

This is an ad-hoc newsletter to inform UK stakeholders of recent developments in the Chinese IP environment. The content is collected from publicly available sources, where information is often available in Chinese only. Please feel free to forward this newsletter, and contact Leo.Zhuang@fcdo.gov.uk to be added to/removed from the distribution list. A pdf version is available on the [Embassy's IP webpage](#)



Intellectual
Property
Office



British Embassy
Beijing



Department for
International Trade

China IP Newsletter (June 2022)

POLICY & GOVERNMENT

China to revise administrative measures for collective marks and certification marks

On 7 June, the China National Intellectual Property Administration (CNIPA) published the draft amendment of the Measures for the Administration and Protection of Collective Marks and Certification Marks. Since being promulgated in 1994, the Measures had only been revised once in 2003 previously to the most recent revision which happened in light of several incidents regarding the abuse of trade mark rights involving Tongguan 'meat burger' and Xiaoyao Town spicy soup. The Measures provide that locations of origin, ingredients, manufacturing methods, quality standards, and other characteristics of goods or services protected by collective marks and certification marks shall be examined as part of the administrative responsibilities, which are absent in the current version of the Measures. Examining agencies will apply more stringent criteria to the vetting of credentials of representative trade organisations. [Read CNIPA draft Measures for the Administration and Protection of Collective Marks and Certification Marks in Chinese](#)

China extends annual payment deadlines for patents due in the second half of 2022

On 10 June, the CNIPA announced that the deadline for payment of patent annual fees that are due between 15 June 2022 and 31 December 2022 would be postponed to 15 June 2023, provided that the applicant is qualified for patent fee reduction in China. No late fee will incur during the extended period. However, if no payment is made by 15 June 2023, the relevant patents will be deemed as having lapsed from the original due date in 2022. According to the CNIPA, the decision to delay the annual fee deadline is to ease the burden on businesses that have been impacted by the COVID outbreaks in multiple cities and provinces earlier this year and build momentum for economic development. [Read CNIPA notice in relation to patent annual fee payment in Chinese](#)

China claims it leads the world in terms of the number of declared 5G Standard Essential Patent published

On 8 June, the IP Development Research Centre of the CNIPA unveiled the results of a report on 5G-related standard essential patents (SEP), which shows that China ranks 1st in the world in terms of the number of 5G SEP families declared. According to the report, there are currently more than 210,000 5G SEPs declared globally, involving 47,000 families. Among them, China has declared more than 18,000 patent families, accounting for nearly 40% of the total. Other top-ranking countries or regions include South Korea (4,293 families, 9.2%), Japan (3,736 families, 8%) and Europe (1,833 families, 3.9%). Huawei is the top applicant with more than 6,500 5G SEP families declared, accounting for 14% of the global total. Among the top 15 patent applicants in the world, the United States, Japan, Europe,

and South Korea each have 2 spots while Chinese companies occupy 7 spots. [Read summary of CNIPA 5G-related SEP report in Chinese](#)

CNIPA issues a record RMB 2.49 million fine to unlicensed patent agency

On 8 June, the CNIPA announced a record RMB 2.49 million (~£304,700) fine against a Zhejiang-based patent agency for practicing patent law without a license and filing abnormal patent applications. The fine is part of the Blue Sky campaign to crack down on problems in the patent industry. The Zhejiang Provincial Market Supervision Bureau received tips from the CNIPA and immediately began an investigation. The local authority then found that the agency started providing illicit patent agency services without a license in 2016. Since 1 March 2019, the date of the implementation of the new Patent Agency Regulations, the agency has represented 137 patent applicants in 566 patent applications, generating revenue of more than RMB 840,000 (~£102,810). Taking into account the illegal profits as well as other grave misconduct, including filing large numbers of abnormal patent applications, Zhejiang's market regulator decided to confiscate all illegal gains in addition to issuing the £304,700 fine. The previously reported highest fine was RMB 1.04 million (~£127,300). [Read more about fines issued by CNIPA in Chinese](#)

