
CONSUMER PROTECTION IN TRANSITION: A STUDY OF CHINA'S EMERGING IMPLEMENTATION FRAMEWORK

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Abstract

This article explores consumer protection issues in today's China, focusing on the evolving regulatory framework for safeguarding consumer rights. It emphasizes the 2024 Implementing Regulations for the Consumer Protection Law and highlights China's changing consumer welfare framework in its transition from a planned economy to a consumer-centric market economy, with rising rights awareness and the growth of e-commerce. Despite the 2013 amendments to the law, various challenges have persisted, including false advertising affecting elderly people, online gaming risks for youth, and strategic claims by so-called "professional consumers". Other problems include price discrimination enabled by big data, excessive data collection, live-stream commerce, and uneven enforcement. The 2024 Implementing Regulations introduce clearer enforcement mechanisms, enhanced digital protections, stricter limits on professional consumers, and improved dispute resolution. The article evaluates these reforms in protecting consumers and regulating businesses, while reflecting on the continued importance of state control and the influence of socialist values.

Keywords: consumer protection; implementing regulations; professional consumers.

[A] INTRODUCTION

Consumer protection in the People's Republic of China (PRC/mainland China), as elsewhere, is necessary to safeguard individuals from unfair business practices, low-quality products, and misleading information. For several reasons, however, consumer protection has become especially important in the PRC over the past three decades, as mainland China has pursued policies of economic reform, moved from a planned to a more consumer-centric market, experienced rapid economic growth, and seen a significant rise in consumer awareness. The notion

* This article was supported by the 2023 Guangdong Philosophy and Social Science Planning Project (Project No GD23XFX29).

of consumer (*xiaofeizhe* 消费者) has had to be constructed almost from scratch, and several waves of reform have extended consumer welfare in various ways. In the mid-1980s, local regulations were introduced and served as precursors for the Law for the Protection of the Rights and Interests of Consumers (1993) (hereinafter, the Consumer Protection Law, or CPL) (*Zhonghua Renmin Gongheguo Xiaofeizhe Quanyi Baohu Fa* 2013).¹ This key development was accompanied by related legislation including an Advertising Law (1994) which sought to better regulate advertising content so as to protect consumers from misleading and false advertisements; a Product Quality Law (1993), requiring manufacturers to meet specific standards and holding them accountable for defects, and an Anti-Unfair Competition Law (1993) aimed at promoting fair competition, and addressing issues adversely impacting on the consumer such as deceptive practices including false advertising, trademark infringement, and monopolistic conduct.

The rapid economic growth that China has experienced over the past few decades, and the emergence of consumerism in what was once a socialist economy have necessitated the creation of an effective regulatory framework for protecting the consumer and providing avenues of redress and dispute resolution for aggrieved consumers. China's development has led to the creation of a vibrant middle class, with a strong interest in consumer goods and services, and prepared to assert their "rights and interests" as the CPL puts it. Shopping malls abound where there were once inefficient small local factories, or outdated housing blocks. As the consumer market in China has expanded, and the consumer has come to be recognized as a bearer of rights and interests, consumer welfare has come to be seen as a matter of public interest, and one that is sometimes undermined by business misconduct, often prioritizing profit over welfare, including false advertising, fake goods, corrupt sales dealings, shoddy production, and environmentally harmful packaging. These may bring harm to consumers, employees, and local communities. The Government aims to protect consumers against such harm, but does not always enjoy success. In particular, the PRC has experienced important scandals related to product safety, including the melamine-

¹ *Zhonghua Renmin Gongheguo Xiaofeizhe Quanyi Baohu Fa* (中华人民共和国消费者权益保护法). amended in accordance with the "Decision on Amending the Law of the People's Republic of China on the Protection of Consumer Rights and Interests" adopted at the 5th Session of the Standing Committee of the Twelfth National People's Congress on 25 October 2013. In the People's Republic of China, in many areas of what is termed "social protection law", the areas of social life protected are characterized as "Rights and Interests" rather than just "Rights". The "Interests" refer to the "benefits" individuals or groups can be reasonably expected to enjoy. These include economic, social, cultural, and legal "assets" such as property, earnings, and well-being, thereby contributing to their livelihood and quality of life.

contaminated milk incident (Chung & Wong 2013), and the prevalence of counterfeit goods in the market (Lin 2011; Yang 2015). These scandals have sometimes put consumers' health and safety at risk, as well as creating intellectual property issues such as the unknowing purchase of fake or low-quality products, ranging from luxury items to everyday necessities like food and medicine. While China in the post-Mao reform era has made serious efforts to develop a robust legal framework for consumer protection, including provisions encouraging private enforcement and, as I have pointed out elsewhere, specialized mechanisms to resolve disputes between consumers and businesses which have operated with a fair degree of success (Zhou 2017; 2020; 2023), as in other areas of Chinese law, there remains a need for stronger enforcement and this need has been seen as increasingly more important as the Chinese authorities have progressively stressed the value of social stability, enhancing their appreciation of the value of consumer welfare, trust in the market, and safeguarding public health.

In due course, in 2013, the Consumer Protection Law was amended to introduce stricter regulations on long-standing issues such as product safety, false advertising and fake goods, and to address emerging challenges arising from e-commerce. The amendments were an important aspect of government-implemented policies to encourage domestic consumption and open up markets, while at the same time individuals had become more consumer conscious—better informed and more discerning in their purchasing choices, leading to significant transformations in the consumer landscape. Moreover, as marketing in China has become more complex and deceptive market practices have evolved, even well-informed individuals are not always fully aware of their rights in relation to the quality of the goods or services that they purchase. Facilitated by its rapid digital transformation, the PRC's e-commerce industry is now one of the largest in the world (Lin 2025). With the exponential increase in online shopping and the potential for fraud, defective goods, and misleading marketing, consumer protection measures are necessary to hold sellers accountable and maintain trust in the online marketplace. The emergence of the internet as a marketplace and online shopping has also encouraged the need for better regulation to safeguard consumers against such practices as false business data, fake user evaluations, misleading sales tactics, such as deceptive bundle sales, and engaging in big data-enabled price discrimination (Shang & Ors 2022). Nonetheless, the CPL as amended in 2013 did not foresee the full extent of China's ongoing rapid economic and social development in the years that followed, necessitating the latest significant development

in this line of legal reform, namely the 2024 Implementing Regulations on the 2013 Consumer Protection Law (hereinafter, the 2024 Implementing Regulations). Legal practitioners in China often look to such implementing regulations as providing important substantive legal rules that provide the “real law” more effectively than the main code of law itself, as the latter is sometimes too general and programmatic. The significance of the 2024 Implementing Regulations is further enhanced by the fact that the 1993 CPL was not accompanied by implementing provisions so that the new provisions are the first national-level implementation measures in more than three decades.

