Anti-Telecommunications and Online Fraud Law of the PRC

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Chapter I — General Provisions

Article 1 — This Law is enacted for the purposes of preventing, curbing and punishing telecommunications and online fraud activities, strengthening comprehensive governance of anti-telecommunications and online fraud work, protecting the lawful rights and interests of citizens and organizations, and maintaining social stability and national security.

Article 2 — The term “telecommunications and online fraud” as used in this Law refers to the act of defrauding public or private property by means of telecommunications and network technologies through remote and non-contact methods for the purpose of illegal possession.

Article 3 — The work against telecommunications and online fraud shall adhere to the principles of systematic governance, governance at the source, and comprehensive governance, strengthen prevention and control at the front end, and establish a work pattern of joint management by the government, the relevant departments, enterprises, social organizations and the public.

Article 4 — People’s governments at various levels shall strengthen the organization and leadership of anti-telecommunications and online fraud work, incorporate it into the important agenda of economic and social development, and ensure the necessary human, material and financial input.

Article 5 — The public security organs shall take the lead in coordinating the anti-telecommunications and online fraud work. The financial, telecommunications, cyberspace administration and other relevant departments shall, within their respective functions and responsibilities, undertake the work relating to anti-telecommunications and online fraud.

Article 6 — The State shall support research on anti-telecommunications and online fraud technologies, encourage the research and development and application of anti-telecommunications and online fraud countermeasure technologies, and promote international cooperation on anti-telecommunications and online fraud.

Chapter II — Telecommunications Governance

Article 7 — Telecommunications business operators shall strictly implement the real-name registration system for telephone users. Where prepaid cards such as mobile phone cards and Internet of Things cards are sold, the real-name registration of users shall be strictly carried out.

Article 8 — Telecommunications business operators shall not exceed the number of telephone numbers prescribed by the State for each user. Telecommunications business operators shall monitor and handle abnormal telephone cards, and where abnormal usage is detected, shall take measures such as secondary real-name authentication, restricting or suspending the relevant services in accordance with the provisions.

Article 9 — Telecommunications business operators shall establish technical countermeasure systems to monitor, intercept and block fraudulent telephone calls and messages. Where fraudulent telephone calls and messages are discovered, they shall take prompt measures to block them and report to the public security organs and the telecommunications regulatory authorities.

Article 10 — Telecommunications business operators shall lawfully provide the public security organs with technical support and assistance in the investigation and handling of telecommunications fraud cases, including the provision of call records, communication content and other information.

Article 11 — Any entity or individual shall not illegally produce, sell, rent or lend telephone cards, or provide others with telephone cards that are registered under other persons' identities. Telecommunications business operators shall establish and improve mechanisms for monitoring and handling the illegal activities relating to telephone cards.

Chapter III — Internet Governance

Article 12 — Internet service providers shall implement the real-name registration system for Internet users. Where Internet access services, domain name registration services, and other Internet services are provided, the truthful identity information of users shall be verified.

Article 13 — Internet service providers shall not provide Internet access, domain name registration or resolution, server hosting, cloud services, content delivery and other services to any entity or individual suspected of engaging in telecommunications and online fraud activities.

Article 14 — Internet service providers shall establish technical countermeasure systems to monitor, intercept and block fraudulent websites, applications and other online fraudulent information. Where fraudulent websites and applications are discovered, they shall take timely measures such as blocking and stopping services, and report to the public security organs and the relevant competent departments.

Article 15 — Internet service providers shall keep the Internet access logs, network operation logs and user usage logs for the period prescribed by the State and shall lawfully provide such information to the public security organs and State security organs for inquiries.

Article 16 — Any entity or individual shall not illegally produce, sell, rent or lend Internet accounts or provide others with Internet accounts registered under other persons' identities. No entity or individual shall provide

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support or assistance for others to carry out telecommunications and online fraud activities.

Chapter IV — Comprehensive Measures

Article 17 — Banking financial institutions and non-bank payment institutions shall establish and improve systems for monitoring the abnormal transactions of accounts and the opening of accounts under abnormal circumstances, and shall take necessary preventive and control measures.

Article 18 — Where banking financial institutions and non-bank payment institutions discover abnormal transactions involving a transfer of funds suspected of being related to telecommunications and online fraud, they shall take prompt measures such as delaying the payment of the funds and shall immediately notify the public security organs.

Article 19 — Banking financial institutions and non-bank payment institutions shall establish and improve the management system for the real names of accounts, strengthen the management of settlement accounts opened by entities and individuals, and strictly implement the real-name system.

Article 20 — The public security organs shall, in conjunction with the relevant departments, establish a rapid freezing and return mechanism for funds involved in telecommunications and online fraud cases. Where it is confirmed upon verification that the funds belong to the victims, they shall be returned to the victims in a timely manner.

Article 21 — The State shall establish a credit punishment system for persons involved in telecommunications and online fraud. Persons involved in telecommunications and online fraud shall be restricted in their banking account opening, mobile phone card handling, and other services in accordance with the relevant provisions.

Article 22 — The public security organs and the relevant departments shall strengthen publicity and education on anti-telecommunications and online fraud, popularize the relevant legal knowledge, and raise the public's awareness of identifying and preventing telecommunications and online fraud.

Article 23 — Where a telecommunications business operator, Internet service provider, banking financial institution or non-bank payment institution fails to implement the relevant prevention and control measures, and thereby causes losses to others as a result of telecommunications and online fraud, they shall bear civil liability in accordance with the law.

Chapter V — Legal Liability

Article 24 — Where an entity or individual organizes, plans, implements or participates in telecommunications and online fraud activities, and the case constitutes a crime, criminal liability shall be pursued in accordance with the law. Where the case does not constitute a crime, the public security organs shall detain the person for not less than 10 days and not more than 15 days, and confiscate the illegal gains and impose a fine of not less than one time and not more than 10 times the illegal gains. Where no illegal gains are derived, a fine of not more than RMB 100,000 shall be imposed.

Article 25 — Where any entity or individual illegally produces, sells, rents or lends telephone cards, Internet accounts, or provides others with telephone cards or Internet accounts registered under other persons' identities, the relevant competent department shall order rectification, confiscate the illegal gains, and impose a fine.

Article 26 — Where a telecommunications business operator, Internet service provider, banking financial institution or non-bank payment institution violates the provisions of this Law by failing to implement the real-name system, failing to establish monitoring and countermeasure systems, or failing to take necessary preventive and control measures, the relevant competent department shall order rectification and impose a fine. Where the circumstances are serious, the relevant department may order suspension of the relevant

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business for rectification or revoke the relevant business permit or license.

Article 27 — Where a staff member of a State organ neglects his or her duties, abuses his or her powers, or engages in malpractices for personal gain in the anti-telecommunications and online fraud work, a sanction shall be imposed in accordance with the law. Where the case constitutes a crime, criminal liability shall be pursued in accordance with the law.

Chapter VI — Supplementary Provisions

Article 28 — The measures for the administration of anti-telecommunications and online fraud work shall be prescribed by the State Council in accordance with this Law.

Article 29 — This Law shall come into force as of December 1, 2022.

Disclaimer: This English translation of the Anti-Telecommunications and Online Fraud Law of the People's Republic of China (2022) is provided for reference and informational purposes only. While every effort has been made to ensure accuracy, this translation is unofficial and carries no legal authority. The original Chinese text adopted by the National People's Congress shall prevail in all legal matters. Users should consult qualified legal professionals for advice on specific compliance obligations. Dan Young Business Consultancy assumes no liability for any errors, omissions, or reliance on this translation.

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