



Newsletter

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January 31, 2026

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Update

Commerce Bureau of Shenzhen Municipality and Shenzhen Customs District P.R.China Issue Support Measures for AEO Enterprises

On January 20, the Commerce Bureau of Shenzhen Municipality and Shenzhen Customs District P.R.China issued the Notice on Printing and Distributing *Several Measures of Shenzhen Municipality on Further Promoting the High-Quality Development of Customs Advanced Certified Enterprises (AEO)* (the “Measures”), which took effect immediately.

The Measures propose 23 initiatives across five aspects: cultivation and certification, customs clearance and ports, finance and taxation, market innovation, and support services.

- Establishment of a key cultivation and recommendation database as well as AEO practical training bases and online training;

- In customs clearance, granting priority processing, lower inspection ratios, priority testing/pre-judgment, extension of the active disclosure policy period, and prioritization for inclusion in innovation systems such as free trade zones and pilots like “Bonded + ERP”;
- In finance and taxation, priority management as category-one export enterprises, reducing export tax refund (exemption) processing time to within three working days, favoring insurance quota limits and green claims;
- In finance, encouraging development of exclusive credit and international settlement services, and support for Qianhai FT accounts and “single window” settlements;
- Additionally, strengthening integration of domestic and foreign trade at exhibitions, intellectual property customs protection filing, establishing customs-territory credit sharing and joint coordination, overseas investment services, APEC card and convenience for foreign talents and maritime administration.

GACC Revises Measures for Credit Management of Registered and Filed Enterprises

On January 13, 2026, the General Administration of Customs (GACC) issued the *Administrative Measures for Credit Management of Registered and Filed Enterprises of China Customs* (GACC Decree No. 282) (the “Measures”), which will take effect on April 1, 2026.

The Measures clarify that the customs credit rating for enterprises is divided into Advanced Certified Enterprises, Certified Enterprises, Regular Enterprises, Untrustworthy Enterprises, and Seriously Untrustworthy Enterprises, with Advanced Certified and Certified Enterprises defined as China AEOs and eligible for AEO mutual recognition convenience measures. Customs may collect credit information related to registration, import and export operations, administrative permits, administrative penalties, joint incentives and sanctions, and AEO mutual recognition, and disclose this information according to classification and law; enterprises must submit annual reports on credit information and may appeal if they have objections concerning disclosed information.

The Measures refine the criteria for determining untrustworthy and seriously untrustworthy status, taking into account the number and amount of administrative penalties, overdue payment of taxes and fines, revocation of permits, smuggling and intentional violations of Export Control Law, resisting law enforcement, and bribery, among other factors. The procedures for application, on-site certification, review, downgrade, rectification, and renunciation of Advanced Certified and Certified Enterprises are stipulated, and re-certification is restricted for untrustworthy and seriously untrustworthy enterprises.

Untrustworthy information is classified as minor, general, or serious, with general and serious untrustworthy information publicly disclosed for one year and three years, respectively. The Measures establish mechanisms for information disclosure and credit repair application, review, and non-repair situations on the “Credit China” platform and clarify the rules for inclusion and removal from the

seriously untrustworthy entity list.

GACC: Optimize and Implement Relevant Matters Concerning the TIR Convention

On January 5, 2026, the General Administration of Customs (GACC) issued the *Announcement on Optimizing and Implementing Relevant Matters Concerning the TIR Convention* (Announcement No. 2 of 2026 of GACC) (the “Announcement”), which took effect on January 15, 2026.

As indicated in the Announcement, for countries that have signed bilateral or multilateral road transport agreements with China, their carriers and vehicles may engage in TIR transport activities in accordance with the provisions of the TIR Convention, provided that they comply with the requirements specified in the aforesaid agreements.

Where bonded goods transported via the TIR system go through customs declaration procedures within special customs supervision areas at the place of destination or origin, the consignors, consignees and entrusted customs declaration enterprises shall declare the filing list at the port of entry or exit via the “Integrated Declaration for Inbound Filing List” or “Integrated Declaration for Outbound Filing List” module in the International Trade Single Window.

