39 tariff lines of US \$ 200 billion tariff-added commodities, including textile and apparel products Tax ID. All categories of goods under one tariff heading are completely excluded.

(https://mp.weixin.qq.com/s/SxwHEW5vjnioK5D1xL_Yww)

15. From February 22 to 23, a meeting of G20 finance ministers and central bank governors was held in Riyadh, Arabia. During the meeting, representatives from various countries discussed issues such as international taxation, debt transparency and sustainability, digital assets, and expressed that they will cooperate to solve key economic and security issues to strengthen global growth. Financial officials from participating countries believe that the current global economic growth is still slow and downside risks still exist. Major economies should strengthen monitoring and take action at any time to deal with the risks.

(<http://www.oecd.org/newsroom/publicationsdocuments/bydate/2/>)

16. On February 25, the U.S. International Trade Commission voted to make a negative final ruling on anti-dumping industry damage on prefabricated steel structures imported from China, Mexico, and Canada, and a negative ruling on anti-subsidy industrial damage to precast steel structures imported from China and Mexico. The US Department of Commerce ruled that the products involved in the dumping and subsidy actions did not cause substantial damage to the US domestic industry. According to a negative ruling of the US International Trade Commission, the US Department of Commerce will not promulgate products imported from the above countries. Anti-dumping and countervailing duty orders.

(https://mp.weixin.qq.com/s/v2_5edLEaFJNA2mmp2_qvg)

17. On February 25, JCDecaux initiated arbitration against the Czech Republic in breach of the lease agreement. The person in charge of the group said that since the company signed a lease agreement with a wholly-owned subsidiary of the transportation company in Bugla in 1997, the two parties have maintained a good cooperative relationship. However, in 2015, the host National Democratic Party attempted to terminate the agreement on the grounds that the content of the agreement was not clear, and from December 1, 2019, it allowed third parties to occupy the original resources of the group, causing a loss of 40 million euros. The Group hopes that Czech Republic will find effective solutions to safeguard the interests of shareholders.

(<http://www.globenewswire.com/news-release/2020/02/25/1990299/0/en/JCDecaux-40m-JCDecaux-Arbitration-against-the-Czech-Republic.html>)

18. On February 28, ICSID issued Working Paper No. 4 on the Procedural Rules for International Investment Dispute Resolution: Proposal to Amend the ICSID Rules. According to the Secretary General of ICSID, the new arbitration rules have the following advantages: first, it helps reduce the time and cost of litigation; second, the new mediation rules and updated fact-finding rules will expand the dispute settlement available to all parties The scope of the mechanism; third, the transparency of ICSID cases will be further enhanced; fourth, additional arbitration and mediation rules will be more widely applied; fifth, the rules will continue to work to strike a balance between the interests of the state and investors .

(<https://icsid.worldbank.org/en/Pages/News.aspx?CID=357>)

19. On February 28, the US Trade Negotiator's Office (USTR) website published the "President's 2020 Trade Policy Agenda and 2019 Annual Report." The report details how President Trump kept his promise to change U.S. trade policy, thereby creating an economic "blue-collar boom" and higher wages, more jobs, and a stronger economy for all. development of. In addition, the report outlines the government's main trade goals for 2020, including negotiating new trade agreements with strategic partners, actively implementing trade agreements, and changing the World Trade Organization (WTO).

(https://mp.weixin.qq.com/s/hRr3XTarBG-_cGGVikJvFw)

Editor: Wang Yi.