This article contains four sections, in addition to this Introduction and the Conclusion. The second section examines persisting problems in the mainland PRC’s system for consumer protection; the third section offers some explanations for the 10-year delay in introducing the 2024 Implementing Regulations; the fourth section considers important features of the 2024 Implementing Regulations; the fifth section considers the need for further reform; while the Conclusion points to the continuing influence of socialist ideology on the system of consumer protection.

[B] CONTINUING AND EMERGING ISSUES

In response to various problems in consumer protection noted above, China’s 1993 Law on the Protection of Consumer Rights and Interests (the CPL) was revised in 2013. These revisions strengthened the law, as suggested above, in ways that were a significant improvement over the previous legal framework (Zhou 2020), but were not able to address fully the difficulties of consumer protection in China, leaving weaknesses.

Implementation and enforcement

Perhaps the most important continuing flaw has been that the system had not resolved a major weakness of lack of coordination between relevant agencies, complicating particular problems of implementation and enforcement. Wei (2020) has noted the importance of recognizing the need for greater co-ordination and harmonization, especially in the Greater Bay area of southern China, where the post-colonial legal systems and traditions of Macau and Hong Kong continue to play a complicating role. But at the same time, within mainland China, there are also particular difficulties of coordination. Thus, the State Administration for Market Regulation (SAMR) and the China Consumer Association (CCA) play crucial roles in regulating the market, ensuring product quality, consumer rights protection, and addressing complaints in China. They

play pivotal roles in safeguarding consumers in China. The SAMR, a “super ministry” that serves essentially as a regulatory body, functioning to oversee market activities, ensure businesses comply with relevant laws, and resolving market-related disputes that may arise between consumers and businesses. This organization is crucial in maintaining market order and fairness, providing a structured framework within which businesses and consumers operate. On the other hand, the CCA may be characterized as a semi-official agency, standing outside the Chinese civil service in theory, but in practice tied very closely to the state as it is the state which pays the salaries of its officials. The CCA primarily functions to enhance consumer awareness, to champion consumer rights, and to act as a forum for resolving consumer disputes. It undertakes various initiatives to educate the public on their rights and responsibilities, aiming to empower consumers with the knowledge needed to make informed decisions and protect themselves against exploitation. The CCA’s advocacy extends to lobbying for consumer-friendly policies and practices, striving for a balanced relationship between businesses and consumers, and, as I have pointed out elsewhere, inclined to be supportive of consumers aggrieved by the misconduct of businesses. Because it is so closely associated with the Government in the eyes of consumers, aggrieved consumers are inclined to overestimate its authority and to have unrealistic expectations of what it can achieve (Zhou 2020).

However, both institutions, along with their local branches in particular, face challenges related to lack of effective synchronization in their activities. This can impact their enforcement work in various ways, sometimes leading to fragmented enforcement, inconsistent policy implementation, and inefficiencies in handling consumer complaints. The overlapping responsibilities of SAMR and CCA, particularly in consumer protection and market regulation, have led to duplicated efforts and inefficiencies. This overlap may result in differences of view regarding their respective jurisdictions and fragmented enforcement across regions, causing inconsistencies in regulation. Additionally, varying standards in different areas can create enforcement disparities, weakening overall market regulation. There are also issues with communication gaps, particularly between SAMR and CCA, which hinder decision-making and the flow of crucial information. Poor coordination can lead to delayed responses to consumer complaints, causing frustration and reducing trust in regulatory bodies (Li 2024). Inconsistent policy implementation is a significant issue, stemming from varied policy interpretation. Local branches of SAMR and local consumer councils under the CCA often interpret national policies differently. This leads to uneven enforcement

across regions, with some areas enforcing stricter regulations while others are more lenient. Such inconsistency can create difficulties for businesses and consumers. Local branches often face capacity gaps, such as resource constraints and disjointed enforcement of national campaigns. They may lack the resources and training of national headquarters, hindering effective enforcement. Additionally, poor coordination can disrupt national campaigns, limiting their effectiveness. Legal and bureaucratic barriers in China's regulatory system include jurisdictional conflicts between SAMR and local authorities, leading to coordination issues, and a complex bureaucracy that complicates decision-making and enforcement due to lengthy approval processes. Moreover, while the 2013 legislative reforms identified the responsibilities of governmental and quasi-governmental agencies in consumer protection, they did not offer mechanisms that would point to accountability for non-enforcement. Local regulators have often exhibited hesitation or delay in addressing issues with influential businesses, and there were limited repercussions for regulatory inaction. On the basis of my fieldwork experience, I would say that in order to enforce better China's market regulation and enhance consumer protection, there need to be stronger communication channels, better integration of data and technology, efficient resource allocation, and clear roles and responsibilities among the agencies. The new Implementing Regulations, as we shall see, do take some important steps in this direction.

Inadequate governmental support for consumer organizations has remained a significant weakness. Although the 2013 revised law recognized the importance of these organizations in safeguarding consumer rights, it did not provide them with sufficient legal authority or financial resources to pursue specific grievances, nor to advocate for consumers on a broader scale. Additionally, local protectionism has often shielded businesses from accountability, making it harder for these associations to advocate for consumer rights. Moreover, while revisions to the CPL in 2013 introduced increased penalties, local authorities often lacked the necessary resources, personnel, or training to implement the law effectively. As a result, at least in some areas, businesses were able to operate without facing substantial consequences for misconduct in infringing on consumer rights.

Dispute resolution enhancement?

As I have pointed out elsewhere, the PRC has developed since the 1990s, with some success, avenues for dispute resolution, including mediation in particular, but also extending to arbitration and litigation (Zhou 2017; 2020; 2023; Lin 2025). Consumers in many jurisdictions around the world

encounter hurdles in seeking redress, especially for small claims, as the cost and time required to pursue legal action are often disproportionate to the value of the dispute. Nevertheless, the 2013 revisions in China did little to reform effectively procedural issues which are difficult for consumers to navigate. While the revisions allowed for class-action lawsuits in cases of perceived consumer rights violations, the potential for mass litigation remained largely untapped and underdeveloped. This was largely due to a lack of sufficient incentives and clear guidelines for initiating and handling such actions, especially in “typical” trouble cases involving widespread, low-value harms impacting on large groups of consumers. Mass litigation has been a sensitive issue in China for several decades (Fu 2021).

Ineluctable growth of online shopping

The 2013 revisions, perhaps understandably, did not adequately foresee the rapid growth of e-commerce and digital transactions in China which have quickly reshaped the country’s retail landscape. As a result, the regulation of online shopping platforms—including more recently live stream shopping (*zhibo dai huo* 直播带货)—has emerged as a significant issue (Wang & Li 2024), particularly in addressing challenges such as fraudulent reviews, data privacy concerns, and online payment fraud. These revisions fell short in addressing these complexities, especially in transactions involving complex third-party platforms (Lin 2025). Additionally, the revisions did not fully account for the expansion of cross-border e-commerce. This sometimes left vulnerable PRC consumers involved in disputes with international sellers or platforms outside China’s regulatory reach.

