# Anti-Monopoly Law of the People’s Republic of China

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## Contents


Table of Contents . . . . . 1

Chapter I — General Provisions . . . . . 1

Chapter II — Monopoly Agreements . . . . . 2

Chapter III — Abuse of Dominant Market Position . . . . . 3

Chapter IV — Concentration of Undertakings . . . . . 4

Chapter V — Abuse of Administrative Power to Eliminate or Restrict Competition . . . . . 5

Chapter VI — Investigation of Suspected Monopolistic Conduct . . . . . 5

Chapter VII — Legal Liability . . . . . 5

Chapter VIII — Supplementary Provisions . . . . . 6


Adopted August 30, 2007; Amended June 24, 2022; Effective August 1, 2022

Effective: August 1, 2022

### Table of Contents


- Chapter I — General Provisions
- Chapter II — Monopoly Agreements
- Chapter III — Abuse of Dominant Market Position
- Chapter IV — Concentration of Undertakings
- Chapter V — Abuse of Administrative Power to Eliminate or Restrict Competition
- Chapter VI — Investigation of Suspected Monopolistic Conduct
- Chapter VII — Legal Liability
- Chapter VIII — Supplementary Provisions


## Chapter I — General Provisions

Article 1. This Law is enacted for the purposes of preventing and restraining monopolistic conduct, protecting fair market competition, encouraging innovation, enhancing economic efficiency, safeguarding the interests of consumers and the public interest, and promoting the healthy development of the socialist market economy.




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Article 2. This Law applies to monopolistic conduct within the territory of the People's Republic of China. This Law also applies to monopolistic conduct outside the territory of the People's Republic of China that has the effect of eliminating or restricting competition in the domestic market.

Article 3. Monopolistic conduct regulated by this Law includes: (1) monopoly agreements among undertakings; (2) abuse of dominant market position by undertakings; and (3) concentrations of undertakings that have or may have the effect of eliminating or restricting competition.

Article 4. The State shall uphold the fundamental role of the market in resource allocation through competition policies, and shall establish and improve a fundamental position for competition policy. The State shall formulate and implement competition rules compatible with the socialist market economy, and improve macro-control through a sound, unified, open, competitive, and orderly market system.

Article 5. Undertakings may, through fair competition and voluntary association, lawfully concentrate to expand their business scale and enhance market competitiveness.

Article 6. Undertakings with a dominant market position shall not abuse their dominant market position to eliminate or restrict competition.

Article 7. With respect to industries vital to the national economy and national security where the state-owned economy holds a controlling position, as well as industries subject to exclusive operation and sales in accordance with law, the State shall protect the lawful business activities of the undertakings operating therein, and shall regulate, adjust, and supervise their business conduct and the prices of their goods and services in accordance with law to safeguard consumer interests and promote technological advancement. The undertakings in the aforementioned industries shall lawfully operate, be honest and trustworthy, exercise strict self-discipline, and accept public supervision; they shall not use their controlling position or exclusive operation and sales status to harm consumer interests.

Article 8. Undertakings shall not abuse administrative powers to eliminate or restrict competition by organizing, facilitating, or compelling other undertakings to enter into monopoly agreements, or by taking other actions that eliminate or restrict competition.

Article 9. Undertakings shall not use data, algorithms, technologies, platform rules, or other means to engage in monopolistic conduct prohibited by this Law.

Article 10. Undertakings with a dominant market position shall not use data, algorithms, technologies, platform rules, or other means to abuse their dominant market position as prohibited by this Law.

Article 11. The State shall establish and improve a system for fair competition review. Administrative organs and organizations authorized by laws and regulations to administer public affairs shall conduct fair competition reviews when formulating regulations, rules, and regulatory documents involving the economic activities of undertakings.

Article 12. The Anti-Monopoly Commission under the State Council shall be responsible for organizing, coordinating, and guiding anti-monopoly work and shall perform the following functions: (1) studying and formulating relevant competition policies; (2) organizing the investigation and assessment of overall market competition conditions and publishing assessment reports; (3) formulating and issuing anti-monopoly guidelines; and (4) coordinating anti-monopoly administrative law enforcement.

