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| <b>Subject Code</b>                            | AF5512   |
| <b>Subject Title</b>                           | The Legal System and Economic Law in China   |
| <b>Credit Value</b>                            | 3  |
| <b>Level</b>                                   | 5  |
| <b>Normal Duration</b>                         | One Semester   |
| <b>Pre-requisite / Co-requisite/ Exclusion</b> | Exclusion: The Legal System and Economic Law in the PRC (AF5501)   |
| <b>Role and Purposes</b>                       | The first part of the course introduces to the students a knowledge and understanding of China's basic legal framework and institutions. Comparison of the Chinese legal system with other common law jurisdictions such as Hong Kong will be made whenever appropriate. The second part of the course focuses on legal aspects of the elements that make up a market based economy. This subject contributes to the achievement of Programme Outcomes by enabling students to apply appropriate conceptual frameworks <u>to understand the current state of legal development of Chinese business environment and the factors determining the likely directions for its future (Programme Outcome 3).</u>       |
| <b>Subject Learning Outcomes</b>               | Upon completion of the subject, students will be able to: <ul style="list-style-type: none"> <li>a. <u>Identify and explain</u> the main features of China's legal system;</li> <li>b. <u>Critically evaluate</u> China's ongoing legal reform and substantive laws relevant to the country's market-based economic development and 'Open Door' policy;</li> <li>c. <u>Effectively compare</u> China's legal system with other common law jurisdictions such as Hong Kong, and <u>be able to suggest improvements and reform</u> of both the existing legal system and specific substantive laws and to suggest the nature of new laws necessary to fill lacunae in China's existing legal framework.</li> </ul> |
| <b>Subject Synopsis/ Indicative Syllabus</b>   | <p><b>The Chinese Legal System</b><br/>Organs and process of law-making at central and local levels. The court and trial system. judges, lawyers and constitutional provisions.</p> <p><b>A Comparative Overview of the Chinese and Common Law Systems</b><br/>China's legal system and common law jurisdictions such as Hong Kong from a comparative perspective.</p>   |

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|  | <p><b>Laws Relating to Property Rights, Contracts, and Functioning of the Market</b></p> <p>Notion of property rights. Freedom of contracts. Anti-fraud. Property law. Contract Law. Intellectual property law. Product and consumer law.</p> <p><b>Laws Relating to Foreign Investment</b></p> <p>Forms of foreign investment: equity joint ventures, contractual joint ventures, wholly-owned foreign enterprises, impact of WTO membership of foreign investment in China. Establishment procedures, organizational structures, capital contributions, profit distribution. Area of business, duration and termination.</p> <p><b>Law Relating to Domestic Businesses</b></p> <p>Law of domestic business organizations: limited liability company and limited share-holding company, partnerships. Competition law.</p> <p><b>Legal Aspects of China's Foreign Trade</b></p> <p>Foreign trade regulation. Impact of WTO membership. The opening of China's domestic market.</p> <p><b>Law Relating to Business Finance</b></p> <p>China's banking system. Banks with foreign investment. Raising capital from the Stock Market. Regulation of the financial system.</p> <p><b>Alternative Dispute Resolution</b></p> <p>Adjudication, mediation, conciliation. Arbitration involving foreign parties. Arbitration organs and proceeding. Enforcement of arbitral awards.</p> |                    |   |          |  |  |  |          |          |          |  |  |  |
| <p><b>Teaching/Learning Methodology</b></p>  | <p>The subject consists of lectures and seminars. Students are required to do projects on issues for presentation and discussion in the class.</p>   |                    |   |          |  |  |  |          |          |          |  |  |  |
| <p><b>Assessment Methods in Alignment with Intended Learning Outcomes</b></p>                                    | <p>Specific assessment methods/tasks</p>   | <p>% weighting</p> | <p>Intended subject learning outcomes to be assessed (Please tick as appropriate)</p> |          |  |  |  | <p>a</p> | <p>b</p> | <p>c</p> |  |  |  |
| <p>Class participation</p>   | <p>30%</p>   | <p>√</p>           | <p>√</p>  | <p>√</p> |  |  |  |          |          |          |  |  |  |
| <p>Individual essay</p>  | <p>20%</p>   | <p>√</p>           | <p>√</p>  | <p>√</p> |  |  |  |          |          |          |  |  |  |
| <p>Final exam</p>  | <p>50%</p>   | <p>√</p>           | <p>√</p>  | <p>√</p> |  |  |  |          |          |          |  |  |  |
| <p>Total</p>   | <p>100%</p>  |                    |   |          |  |  |  |          |          |          |  |  |  |
| <p>Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</p> |  |                    |   |          |  |  |  |          |          |          |  |  |  |

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|                                      | <p><b>Note: To pass this subject, students are required to obtain Grade D or above in BOTH the Continuous Assessment and Examination components. In addition, the specific requirements on individual assessment components discussed above could be adjusted based on the pedagogical needs of subject lecturers.</b></p> |          |
| <b>Student Study Effort Expected</b> | Class contact:   |          |
|                                      | <ul style="list-style-type: none"> <li>▪ Lectures / Seminars</li> </ul>  | 39 Hrs.  |
|                                      | Other student study effort:  |          |
|                                      | <ul style="list-style-type: none"> <li>▪ On average students are expected to spend around 2 more hours for each contact hour for reading and subject materials / textbook, doing discussion questions and assignments.</li> </ul>  | 78 Hrs.  |
|                                      | Total student study effort   | 117 Hrs. |
| <b>Reading List and References</b>   | Topic specific academic journal articles designated by the lecturer.   |          |