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# ANTI-UNFAIR COMPETITION LAW OF THE PEOPLE'S REPUBLIC OF CHINA

(Adopted at the 3rd Session of the Standing Committee of the Eighth National People's Congress of the People's Republic of China on September 2, 1993; revised for the first time at the 30th Session of the Standing Committee of the Twelfth National People's Congress on November 4, 2017; amended in accordance with the Decision to Amend Eight Laws Including the Construction Law of the People's Republic of China adopted at the 10th Session of the Standing Committee of the Thirteenth National People's Congress of the People's Republic of China on April 23, 2019; revised for the second time at the 16th Session of the Standing Committee of the Fourteenth National People's Congress on June 27, 2025)





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## Chapter I. General Provisions

### Article 1

This Law is enacted for the purposes of promoting the sound development of the socialist market economy, encouraging and protecting fair competition, preventing and repressing acts of unfair competition, and protecting the lawful rights and interests of businesses and consumers.

### Article 2

Businesses shall, in production and business activities, abide by the principles of voluntariness, equality, fairness and good faith, observe the laws and business ethics, and participate in market competition fairly.

For the purposes of this Law, the term “acts of unfair competition” means the acts conducted by businesses during production and business activities which violate the provisions of this Law, disrupt the order of market competition and infringe upon the lawful rights and interests of other businesses or consumers. For the purposes of this Law, the term “business” means a natural person, a legal person, or an unincorporated organization that engages in the production or distribution of goods or the provision of services (“goods” referred to hereinafter includes services).

### Article 3

The anti-unfair competition work shall uphold the leadership of the Communist Party of China.

The state improves and refines anti-unfair competition rules and systems, strengthens law enforcement and judicial efforts in anti-unfair competition, maintains the order of market competition, and improves the unified, open, competitive and orderly market system.

The state establishes and improves the fair competition review system, and strengthens fair competition review in accordance with the law, to ensure that all types of businesses have equal access to factors of production and fairly participate in market competition in accordance with the law.

### Article 4

People’s governments at all levels shall take measures to prevent and repress acts of unfair competition and create a favorable environment and conditions for fair competition.

The State Council shall establish and improve the coordination mechanism of anti-unfair competition

work to coordinate the handling of major issues on maintaining the order of market competition.

### Article 5

Departments that perform the duty of market regulation of the people’s governments at or above the county level shall conduct supervisory inspection of acts of unfair competition, unless a law or administrative regulation requires other departments to conduct such supervisory inspection.

### Article 6

The state encourages, supports, and protects public scrutiny from all organizations and individuals of acts of unfair competition.

State authorities and their employees shall not support or harbor acts of unfair competition.

Industry organizations shall strengthen industry self-regulation, guide and regulate the businesses in their industries in competing in accordance with the law, and maintain the order of market competition.

## Chapter II. Acts of Unfair Competition

### Article 7

A business shall not commit any of the following acts of confusion to mislead the public into believing that the goods are those of another person or have a specific connection with another person:

1. Using without authorization a label identical or similar to the name, packaging or decoration, among others, of another person’s goods with certain influence.
2. Using without authorization another person’s enterprise name (including an abbreviation or trade name) or personal name (including a pseudonym, stage name, online name, or name translation) with certain influence.
3. Using without authorization the main part of a domain name, the name of a website, a web page, the name of a new media account, the name of an application, or an icon with certain influence, among others, of another person.
4. Other acts of confusion sufficient to mislead the public into believing that the goods are those of another person or have a specific connection with another person.

Using without authorization another person’s registered trademark or unregistered well-known trademark as the trade name in an enterprise name, or setting

another person's product name, enterprise name (including an abbreviation or trade name), registered trademark, or unregistered well-known trademark, among others, as a search keyword, thereby misleading the public into believing that the goods are those of another person or have a specific connection with another person, shall be deemed an act of confusion as specified in the preceding paragraph.

A business shall not aid others in committing acts of confusion.