Article 13. The anti-monopoly law enforcement authority designated by the State Council (hereinafter referred to as the "Anti-Monopoly Enforcement Authority") shall be responsible for anti-monopoly law enforcement work. The State Council may, as needed, authorize the corresponding authorities of provinces, autonomous regions, and municipalities directly under the Central Government to conduct anti-monopoly law enforcement.

## Chapter II — Monopoly Agreements



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Article 14. “Monopoly agreement” means an agreement, decision, or other concerted practice that eliminates or restricts competition, reached between undertakings.

Article 15. Undertakings are prohibited from entering into the following monopoly agreements with competitors: (1) fixing or changing the price of goods; (2) restricting the quantity of goods produced or sold; (3) dividing the sales market or the raw material procurement market; (4) restricting the purchase of new technology or new equipment or restricting the development of new technology or new products; (5) jointly boycotting transactions; and (6) other monopoly agreements as determined by the Anti-Monopoly Enforcement Authority under the State Council.

Article 16. Undertakings are prohibited from entering into the following monopoly agreements with trading counterparties: (1) fixing the price of goods for resale to a third party; and (2) restricting the minimum price of goods for resale to a third party. Where an undertaking can demonstrate that the fixing or restriction does not have the effect of seriously eliminating or restricting competition, such conduct shall not be prohibited.

Article 17. Undertakings shall not organize other undertakings to enter into monopoly agreements or provide substantive assistance for other undertakings to enter into monopoly agreements.

Article 18. Where an undertaking can prove that a monopoly agreement was entered into for any of the following purposes, the prohibition under Articles 15(1) through (5) and Articles 16 and 17 shall not apply: (1) improving technology or research and development of new products; (2) upgrading product quality, reducing costs, enhancing efficiency, or unifying product specifications or standards; (3) enhancing the operational efficiency and competitiveness of small and medium-sized undertakings; (4) achieving public interests such as energy conservation, environmental protection, and disaster relief; (5) alleviating serious overcapacity during economic downturns; (6) safeguarding legitimate interests in foreign trade and foreign economic cooperation; and (7) other circumstances prescribed by law or the State Council. For items (1) through (5), the undertaking shall also prove that the agreement will not seriously restrict competition in the relevant market and will enable consumers to share the resulting benefits.

## Chapter III — Abuse of Dominant Market Position

Article 19. “Dominant market position” means a market position held by an undertaking that enables it to control the price, quantity, or other trading conditions of goods in the relevant market, or to hinder or affect the ability of other undertakings to enter the relevant market.

Article 20. Undertakings with a dominant market position are prohibited from engaging in the following conduct: (1) selling goods at unfairly high prices or purchasing goods at unfairly low prices; (2) selling goods at a price below cost without justification; (3) refusing to trade with trading counterparties without justification; (4) restricting trading counterparties to transacting exclusively with the undertaking or with designated undertakings without justification; (5) conducting tie-in sales without justification, or imposing other unreasonable trading conditions; (6) applying differential treatment to trading counterparties with equivalent conditions in terms of transaction prices or other trading conditions without justification; and (7) other conduct recognized by the Anti-Monopoly Enforcement Authority as abuse of dominant market position.

Article 21. Undertakings with a dominant market position shall not use data, algorithms, technologies, platform rules, or other means to engage in the abusive conduct specified in the preceding article.

Article 22. The following factors shall be considered when determining dominant market position: (1) market share of the undertaking and the competitive situation in the relevant market; (2) the undertaking’s ability to control the sales market or the raw material procurement market; (3) the financial strength and technical capabilities of the undertaking; (4) the degree of dependence of other undertakings on the undertaking in transactions; (5) the degree of difficulty for other undertakings to enter the relevant market; and (6) other factors relevant to determining dominant market position.



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Article 23. Where any of the following circumstances exist, an undertaking may be presumed to have a dominant market position: (1) one undertaking holds half or more of the market share in the relevant market; (2) two undertakings in aggregate hold two-thirds or more of the market share in the relevant market; or (3) three undertakings in aggregate hold three-fourths or more of the market share in the relevant market. However, an undertaking under item (2) or (3) whose market share is less than 10% shall not be presumed to have a dominant market position. An undertaking presumed to have a dominant market position shall not be so determined if it has evidence to the contrary.

