

June 22, 2022

Covid-19 Update: Reduction of Arbitration Fees

To help enterprises cope with the impact of the new pneumonia epidemic, in the past two months, many arbitration centers such as CIETAC¹, SHIAC², SAC³ and SCIA⁴ have issued the latest measures to assist enterprises in reducing arbitration fees, including reducing fees for **new cases**⁵, **mediation/conciliation cases**⁶ and **online arbitration cases**⁷. Also, the payment of arbitration fees in **instalments** is accepted by several centers. The table below summarizes the relevant information:

Arbitration center	CIETAC	SHIAC	SAC	SCIA
Percentage reduction for new cases	12%	15%	10%	10%
Percentage reduction for mediation/conciliation cases	From 20% to 75%	From 20% to 75%	50% or 75%	From 50% to 75%
Percentage reduction for online arbitration cases	15%	≤15%	20%	20%
Payment in instalments	Applicable	N/A	Applicable	Applicable
Implementation period	2022.6.1-2022.10.31	2022.4.9-2022.12.31	2022.3.31-2022.6.30	2022.3.31-2022.6.30

The fee reduction measures **cannot be applied cumulatively**, and for a case meets more than one reduction policies, the **largest fee reduction** will prevail. In addition, most of the fee reduction measures require parties to file application by themselves. It is advised to submit applications **within the corresponding implementation period**, and to contact the arbitration center to confirm the process and requirements.

Should you need any details about the said arbitration fee reduction measures, please kindly reach asialians@asiallians.com.

<http://www.cietac.org/index.php?m=Article&a=show&id=18392>

http://www.shiac.org/SHIAC/news_detail.aspx?id=1987

<http://www.accsh.org/index.php?m=content&c=index&a=show&catid=45&id=402>

<http://www.scia.com.cn/home/index/newsdetail/id/3026.html>

FDI: Catalog of Industries for Encouraged Foreign Investment 2022 Released for Public Comments

The National Development and Reform Commission and the Ministry of Commerce are seeking Comments on Catalog of Industries for Encouraged Foreign Investment (2022 Edition), which contain both (1) National Catalogue as well as (2) Catalogue for Central, Western, and northeastern regions (“Western Catalogue”). Foreign investors who invest in the fields in National Catalogue can enjoy **tariff exemption for imported self-use equipment** within the total investment amount if they meet the conditions. Also, foreign-funded enterprises set up in the encouraged industries in Western Catalogue can be levied a reduced enterprise income tax of **15%**.

Compared to previous 2020 edition, wider access will be granted to foreign investors and the specific changes on number of items in the draft 2022 Edition are as follows:

	Number of new items	Number of amended items	Number of deleted items
National Catalogue	50	62	14
Western Catalogue	188	52	24

Regarding new encouraged industries for potential foreign investors, examples in the draft 2022 Edition is that in the field of instrument manufacturing, there are newly added industries such as glow discharge mass spectrometer and transmission electron microscopy. Should you need to know more details about the newly added industries, please kindly contact asiallians@asiallians.com.

https://hd.ndrc.gov.cn/yjzx/yjzx_add.jsp?SiteId=380

As always, Asiallians remains at your service and our teams are currently mobilized in all our offices in Mainland China, Hong Kong and Taipei.

1. China International Economic and Trade Arbitration Commission

2. Shanghai International Arbitration Center

3. Shanghai Arbitration Commission

4. Shenzhen Court of International Arbitration

5. New cases refer to cases where the arbitration request is newly submitted during the implementation period.

6. Mediation/conciliation cases refer to arbitration cases that are settled by negotiation or conciliation during the arbitration proceeding.

7. Online arbitration cases refer to arbitration cases that are conducted online.

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