The rise in the need for more effective protection of personal data and privacy

A challenging aspect of the growth in online shopping has been the increased need for more robust data protection. The 2013 revisions, perhaps unsurprisingly, did not sufficiently address the escalating concerns regarding the collection, use, and safeguarding of consumers’ personal information, particularly with the advent of online transactions and digital marketing. Businesses have from time to time engaged in unauthorized use or sale of consumer data without facing clear legal repercussions, leaving consumers vulnerable to privacy breaches. A notable issue has been the use of overly broad consumer authorizations. Consumers have often been required to provide blanket consent for the

collection and use of their data when purchasing goods or services online. The 2013 revisions failed to establish clear limitations on how businesses could use such data, resulting in misuse and exploitation of personal information.

Electronic and financial revolutions

The 2013 revisions did not adequately foresee the need to regulate effectively emerging forms of business such as online streaming, sharing economy platforms (like ridesharing or home-sharing), and peer-to-peer lending. Additionally, the 2013 revisions did not anticipate the need for enhanced consumer protections in financial products. The rapid expansion of consumer-targeted financial services—including online lending platforms, insurance products, and investment schemes—was not sufficiently addressed by the 2013 legislation. As a result, consumers have sometimes been misled by false promises or ambiguous terms, perhaps resulting in significant financial losses. Notably, these sectors experienced especially rapid growth following the 2013 law revisions, creating regulatory gaps that left consumers vulnerable to fraud, substandard service quality, and unclear liability in disputes involving third-party platforms.

Protection of elderly people and young persons

In China, elderly and young consumers face distinctive vulnerabilities to consumer rights violations. Elderly consumers struggle with the digital divide, making them targets for scams, misleading health advertisements, and financial exploitation. They often lack awareness of legal protections and face physical and financial limitations. Minors are susceptible to predatory practices in online gaming, privacy violations, unsafe products, and influencer marketing due to their limited awareness of the issues. They are particularly vulnerable to influencer marketing and may encounter unsafe or substandard educational products and toys. Both groups face challenges within a consumer system that has historically given insufficiently robust safeguards for protecting them against their vulnerabilities.

Prepaid consumption

Prepaid consumption in China is widely used, but its growth has created a range of problems, especially for buyers and particularly in the service industry (Zhou 2024). Businesses including gyms, beauty salons, and education centres often aggressively promote prepaid

membership packages that require significant upfront payments. When these businesses abruptly close or declare bankruptcy, consumers may be left with little to no recourse, losing their entire prepaid amounts. Regulatory oversight of prepaid funds has not been sufficient. Unlike jurisdictions that mandate safeguards on prepaid funds, China has lacked comprehensive regulations to ensure businesses manage these funds separately from operating capital. This regulatory gap has allowed businesses across various service sectors to use prepaid funds as operating capital without establishing financial safeguards. The problem is further exacerbated by information asymmetry. Consumers typically have little to no insight into a business's financial health or stability before committing to prepaid plans. Many, particularly elderly consumers, may not fully understand contract terms regarding refunds or the implications of business closures. When businesses face financial difficulties or deliberately engage in fraudulent schemes, consumers often have had minimal recourse to recover their prepaid amounts. Some businesses impose excessive penalties, create convoluted procedures, or flatly refuse legitimate refund requests, trapping consumers in a vulnerable position. The 2013 revision provided some clarification on the responsibilities of businesses, but many obligations were still vaguely defined. This allowed businesses to exploit loopholes, such as misrepresenting product quality or manipulating terms of service. Additionally, businesses frequently found ways to avoid providing refunds, replacements or compensation by exploiting lack of clarity in the law. In the case of online marketplaces, the 2013 revisions did not sufficiently clarify the responsibilities of platform operators in disputes between consumers and third-party sellers. This led to confusion over who was accountable when consumer rights were violated, with platforms often distancing themselves from responsibility.

Consumer consciousness

More generally, the 2013 revisions did introduce innovations in the area of consumer education, especially on the need for promotion of broader public understanding of consumer rights. Many consumers remained unaware of their rights under the law, or how to seek redress when those rights were violated, limiting the law's effectiveness in protecting consumers. It can be argued that this has been a particular problem for disadvantaged consumers. The 2013 revisions did not provide special protections for the welfare of vulnerable consumer groups, such as elderly people, people with disabilities, or those with limited digital literacy. As a result, as noted above, these groups were often disproportionately

targeted by fraud or other deceptive practices, particularly in areas like healthcare products or financial services.

While the 2013 revision of China's Consumer Protection Law was a step forward, it did not fully address the evolving complexities of consumer protection, particularly in a rapidly evolving digital and economic landscape. The 2024 Implementing Regulations seek to close many of these gaps by introducing clearer guidelines for enforcement, enhanced protection for consumers in the digital economy, and improved mechanisms for resolving disputes and protecting personal data.

[C] PATIENTLY WAITING

In the PRC when significant legislation is introduced, implementing rules often follow quickly. These regulations provide essential details and guidance that the primary legislation may lack. They are crucial for the practical application of more broadly drafted laws, such as the Consumer Protection Law, filling gaps left by the original legislation. These implementing rules offer operational guidelines for government agencies, businesses, and the judiciary to address legal issues, disputes, and rights protections. They usually seek to promote consistent law enforcement across regions and sectors by defining procedures, responsibilities, and standards for enforcement agencies and others. Such regulations are intended to transform general policies into actionable rules, ensuring that the intent of national legislation is realized at operational levels. Lawyers and judges use these rules to apply the legislation effectively. Additionally, after introducing primary legislation, a period of evaluation often follows and implementing rules are then promulgated. The 2024 Implementing Regulations for Consumer Protection aim to address emerging issues and evolving social, economic, or technological conditions that the primary law may not have fully anticipated, or to take into account other legislative developments relevant to consumer protection.

It took a full decade to introduce the Implementing Regulations for the 2013 Consumer Protection Law. Authorities needed time to adapt to China's economic growth and technological changes. E-commerce, digital payments, and social media are now part of consumer conduct. More effective regulations were necessary, and the Government had to monitor emerging trends. Consumer issues became more complex, involving industries such as online gaming and live streaming. The process of developing regulations requires coordination across industries and government agencies. Authorities also may well have delayed in order to align with broader policy innovations such as "dual circulation"

(*guoneiguoji shuang xunhuan* 国内国际双循环). By 2024, clearer needs for reform were apparent. Growing consumer awareness has also been a pressure for better protection, seeking to balance business interests and consumer rights more effectively.

