

Product Quality Law of the People's Republic of China (Amended on 7/8/2000)

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Contents:

Chapter One General Provisions

Chapter Two Supervision of Product Quality

Chapter Three Liabilities and Obligations of Manufacturers and Sellers for Product Quality

Section One Manufacturer's Liabilities and Obligations for Product Quality

Section Two Seller's Liabilities and Obligations for Product Quality

Chapter Four Compensation for Damages

Chapter Five Penalty Provisions

Chapter Six Supplementary Provisions

Chapter One General Provisions

Article 1 This Law is enacted for the purposes of strengthening the supervision and administration of product quality, improving product quality, determining the liability of product quality, protecting the legal rights and interest of consumers, and safeguarding the social economic order.

Article Two Those who undertake the production and sale of products within the territory of the People's Republic of China must abide by this Law.

"Products" mentioned in this Law refer to products processed or manufactured for sale.

This Law does not apply to construction projects. However, it applies to construction materials, components, parts and equipment for use in construction projects, provided that the aforesaid materials, components, parts and equipment fall within the scope of products defined in the preceding paragraph.

Article 3 The manufacturers and sellers must perfect their internal management of product quality, strictly implement quality criteria for various posts, specify quality liabilities, and make checks accordingly.

Article 4 Manufacturers and sellers shall be liable for product quality in accordance with this Law.

Article 5 It is prohibited to forge or falsely use product quality marks such as authentication marks. It is prohibited to forge the origin of products, to forge or falsely use other's factory name or address. It is prohibited to adulterate, to pass a fake product off as a genuine one, or to pass a defective product off as a high quality one.

Article 6 The State encourages the popularization of scientific methods in product quality control and the adoption of advanced science and technology. The State encourages enterprises to make their product quality meet and even surpass

their respective industry standards, the national and international standards.

Units and individuals that have made outstanding achievements in maintaining excellent management of product quality and in raising product quality to the advanced international standards shall be awarded.

Article 7 The people's governments at all levels shall incorporate the task of improving product quality into their plans for national economy and social development. They shall strengthen the coordination, planning and administration of product quality, encourage and supervise the manufacturers and sellers to strengthen the management of product quality and improve the quality of their products. The governments shall also coordinate relevant departments to take legal measures to stop the activities in the production and sale in violation of this Law to safeguard the implementation of this Law.

Article 8 The department under the State Council in charge of supervision over product quality shall be responsible for nationwide supervision over product quality. The relevant departments under the State Council shall be responsible for supervision over product quality within the scope of their respective functions and responsibilities.

The administrative departments responsible for supervision over product quality in the local people's governments at or above the county level shall be in charge of supervision and control over product quality within their respective administrative regions. The relevant departments in the local people's governments at or above the county level shall be in charge of supervision over product quality within the scope of their respective functions and responsibilities.

Where a law provides on the department of supervision over product quality otherwise, such law shall apply.

Article 9 The functionaries in the people's government at all levels and other functionaries of state organs shall not abuse their powers, neglect their duties, engages in malpractice or distorts law to seek illegal interest, to enshield or let loose production and sale of products in violation of this Law in their administrative region or in their scope of responsibilities and functions, obstruct or interfere with the investigation and punishment of production and sale of products in violation of this Law.

Where the people's government at local levels and other state organs enshield or let loose production and sale of products in violation of this Law, the person (s) directly in charge shall bear legal liabilities in accordance with law.

Article 10 Any unit or individual has the right to inform the product-quality-supervising organ or other relevant organs on activities in violation of this Law.

The said organs shall keep confidentiality of the reporter's personal data, and award the reporter in accordance with the provisions of the people's government of the province, autonomous region or municipality directly under the Central Government.

Article 11 No unit or individual shall bar the qualified products manufactured outside its own region or industry system from entering its own region or industry system.