#### **Article 8**

A business shall not bribe any of the following entities or individuals by offering property or by any other means to seek transaction opportunities or competitive advantages :

1. An employee of the other party to a transaction.
2. An entity or individual authorized by the other party to a transaction to handle relevant affairs.
3. An entity or an individual that uses power or influence to affect a transaction.

No entity or individual specified in the preceding paragraph shall accept bribes.

A business may, in a transaction, explicitly pay a discount to the other party to the transaction, or pay a commission to an intermediary. In either case, the business shall faithfully make an entry in its account book. The business receiving the discount or commission shall also faithfully enter it into its account book.

A bribery committed by an employee of a business shall be deemed to have been committed by the business, unless the business has evidence that the act of the employee is irrelevant to seeking transaction opportunities or competitive advantages for the business.

#### **Article 9**

A business shall not conduct any false or misleading commercial publicity of its goods as to the performance, function, quality, sales condition, clients' reviews and the awards received to deceive or mislead consumers and other businesses.

A business shall not aid, by organizing false transactions or false reviews, or any other means, another business in conducting any false or misleading commercial publicity.

#### **Article 10**

A business shall not commit any of the following

acts of infringing upon trade secrets:

1. Acquiring a trade secret from the right holder by theft, bribery, fraud, coercion, electronic intrusion, or any other illicit means.
2. Disclosing, using, or allowing another person to use a trade secret acquired from the right holder by any means as specified in the preceding subparagraph.
3. Disclosing, using, or allowing another person to use a trade secret in its possession, in violation of its confidentiality obligation or the requirements of the right holder for keeping the trade secret confidential.
4. Abetting, inducing or aiding another person to acquire, disclose, use, or allow another person to use the trade secret of the right holder in violation of his or her confidentiality obligation or the requirements of the right holder for keeping the trade secret confidential.

An illegal act as set forth in the preceding paragraph committed by a natural person, legal person or unincorporated organization other than a business shall be deemed an infringement of the trade secret.

Where a third party knows or should have known that an employee or a former employee of the right holder of a trade secret or any other entity or individual has committed an illegal act as specified in paragraph 1 of this Article but still acquires, discloses, uses, or allows another person to use the trade secret, the third party shall be deemed to have infringed upon the trade secret.

For the purpose of this Law, "trade secret" means technical, operational or other commercial information that is unknown to the public and of commercial value and for which the right holder has taken corresponding confidentiality measures.

#### **Article 11**

A business's prize promotions shall not fall under any of the following circumstances:

1. The information on the types of prizes, the conditions for claiming prizes, the amount of a cash prize, or the products as prizes, among others, in a prize promotion is ambiguous, affecting a claim for a prize.
2. After the prize promotion activities begin, the information on the types of prizes, the conditions for claiming a prize, the amount of a cash prize, or the products as prizes, among others, in the prize promotion is changed without justification.

3. A prize promotion is conducted by offering non-existent prizes, intentionally making a pre-determined person to win the prize, or any other means.
4. In the case of prize promotion of a lottery type, the amount of the top prize exceeds 50,000 yuan.

#### **Article 12**

A business shall neither fabricate or disseminate nor instruct another person to fabricate or disseminate false or misleading information to damage the goodwill or product reputation of another business.

#### **Article 13**

A business engaging in production or business activities online shall abide by the provisions of this Law.

No business may, through data, algorithms, technology, or platform rules, among others, and by affecting users' options or any other means, commit the following acts of interfering with or disrupting the normal operation of online products or services legally provided by another business:

1. Inserting a link or forcing a URL redirection in an online product or service legally provided by another business without its consent.
2. Misleading, deceiving, or forcing users into modifying, closing, or uninstalling an online product or service legally provided by another business.
3. Causing in bad faith incompatibility with an online product or service legally provided by another business.
4. Other acts of interfering with or disrupting the normal operation of online products or services legally provided by another business.

