

Client Alert

June 2020

Civil Code of China

The Civil Code of China was adopted at the third session of the 13th National People's Congress of China on May 28, 2020 and will take effect on January 1, 2021. The Civil Code will be the first law to carry the title 'code' for the People's Republic of China.

The Civil Code includes 1,260 articles which compose seven parts: Part I "General Rules"; Part II "Property Rights"; Part III "Contracts"; Part IV "Rights of Personality"; Part V "Marriage and Family"; Part VI "Succession"; Part VII "Tort Liabilities", and Supplementary Provisions. Instead of demolishing the existing civil laws and regulations, the Civil Code provides a more cohesive rubric to deal with civil matters through a systemic codification process which will regulate almost every aspect of people's civil lives.

In the context of globalization, foreign entities involved in China-related business will be subject to this epoch-making code as well, particularly certain parts which are closely related. To be specific, Part II "Property" develops regulations on mortgages and pledges, Part III "Contracts" further improves the existing transaction rules, and Part IV "Rights of Personality" denotes innovation on legislation itself, including more detailed and practical stipulations on privacy and personal information protection.

Upon implementation of the Civil Code, The Marriage Law, the Law of Succession, the General Rules of the Civil Law, the Adoption Law, the Guarantee Law, the Contract Law, the Property Law, the Tort Law and the General Principles of the Civil Law, which are currently effective, will be repealed simultaneously.

If you need any more information regarding the specifics of the Civil Code, please do not hesitate to contact us.

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