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Domestic News

Toutiao Fined 20 Million for Copying Contents from Weibo in the First Instance

On May 28, 2021, according to new report, Beijing Haidian People's Court has made the first instance judgment on the case of Beijing Weimengchuangke Network Technology Co., Ltd. (“Weibo”) suing Beijing ByteDance Technology Co., Ltd. (“Toutiao”) for unfair competition. Weibo alleged that Toutiao had used technical means to capture or manually copy contents from Weibo on a large scale since October 2016, and disseminated them to its users, misleading the public to take Toutiao as the publishing platform for relevant contents, which impaired Weibo's competitive advantage. The first instance judgment held that Toutiao was the subject of copying. And given that there was an obvious and direct competition between the parties, Toutiao's behavior constituted unfair competition. The Court held that Toutiao should immediately cease such behavior, eliminate the impacts and compensate Weibo CNY 20 million for Weibo's economic loss. ([More](#))

Shanghai Holds a Data Legislation Seminar

On May 27, 2021, Shanghai held a data legislation seminar. The meeting discussed the positioning and characteristics of Shanghai's data legislation, and proposed that Shanghai's data regulations will focus on issues such as data governance, promotion of data circulation and utilization, and protection of data security and data rights, and will not involve data applications or industrial fields. In terms of the governance and circulation of public data, Shanghai intends to authorize data authorities to uniformly operate public data and establish relevant expert committee. In terms of data transactions, Pudong New Area needs to play an exemplary role and gradually improve the data transaction system. The meeting plans to clarify that public data and data products are tradable. In terms of data security, Shanghai plans to establish a data classification and categorization protection system and determine catalogs of critical data in Shanghai. ([More](#))

Four Departments Jointly Issue the Implementation Plan of Computing Hub in the Collaborative Innovation System of National Integration of Big Data Center to Ensure Network Data Security

On May 26, 2021, the National Development and Reform Commission, the Cyberspace Administration of China, the Ministry of Industry and Information Technology and the National Energy Administration jointly issued the *Implementation Plan of Computing Hub in the Collaborative Innovation System of National Integration of Big Data Center* (“Plan”). According to the *Plan*, the government will deploy and establish the national hub nodes of the national integrated computing power network in places such as Beijing-Tianjin-Hebei Region, Yangtze River Delta, Guangdong-Hong Kong-Macao Greater Bay Area, Chengdu-Chongqing, Guizhou, Inner Mongolia, Gansu and Ningxia, develop data center clusters, and guide intensive, large-scale and green development of data centers. ([More](#))

Data Regulations of Shenzhen Special Economic Zone (First Draft Revision) Submitted for Second Review

Recently, the *Data Regulations of Shenzhen Special Economic Zone (First Draft Revision)* (“Regulations”) was submitted to the meeting of Standing Committee of Municipal People's Congress for second review. The *Regulations* further strengthens the protection of user privacy, clearly stipulating that a natural person has the right to reject user portrait and personalized recommendations at any

time, and that user portrait or personalized recommendation based on user portrait may not be performed on minors. Regarding data ownership, the *Regulations* clearly stipulates that a natural person has personality rights and interests over his/her personal data, and that natural persons, legal persons and unincorporated organizations have property rights and interests over the data products and services formed by their legally processing of data, and can independently use or dispose their data in accordance with the law, or provide the data to others for benefits. ([More](#))

Overseas News

WhatsApp Sues India Government Over New Internet Rules

On May 26, 2021, according to news report, Facebook Inc.'s messaging platform WhatsApp has filed a lawsuit in the Delhi High Court challenging Indian government's new rules that would require the company to provide access to encrypted messages. India government introduced tightened rules governing social media, digital media and streaming operators in February. The regulations require the companies, called intermediaries in the rules, to have mechanisms to address user complaints, appoint compliance officers and submit monthly compliance reports. In its statement, WhatsApp said that these requirements would "break end-to-end encryption and fundamentally undermines people's right to privacy" and therefore refused to comply with the new rules. ([More](#))

FTC Releases 2020 Privacy and Data Security Update

On May 25, 2021, the Federal Trade Commission ("FTC") released the *2020 Privacy and Data Security Update*. In 2020, FTC reached settlement with Facebook over consumers privacy promises, and filed against Zoom to address false and deceptive encryption claims. In terms of data security, FTC reached settlements with Taplock, SkyMed International, and Ascension Data & Analytics, all including enhanced orders that impose greater accountability on businesses. Concerning child protection, the cases against HyperBeard and Miniclip demonstrate FTC's continued commitment to enforcing the Children's Online Privacy Protection Rule. In addition, in 2020, FTC issued orders to 9 social media and video streaming services companies, requiring them to provide data on how they collect and use personal and demographic information. FTC also submitted 3 reports to Congress related to its privacy and data security efforts. ([More](#))

Air India Data Breach: Hackers Access Personal Details Of 4.5 Million Customers

On May 23, 2021, according to news report, Air India admitted to a massive data breach that compromised the personal data of about 4.5 million passengers. According to Air India's statement, the breach affected customers who registered between August 2011 and late February 2021. Compromised data includes customers' name, data of birth, contact information, passport information, frequent flyer data and credit card data. The Air India said it has taken steps to ensure data safety, including securing the compromised servers, notifying and liaising with the credit card issuers and resetting passwords of Air India FFP program. ([More](#))



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