A business shall not obtain or use data lawfully held by another business by fraud, coercion, circumvention or destruction of technical management measures, or any other improper means, thereby damaging the lawful rights and interests of the other business and disrupting the order of market competition.

A business shall not abuse platform rules to conduct a false transaction, perform a false review, or request a malicious return, among others, in person or by an instructed person, against another business, thereby damaging the lawful rights and interests of the other business and disrupting the order of market competition.

#### **Article 14**

A platform operator shall not force, directly or in disguise, businesses on its platform to follow its pricing rules and sell goods at prices below cost, thereby disrupting the order of market competition.

#### **Article 15**

A large enterprise or any other business shall not require a small or medium-sized enterprise to accept evidently unreasonable payment terms, methods, conditions, liability for breach of contract, or other transaction terms, or delay payments for goods, projects, or services to a small or medium-sized enterprise, by abusing its dominant position in terms of capital, technology, transaction channels, or industry influence, among others.

### **Chapter III. Investigation into Suspected Acts of Unfair Competition**

#### **Article 16**

The supervisory inspection departments may take the following measures in investigating suspected acts of unfair competition:

1. Entering business premises suspected of acts of unfair competition for inspection.
2. Questioning businesses under investigation, interested persons, and other relevant entities and individuals, and requiring them to provide relevant explanations or other materials relating to the acts under investigation.
3. Consulting or duplicating agreements, account books, documents, files, records, business letters, and other materials relating to the suspected acts of unfair competition.
4. Seizing or impounding property relating to the suspected acts of unfair competition.
5. Inquiring about the bank accounts of businesses suspected of acts of unfair competition.

Before the measures specified in the preceding paragraph are taken, a written report shall be submitted to the primary person in charge of the supervisory inspection department for approval. Before the measures specified in subparagraphs (4) and (5) in the preceding paragraph are taken, a written report shall be submitted to the primary person in charge of the supervisory inspection department of the people's government at or above the level of a districted city for approval.

The supervisory inspection departments shall abi-

de by the Administrative Compulsion Law of the People's Republic of China and other relevant laws and regulations in their investigations of suspected acts of unfair competition, and disclose the investigation and disposition results to the public in a timely manner in accordance with the law.

#### **Article 17**

When the supervisory inspection departments investigate suspected acts of unfair competition, the businesses under investigation, interested persons, and other relevant entities and individuals shall faithfully provide relevant materials or information.

#### **Article 18**

Where a business is suspected of violating this Law, the supervisory inspection department may hold an interview with its relevant person in charge and require him or her to explain the circumstances and propose improvement measures.

#### **Article 19**

The supervisory inspection departments and their employees shall have a legal obligation to keep confidential the trade secrets, personal privacy and personal information known in their investigations.

#### **Article 20**

Any entity or individual shall have the right to report a suspected act of unfair competition to the supervisory inspection department, which shall process the report in a timely manner as legally required after receiving it.

The supervisory inspection departments shall publish their telephone numbers, mailing boxes, or e-mail addresses for receiving reports, and keep informants confidential. In the case of real-name reporting with relevant facts and evidence provided, the supervisory inspection department shall promptly notify the informant of the disposition result.

#### **Article 21**

A platform operator shall specify the platform's rules for fair competition in its platform service agreement and rules of transactions and establish a mechanism for reporting and complaining about unfair competition and resolving disputes to guide and regulate lawful fair competition among businesses on the platform. If it discovers that a business on the platform commits an act of unfair competition, it shall promptly take necessary disposition measures in accordance

with the law, keep relevant records, and report to the supervisory inspection department of the people's government at or above the county level in the place of the platform's domicile as required.

### **Chapter IV. Legal Liability**

#### **Article 22**

A business that, in violation of the provisions of this Law, has caused any damage to another person shall assume civil liability according to the law.

A business whose lawful rights and interests are damaged by any act of unfair competition may institute an action in a people's court.

