

UK China Rule of Law for Business Roundtable, Monday, 6 November 2017

In preparation for HMG's planned Rule of Law for Business programme in China, GBCC is cooperating with the China Law Society (CLS), the Bar Council and CBBC to organise a second UK-China Rule of Law for Business Roundtable on 6 November 2017. This event aims to build on the success of the first roundtable held in November 2016 in Beijing, which concentrated on strengthening UK-China legal cooperation on the Belt and Road, and at which senior UK representatives met with Meng Jianzhu, Politburo member and Secretary of the Central Political and Legal Affairs Commission.

The roundtable will feature three panel discussions bringing together UK and China experts to share their views and explore solutions to the legal and judicial challenges that are a product of the digital age in both China and the UK. In March 2017, China adopted the General Provisions of the Civil Code (the General Provision), a milestone event in China's rule of law process, and plans to have a unified Civil Code compiled by 2020. Together with the Chinese Supreme People's Court, Supreme People's Procuratorate, Legal Affairs Office of the State Council and China Academy of Social Science, the CLS was appointed by the Central Committee of the Communist Party to assist the National People's Congress to prepare the drafting of the General Provision, which includes articles on virtual property (aka digital property or digital assets) and data information, classifying them as a new type of civil right object. This means that virtual property and data shall officially become people's rights. The drafting of the Civil Code will have considerable impact on the economic scope and business environment in China, as increased legal predictability and certainty are desired by and will benefit all market players. The proposed Civil Code will be the first basic law governing all civil matters since the establishment of the People's Republic of China. Both the Chinese and international business communities expect that China will introduce a wide range of significant new or amended legislations to be included in the Civil Code that will also consolidate the existing specific laws.

China is also undergoing judicial system reform by building a 'trial-centred judicial system', with online courts also being established following President of the Supreme People's Court (SPC), Zhou Qiang's reference to an 'intelligent court system' (智慧法院) in the report on the work of the SPC on March 13, 2016. The intelligent court system makes full use of technologies such as the internet, cloud computing, big data and artificial intelligence to promote the modernisation of the trial system and judgment capabilities so as to increase the efficiency of the operation and management of the courts. China's first Cyberspace Court was inaugurated on 18 August in Hangzhou, Zhejiang Province. This new court will handle all internet-related disputes in all districts of Hangzhou through a fully digitalised online procedure. The aim of building an intelligent court system is to ensure justice and effectiveness of the judiciary, and to promote judicial credibility.

Meanwhile in the UK, with the rise of the internet, digital property rights have become an increasingly hot-topic in the boardrooms of major companies, particularly those in the hi-tech industry. Digital products provide their creators with certain protections under the law and the problems and legal challenges facing major companies will help better define the laws surrounding digital property rights. As the UK is now preparing to leave the EU, a raft of new legislation will have to be considered, as well as whether or not EU law will be ousted from UK laws. This could have a major effect on the popularity of English law in commercial contracts. According to Lord Chief Justice Lord Thomas, law reform in post-Brexit Britain will likely be 'one of the biggest peacetime issues' that the UK has had to face and 'without doubt the most complex in legal terms'. Given the extent to which EU law has been integrated into domestic law since the European Communities Act, Lord Thomas characterised this task as 'enormous in scale'.

The other test that the UK faces is the advent of the digital age, challenging traditional concepts such as ownership, contract, employment rights, intellectual property, and consumer rights. With the EU set to continue the development of its own digital economy laws as a group of states with whom the UK will continue to trade, it cannot ignore the challenges this would represent for Britain's legal system. It is not just a matter of keeping English law up to date with modern ways of doing business,

but also to ensure that it keeps pace with developments in other jurisdictions, including China, so that it remains the law of choice for commercial transactions.

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The China Law Society

The China Law Society is the largest nationwide legal academic organisation in China and is the main channel for international legal exchange. With more than 230 thousand members, the China Law Society is able to assemble legal elites throughout China and maintains close working relationships with the judiciary, procuratorate, law firms and law schools.

Led by Mr Zhang Mingqi, Vice-President of China Law Society and Vice-Chairman of the Law Committee of the National People's Congress, a twelve-member delegation consisting of representatives from the China Law Society and leading Chinese legal academics and practitioners will be joining UK counterparts, including legal scholars and practitioners as well as representatives from the business sector in panel discussions and Q&A sessions on a variety of topics ranging from Chinese Civil Code drafting and judicial reform to the impact of Brexit on English law and its relationship with the EU law with a focus on data protection, digital property rights from both civil and criminal angle and their impact on the business community in both countries.

Based on the MOU signed between the GBCC and the China Law Society in November 2017, GBCC will use this opportunity to begin discussions on the establishment of a Joint Expert Working Group, exploring the potential topics and areas of further legal cooperation between the UK and Chinese legal academics and practitioners.

Chinese delegation members

Mr ZHANG Mingqi, Vice-President of the China Law Society; Vice-Chairman of the Law Committee of the National People's Congress

Mr YIN Baohu, Director-General of the China Legal Exchange Centre, China Law Society

Mr LI Zhanguo, Vice-President of the Law Society of Shandong Province

Mr MA Xiangxian, Executive Vice-President of the Law Society of Gansu Province

Mr DING Lianghua Council Member of the China Law Society

Professor BIAN Jianlin, Dean of Procedural Law Research Institute of China University of Political Science and Law

Professor CHEN Weidong, Renmin University Law School

Professor LONG Zongzhi, Sichuan University Law School

Professor SUN Xianzhong, Institute of Law, Chinese Academy of Social Sciences

Professor WANG Yi, Dean of Renmin University Law School

Mr WANG Zhengzhi, Partner at Globe-law Law Firm; Director of the External Affairs Committee of Beijing Lawyers Association

Ms GU Ran, Program Officer at the China Legal Exchange Centre, China Law Society