## Chapter IV — Concentration of Undertakings

Article 24. “Concentration of undertakings” refers to: (1) merger of undertakings; (2) acquisition of control over other undertakings by means of acquiring equity or assets; and (3) acquisition of control over other undertakings or the ability to exercise decisive influence over other undertakings by contract or other means.

Article 25. Where a concentration of undertakings meets the notification thresholds prescribed by the State Council, the undertakings shall file a prior notification with the Anti-Monopoly Enforcement Authority; no concentration shall be implemented without such notification. Where the notified concentration does not meet the State Council thresholds but there is evidence that the concentration has or may have the effect of eliminating or restricting competition, the Anti-Monopoly Enforcement Authority may require the undertakings to file a notification. Where the undertakings fail to file as required, the Anti-Monopoly Enforcement Authority shall investigate in accordance with law.

Article 26. The following documents shall be submitted for notification: (1) a notification form; (2) an explanation of the impact of the concentration on competition in the relevant market; (3) the concentration agreement; (4) the financial and accounting reports of the undertakings for the preceding fiscal year audited by an accounting firm; and (5) other documents and materials specified by the Anti-Monopoly Enforcement Authority.

Article 27. Within 30 days of receipt of documents and materials that comply with the provisions of this Law, the Anti-Monopoly Enforcement Authority shall conduct a preliminary review and make a decision whether to conduct a further review. Where the Anti-Monopoly Enforcement Authority decides not to conduct further review, the undertakings may implement the concentration. Where no decision is made within the prescribed period, the undertakings may implement the concentration.

Article 28. Where the Anti-Monopoly Enforcement Authority decides to conduct further review, it shall complete the review within 90 days of the decision and make a decision whether to prohibit the concentration. Under any of the following circumstances, the Anti-Monopoly Enforcement Authority may extend the review period by no more than 60 days with written notice: (1) the undertakings agree to extend the review period; (2) the documents or materials submitted are inaccurate and require further verification; or (3) material changes in circumstances occur after notification. Where the undertakings fail to provide documents and materials within the prescribed time limit without justification, the review may be terminated.

Article 29. Factors to be considered in reviewing concentrations of undertakings include: (1) market share of the undertakings and their degree of control over the market; (2) degree of market concentration; (3) impact on market entry and technological advancement; (4) impact on consumers and other relevant undertakings; (5) impact on national economic development; and (6) other factors that the Anti-Monopoly Enforcement Authority considers should be taken into account.

Article 30. Where a concentration of undertakings has or may have the effect of eliminating or restricting competition, the Anti-Monopoly Enforcement Authority shall make a decision to prohibit the concentration. However, where the undertakings can demonstrate that the concentration’s pro-competitive effects clearly outweigh its anti-competitive effects, or that the concentration is in the public interest, the Anti-Monopoly Enforcement Authority may decide not to prohibit the concentration. Where the decision is not to prohibit, the



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Anti-Monopoly Enforcement Authority may impose restrictive conditions to mitigate any adverse effects.

Article 31. The Anti-Monopoly Enforcement Authority shall publish decisions prohibiting concentrations of undertakings or decisions imposing restrictive conditions in a timely manner.

Article 32. Where a concentration involves national security, it shall be reviewed in accordance with relevant State regulations on national security review, in addition to the anti-monopoly review under this Law.

## Chapter V — Abuse of Administrative Power to Eliminate or Restrict Competition

Article 33. Administrative organs and organizations authorized by laws and regulations to administer public affairs shall not abuse their administrative power to restrict or require undertakings to use goods supplied by designated undertakings.

Article 34. Administrative organs shall not abuse their administrative power to restrict the free flow of goods between regions by any means.

Article 35. Administrative organs shall not abuse their administrative power to restrict or exclude undertakings from outside their region from bidding or conducting business locally.

Article 36. Administrative organs shall not abuse their administrative power to discriminate against undertakings from outside the region.

Article 37. Administrative organs shall not abuse their administrative power to compel undertakings to engage in monopolistic conduct.

Article 38. Administrative organs shall not abuse their administrative power to formulate regulations, rules, or regulatory documents that eliminate or restrict competition.

