Regulations on the Administration of Foreign Law Firms' Representative Offices in China

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Unofficial English translation prepared for reference only. The official Chinese text prevails.

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Chapter I — General Provisions

Article 1 — These Regulations are formulated in accordance with the relevant laws and administrative regulations for the purposes of regulating the establishment and activities of representative offices of foreign law firms within the territory of China and strengthening the administration and supervision thereof.

Article 2 — For the purposes of these Regulations, "representative offices of foreign law firms" refers to offices established within the territory of China by foreign law firms to engage in prescribed legal service activities. Representative offices and their representatives shall comply with Chinese laws, regulations, and rules, and shall abide by the professional ethics and practice discipline of Chinese lawyers. They shall not jeopardize China's national security or public interest.

Article 3 — Representative offices and their representatives shall be subject to the supervision and administration of the judicial administration authority of the State Council and the judicial administration authorities of the people's governments of provinces, autonomous regions, and municipalities directly under the Central Government.

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Chapter II — Establishment Conditions and Procedures

Article 4 — A foreign law firm applying to establish a representative office within the territory of China shall meet the following conditions:

Article 4.1 — The foreign law firm has been lawfully established in its home country and has been practicing law there;

Article 4.2 — The partners or principal members of the foreign law firm have no record of major violations of laws, regulations, or professional discipline in the past three years;

Article 4.3 — The foreign law firm has a genuine need to establish a representative office in China;

Article 4.4 — The foreign law firm has a good reputation in the international legal services market.

Article 5 — A foreign law firm applying to establish a representative office in China shall submit the following documents:

Article 5.1 — An application signed by the primary responsible person of the foreign law firm for the establishment of a representative office;

Article 5.2 — A certificate of lawful establishment of the foreign law firm in its home country, and documents certifying the identity information of its partners or principal members;

Article 5.3 — A letter of appointment for the chief representative and representatives of the representative office;

Article 5.4 — A draft of the residence certificate and lease agreement for the proposed representative office.

Article 6 — The judicial administration authority of the State Council shall complete the examination of the application within six months from the date of receipt and shall decide to approve or disapprove the application. Where the application is approved, a practice license for the representative office shall be issued.

Article 7 — A foreign law firm shall apply for the renewal of the practice license at least one month prior to its expiry. Where the foreign law firm fails to apply for renewal within the prescribed period, the practice license shall be invalid upon expiry.

Article 8 — A representative office may engage in the following business activities within the territory of China:

Article 8.1 — Providing clients of the foreign law firm with consultation on the laws of the country where the lawyers of the foreign law firm have obtained their qualifications to practice law, and on international conventions and international practices;

Article 8.2 — Handling, upon entrustment by clients of the foreign law firm or Chinese law firms, legal affairs of the country where the lawyers of the foreign law firm have obtained their qualifications to practice law;

Article 8.3 — Entrusting Chinese law firms to handle Chinese legal affairs on behalf of foreign clients;

Article 8.4 — Entering into agreements with Chinese law firms to maintain long-term cooperation and entrustment relationships;

Article 8.5 — Providing information on the impact of the Chinese legal environment.

Chapter III — Operation and Management

Article 9 — Representatives of representative offices shall practice law within the scope prescribed by these Regulations and shall not engage in the following activities:

Article 9.1 — Handling Chinese legal affairs;

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Article 9.2 — Issuing opinions or comments on the application of Chinese law and matters falling under the practice of Chinese lawyers in the capacity of a lawyer;

Article 9.3 — Representing clients in litigation or arbitration proceedings within China;

Article 9.4 — Other activities as prohibited by Chinese laws and regulations.

Article 10 — Where a representative office needs to hire Chinese staff, it shall handle the matter in accordance with the relevant laws and administrative regulations of China.

Article 11 — A representative office shall not employ Chinese practicing lawyers. Chinese employees hired shall not provide legal services to clients in the capacity of a lawyer.

Article 12 — A representative office and its representatives shall submit annual reports on their business activities to the local judicial administration authority in accordance with the regulations.

Article 13 — A representative office shall not conduct any for-profit activities other than the legal services specified in these Regulations.

Chapter IV — Legal Liability

Article 14 — Where a representative office or its representative engages in business beyond the prescribed scope, the judicial administration authority of the people's government of the province, autonomous region, or municipality directly under the Central Government shall order it to make corrections within a specified time limit. Where the circumstances are serious, the judicial administration authority of the State Council shall order the foreign law firm to revoke the representative office or revoke the practice license of the representative office.

Article 15 — Where a representative office operates without obtaining a practice license or continues to operate after its practice license has been revoked, the judicial administration authority shall ban it in accordance with the law, confiscate its illegal gains, and impose a fine of not less than RMB 50,000 and not more than RMB 200,000.

Article 16 — Where a foreign law firm establishes a representative office without authorization, the judicial administration authority shall order it to cease its activities within a specified time limit and impose a fine.

Article 17 — Where the staff of judicial administration authorities fail to perform their duties in accordance with the law, abuse their power, or engage in malpractice, they shall be subject to administrative sanctions in accordance with the law. Where a crime is constituted, criminal liability shall be pursued in accordance with the law.

Chapter V — Supplementary Provisions

Article 18 — The administration of representative offices of law firms from the Hong Kong Special Administrative Region, the Macao Special Administrative Region, and the Taiwan region in the mainland shall be governed with reference to these Regulations. Where the state has special provisions, such provisions shall prevail.

Article 19 — The judicial administration authority of the State Council shall formulate implementation rules in accordance with these Regulations.

Article 20 — These Regulations shall take effect on January 1, 2002. The measures previously promulgated with respect to the establishment of offices of foreign law firms within the territory of China shall be repealed simultaneously.

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