Especially in response to the growth of e-commerce and the digital economy, and the expanding need for personal data security, following the 2013 revision of the CPL, mainland China has significantly reformed various areas of the law which impact on consumer protection and business conduct. Such developments have had to be taken into account in drafting implementing regulations. Thus, not too long after the 2013 revisions to the CPL, the Advertising Law was also updated (2015). Key aspects of the revised Advertising Law include efforts to prohibit false or misleading advertising: the law prohibits companies from making exaggerated or false claims about their products or services. This is seen as particularly important in sectors like health, food, and medicine, and is intended to help consumers to receive accurate and reliable information. In addition, celebrity endorsements must be truthful and transparent. Additional restrictions are placed on advertisements targeting children, with the aim of ensuring that advertising content is appropriate and safe. Also in 2015, the Food Safety Law was revised to enhance consumer protection in the food industry by instituting stricter oversight of food production and sales. Penalties for food safety violations were increased, including higher fines and possible business closures for serious infractions. Greater transparency in the food supply chain was required, with an obligation placed on suppliers to maintain comprehensive records and ensure transparency regarding their ingredient sources.

The 2020 Civil Code offers robust legal safeguards for consumer protection, including consumer rights in general, product quality, contract obligations, personal data protection, and liability for defective products. This effort to strengthen commitment to consumer safety and consumer trust in the market came after the introduction of the E-Commerce Law, effective from 1 January 2019, which represents an attempt to advance significantly consumer protection within the online shopping sector. The e-commerce legislation seeks to establish clear guidelines for dispute resolution, product quality assurance, and transparency in e-commerce transactions, in an effort to foster trust among consumers and retailers alike. Furthermore, the protection of consumer data has been a primary focus of recent legislative efforts. In response in the main to the challenges created by digital development, the Data Security Law (2021) and the Personal Information Protection Law (PIPL) (2021)

were enacted. These laws address increasing concerns over the misuse of personal information and are legislative attempts to enhance privacy and security in the rapidly evolving digital landscape. They do so by instituting strict regulations for data processing, storage, and sharing. They also define the rights of individuals to access, correct, and delete their personal information. Collectively, these three legislative measures do show commitment on the part of the authorities to safeguarding consumer interests and promoting a secure and dependable digital economy. Also noteworthy are the Measures on the Supervision and Administration of On-line Transactions (2021), introduced by the SAMR. This set of regulations further develops online consumer protection in various ways including transparency and traceability of products. Online platforms are required to ensure that sellers provide accurate information about the goods and services offered, including product descriptions, safety standards, and pricing. In addition, there is protection against misleading sales tactics—platforms are prohibited from manipulating prices or using false reviews to mislead consumers. Furthermore, online platforms are required to establish clear and efficient procedures for handling consumer complaints and disputes.

Recent judicial interpretations by the Supreme People’s Court have greatly expanded the scope of punitive damages in China, now covering a wide range of consumer disputes. This expansion is crucial for cases involving fraudulent or deceptive business practices, offering better protection and recourse for consumers. Punitive damages serve as a deterrent, imposing penalties on companies that engage in misconduct beyond mere compensation. In terms of public interest litigation, amendments to the Civil Procedure Law in 2021 empowered organizations seen as functioning in the public interest to play a more active role in consumer protection: “agencies and relevant organizations specified by law may file lawsuits with the people’s court” (Article 58). These changes have enhanced the ability of organizations such as the CCA to bring suit in the People’s Courts, on behalf of consumers, arguing for their collective interests. Such litigation is seen as addressing consumer issues with widespread impact, targeting companies involved in fraudulent, harmful, or unsafe practices that negatively affect numerous consumers. This development, while also containing an element of social control because it limits the standing of individual consumers to bring such suits, is also seen as promoting good business practice. The courts have also been relevant in another way: namely, through the imposition of punitive damages. Recent judicial interpretations by the Supreme People’s Court—as we shall see below—have considerably impacted on the scope of punitive

damages and are particularly significant for cases involving fraudulent or deceptive business practices. Punitive damages are intended to serve to deter companies from misconduct by imposing penalties that exceed mere compensation, but also provide opportunities for consumers who bring suit to secure profits from their purchase of inferior products or services.

[D] KEY ASPECTS OF THE 2024 IMPLEMENTING REGULATIONS FOR THE 2013 CONSUMER PROTECTION LAW OF THE PEOPLE'S REPUBLIC OF CHINA

The main features of the 2024 Implementing Regulations for the 2013 Consumer Protection Law of the People's Republic of China may be characterized in the following terms.

Consumer rights

The 2024 Implementing Regulations seek to create a safer and more protective overall consumer environment, and a number of provisions are focused on consumer and business rights and obligations. A prominent aspect is the precise definition of consumer rights, including the right to safety, the right to be informed, and the freedom to make choices without coercion. Businesses must provide precise product information, honour quality commitments and after-sales services, and protect consumers' personal data. This mandate extends to e-commerce platforms and live-streaming services, aligning with the evolving digital marketplace. A particular concern is promoting safety and security (*renshen he caichan anquan* 人身和财产安全) within the market and improving the quality of goods and services offered by sellers, including those provided as gifts or rewards. These Implementing Regulations strengthen consumer protection provisions established in the 2013 CPL by thus clearly outlining consumer rights, especially concerning personal and property safety and business obligations to ensure product and service safety (Article 7). Consumers are entitled to protection against harm to their person or property when acquiring goods or services, and businesses are obligated to ensure that their offerings pose no danger. Consumers are also empowered to report concerns to relevant authorities about potentially defective products that may threaten personal or property safety. Businesses are made accountable for their products and services so that, for example, they are required to implement recalls and other corrective actions if their products or services are found to be defective;

they are also responsible in such contexts for notifying consumers and covering related costs. Furthermore, as the importance of both physical safety and property protection is stressed, so businesses must maintain safe facilities, and provide assistance to consumers if there is an emergency on the premises (Article 8). One of China's leading civil law specialists (Wang, Liming 2024), has characterized the advances made in very positive terms, as reflecting the view that consumer rights are basic rights of citizens and essential for people's livelihoods and happiness. His analysis examines how the new regulations respond to consumers' concerns, protect vulnerable groups like elderly people and minors, and address new challenges in the digital economy and e-commerce. Other writers offer a more cautious view, using language which predominantly frames consumer protection through institutional arrangements rather than empowering consumers directly with enforceable rights. Consumer rights are mentioned, but the emphasis is on how businesses should fulfil obligations and how the Government and consumer associations should monitor and enforce compliance. This approach to the Implementing Regulations reflects more closely China's regulatory philosophy where consumer protection is implemented more through administrative oversight and social governance than through individual rights enforcement. While there may be an emphasis on the "people-centred" approach encouraged by the Chinese President Xi Jinping, the focus is more on institutional responsibilities than on individual consumer empowerment (Li 2024). Some of these commentators write from the perspective of law enforcement officials rather than as consumer advocates, which also explains their concern with regulatory mechanisms rather than with empowering individual consumers with rights awareness (Wang, Ruijin 2024), moreover overall the perspectives adopted avoid an activist approach. Furthermore, not only business operators but also consumers are expected to act in accordance with the principle of good faith (*chengxin yuanze* 诚信原则) (Liu & Zhang 2024).