China names Luo Wen as top market regulator's new party chief

On 17 June, the State Administration for the Market Regulation (SAMR) announced the appointment of 57-year-old Luo Wen as the agency's new party secretary. He will oversee the authority as it takes charge of functions ranging from intellectual property rights protection, antitrust probes, product quality supervision, and business license administration. Previously, Luo spent over 20 years in various roles at the Ministry of Industry and Information Technology (MIIT). After leaving MIIT, Luo served as a deputy director at the National Development and Reform Commission (NDRC), China's macro planner, for a year. Notably, Luo has not been officially made the minister/director yet. The former SAMR minister Zhang Gong was appointed Mayor of Tianjin in May, leaving the position still vacant at present. Luo will likely become the minister in the future, making him the fourth head of SAMR since 2018. [Read SAMR announcement on the appointment of new party secretary in Chinese](#)

INTERNATIONAL NEWS

WTO decision on Covid-19 vaccines aims to streamline vaccine export process for developing countries

On 17 June, members of the World Trade Organisation (WTO) issued a Decision which enables eligible Member States (developing country members) to allocate full production under 'compulsory use' authorisation (authorised use without the consent of the right holder) to be exported to other eligible members. Countries must still provide adequate remuneration to the right holder. The Decision applies for five years but may be extended due to the "exceptional circumstances of the COVID-19 pandemic." Members will need to decide within six months whether the Decision will be extended to cover the production and supply of COVID-19 diagnostics and therapeutics. The Decision should make it easier for developing countries to make exports of life-saving COVID-19 vaccines more streamlined – while preserving the incentive to invest in innovation embedded in IP rights. The decision encourages developing countries with existing vaccine export capabilities to commit to not taking advantage of the Decision. Earlier in May, China, as a major producer and a supplier of COVID-19 vaccines, announced that it will forego the flexibilities granted by the Decision on COVID-19 vaccines. [Read WTO's ministerial decision on the TRIPS agreement in English](#)

STATISTICS

Patent-intensive industries contributed to 24.6% of China's GDP growth in 2020

On 13 June, the CNIPA published a belated bulletin which contains data of China's patent-intensive industries. In 2020, the added-value of China's patent-intensive industries exceeded RMB 12 trillion (~£1.47 trillion), up 5.8% year on year, accounting for 11.97% of China's GDP, and contributing to 24.6% of the GDP growth. As a proportion of GDP it rose 0.35% compared with the previous year. China identifies seven patent-intensive industries i.e. new equipment manufacturing, ICT

manufacturing, ICT service industry, new materials manufacturing, pharmaceutical and medical industry, environmental protection, and research and development (R&D). In the 14th Five-Year Plan for Protection and Application of IP rights, published last year, China set the goal that by the end of 2025, the added value of patent-intensive industries should account for 13% of GDP. [Read CNIPA bulletin about patent-intensive industries in Chinese](#)

Chongqing IP Tribunal heard 11,720 cases in the past year since establishment

On 16 June, the Chongqing Intellectual Property Tribunal reported statistics of trials since its establishment last year. Over the past year, the tribunal conducted trials of 11,720 cases of various types of IP rights and concluded 9,364 cases. Over 99% of the cases received are civil cases and the rest include 1 criminal case and 7 administrative cases. First-instance cases account for 96%. In terms of case types, there were 9,272 cases of copyright disputes, accounting for 79.1%; 1,848 cases of trademark disputes, accounting for 15.75%; and 293 patent cases, 2.5%. 6,815 cases were settled by mediation and subsequently withdrawn, with a 72.8% success rate of mediation. [Read media report of the statistics in Chinese](#)

If you would like any further information on any of the above matters or to discuss Embassy support for your company in China please contact Leo Zhuang (Leo.Zhuang@fcdo.gov.uk).