Shenzhen Qianhai Rolls Out Multiple Preferential Measures to Support Service Sector Entities in “Going Global”

On January 6, 2026, the Authority of the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone of Shenzhen recently issued the *Several Measures on Supporting High-Quality Development of Trade in Services (Trial)* (Shen Qianhai Gui No. 1), to be implemented from January 20, 2026, and valid through January 20, 2028.

To guide and support service sector entities in Qianhai to explore international markets, the Authority introduced multiple financial subsidy policies, including:

- Encouraging enterprises to carry out marketing and promotion of service products on overseas radio and television media, online video platforms, social media applications, financial payment institutions and other platforms. For enterprises with overseas promotion expenditures exceeding RMB 1 million, support will be provided at 5% of the previous year’s promotion expenditures, with a maximum support amount of RMB 1 million.
- Without violating the Catalogue of Technologies Prohibited from Export and Restricted from Export of China, for eligible enterprises’ service exports in the previous year, the amount of foreign exchange received (exceeding US\$ 5 million) shall be used as the principal for calculating the interest subsidy. Interest subsidy support shall be granted based on the most recent 1-year RMB Loan Prime Rate (LPR) published by the People’s Bank of China as of the declaration deadline. Each enterprise will be supported with RMB 500,000 per year.

- For enterprises that, in the past two years, established entities overseas to carry out service industry-related activities, and whose actual investment in the previous year exceeded RMB 5 million, support will be granted at a rate not higher than RMB 300,000 per entity (the support amount for a single entity shall not exceed 1% of its actual investment in the previous year), with an annual cap of two overseas entities per enterprise.

SAMR Releases 2026 Edition Registration Standards for Business Entities

On January 6, 2026, the State Administration for Market Regulation (SAMR) issued the *Notice on Printing and Distributing Registration Document Standards and Submission Materials Standards for Business Entities (2026 Edition)* (the “Notice”).

The new Registration Document Standards and Submission Materials Standards for Business Entities will come into effect on May 1, 2026, with the 2022 edition abolished simultaneously. The Document Standards add shareholder capital contribution period information to the company registration application form, supporting the adjustment of registered capital subscription period per the Company Law. Fifteen types of review documents have been unified into a Business Entity Registration (Filing) Review Form, and a Real-Name Registration Confirmation Form has been added, requiring recording of applicant identity and business affiliation, with sensitive information such as ID numbers, domiciles, and phone numbers on separate pages.

The Materials Standards specify submission requirements for situations such as shareholder disqualification, reduction of registered capital to offset losses, mergers and divisions, and equity changes, clarify materials for the transformation registration of individual businesses and sole proprietorships, and improve rules for materials on equity pledge, business suspension filing, and transfer of registration filings.

The Notice clarifies that online registration may auto-generate archival texts from applicant data, with support for replacing paper materials with electronic signatures and electronic files. It also strengthens collection of information, credit commitments, and legal risk disclosures for registration intermediaries and personnel.

CSRC Adds 14 Futures and Options as Domestic Specific Varieties

On January 23, 2026, the China Securities Regulatory Commission (CSRC) announced arrangements related to the *Interim Measures for the Administration of Overseas Traders and Overseas Brokerage Institutions Engaging in Domestic Specific Varieties Futures Trading* (CSRC Decree No. 116).

This time, 14 additional futures and options varieties have been designated as domestic specific varieties:

- From the Shanghai Futures Exchange: Nickel Futures, Nickel Options;
- From the Zhengzhou Commodity Exchange: Para-xylene Futures, PET Chip Futures, Staple Fiber

Futures, Pure Terephthalic Acid Options, Para-xylene Options, PET Chip Options, Staple Fiber Options;

- From the Guangzhou Futures Exchange: Lithium Carbonate Futures, Lithium Carbonate Options;

- From the Shanghai International Energy Exchange: No. 20 Rubber Options, Low Sulfur Fuel Oil Options, International Copper Options.