Treatment of the socially disadvantaged

The 2024 Implementing Regulations for the Consumer Protection Law offer comprehensive protections for all consumers. They also provide targeted measures aimed at addressing the specific needs of vulnerable groups, particularly elderly people and minors. These provisions underscore a clear commitment to protecting those who face heightened risks in China's increasingly complex marketplace. Elderly consumers are explicitly safeguarded under Article 15, which states:

Proprietors must not use false or misleading publicity to fabricate or exaggerate the efficacy of goods or services, such as for treatment, health care, or wellness, to induce the elderly and other consumers to purchase goods or services that clearly do not meet their actual needs.

This rule seeks to address deceptive marketing practices, especially those targeting health-related products and services. By recognizing elderly people as a particularly vulnerable demographic, the regulation aims to protect them from exploitation and assist them in making their purchasing decisions better informed.

Article 16 introduces significant safeguards for minors, particularly in the context of online gaming. It stipulates:

Where business operators provide online gaming services, they shall comply with the state's provisions and standards on areas such as the time period, duration, function, and content of online gaming services, set up corresponding functions such as time management, authority management, and consumption management for minors, and strictly conduct user verification in stages such as registration and login, to protect minors' physical and psychological health in accordance with law.

This provision imposes provisions including time limits, parental controls, spending management, and stringent user verification. Together, these measures aim to protect minors' mental and physical wellbeing in an environment often fraught with risks. The regulations also prioritize the protection of minors' sensitive personal information under Article 23, which states:

Where business operators handle sensitive personal information such as consumers' biometrics, religious beliefs, specific identities, medical health, financial accounts, whereabouts and tracks, as well as the personal information of minors under the age of 14, they shall comply with the provisions of relevant laws and administrative regulations.

Thus, the provision emphasizes the importance of safeguarding minors' privacy, particularly for those under 14 years old, by requiring strict compliance with legal and regulatory standards.

Business responsibilities

The responsibilities of businesses are further highlighted in other provisions in the Implementing Regulations. Businesses have a duty to conduct their communications transparently and honestly (Articles 9-13). They are required to provide truthful and comprehensive

information about their products and services, including precise pricing and labelling. This obligation aims to prevent false advertising and misleading practices that infringe upon consumers' rights and interests, ensuring that consumers are well informed and capable of making safer, more secure purchasing decisions than they otherwise might. Businesses are also encouraged to develop and offer internal dispute resolution systems. Thus, Article 44 directs businesses to create efficient and accessible complaint-handling systems. Establishing internal mechanisms like first-contact responsibility, pre-compensation, and online dispute resolution (ODR) are encouraged because it is thought they will assist in the effective management of disputes, offering early resolution options before disputes escalate to formal complaints or litigation, and thereby reducing pressure on external dispute channels. The 2024 Implementing Regulations also specify various penalties for businesses that violate consumer rights, including fines, confiscation of illegal gains and, in severe cases, the revocation of business licences. These measures are intended to function as a deterrent to non-compliant businesses and to help enhance legal accountability. The relevant provisions are to be found in Chapter 6 entitled "Legal Responsibility" (*Fülü Zeren*), Articles 48-52. In particular, Article 50 stipulates that businesses that violate the provisions of the regulation can face fines ranging from one to five times the amount of illegal gains. If no illegal gains are present, the fine can be up to 300,000 yuan. Moreover, these penalties can be accompanied by warnings and confiscation of illegal gains. In more severe cases, businesses may be ordered to suspend operations for rectification and even face the revocation of their business licence. At the same time, according to Article 51, if businesses self-correct their misconduct "where the illegal conduct is minor and corrected in a timely manner and no harmful consequences are caused" then any punishment may be mitigated, or not imposed, in accordance with the provisions of the Administrative Punishments Law of the PRC (as revised 2021). Civil liability is also stressed. Article 48 provides that businesses which provide defective goods or services in violation of the Consumer Protection Law and the 2024 Implementing Regulations, thereby infringing upon consumers' legitimate rights, will bear civil liability in law.

Public participation and governmental responsibilities

Moreover, the 2024 Implementing Regulations aim to encourage consumers to be proactive and to develop their own consumer awareness. Article 26 grants consumers the right to file complaints and reports with

relevant government agencies if they believe their rights have been violated. The regulations also emphasize the importance of public participation in monitoring business practices and reporting violations, integrating social supervision into the governance system. The governmental agencies are directed to handle complaints made by aggrieved consumers promptly and fairly, thereby strengthening oversight of market practices and enhancing consumer safety. Additionally, the regulations seek to promote public education about consumer rights and responsibilities. Government authorities are tasked with raising awareness about the importance of safe and rational consumption, thus empowering consumers to protect their own safety and interests (Article 30).

At the same time, however, the persistence of a Chinese “socialist” emphasis on the importance of the state in providing a protective environment for the consumer is evident in the 2024 Implementing Regulations that assign significant roles to government bodies which are responsible for overseeing and enforcing consumer protection measures. These include handling complaints, supervising businesses, and ensuring the implementation of standards. This focus on the active role of the state is emphasized in general terms in especially Articles 3, 4 and 5, as well as in Article 25:

All levels of people’s government should strengthen guidance for efforts to protect consumer rights and interests, organizing, coordinating, and urging relevant administrative departments to implement their duties for the protection of consumer rights and interests, and increasing the level of legalization (*fazhi shuipinghua* 法治化水平) of efforts to protect consumer rights and interests.

Government departments are further tasked with educating the public about their consumer rights (Article 30). The state sees itself as actively overseeing consumer rights protection through market regulation, legal enforcement and the promotion of green consumption (*lüse xiaofei* 绿色消费) and pressing businesses to comply with consumer protection regulations. Trade and industrial associations, often acting under state guidance (State Council 2024), are also encouraged to promote self-regulation and for members’ businesses to operate in good faith (Article 3). Such bodies are thus expected to promote compliance with consumer protection standards. This is intended to create a self-regulating marketplace where businesses voluntarily uphold higher standards. This dual approach improves consumer safety and product quality by ensuring accountability from both government and industry peers.

Finally, government performance may also be subject to penalties where it falls short of expected standards:

Staff of relevant administrative departments who fail to fulfil their duties in protecting consumer rights as stipulated by these regulations, or who abuse their authority or shield businesses that infringe on consumers' legitimate rights, shall be subject to disciplinary action. If a crime is constituted, criminal liability shall be pursued (Article 52).