Chapter Two Supervision over Product Quality

Article 12 The quality of a product shall be inspected and proves to be up to the standards. Products not up to standards shall not be passed off as qualified ones

Article 13 Industrial products that contain possible threats to the health and safety of human life or safety of property must meet the national standards and industry standards safeguarding the health and safety of human life or the safety of property. In absence of such national standards or industry standards, the product must meet the requirements for safeguarding the health and safety of human life and safety of property.

It is prohibited to produce or sell industrial products that cannot meet the standards or requirement for safeguarding the health and safety of human life and safety of property. The State Council shall formulate specific administrative measures for such prohibition.

Article 14 The State shall, in compliance with the generally adopted international quality control standards, promote the authentication system for enterprise quality. An enterprise may on voluntary basis apply to the department in charge of supervision over product quality under the State Council or an authentication agency approved by an organ authorized by the department in charge of supervision over product quality under the State Council for authentication of enterprise quality system. Where the enterprise has passed the test, the authentication agency shall issue an authentication certificate of enterprise quality system.

The State promotes the product quality authentication system by taking reference to the internationally advanced product standards and technical requirements. An enterprise may on voluntary basis apply to the department in charge of supervision over product quality under the State Council or to an authentication agency approved by an organ authorized by the department in charge of supervision over product quality under the State Council for authentication of product quality. Where the enterprise has passed the authentication, the authentication agency shall issue a product quality authentication certificate and permit it to use the product quality authentication marks on its products or packages.

Article 15 The State shall implement a product quality supervision and inspection system with random checking as its main form. Products constituting possible threats to the health or safety of human life and property, industrial products bearing important influence on the national economy and the people's livelihood, and products with quality problems reported by consumers or relevant organizations shall be subject to random checking. The samples shall be picked out from the market or from the warehouse storing finished products for sale. Such supervision and random checking shall be planned and organized by the department in charge of supervision over product quality under the State Council. The administrative departments responsible for supervision over product quality of the local people's governments at or above the county level may also organize supervision and random checking within their respective administrative regions. Where a law provides otherwise on supervision and check over product quality, such law shall apply.

The relevant department at local levels shall not randomly check the product

again which the State has randomly checked. The department at lower levels shall not randomly check the product again which the department at higher level has randomly checked.

Products may be inspected if supervision and random checking of such products so require. The number of samples picked out for inspection shall not exceed reasonable amount, and the inspection fee shall not be imposed upon the inspected. Expenses incurred shall be disbursed in accordance with relevant regulations of the State Council.

Where the manufacturer or seller have disputes on the inspection result, they may, within fifteen days after receipt of the inspection result, apply the inspection organ or its higher level for re-inspection. The organ undertaking re-inspection shall deliver the result of re-inspection.

Article 16 Manufacturers and sellers shall not refuse the supervision and inspection of their product quality in accordance with law.

Article 17 Where the product quality fails to pass the supervision and random checking conducted in accordance with this Law, the organ conducting the supervision and random checking shall order the manufacturer or seller to rectify the matter within a prescribed period. Where the manufacturer or seller fails to do so, the department at provincial level in charge of supervision of product quality shall publicize the matter. Where the manufacturer or seller fails the re-inspection after the publicizing, the said department shall order it to suspend the business for internal rectification within a prescribed period. Where the product is still found to be unqualified after the internal rectification, the business license thereof shall be revoked.

Where serious product quality problem is found in supervision and random checking, the manufacturer or seller shall be punished according to the provisions of Chapter Five of this Law.

Article 18 When the department at or above county level in charge of supervision over product quality, based on obtained evidence of suspected violation of this Law or on secret report, make further investigations, it has the following powers:

- 1) Conduct spot inspection on the site of production or sales suspected of violation of this Law;
- 2) Investigate the legal person, person directly in charge, and other related persons of the party concerned on matters regarding manufacturing or selling activities suspected of violation of this Law;
- 3) Inspect and copy related contracts, invoices, account books or other related documents of the party concerned;
- 4) Seal up or detain products that the inspector has grounds to think not up to the national standards or industry standards for the protection of human health or safety of human life and property, and seal up or detain the raw materials, auxiliary materials, packaging materials, tools for production or sale of the product.

