Exploration on the Construction of Central Legal Services District

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ABSTRACT

The construction of the Central Legal District has risen from regional exploration to institutional innovation at the national level. Yet research on more than ten Central Legal Services District across the country has revealed that there exist such striking problems as prominent homogeneity of high-level planning; limitations for the providing of legal services; Imbalanced allocation of legal resources, and mediocre quality of legal services, etc. On this basis, suggestions are proposed to strengthen the construction of legal districts and build superior legal affairs centre. Specifically, strengthening system planning and optimizing the layout of Central Legal Services District; pooling efforts for the development of legal districts by collaborative innovation mechanism; utilizing talent advantages and expanding diverse supply entities; providing precise legal services by offering a comprehensive list of service items; and finally, strengthening institutional construction to improve work security mechanisms.

KEYWORDS

Construction; Central Legal District; Legal Service.

1. INTRODUCTION

Building Central Legal Services District and creating first class legal service surroundings are critical measures to implement Xi Jinping Thought on the Rule of Law, and build a market-oriented, legal, and international business environment.

On December 31, 2021, the Ministry of Justice issued the "National Public Legal Service System Construction Plan (2021-2025)" to support the construction of clusters for the innovation of the rule of law. On January 17, 2022, the Supreme People's Court issued the "Supporting and Ensuring the Comprehensive Deepening of the Reform and Opening up of the Qianhai Shenzhen Hong Kong Modern Service Industry Cooperation Zone", proposing the construction of an international legal zone with high standards, laying a solid legal foundation for the Qianhai Shenzhen Hong Kong Legal Cooperation Zone to achieve a world-class business environment by 2035. From this, it can be seen that the construction of the Central Legal District has risen from local exploration to institutional innovation at the national level.

Globally, there are two models for the formation of legal service clusters: one is the natural type, a legal service cluster driven by the market and characterized by building economy.(Yu S., Fan H 2023) For example, the legal service clusters in the City of London CBD in the UK, Manhattan CBD in New York, and Marina Bay CBD in Singapore have a significant accompanying relationship with high-energy business districts, radiating highly concentrated legal service resources globally. The second is the proactive type, a legal service cluster driven by the government with the goal of boosting
the level of legal services in the region. For example, the Tianfu Central Legal District in Chengdu was created through industrial planning and developing the headquarters economy; the "Shanghai Hongqiao International Central Legal District" was created to serve the national strategy of integrating the Yangtze River Delta and constructing the Hongqiao International Open Hub; Xi'an National Central Legal District was created to serve the construction of the "the Belt and Road"; Nanjing Central Legal District, characterized by dispute resolution institutions gathering, brings together provincial and municipal courts, procuratorates, intellectual property courts, arbitration commissions, judicial administrative agencies, public legal service centers, and diversified dispute resolution and mediation service centers to facilitate dispute resolution; While The Xiamen Area of the Maritime Silk Road Central Legal District focuses on the construction of the core area of the 21st century Maritime Silk Road, with a free trade zone as the core.

