Regulations on Commercial Mediation of the PRC

Dan Young Business Consultancy — www.danyoungcpa.com

Unofficial English translation prepared for reference only. The official Chinese text prevails.

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Article 1 — These Regulations are formulated for the purposes of regulating commercial mediation activities, effectively resolving commercial disputes, protecting the lawful rights and interests of the parties concerned, promoting the development of the commercial mediation industry, and optimizing the business environment.

Article 2 — For the purposes of these Regulations, "commercial mediation activities" refers to activities in which the parties voluntarily and amicably negotiate, under the auspices of a commercial mediation organization, to resolve commercial disputes in such fields as trade, investment, finance, transportation, real estate, construction engineering, and intellectual property. Disputes concerning marriage and family, succession, guardianship, labor and personnel, and consumer rights and interests, as well as disputes that shall be resolved by other means in accordance with the law, are not subject to commercial mediation.

For the purposes of these Regulations, "commercial mediation organization" refers to an organization established in accordance with these Regulations that carries out commercial mediation activities on a non-profit basis.

Article 3 — The development of the commercial mediation industry shall implement the lines, principles, and policies, and the decisions and arrangements, of the Party and the state, adhere to the purpose of serving the people, and serve the country's high-quality development and high-level opening up.

Article 4 — The judicial administrative department of the State Council is responsible for guiding and regulating commercial mediation work nationwide and for planning the development of the commercial mediation industry as a whole.

The judicial administrative departments of local people's governments at or above the county level are responsible for guiding and regulating commercial mediation work within their respective administrative regions and for strengthening the supervision and administration of commercial mediation activities carried out by commercial mediation organizations.

Article 5 — Self-regulatory organizations of the commercial mediation industry shall exercise industry self-regulation in accordance with laws, regulations, and their charters, and shall accept the guidance and supervision of the judicial administrative departments.

Article 6 — The state shall cultivate commercial mediation organizations with international influence and enhance the international competitiveness of commercial mediation organizations.

Judicial administrative departments shall, together with the relevant departments, strengthen publicity for commercial mediation and promote the use of mediation to resolve commercial disputes.

Regions and departments with the requisite conditions are encouraged to support the development of the commercial mediation industry in terms of talent, information, technology, and funds, in light of the actual circumstances of the respective region or field.

Article 7 — The state shall improve the mechanisms for connecting commercial mediation with such systems as litigation, arbitration, and notarization, and shall keep channels for resolving commercial disputes unimpeded.

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Article 8 — To establish a commercial mediation organization, the following conditions shall be met:

(1) the promoters are non-profit legal persons;

(2) it has a standard name, and the name contains the words "commercial mediation";

(3) it has its own domicile and charter;

(4) it has assets of not less than 300,000 yuan; and

(5) it has five or more commercial mediators and an appropriate number of full-time staff.

Article 9 — To establish a commercial mediation organization, an application shall be filed with the judicial administrative department of the people's government of the city divided into districts where the organization is to be located, together with the application for establishment and the relevant materials. The applicant shall be responsible for the authenticity of the application materials.

The department accepting the application shall examine the application within 20 working days from the date of acceptance and shall submit its preliminary examination opinion and all application materials to the judicial administrative department of the people's government of the province, autonomous region, or municipality directly under the Central Government. The judicial administrative department of the people's government of the province, autonomous region, or municipality directly under the Central Government shall examine the materials within 20 working days from the date of receipt of the submitted materials and decide whether to approve the establishment. Where a decision cannot be made within 20 working days, the period may be extended by 10 working days with the approval of the person in charge of the department, and the applicant shall be informed of the reasons for the extension. Where the establishment is approved, a practice certificate shall be issued to the applicant; where the establishment is not approved, the applicant shall be notified in writing of the reasons.

Article 10 — Where a commercial mediation organization changes its name, domicile, charter, or other matters, it shall undergo the procedures for changing its practice certificate in accordance with the law.

A commercial mediation organization shall undergo the procedures for canceling its practice certificate in accordance with the law under any of the following circumstances:

(1) it fails to maintain the conditions for establishment prescribed by these Regulations and still fails to meet the conditions after rectification within a prescribed time limit;

(2) it terminates its commercial mediation business activities; or

(3) other circumstances under which cancellation is required by laws or administrative regulations.

Article 11 — The judicial administrative department of the people's government of a province, autonomous region, or municipality directly under the Central Government shall compile a roster of commercial mediation organizations within its administrative region and publish it to the public.

