



II . Legal Affairs

1 Legal System Construction

SIPO actively promoted the amendment to *the Patent Law* and the enactment of *the Service Invention Regulations* and *the Patent Commissioning Regulations*, worked in collaboration with the Legislative Affairs Office of the State Council and conducted planning, in-depth studies, coordination and wide publicity in relation to the amendment and enactment.

SIPO conducted studies on “IP protection for innovative outcomes of new business models” and prepared recommendations on improving the current patent system. The results of relevant work have been reflected in *the Guidelines for Patent Examination (draft for public opinions)*.

SIPO completed *the Implementation Plan for a Government Ruled by Law* and assignment breakdown, which comprehensive planned SIPO’s work in relation to the government ruled by law till 2020. SIPO also completed the inspection of the Legislative Affairs Office regarding the construction of a government ruled by law.

SIPO completed the preparation of the 7th Five Plan (2016—2020) for publicity of IP laws nationwide, and for the first time spread out relevant work to nationwide IP offices.



SIPO deepened the implementation of regional legislative guidance and coordination. SIPO issued *the Work Program for Guidance to and Coordination among Nationwide IP Offices Regarding Regional Patent Legislative Affairs*. Phasic summary meetings and thematic seminars were held in Jiangsu and Hunan Provinces to promote the interactions between central and local governments.

SIPO thoroughly checked the departmental rules and regulatory documents issued by it and screened approximately 40,000 pieces of documents, of which 35 departmental rules and 359 policy documents were included in the scope of revocation. After the check, 214 policy documents were rescinded or declared to be invalid, of which 19 were closely related to the streamlining of administrative procedures and law-based administration.

SIPO further optimized its departmental rules and relevant regulatory documents. It completed *the Methods for Formulation and Management of Regulatory Documents* and actively implemented the legitimacy review system to establish a long-term mechanism of checking regulatory documents and improve the system for formulation of new rules and revocation of obsolete ones. SIPO worked in collaboration with the Ministry of Finance and the National Development and Reform Commission (NDRC) to amend *the Methods for Patent Fees Reduction*. It drafted *the Guidelines for Anti-Monopoly Enforcement in the Field of Intellectual Property (Draft Proposal)* and reported it to the General Office of the Anti-Monopoly Committee of the State Council. SIPO prepared the draft amendment to *the Guidelines for Patent Examination* and released it for public opinions. It steadily carried on the formulation and revision of *the Methods for Managing Prioritized Patent Examination and Rules on Regulating Patent Applications*.

SIPO continued to promote the studies on the Theories and Practices of an Intellectual Property System with Chinese Characteristics. On the basis of deepening the studies on the patent system with Chinese characteristics, SIPO continued with the studies on copyright and trademark systems of Chinese characteristics. It carried on the studies on IP basic law and completed an academic draft proposal for the IP basic law and the IP chapter under *the Civil Code*. It also deepened the studies on the relationship between the basic law and *the Civil Code*.

SIPO continued the survey on PCT users and further expanded the scope and focused on key issues. Survey and implementation were carried out simultaneously to propose recommendations and measures on promoting international negotiations and improving SIPO's work in relation to PCT.

2 Regulation of Patent Agency Sector

SIPO enhanced macro regulation over the patent agency sector. It held the work conference for nationwide patent agency administration, proposed development objectives during the 13th Five Year Plan and deployed work assignments for the next two years. SIPO formulated the mid-and-long-term plan for the patent agency sector. It submitted to the Standardization Administration of China *the Rules on Services of Patent Agencies* and further implemented the comprehensive strength evaluation for the patent agency sector.

SIPO deepened administrative examination and approval system. It cancelled the "preliminary examination on application to establish patent agency" which was delegated to the provincial IP offices. SIPO released *the Work Plan for Pilot Implementation of the Reform on the Patent Agency Sector* to loosen the restrictions to the shareholders or partners of patent agencies. 10 Provinces and autonomous regions were included in the scope of the pilot program. SIPO comprehensively implemented standardized administrative examination and approval procedures to define duration, streamline procedures, optimize

workflow, cancel the requirements on unnecessary certifications, implement the commitment notification system and carry out real-time release of results. In 2016, 269 patent agencies were approved, of which 65 were entitled to the policies of the pilot program and no overtime happened for all administrative examination and approval items.

SIPO enhanced regulation during and after violation of regulations and rules. It comprehensively promoted the “double random and one open” regulation and released *the Rules for Administrative Enforcement on Patent Agencies* and published *the List of Administrative Sanctions of SIPO* and *the List of Random Check Items of SIPO*, formulated and published *the Implementing Regulations on Patent Agency Administration and Investigation of Patent Passing-Off (trial implementation)*, established the directory of personnel for random check. SIPO carried out specialized campaigns to regulate the patent agency sector and severely punish illegal activities such as patent agent certificate “leasing”, unqualified agencies and agency service for abnormal applications. SIPO released information on the credit of patent agencies in a timely manner and included such information in the social credit information directory.

SIPO organized the National Patent Agent Qualification Exam and expanded the number of examination centers to 27. The number of applicants for the exam reached record-high 30,948, of whom 21,102 participated in the exam and 4,954 passed the exam and obtained the certificate.

3 Administrative Reconsideration

Throughout 2016, SIPO received 129 administrative reconsideration cases and responded to 17 first instance administrative litigation cases in the name of SIPO.