2. PROBLEMS IN THE CONSTRUCTION OF THE CENTRAL LEGAL DISTRICT

(1) Striking homogeneity of high-level planning. The first is the similarity in positioning. Each central legal district has its own historical accumulation and geographical advantages, plus different natural resources, the strategic orientation of planning should also be different. However, in practical operation, it’s quite a different story, such as the Hongqiao International Central Legal District proposing to build a comprehensive platform that integrates all such functions as public legal services, professional legal services, rule of law research and exchange, and accelerate its development into a new landmark in national legal services. The Tianfu Central Legal District proposes to form a professional, international, and market-oriented legal innovation cluster that integrates public legal services, legal theory research and innovation, legal forum exchange and cooperation, legal culture education and training, smart legal services, and full chain services related to legal affairs.(Zou Y., 2022) Though these legal districts have different positioning statements, they essentially aim to create a platform for achieving full element aggregation and building a full range of legal services. And almost every legal district has foreign characteristics. Such as Changchun Central Legal District, Haisi Central Legal District, Hongqiao International Central Legal District, Qianhai International Central Legal District, and so on. Secondly, there is a general lack of innovation. Most of the Central Legal Services District stay at the level of legal service center plus legal talent service base and legal platform. In the post pandemic era, new forms of legal services are gradually emerging, and legal service products urgently need to be explored in the context of consumption "grading and upgrading". Like the Tianfu Central Legal District, its innovation is reflected in the synchronous construction of the Legal District and the Business District. However, in the post pandemic era, traditional enterprises that have survived have reduced operational costs such as legal service expenses, resulting in a smaller legal business volume. Yet there is a strong demand for non litigation legal services such as corporate financing and mergers and acquisitions, and the market's risk aversion complex is becoming increasingly evident. Their advantages in customer acquisition methods and procedural management on the Internet legal service platform still need to be expanded; The Xiamen Haisi Central Legal District is mainly characterized by foreign-related and maritime legal services. However, due to the lack of precise docking with the foreign-related legal service needs of enterprises, a unified one-stop platform for international commercial dispute resolution has not been established, and diversified dispute resolution mechanisms such as mediation, arbitration, administrative rulings, and action reconsideration cannot be established. The Qianhai Central Legal District has pioneered the application of Hong Kong law to Hong Kong related contracts nationwide, introducing Hong Kong jurors to participate in the trial of Hong Kong related cases, and establishing a comprehensive mechanism for identifying extraterritorial laws. However, in the post pandemic era, the number of Guangdong Hong Kong Macao joint law firms, Sino foreign joint law firms, overseas lawyer affairs, and international legal organizations stationed in Qianhai still falls far short of meeting the needs of enterprises.
(2) There are limitations to the main providers of legal services. One is the inconsistent cognition of the supply subject. Especially in the early stages of the construction of the legal district, there is a gap in understanding the legal district due to market awareness limitations. For example, in the early stages of the establishment of most legal districts, some larger law firms are unwilling to settle in the legal district; Or even if they are stationed in the legal district, they are unwilling to transfer the most important and core business to the legal district for processing. Some institutions, due to the lack of business volume introduction, only send some probationary lawyers to handle cases, and their core team stays at the headquarters. The second is that the quality of the supply subject is uneven. Some categories of legal talents have a relatively small number and are difficult to gather; Some categories have fewer backbone legal personnel, making it difficult to ensure service quality; Some windows may even serve as a duty display, with a lack of dedicated staff and overall low service capabilities. Among the existing 31 service windows in Fuzhou Legal District, there are 23 legal windows and 8 pan legal windows. Among them, the notary window has a large business volume as it is the relocation of the original Gulou Notary Office, while some foreign-related legal windows have almost zero business. Among the service institutions in the same category, only ten percent belong to top enterprises. The qualifications of these institutions vary considerably. Just like law firms stationed in the Central Legal District, there are well-known law firms both domestically and internationally, as well as small law firms that only meet the requirements of operation above 2 years or more, pass annual inspections, have no adverse records, and have a team of more than 10 full-time lawyers. Thirdly, the possibility of potential risks for the supply subject increases. The high concentration of such departments as public security, procuratorates, courts, justice, and law firms in the legal district may lead to increased contact and interaction with each other. In the case of a blurred boundary of the "firewall", it is easy for some lawyers to "encircle" judicial personnel, some judicial personnel to actively engage in "power rent seeking", and a few judicial agency personnel to act as judicial brokers, which may to some extent reduce the seriousness and impartiality of those departments and easily breed judicial corruption.

(3) The allocation of legal resources is uneven. One is the uneven development of supply entities. For example, there are over 70 legal institutions from 6 major categories stationed in the Qianhai Central Legal District; The Tianfu Central Legal District has attracted over 100 legal institutions, while the Haisi Central Legal District has 320 legal institutions in 5 major categories; Fuzhou Legal District has gathered 359 online service institutions and 93 offline service institutions. The second is the uneven allocation of supply products. This is reflected in the fact that among the legal service institutions, the proportion of law firms in most Central Legal Services District accounts for over 80%, while the proportion of arbitration, mediation, appraisal, and notarization is relatively low. And among the pan legal institutions, there is also an imbalance in the service institutions of taxation, accounting, asset evaluation, intellectual property, etc. In the Haisi Central Legal District, there are 1493 tax related institutions and only 9 accounting firms, making it difficult to match and meet the accounting needs of standardized operation and quality control systems of enterprises. (Shi D., Xie J., 2022).

(4) The quality level of legal services needs to be improved. One is that the work standards are not consistent and work processes not standardized. Currently, the work standards and norms of each central legal district are still in the exploratory stage. They have no legal directory list, no clear standards for the scope, scale, and identification of their respective services, and their execution standards are inconsistent. This to some extent restricts the construction of the legal service system and the effectiveness of later operation and management. At present, only the Tianfu Central Legal District is attempting to promote the unification of intellectual property law enforcement standards and judicial concepts, and to fulfill the responsibilities of intellectual property protection externally under the name of the Tianfu Central Legal District Prosecutor Service Center. The three levels of courts are closely linked and cooperate in handling cases efficiently. Secondly, the brand's characteristics are not distinct. Due to the generally short establishment time of the legal district, it is not possible to sort out advanced or typical experiences for spreading. From the perspective of
3. SUGGESTIONS FOR BUILDING THE CENTRAL LEGAL DISTRICT INTO A SUPERIOR LEGAL SERVICE CENTER

(1) Strengthen system planning and optimize the layout of Central Legal Services District. One is to strengthen top-level design. It is recommended to deepen the construction of the legal district around the positioning and distinctive advantages of the region. For Xiamen, Fujian, the advantages related to Taiwan and the sea are obvious. The focus can be on legal services in the electronic industry, cross-strait trade, investment and financing, as well as marine, maritime, and shipbuilding industries related to Taiwan and the sea, aiming to create a superior legal service platform in relevant fields and guide the aggregation and upgrading of relevant legal services in a targeted manner. The second is to leverage strengths and avoid weaknesses, and work hard to achieve short-term, mid-term, and finally long-term goals. The plannings for the three different goals has to be quantified in terms of the level of economic development related to legal affairs, the growth of legal and pan legal organizations, the growth of legal service business, and the indicators of the legal business environment.