Article 12 — Commercial mediators engaged by a commercial mediation organization shall be fair and upright and possess good professional qualifications. A commercial mediator shall meet one of the following conditions:

(1) having passed the unified national legal professional qualification examination and obtained legal professional qualification, and having been engaged in mediation work for three years or more;

(2) having been engaged in work as a lawyer, arbitrator, or notary for three years or more, or having served as a judge or procurator for three years or more;

(3) possessing professional knowledge in law, economics, science and technology, or other relevant fields, having been engaged in professional work in law, economics and trade, or other fields, and having a professional title of intermediate level or above or possessing an equivalent professional level; or

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(4) having been engaged in commercial mediation work for three years or more before the implementation of these Regulations and having a bachelor's degree or above.

Public employees serving concurrently as commercial mediators shall abide by the laws, administrative regulations, and relevant provisions of the state.

A commercial mediation organization may engage commercial mediators from among overseas persons with professional influence and credibility and shall file the engagement with the judicial administrative department of the people's government of the province, autonomous region, or municipality directly under the Central Government where the organization is located, in accordance with the provisions of the judicial administrative department of the State Council.

Article 13 — A commercial mediation organization shall establish internal management systems such as business management, conflict-of-interest review, and complaint handling.

The charter, roster of commercial mediators, mediation rules, and information on establishment, changes, and cancellation of a commercial mediation organization shall be disclosed to the public in a timely manner.

Article 14 — Commercial mediation activities shall follow the principles of voluntariness, lawfulness, good faith, and confidentiality.

Article 15 — Where a commercial dispute arises, the parties may apply to a commercial mediation organization for mediation. Where a party expressly refuses mediation, mediation shall not be conducted.

The parties may jointly select a commercial mediator from the roster of commercial mediators of a commercial mediation organization to conduct mediation, or the parties may jointly entrust a commercial mediation organization to recommend a commercial mediator to conduct mediation.

Article 16 — A commercial mediation organization may charge commercial mediation fees.

A commercial mediation organization shall set its commercial mediation fee standards in accordance with the principles of fairness and reasonableness and disclose them to the public.

Article 17 — Commercial mediators shall conduct mediation activities in accordance with laws and regulations and may apply industry rules, commercial practices, trade customs, and the like.

Commercial mediators shall remain neutral, diligent, and responsible in the mediation process, abide by professional ethics and practice conduct norms, and shall not collude with the parties to conduct fraudulent mediation activities.

Article 18 — Commercial mediation organizations are encouraged to use such technical means as artificial intelligence and big data to improve the quality and efficiency of commercial mediation.

Where a commercial mediator and the parties agree to conduct mediation online, such mediation shall have the same legal effect as offline mediation activities.

Article 19 — Commercial mediation shall not be conducted openly. Where the parties agree that mediation may be conducted openly, it may be conducted openly, except where state secrets, other parties' trade secrets, or personal privacy are involved.

Commercial mediation organizations and commercial mediators shall bear a confidentiality obligation with respect to information learned during the mediation process, except where all parties consent in writing to disclosure or where disclosure is otherwise required by law.

Article 20 — Where a commercial mediator has an interest in the disputed matter, or where there are other circumstances that may cause the parties to have reasonable doubts about the mediator's neutrality and impartiality, the commercial mediator shall promptly disclose the circumstances to the parties and withdraw from the mediation. Where all parties agree that the commercial mediator shall continue with the mediation,

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such agreement shall be made in writing.

In litigation or arbitration relating to the disputed matter, a commercial mediator shall recuse himself or herself where there are circumstances requiring recusal in accordance with the law.

Article 21 — Mediation shall be terminated where no agreement can be reached through commercial mediation, where the parties do not agree to continue mediation, or where there are circumstances such as a party intending to use mediation to achieve an illegal purpose.

Article 22 — Where an agreement is reached through commercial mediation, unless the parties agree otherwise, a commercial mediation agreement shall be prepared, setting out the principal facts, the disputed matters, and the main content of the agreement reached by the parties, as well as the manner and time limit for performance. The commercial mediator shall sign the commercial mediation agreement and affix the seal of the commercial mediation organization.

The content of a commercial mediation agreement shall not harm the national interest, the public interest of society, or the lawful rights and interests of others, shall not violate mandatory provisions of laws or administrative regulations, and shall not be contrary to public order and good morals.

A commercial mediation agreement is legally binding, and the parties shall perform it.