According to CSRC Decree No. 116, overseas traders and overseas brokerage institutions may participate in the trading of the above-mentioned domestic specific varieties. The CSRC stated it will urge related futures trading venues to make necessary preparations and ensure smooth and orderly implementation.

State Council Deploys Coordinated Fiscal and Financial Policies to Boost Domestic Demand

On January 9, 2026, the State Council held an executive meeting to deploy a package of coordinated fiscal and financial policies to boost domestic demand, study measures for the provision of basic public services by places of permanent residence, and review and adopt the *Regulations of the People's Republic of China on Nature Reserves (Draft Revision)*.

The meeting deployed measures to, through coordination between fiscal and financial policies, guide social capital to participate in promoting consumption and expanding investment; optimize loan interest subsidy policies for service sector market participants and personal consumption, implement interest subsidies for loans to small and micro enterprises, establish a dedicated guarantee scheme for private investment, and build a risk-sharing mechanism for private enterprise bonds. The meeting also called for optimizing fiscal interest subsidies for equipment renewal loans, further lowering enterprise financing thresholds and costs, and strengthening full-chain management of policy implementation and the standardized use of funds.

The meeting studied the provision of basic public services by places of permanent residence, proposing improvement of systems for migrant children's education, public rental housing guarantees, participation in employee social security at the place of employment, basic medical insurance at the place of residence, and employment services. It called for the allocation of public service facilities according to resident population and improved policies for the co-construction and sharing of basic public services for the floating population.

The meeting reviewed and adopted the Regulations on Nature Reserves (Draft Revision), emphasizing the principle of ecological protection first, coordinating protection and development, implementing holistic protection, systematic restoration, and comprehensive management of nature reserves, and, on the premise of ensuring ecological protection, enhancing public service functions and establishing a mechanism led by government with multi-stakeholder participation and social sharing.

State Council Publishes Revised Regulations on the Implementation of the Drug Administration Law

The State Council promulgated the *Regulations on the Implementation of the Drug Administration Law of the People's Republic of China* (the “Regulations”).

The Regulations were revised and adopted on December 31, 2025, and will take effect on May 15, 2026. In terms of development and registration: non-clinical safety evaluation institutions must obtain qualification certification (valid for five years); clinical trial sponsors are required to bear liability and are prohibited from charging trial subjects; overseas data meeting requirements may be used for registration; rules are established for the selection of comparator drugs/reference preparations; pediatric drugs are granted up to 2 years, and rare disease drugs up to 7 years of market exclusivity and supply commitment; the protection period for undisclosed trial data shall not exceed six years.

For marketing authorization holders: establishing a pharmacovigilance system; ensuring labeling and instructions are accessible, with electronic instructions having equal validity; implementing categorized management of production changes and regulatory corrective actions; linking post-marketing evaluation with re-registration.

For production and operation: restrictions on entrusted production (prohibited in principle for special categories of drugs) and conditions for segmented production; obligations regarding drug traceability identifiers and information provision; reviewing and management requirements for online drug trading platforms and prohibition of online sales for specially controlled drugs; for traditional Chinese medicine decoction pieces and formula granules, manufacturers must engage in self-production and processing, comply with filing requirements for cross-provincial sales, and formula granules are prohibited from being distributed by drug distributors; additionally, specifying details on supervision and inspection, sampling and re-testing, as well as legal liabilities,.

Article(s)

Revision of the Arbitration Law of the People's Republic of China --Background and Core Highlights (I)

by Jackson Liu

This revision marks the first comprehensive amendment to the Arbitration Law of the People's Republic of China since its enforcement in 1995. The Amendment was adopted at the 17th Session of the Standing Committee of the 14th National People's Congress in September 2025, and the revised Arbitration Law, consisting of 8 chapters and 96 articles, will take effect on March 1, 2026. Based on China's arbitration practice, the revision is fully aligned with internationally prevailing rules such as the UNCITRAL Model Law on International Commercial Arbitration, focusing on improving the foreign-related arbitration system, optimizing arbitration procedures and strengthening judicial support and supervision. It has laid a solid legal foundation for China to build a preferred destination for international commercial arbitration and serve its high-level opening-up.