(2) Synergize innovation mechanism, and rally development efforts. One is to coordinate the allocation and promote the balanced development of legal services. Encourage and guide more high-quality legal service resources to flow to the legal district, cultivate mid to high-end talents, and make the legal service resources at the front, middle, and end relatively balanced, especially to serve the high-quality development needs of local areas, with special emphasis on the characteristics of local economic development. Secondly, the judicial administrative system should fully leverage the important functions of legal aid, mediation, and legal affairs consultation in the service platform, achieving a "zero distance" with enterprises and the public; The service platform should link, integrate, and stimulate the vitality of all parties, forming a comprehensive pattern of government, judicial administration, enterprises, and the public in one. The third is to promote mutual learning between legal districts through the establishment of joint meetings and industry associations of the Central Legal Services District, regular exchanges and visits, as well as cadre on-the-job exchanges.(Tang S., Zhang H.,2021).

(3) Utilize talent advantages and expand diverse supply entities. One is to vigorously introduce and cultivate legal service talents. Professional legal talents and legal service organizations can be publicly recruited through government procurement of services and subsidies; Planned introduction of high-end legal service talents should be made and a professional legal talent pool be established. The second is to strengthen the training of legal professional skills. A professional talent education and training system with scientific classification and hierarchical management shall be established; business in fields such as intellectual property, healthcare, education, construction, and asset restructuring shall be actively expanded, so as to adapt to new situations and needs such as economic transformation and upgrading in local regions. Thirdly, the advantages of think tanks in universities shall be leveraged. Relying on university resources, theoretical and practical research on core issues, such as strategic positioning, development planning, and feature refinement of the legal district can be conducted through thematic discussions and horizontal project cooperation; and the talent resources of the legal district can be activated through renowned teacher forums, student’s social practice, employment consultation, and other means.

(4) Formulate a clear list of legal service products and provide precise services. One is to clarify the scope of legal affairs and improve the quality of legal services. Clarify the supply boundary and scope of legal service products, standardize the definition of project services, and make each service more detailed and specific. The second is to build precise legal services based on social demand. Develop a unified list of legal service projects to achieve a "menu style" supply of legal services; solidly promote legal publicity, strengthen the dissemination of legal knowledge among the public and
enterprises, guide the public to learn, understand, and use the law, and help them to get aware of the legal consequences and risks of various behaviors. The third is to strengthen the informatization construction of public legal products and achieve diversified supply patterns. Embed public legal services into local convenience official account to build a new model of "cloud legal services", so that the public can quickly query and handle relevant legal services. (Shi, 2023) To strengthen the integration of information technology and improve application effectiveness, some cutting-edge information technologies such as big data and artificial intelligence should be fully utilized, and various service forms such as legal aid message boards, online legal consultation, and online questionnaire surveys can be set up.

(5) Strengthen institutional construction and improve work security mechanisms. One is to strengthen the construction of a professional community. Establish a legitimate communication and positive interaction mechanism for judges, prosecutors, and lawyers, including regular consultations, training in the program, mutual supervision and evaluation, communication and cooperation, rights protection, joint investigation and handling, and information exchange, striving to combine "dredging" and "blocking", and establish a sound relationship of mutual support, supervision, and equal exchange between judges, prosecutors, and lawyers. The second is to formulate unified platform construction standards. Specify the construction and standards of legal service entity platforms at different levels. For the same type of legal service organization, it is necessary to unify platform settings, names, logos, personnel, equipment, systems, accounts, etc. The third is to specify legal service standards. Develop unified standards for service projects, define the service process in terms of service items, service objects, service processes, service methods, service hours, and behavioral norms for handling personnel. The fourth is to improve the legal service quality supervision system. Implement standardized quality supervision and promote the upgrading and optimization of legal service business processes. Introduce a “third-party evaluation agency” to conduct quality evaluation and public satisfaction evaluation of the legal service team, ensuring the social effectiveness of the service.

4. CONCLUSION

The construction of Central Legal Services District represents a pivotal step in advancing the rule of law and fostering a robust, market-oriented, and internationally competitive business environment in China. Despite notable strides, several challenges remain, including homogeneity in high-level planning, limitations of legal service providers, uneven allocation of resources, and inconsistent service quality. Addressing these issues requires a multifaceted approach: enhancing system planning, fostering innovation, leveraging talent, refining service offerings, and strengthening institutional frameworks. By implementing these strategies, Central Legal Services District can evolve into superior legal service centers, significantly contributing to local and national economic development while setting a benchmark for legal service excellence globally. The advancement of these districts will ensure a more dynamic, efficient, and equitable legal landscape, aligning with the broader goals of Xi Jinping Thought on the Rule of Law and supporting China's strategic economic ambitions.

REFERENCES