Article 23 — The parties may apply for judicial confirmation of a commercial mediation agreement, which shall be handled in accordance with the relevant provisions of the Civil Procedure Law of the People's Republic of China.

Where a commercial mediation agreement involves enforcement outside the territory of the People's Republic of China, the parties may apply to the competent foreign authority with jurisdiction for enforcement in accordance with the relevant international treaties.

Article 24 — Commercial mediation organizations are supported in establishing business institutions overseas to carry out commercial mediation activities.

In light of the needs of economic and social development and reform and opening up, overseas commercial mediation organizations may be permitted to establish business institutions and carry out foreign-related commercial mediation activities in accordance with the relevant provisions of the state in such areas as the pilot free trade zones and the Hainan Free Trade Port approved by the State Council.

Within such areas as the pilot free trade zones and the Hainan Free Trade Port, the relevant localities may, on a pilot basis, establish relevant systems for commercial mediators to independently carry out foreign-related commercial mediation activities.

Article 25 — Commercial mediation organizations and self-regulatory organizations of the commercial mediation industry are encouraged to conduct exchanges and cooperation with overseas commercial mediation organizations and international organizations, actively participate in the formulation of international commercial mediation rules, and strengthen the training of international commercial mediation talent.

Self-regulatory organizations of the commercial mediation industry and commercial mediation organizations shall organize training for commercial mediators in accordance with the relevant provisions.

National self-regulatory organizations of the commercial mediation industry shall be responsible for promoting international mutual recognition of the competence of commercial mediators.

Article 26 — The alignment of commercial mediation rules and the connection of mechanisms in the Guangdong-Hong Kong-Macao Greater Bay Area shall be supported, so as to promote the coordinated development of commercial mediation in the Greater Bay Area.

Article 27 — The judicial administrative departments of local people's governments at or above the county level shall supervise and administer the commercial mediation activities of commercial mediation

organizations, and may take such measures as on-site inspection, consulting and duplicating relevant materials, investigating relevant circumstances, and interviewing relevant persons.

Article 28 — Where a person, without the approval of the judicial administrative department, carries out commercial mediation activities prescribed by these Regulations in the name of a commercial mediation organization without authorization, the judicial administrative department of the people's government of a province, autonomous region, or municipality directly under the Central Government, or of a city divided into districts, shall order rectification and impose a fine of not less than 100,000 yuan but not more than 300,000 yuan; where there is illegal income, the illegal income shall be confiscated.

Article 29 — Where a commercial mediation organization fails to undergo the procedures for change or cancellation, or to disclose relevant information, in accordance with these Regulations, the judicial administrative department of the people's government at or above the county level shall order rectification and give a warning; where it refuses to rectify, it shall be ordered to suspend business for rectification, and a fine of not less than 10,000 yuan but not more than 50,000 yuan may be imposed concurrently.

Where a commercial mediation organization carries out business in violation of these Regulations or solicits business by improper means, the judicial administrative department of the people's government at or above the county level shall order rectification, give a warning, and impose a fine of not less than 50,000 yuan but not more than 100,000 yuan; where the circumstances are serious, its practice certificate shall be revoked in accordance with the law, a fine of not less than 100,000 yuan but not more than 300,000 yuan shall be imposed concurrently, and its person in charge shall be given a warning and a fine of not less than 10,000 yuan but not more than 50,000 yuan shall be imposed concurrently; where there is illegal income, the illegal income shall be confiscated.

Article 30 — Where a commercial mediator fails to perform the confidentiality obligation, causing serious consequences, or colludes with the parties to conduct fraudulent mediation activities, thereby harming the national interest, the public interest of society, or the lawful rights and interests of others, the judicial administrative department of the people's government at or above the county level shall order rectification, give a warning, and impose a fine of not less than 10,000 yuan but not more than 100,000 yuan; where the circumstances are serious, the commercial mediator shall be ordered to suspend commercial mediation business for a period of not less than one year but not more than three years; where there is illegal income, the illegal income shall be confiscated.

Article 31 — The judicial administrative department of the State Council shall formulate specific measures for the administration of commercial mediation organizations in accordance with these Regulations.

Organizations already established before the implementation of these Regulations that are engaged in commercial mediation shall, if they continue to carry out commercial mediation activities, complete the practice procedures in accordance with these Regulations within one year from the date of implementation of these Regulations.

Article 32 — These Regulations do not apply to public-interest mediation activities carried out by industry associations, chambers of commerce, and the like.

Article 33 — These Regulations shall take effect on May 1, 2026.

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