Dispute processing

In addition to encouraging businesses to set up and offer to aggrieved consumers their own dispute management systems, in various ways the Implementing Regulations offer support for other robust and diverse dispute resolution processes (*duoyuan hua jie jue jizhi* 多元化解机制), that is, various avenues for resolving consumer disputes, including negotiation, mediation, arbitration, complaints, and litigation. Ideally, these are to be relied on sequentially, from informal bilateral negotiation and settlement (*hejie* 和解) through to litigation. Article 43 highlights the importance of local government enhancing and promoting these processes, intending thereby to assist consumers to settle their disputes with businesses. Moreover, as we have noted, businesses themselves are encouraged in Article 44 to adopt internal mechanisms to handle disputes promptly, including pre-compensation systems and ODR—the latter process is increasingly relied upon in dispute resolution all over mainland China, enabling disputes to be handled remotely, and most likely more efficiently, through digital platforms. Businesses may not, according to Article 17 of the Implementing Regulations, use standard form contractual terms to limit the avenues of redress available for aggrieved consumers.

In order to encourage use of mediation services and to protect the rights and interests of consumers, Article 45 empowers consumers to seek mediation services from consumer associations and other recognized bodies—these most probably include local mediation committees—who are required to resolve disputes efficiently, and their ability to deliver effective dispute resolution is seen as important for maintaining consumer trust. In addition, support is given for ensuring that complaint procedures are effective—Article 46 outlines the process for filing complaints with market supervision departments. These departments must address complaints within seven working days. If both parties agree to mediation, then it should be completed within 60 days. Article 47 emphasizes the role of testing institutions in resolving quality disputes. Consumers and businesses can mutually select testing facilities, or relevant authorities may designate one if there is no agreement between the parties in dispute.

Consumer associations

In Chapter 4, Article 34-41, consumer associations—standing somewhere on the penumbra between the state and civil society—are granted an active role in protecting consumer rights, conducting evaluations, and filing lawsuits on behalf of consumers in cases of widespread rights violations. This expands the legal recourse available to consumers beyond individual efforts. The Implementing Regulations on consumer associations require the associations (and other legally recognized consumer organizations) to conduct their activities on the basis of the CPL. Their main duties involve promoting consumer rights, conducting activities like comparative testing (*bijiao shiyan* 比较试验) surveys and evaluations, and publicizing complaint information. The people's governments at all levels should support consumer associations by providing necessary funding and resources to help them perform their duties effectively. Government departments are required to consider feedback from consumer associations, investigate reported consumer rights violations, and provide updates on their actions. Consumer associations are also responsible for educating the public about consumer law and offering support to help consumers secure their rights (usually by means of dispute resolution facilities). They are also expected to share best practices and case studies to enhance consumer awareness. Consumer associations, further, have the authority to investigate consumer rights complaints, verify facts with businesses, and facilitate discussions to resolve issues. Most importantly, in cases of widespread consumer rights violations, organizations like the CCA and provincial consumer associations may initiate legal action in the People's Court, in the public interest (State Council 2024).

Personal data

The 2024 Implementing Regulations also provide some key measures for safeguarding consumer personal information, focusing particularly on sensitive data such as biometrics and health information. Overall, the aim is to boost consumer privacy protection and ensure transparent business practices when managing personal and sensitive information. Article 23 requires businesses to protect consumer personal data consistent with legal standards. Importantly, businesses are restricted from collecting excessive personal data unrelated to their services or products. When dealing with sensitive personal information—including biometrics, religious beliefs, health records, and data of minors under 14—businesses must adhere to relevant laws and regulations. Article 24 considers issues of consent for marketing communications. Businesses are required to obtain clear consent from consumers before sending out

marketing messages or making promotional calls. If consumers opt in, businesses must provide an easy way to cease to subscribe. Following cancellation, the business must promptly cease further communications.

Looked at in a positive light, the 2024 Implementing Regulations for China's 2013 Consumer Protection Law are intended to offer a comprehensive legal framework for safeguarding consumer rights, underpinned by government oversight and public participation. They focus on harm prevention and business transparency and accountability, thereby attempting to enhance protection of the consumer in the rapidly changing marketplace. Key strengths include robust governmental oversight and accountability, integration of industry self-regulation, specific protections for vulnerable consumers, including those who are elderly and those less familiar with digital technologies, and important roles for consumer organizations. The Regulations also address digital platforms and emerging markets, emphasizing consumer protection in these areas. Additionally, they provide for diverse mechanisms for dispute resolution, with the intention of enhancing accessibility for aggrieved consumers seeking redress. They also seek to offer consumer protection standards that align better with international norms. We may also conclude that, while they are officially characterized as Implementing Regulations, they give the appearance more of being a consolidation of relevant norms, brought together with the needs and convenience of those involved in the enforcement of consumer law in mind, many of whom are not trained lawyers, and who would benefit from working with merged material.

[E] PROFESSIONAL CONSUMERS

But there are also more restrictive provisions in the Implementing Regulations on the activities of the so-called professional consumers, who have made good use of civil liability in an area of consumer law and practice that has emerged over the past three decades or more. The concept of a "professional consumer", which we discussed above briefly, is not clearly defined in any current laws or regulations. As I have noted elsewhere, this role emerged from Chinese legislation intended to protect consumers (Zhou 2020). Individuals and informal groups have seized upon the legal provisions for punitive damages in the Consumer Protection Law as a way to make profits—although often mixed motives of personal gain and public interest are to be found, with the professional taking the view that while they seek profits, what they do is also in the public interest and in keeping with the spirit of the CPL. They focus on identifying products that might not comply with consumer laws and

regulations and intentionally purchase such items which they hope will lead to compensation much greater than the cost of the product—including by settlement outcomes secured by negotiations with the business party. While some officials and judges approve of such conduct on the ground that it enhances consumer standards, others question the motives of the professional consumers, arguing that their work often results in trifling claims, wastes administrative and judicial resources, increases costs for sellers who have to defend these claims, and produces outcomes that rarely lead to improvements in product and services standards.

This tension between the two views is reflected in Article 49 of the Implementing Regulations. The first paragraph has the effect of protecting the consumer from business misconduct, as well as businesses against frivolous complaints:

Where proprietors commit fraud in providing goods or services, consumers have the right to demand compensation from proprietors in accordance with the provisions of Paragraph 1 of Article 55 of the Law on the Protection of Consumer Rights and Interests. However, there are exceptions to the defects in the labels, instructions, promotional materials, etc. of the goods or services that do not affect the quality of the goods or services and do not mislead consumers.

The second paragraph more robustly protects businesses that are faced with false claims brought by professional consumers or others:

Where the business operator is defrauded of compensation or extorted by means such as entrainment, package dropping, counterfeiting, tampering with the production date of the goods, or fabricating facts, the provisions of the first paragraph of Article 55 of the Consumer Rights Protection Law do not apply, and it is handled in accordance with the PRC Public Security Administration Punishment Law and other relevant laws and regulations; where a crime is constituted, criminal responsibility is pursued in accordance with law.