The amount of compensation for the damage caused to a business by any act of unfair competition shall be determined based on the actual loss suffered by the business due to the infringement or the benefits acquired by the infringer from the infringement. If a business intentionally infringes upon a trade secret with serious circumstances, the amount of compensation may be determined to be not less than one time nor more than five times the amount determined by the aforesaid method. The amount of compensation shall also include the reasonable expense paid by the business to prevent the infringement.

Where a business violates Article 7 or 10 of this Law, and it is difficult to determine the actual loss suffered by the right holder due to the infringement or the benefits acquired by the infringer from the infringement, a people's court may, based on the circumstances of the infringement, render a judgment to award compensation in the amount of not more than five million yuan to the right holder.

#### **Article 23**

Where a business, in violation of Article 7 of this Law, commits any act of confusion or aids another person in committing such an act, the supervisory inspection department shall order it to cease the illegal act, and confiscate the illegal goods. If the amount of illegal operations is 50,000 yuan or more, it may also be fined not more than five times the amount of illegal operations; or if there is no amount of illegal operations or the amount of illegal operations is less than 50,000 yuan, it may also be fined not more than 250,000 yuan; if the circumstances are serious, its business license shall be revoked in addition.

Those who sell illegal goods as provided for in Article 7 of this Law shall be punished under the preceding paragraph. If the seller sells the goods without knowing their illegality, has evidence of the lawful acquisition of the goods, and states the supplier, the supervisory inspection department shall order cessation of the sale without imposing an administrative sanction.

A business whose registered name violates Article 7 of this Law shall promptly undergo name modification registration; and before its name is modified, the enterprise registration authority shall substitute its unified social credit code for its name.

#### **Article 24**

Where a relevant entity, in violation of Article 8 of this Law, bribes another person or accepts a bribe, the supervisory inspection department shall confiscate its illegal income and impose a fine of not less than 100,000 yuan nor more than 1 million yuan; or if the circumstances are serious, the supervisory inspection department shall impose a fine of not less than 1 million yuan nor more than 5 million yuan and may revoke its business license in addition.

If the legal representative, primary person in charge, or directly responsible person of the business is personally liable for the bribery or personally accepts a bribe, the supervisory inspection department shall confiscate the illegal income and impose a fine of not more than 1 million yuan.

#### **Article 25**

Where a business, in violation of Article 9 of this Law, conducts any false or misleading commercial publicity of its products, or aids, by organizing false transactions or false reviews, or any other means, another business in conducting any false or misleading commercial publicity, the supervisory inspection department shall order it to cease the illegal act and impose a fine of not more than 1 million yuan; or if the circumstances are serious, the supervisory inspection department shall impose a fine of not less than 1 million yuan nor more than 2 million yuan, and may revoke its business license in addition.

A business publishing any false advertisements in violation of Article 9 of this Law shall be punished in accordance with the Advertising Law of the People's Republic of China.

#### **Article 26**

Where a business or any other natural person, le-

gal person or unincorporated organization infringes upon a trade secret in violation of Article 10 of this Law, the supervisory inspection department shall order the violator to cease the illegal act, confiscate any illegal income, and impose a fine of not less than 100,000 yuan nor more than 1 million yuan, or, if the circumstances are serious, a fine of not less than 1 million yuan nor more than 5 million yuan.

#### **Article 27**

Where a business conducts a prize promotion in violation of Article 11 of this Law, the supervisory inspection department shall order it to cease the illegal act, and impose a fine of not less than 50,000 yuan nor more than 500,000 yuan.

#### **Article 28**

Where a business causes any damage to the goodwill or product reputation of another business in violation of Article 12 of this Law, the supervisory inspection department shall order it to cease the illegal act and eliminate adverse effects, and impose a fine of not less than 100,000 yuan nor more than 1 million yuan, or, if the circumstances are serious, a fine of not less than 1 million yuan nor more than 5 million yuan.