I. Core Background of the Revision

Inadequate adaptability of the original system to practice Enforced in 1995, the Arbitration Law only underwent minor amendments in 2009 and 2017. With the emergence of new business forms such as the digital economy and cross-border trade, the original legal system exposed prominent shortcomings, including insufficient detailed provisions on foreign-related arbitration rules, no legal basis for ad hoc and online arbitration, and weak evidence collection power of arbitral tribunals, which failed to meet the diversified needs of dispute resolution in practice.

Dual requirements of national strategies and legal system construction Since the 18th National Congress of the Communist Party of China, the CPC Central Committee has successively put forward deployments such as improving the arbitration system and cultivating world-class international arbitration institutions. This revision is a key measure to translate the Party Central Committee's decision-making and deployments into a legal system, and an inevitable requirement for strengthening the construction of the foreign-related legal system and aligning with international arbitration rules.

Practical needs for the development of the arbitration industry As of August 2025, there are 285 arbitration institutions nationwide in China, with parties involved in cases covering more than 100 countries and regions and disputes involving finance, intellectual property, maritime affairs and other fields. However, the industry is plagued by problems such as irregular governance of some institutions, imperfect arbitrator supervision mechanisms and an ambiguous boundary between judicial proceedings and arbitration, which are in urgent need of legislative regulation.

Integration trend of international commercial arbitration development As a universally adopted cross-border dispute resolution method, arbitration requires China to address long-standing issues such as unclear determination of the seat of arbitration, restricted market access for foreign arbitration institutions and unsmooth cross-border enforcement of arbitration awards through legislative revision, so as to align with international rules and enhance the international recognition of China's arbitration awards.

II. Core Highlights of the Revision

Adhering to a problem-oriented approach and a systematic concept, the revised Arbitration Law has made major adjustments in five key areas, with the following core highlights:

Consolidate the basic arbitration system to adapt to the digital economy The principle of good faith is established as the fundamental criterion for all arbitration activities; the legal effect of online arbitration is explicitly recognized for the first time; the name of arbitration institutions is unified, and their attribute as non-profit public welfare legal persons is defined; the time limit for parties to apply for the setting aside of an arbitration award is shortened from 6 months to 3 months, reducing the time cost of dispute resolution.

Improve foreign-related arbitration rules and fully align with international standards This is the core focus of the revision. The revised law adds the seat of arbitration system, clarifying its role in determining the

applicable law and competent judicial court; permits ad hoc arbitration in a limited scope for foreign-related maritime disputes and disputes involving foreign-related enterprises in Free Trade Zones and the Hainan Free Trade Port with a filing system established; broadens the scope of foreign-related arbitration cases and clarifies the rules for international investment arbitration, filling the legislative gap in China's investment arbitration field.

Strengthen arbitration procedural guarantees and deepen judicial support A pre-arbitration preservation system is added, allowing parties with an arbitration agreement to apply for property, conduct and evidence preservation in emergency situations; the arbitral tribunal is endowed with the right to request assistance for evidence collection; the handling rules for preservation applications are unified, requiring people's courts to handle such applications in a timely manner in accordance with the law.

Optimize the management system of arbitration institutions and arbitrators The arbitrator system is improved by broadening recruitment channels and adding information disclosure obligations; the governance of arbitration institutions is standardized by clarifying registration procedures for changes and cancellations and internal supervision requirements; the state explicitly supports arbitration institutions in conducting international exchanges and participating in the formulation of international arbitration rules.

Promote two-way opening of arbitration institutions and smooth cross-border enforcement channels Chinese arbitration institutions are supported to set up overseas business institutions to enhance international influence; foreign arbitration institutions are allowed to establish institutions in Free Trade Zones, the Hainan Free Trade Port and other areas, breaking market access restrictions; judicial assistance rules are refined to clarify the mutual recognition and enforcement of arbitration awards between Chinese and foreign courts, opening up channels for cross-border enforcement of arbitration awards.

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