## Chapter VI — Investigation of Suspected Monopolistic Conduct

Article 39. The Anti-Monopoly Enforcement Authority shall investigate suspected monopolistic conduct in accordance with law. No entity or individual may refuse or obstruct such investigation. Undertakings under investigation, interested parties, and other relevant entities or individuals shall cooperate and provide relevant documents and information.

Article 40. When conducting investigations, the Anti-Monopoly Enforcement Authority may take the following measures: (1) conducting on-site inspections of business premises or other relevant places; (2) questioning the undertaking under investigation, interested parties, and other relevant entities or individuals, and requiring them to explain relevant matters; (3) reviewing and copying relevant documents and materials; (4) sealing or seizing relevant evidence; and (5) inquiring into the bank accounts of the undertaking.

Article 41. Where the undertaking under investigation undertakes to take specific measures within a time limit approved by the Anti-Monopoly Enforcement Authority to eliminate the consequences of its suspected monopolistic conduct, the Anti-Monopoly Enforcement Authority may decide to suspend the investigation. The decision shall specify the specific undertakings. Upon verifying that the undertaking has fulfilled its undertakings, the Anti-Monopoly Enforcement Authority may decide to terminate the investigation.

## Chapter VII — Legal Liability

Article 42. Where an undertaking enters into and implements a monopoly agreement in violation of this Law, the Anti-Monopoly Enforcement Authority shall order it to cease the illegal conduct, confiscate illegal gains, and impose a fine of not less than 1% and not more than 10% of the undertaking’s sales revenue in the preceding year. Where a monopoly agreement is entered into but not implemented, a fine of not more than CNY 3 million may be imposed. Where an undertaking has the circumstances specified in Article 18 of this Law, the provisions of this article shall not apply.



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Article 43. Where an undertaking organizes other undertakings to enter into monopoly agreements or provides substantive assistance, the Anti-Monopoly Enforcement Authority shall order cessation, confiscate illegal gains, and impose a fine of not more than CNY 5 million where the preceding year's sales revenue cannot be determined.

Article 44. Where an undertaking abuses its dominant market position, the Anti-Monopoly Enforcement Authority shall order cessation, confiscate illegal gains, and impose a fine of not less than 1% and not more than 10% of the preceding year's sales revenue.

Article 45. Where an undertaking implements a concentration in violation of this Law, the Anti-Monopoly Enforcement Authority shall order cessation of the concentration, disposal of equity or assets, transfer of business within a prescribed time limit, and adoption of other necessary measures to restore the pre-concentration state, and may impose a fine of not more than CNY 5 million. Where the concentration has or may have the effect of eliminating or restricting competition, a fine of not more than 10% of the preceding year's sales revenue shall be imposed.

Article 46. Where the circumstances of a violation of this Law are particularly serious, have a particularly adverse impact, or cause particularly serious consequences, the Anti-Monopoly Enforcement Authority may impose a fine of not less than two times and not more than five times the fine amount specified in Articles 42, 43, 44, and 45 of this Law.

Article 47. Where an undertaking violates this Law and a legal representative or other directly responsible person bears personal responsibility, the Anti-Monopoly Enforcement Authority may impose a fine of not more than CNY 1 million on that individual.

Article 48. Where an administrative organ abuses administrative power to eliminate or restrict competition, the superior authority shall order correction; the directly responsible supervisors and other directly responsible persons shall be subject to disciplinary sanctions in accordance with law. The Anti-Monopoly Enforcement Authority may submit recommendations to the relevant superior authority.

Article 49. The Anti-Monopoly Enforcement Authority shall determine the specific fine amount taking into account the nature, extent, duration, and consequences of the illegal conduct, and whether the undertaking has eliminated the consequences of the illegal conduct.

## Chapter VIII — Supplementary Provisions

Article 50. This Law does not apply to the exercise of intellectual property rights in accordance with laws and administrative regulations relating to intellectual property rights; however, this Law applies to undertakings' abuse of intellectual property rights to eliminate or restrict competition.

Article 51. This Law does not apply to associations or cooperative activities by agricultural producers and rural economic organizations in their production, processing, sales, transportation, storage, or other business activities related to agricultural products.

Article 52. This Law shall take effect as of August 1, 2008. The amendments adopted on June 24, 2022 shall take effect as of August 1, 2022.



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