#### **Article 29**

Where a business commits unfair competition online in violation of Articles 13(2), (3) and (4) of this Law, the supervisory inspection department shall order it to cease the illegal act and impose a fine of not less than 100,000 yuan nor more than 1 million yuan, or, if the circumstances are serious, a fine of not less than 1 million yuan nor more than 5 million yuan.

#### **Article 30**

Where a platform operator, in violation of Article 14 of this Law, forces, directly or in disguise, businesses on its platform to sell goods at prices below cost, the supervisory inspection department shall order it to cease the illegal act, and impose a fine of not less than 50,000 yuan nor more than 500,000 yuan, or, if the circumstances are serious, a fine of not less than 500,000 yuan nor more than 2 million yuan.

#### **Article 31**

Where a business abuses its dominant position in violation of Article 15 of this Law, the supervisory inspection department of the people's government at or above the provincial level shall order it to take

corrective action within a prescribed time limit and, if it fails to do so, impose a fine of not more than 1 million yuan, or, if the circumstances are serious, a fine of not less than 1 million yuan nor more than 5 million yuan.

#### **Article 32**

Where a business engages in any unfair competition in violation of this Law, if it voluntarily eliminates or mitigates the harmful consequences of its illegal act, among other statutory circumstances, a lighter or mitigated administrative sanction may be imposed on it according to the law; or if the illegal act is minor and corrected in a timely manner without any harmful consequences, no administrative sanction shall be imposed on it.

#### **Article 33**

Where a business receives any administrative sanction for engaging in unfair competition in violation of this Law, the supervisory inspection department shall enter it into the credit record of the business, and publish it according to the provisions of the relevant laws and administrative regulations.

#### **Article 34**

Where the property of a business who shall be held civilly, administratively, and criminally liable for a violation of this Law is insufficient to cover all the liabilities, its property shall be first used for its assumption of civil liability.

#### **Article 35**

Where a supervisory inspection department's performance of duties under this Law is interfered with or its investigation is refused or impeded, the supervisory inspection department shall order corrective action and may impose a fine of not more than 10,000 yuan in the case of an individual or a fine of not more than 100,000 yuan in the case of an entity.

#### **Article 36**

A party who is dissatisfied with a decision made by the supervisory inspection department may apply for administrative reconsideration or file an administrative lawsuit in accordance with the law.

#### **Article 37**

Any employee of a supervisory inspection department who abuses power, neglects duties, engages in malpractice for personal gains, or divulges any trade secret, personal privacy, or personal informa-

tion known in investigation shall be subject to disciplinary action in accordance with the law.

#### **Article 38**

Where a violation of this Law constitutes violation of regulations on public security administration, the violator shall be given a public security administration punishment in accordance with the law; if the violation constitutes a crime, the violator shall be held criminally liable in accordance with the law.

#### **Article 39**

In the civil trial procedure for infringement of a trade secret, if the right holder of the trade secret provides prima facie evidence that it has taken confidentiality measures for the claimed trade secret and reasonably indicates that the trade secret has been infringed upon, the suspected infringer shall prove that the trade secret claimed by the right holder is not a trade secret as prescribed in this Law.

If the right holder of a trade secret provides prima facie evidence to reasonably indicate that the trade secret has been infringed upon, and provides any of the following evidence, the suspected infringer shall prove that he has not committed such infringement:

1. Evidence that the suspected infringer has a channel or an opportunity to access the trade secret and that the information it uses is substantially the same as the trade secret.
2. Evidence that the trade secret has been disclosed or used, or is at risk of being disclosed or used by the suspected infringer.
3. Evidence that the trade secret is otherwise infringed upon by the suspected infringer.

### **Chapter V. Supplemental Provisions**

#### **Article 40**

Where any act of unfair competition as provided for in this Law which is committed outside the territory of the People's Republic of China has disrupted the order of domestic market competition or damaged the lawful rights and interests of domestic businesses or consumers, it shall be handled in accordance with this Law and relevant laws.

#### **Article 41**

This Law shall come into force on October 15, 2025.



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