So, we see that, while penalties are part of a broader framework aimed at enforcing consumer rights and ensuring businesses comply with the laws governing consumer protection, limits are placed on what is probably the most important form of consumer activism to have emerged in China over the past three decades or so, namely the professional consumer. The Implementing Regulations are, as we noted above, not the only recent normative development in dealing with the problem of the professional consumer. The 2024 Judicial Interpretation of the Supreme People's Court of Several Issues Concerning the Application of Law in the Trial of Cases Involving Disputes over Punitive Damages for Food and Medicinal Products, promulgated and in force in late August 2024 and subsequent to the Implementing Regulations, is a more detailed attempt at restricting

the range of claims that the professional consumer might bring. It seeks to limit the scope for individuals who knowingly purchase non-compliant food or medicinal products to claim punitive damages, and in some situations to impose punishment as well. The Judicial Interpretation aims to standardize court practices nationwide, addressing a key issue faced by professional litigants: inconsistent case outcomes across different jurisdictions. While some local courts are more lenient, others are notably strict. This Interpretation sets out a detailed and uniform standard for courts to follow, seeking to secure greater consistency in the outcomes of legal proceedings. The main restrictions now put in place by the Interpretation are intended to disqualify claims that are too small, or involve only minor technical issues, or where excessive punitive damages are sought, or where the consumer knowingly purchases a defective product or service, or where the purchaser tampers with the purchase in order to bring a malicious claim.

The rise of professional consumers in China can be traced to longstanding challenges with counterfeit goods and food safety. As we have seen, these individuals deliberately purchase products they suspect to be substandard or non-compliant with regulations and then use consumer protection law to seek compensation. Their actions highlight an intricate relationship between regulatory enforcement, consumer rights, and business accountability in China's marketplace. Professional consumers argue that they play a vital role in supplementing government oversight. By identifying counterfeit or substandard products that might otherwise go unnoticed, they help enforce regulations in a market where official monitoring resources are often stretched thin. Their vigilance creates pressure on businesses to uphold quality standards while empowering ordinary consumers to safeguard actively their rights. In a system where regulators cannot scrutinize every product or service, these proactive consumers address critical enforcement gaps. However, critics contend that professional consumers often blur the line between advocacy and exploitation. It is argued that too many such consumers focus on trivial issues, such as minor labelling errors that pose no real threat to consumers, rather than addressing substantive safety concerns. More troubling conduct includes predatory practices, such as bulk-buying products solely to file multiple compensation claims, which can strain judicial resources with frivolous cases. Businesses argue that such tactics foster an adversarial environment, detracting from collaborative efforts to improve quality and diverting attention from meaningful reforms.

At the heart of this debate lies a fundamental question: do professional consumers serve the public interest or prioritize personal profit? While

the professionals play an important role in protecting public welfare by exposing unsafe products, they are also often seen as exploiting legal mechanisms for financial gain without contributing to broader improvements in consumer safety. In response to these challenges, the recent legal reforms we have noted aim to support legitimate consumer advocacy while curbing abuse. The 2024 judicial interpretation on punitive damages for food and medicinal products preserves strong compensation rights for valid claims while introducing measures to limit exploitative practices. Notably, Articles 12 through 14 restrict compensation for consumers who knowingly purchase non-compliant products to “reasonable consumer needs” and establish criteria for identifying potentially abusive purchasing patterns. Despite the reforms, the distinction between legitimate advocacy and opportunistic conduct remains a point of contention in Chinese legal and societal discourse. The evolution of these regulatory efforts at limiting the conduct of professional consumers will likely continue, given market complexities and the often highly skilled complainants who are the professional consumers. The professional consumers both enforce and exploit consumer protection laws and operate at the edge of legitimacy. They are regarded as simultaneously “consumer heroes” and “opportunists”, to a significant extent depending on the viewer’s perspective.

[F] AREAS FOR POSSIBLE FUTURE REFORM

At the same time, while the regulations offer a broad framework for consumer protection, they may not fully achieve their goals due to issues with enforcement, consumer agency, and adaptability to modern market challenges. First, it might be argued that, as implementing regulations, they do not provide the detail necessary to guide effective enforcement. Secondly, it also might be argued there is an over-reliance on state control and that this raises the possibility of failure to adjust to rapidly changing market conditions. It also may leave consumer protection vulnerable to local government budgetary constraints and policy priorities. The Implementing Regulations stress the importance of state authority leadership in consumer protection efforts, but do not in any specific detailed guidance to address the general issue of coordination between different sectors and departments in the administration—an issue identified above as one of the key factors in implementation difficulties.

Further, the Implementing Regulations could have provided for greater empowerment of the consumer. While the Regulations encourage consumer organizations, outline dispute resolution mechanisms, and acknowledge the rights of individuals to make complaints and

initiate litigation, they do not explicitly stress the capacity of individual consumers to enforce their rights directly, especially in the courts. The framework set forth by the regulations is comprehensive in terms of involving consumer councils and establishing industry standards for self-regulation. However, much of the enforcement relies predominantly on government agencies, which are tasked with overseeing compliance, and industry self-regulation, which often involves creating and adhering to voluntary codes of conduct. This arrangement leaves consumers largely dependent on these external entities for the protection and enforcement of their rights. As a result, individual consumers may find themselves in a position where they must rely on the effectiveness and responsiveness of these organizations rather than having the means to independently advocate for their own rights.

There are also unresolved issues of inconsistent enforcement and penalties that might have been addressed more effectively. The Implementing Regulations specify penalties for businesses that violate consumer rights, but they lack detailed guidance on how these penalties will be consistently applied across different cases. For example, while Article 50 outlines fines and possible business licence revocation for violations, it does not offer clear criteria for what constitutes a “severe case” (*qingjie yanzhong* 情节严重) or how fines should be calculated for various types of infractions. This lack of specificity can lead to arbitrary enforcement and uncertainty among businesses about the consequences of non-compliance. Without clear guidelines and criteria, both regulators and businesses face challenges in ensuring fair and uniform application of the laws designed to protect consumer rights.

While the 2024 Implementing Regulations provide for a variety of dispute resolution mechanisms for handling consumer grievances, the actual processes of dispute resolution in practice can be slow and cumbersome (Zhou 2020; 2023). These mechanisms include arbitration, mediation, and consumer tribunals, designed to offer a structured approach to resolving disputes. However, there remains much emphasis on mediation. While mediation may be said to facilitate access to justice in some respects by offering a less formal and potentially cost-effective means of resolution, it can also be overly didactic (rather than facilitative) and slow. Thus, the Regulations allow for mediation to take up to 60 days, excluding any time needed for additional procedures like product testing or identification. This lengthy process may discourage consumers from pursuing their claims, particularly in cases where swift resolution is necessary to address urgent issues or regain an aggrieved consumer’s

confidence. Perhaps, then, the system could benefit from reforms aimed at expediting these procedures to better serve consumer needs.

Despite the inclusion of obligations for online businesses and live-streaming platforms, the regulations arguably do not adequately address rapidly evolving issues such as cybersecurity risks or digital fraud, deviant activities which can significantly harm consumers and businesses alike. Provisions related to the protection of personal data focus mainly on traditional privacy concerns, such as data collection and sharing practices, and do not fully engage with the complexities of online consumerism in the digital economy. The regulations might have benefited from a more comprehensive approach that took fully into account emerging technologies and addressed issues like data encryption and authentication procedures, and offered consumer education on digital safety.

Another potential concern is the relative lack of focus on protecting vulnerable consumers. Although, as we have seen, the Implementing Regulations do provide some safeguards for special categories of disadvantaged person such as minors and elders, they fall short in addressing the specific needs of other vulnerable consumers. People with disabilities face unique obstacles in accessing information and services, which are not adequately considered in the current regulations. Likewise, individuals in rural areas encounter challenges such as limited access to resources and support systems, which can impede their ability to enforce consumer rights. The existing one-size-fits-all approach may overlook these distinctive challenges, leading to insufficient protection and support. A more tailored strategy might better meet the diverse needs of all vulnerable consumers. Improved consumer protection for vulnerable groups is an important aspect of effective enforcement of consumer rights.

Arguably, too, the provisions in the Implementing Regulations regarding compensation for fraud are too restrictive. Article 49 specifically limits compensation for fraudulent business practices to cases in which the quality of a product or service is directly impacted. This narrow scope could potentially allow businesses to escape liability for less obvious forms of deception, such as misleading marketing strategies, exaggerated advertising, or false claims about a product's benefits. Such deceptive practices might not affect the actual product or service, yet they still might mislead consumers and create an unfair market environment. Thus, we might conclude that there is a need for broader criteria to ensure comprehensive and effective consumer protection in the area of business fraud on the consumer.

While the Implementing Regulations, as we have seen, offer general provisions for business self-regulation, these provisions remain overly broad and somewhat vague. The intent behind these regulations is to encourage industries to regulate themselves voluntarily, promoting higher standards of conduct. However, this is easier said than done, as the regulations do not specify detailed mechanisms for ensuring compliance or monitoring businesses' adherence to these self-regulatory standards. This lack of clear guidance can lead to inconsistencies in the manner in which different industries implement these standards, potentially resulting in gaps in consumer protection. Without clear oversight or enforcement tools, this reliance on industry self-regulation may not be effective in protecting consumers, leaving them vulnerable to the whims of businesses that may prioritize profits over safety and fairness. Therefore, it is crucial to consider additional frameworks and monitoring systems to enhance the effectiveness of these self-regulatory practices.

These various issues suggest that, while the regulations offer a broad framework for consumer protection, consumer law in the PRC may well benefit from further reform. Consumers might still find themselves vulnerable, despite the reforming Implementing Regulations. One especially important concern lies in the enforcement of these regulations, which can be inconsistent or insufficient, leading to flaws in protection. Additionally, consumer agency is another critical area, as consumers may lack the necessary resources or knowledge to exercise fully their rights, and may be drawn into mediation processes that do not necessarily address fully genuine grievances. Further, the adaptability of these regulations to the challenges of rapid market and technological change is questionable, as they simply may not be able to keep pace with the swift advancements in technology and evolving market dynamics.

[G] CONCLUSIONS

The 2024 Implementing Regulations attempt to offer a comprehensive approach that balances consumer protection with business obligations, underpinned by government oversight and public participation. The Regulations also seek to impose strict safety standards, improve business transparency, and establish effective processes for consumer protection and recourse. There is an appropriate focus on harm prevention and business accountability. The Regulations also do attempt to address continuously evolving challenges, such as digital commerce and data privacy, in their efforts to construct a framework suitable for China's evolving marketplace. As we have also seen, they do not yet address

fully a number of the difficulties facing the Chinese consumer and could benefit from further reform in several areas.

Whilst the PRC has explicitly committed itself to the development of a market economy since the early 1990s and seen consumer welfare as an important dimension of the economic reform process, it has characterized its economic reform policy goals as intended to develop a “socialist market economy”. China’s system of consumer protection, although constructed in the context of the country’s transition to a more market-driven economy, with the spread of market forces and rapid economic growth, nevertheless retains elements of its socialist framework in several ways. Perhaps most importantly, state oversight and intervention are critically important. In the 2024 Implementing Regulations and other areas of China’s consumer protection framework, the Government is expected to play a significant role in regulating industries, enforcing consumer rights, and ensuring market fairness. This state-centric control may be seen as a legacy of China’s former system of a state-planned economy, where the Government was involved in nearly all key economic processes, and also as reflecting the constitutionally entrenched position currently enjoyed by the Chinese Communist Party. The Chinese Government, through its comprehensive oversight, aims to balance market forces with consumer rights, encouraging businesses to operate fairly and transparently. This approach not only protects consumers from fraudulent practices and poor-quality products but is also seen as encouraging healthy competition among businesses and as ultimately leading to better services and products for everyone, thereby protecting consumers from the excesses of capitalist enterprises. An effective and robust consumer protection system, in particular by minimizing abuse against and safeguarding the interests of consumers, is seen as important not just for the consumer but also for social stability, social harmony, and regime legitimacy. China’s consumer protection system emphasizes the collective wellbeing of society. Such a system aims at protecting individuals so that they are not taken advantage of by businesses, thereby not only promoting trust and confidence in the marketplace but also in the system of control as a whole. In particular, agencies such as the SAMR and the CCA are very much guided by state leadership and may be characterized as reflecting a socialist concern of government-led control over consumer affairs and public welfare. In certain sectors of the economy, such as energy, telecommunications, and banking, state-owned enterprises continue to play a dominant role. While these companies are expected to follow market principles, their close government ties mean that consumer protection policies often reflect state guidance. This approach may be characterized as supporting long-

term social goals rather than just focusing on profit maximization. As I have pointed out elsewhere, consumer disputes in China are commonly resolved through mediation, administrative intervention, or collective actions by government-backed consumer associations (Zhou 2020, 2023). In their usage, these dispute resolution processes emphasize not only individual rights and interests, but also collective welfare and social harmony, and try to avoid an adversarial spirit. So while the PRC's economy is heavily influenced by market forces and private enterprises, its consumer protection system not only addresses resulting consumer issues but also retains important socialist elements. This is evident in government control, a focus on collective welfare, and the alignment of consumer rights with China's broader social and economic goals, creating a blended system of consumer protection.

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