The department for administration of industry and commerce at or above the county level has the powers provided in the preceding paragraphs of this Article in the investigation on activities in violation of this Law.

Article 19 Product testing and inspection institutions must have appropriate

testing facilities and capabilities, and may undertake the work of testing and inspection of product quality only after being appraised and endorsed by the department in charge of supervision over product quality under the people's government at or above the provincial level or an organization authorized by the said department. Where laws and administrative regulations provide otherwise on the institutions for testing and inspection of product quality, the provisions of such laws and regulations shall apply.

Article 20 The social intermediary institutions on test and authentication of product quality must be established according to law, and shall not be affiliated with, or have any interest with administrative organs or other state organs.

Article 21 The institutions on test and authentication of product quality must issue the test results or authentication certificates objectively and fairly according to related standards.

After issuing the authentication certificate, the institution on authentication of product quality must, in accordance with related rules of the State, follow up with inspections on the product on which the authentication mark is used. Where the product on which the authentication mark is used is found unqualified, said institution shall require the user of the mark to improve its product to meet the standard. Where the case is serious, said institution shall cancel the manufacturer or seller's qualification to use the authentication mark.

Article 22 Consumers have the right to inquire the manufacturers and sellers about the quality problem of their products. Consumers may also file complaints with departments supervising product quality or with administrative departments for industry and commerce or with any other department concerned. Said departments shall be responsible for handling the case.

Article 23 Social organizations for the protection of the rights and interests of consumers may suggest the departments concerned to handle the product quality problems reported by consumers, and support consumers in bringing suits to a people's courts for damages caused by quality problems of products.

Article 24 Product-quality-supervising departments of the State Council, of the people's government of provinces, autonomous regions and municipalities directly under the Central Government shall regularly publish the result of supervision and random checking on product quality.

Article 25 Product-quality-supervising organs, other State organs, and product-quality-test institutions shall not recommend any product to society. Nor shall they participate in business by way of "product quality guaranteed because of manufacture under supervision" or "product quality guaranteed because of sale under supervision"

Chapter Three Liabilities and Obligations of Manufacturers and Sellers for Product Quality

Section One Manufacturer's Liabilities and Obligations for Product Quality

Article 26 The Manufacturer shall be liable for the quality of products it produces.

The products shall meet the following quality requirements:

- 1) Free from unreasonable dangers threatening the safety of human life and property, and conforming to the national standards or industry standards safeguarding the health or safety of human life and property where there are such standards;
- 2) Possessing the properties and functions that they ought to possess, except for those with functional defects already stated;
- 3) Conforming to the product standards marked on the products or the packages thereof, and to the quality status indicated by way of product instructions, samples, etc.

Article 27 The marks on the products or the packages thereof shall be truthful, and meet the following requirements:

- 1) With certificate showing that the product has passed quality inspection;
- 2) With name of the producer, name and address of the factory that manufactured the product, all marked in Chinese;
- 3) With Chinese descriptions of the specifications, grade of the product, the main ingredients and their quantities contained in the product, where it is necessary for such particulars to be indicated according to the special nature of the product or instructions for use of the product. Where they should be known to consumers in advance, the manufacturer shall indicate such particulars on the outer packaging, or provide related materials to consumers beforehand;
- 4) With explicit description of production date, safe-use period or date of invalidity marked on a prominent place where the product is to be used within a prescribed period;
- 5) With warning signs or warning statements in Chinese for products which, if improperly used, may cause damage to the products per se, or may endanger the safety of human life or property.

Food products without package and other products without package because it is difficult to be marked for their special nature may dispense with product marks.

Article 28 The packages of dangerous products such as fragile, inflammable, explosive, poisonous, erosive, radioactive products, products that should be kept upright during storage and transportation, and other products with special requirements, must meet the corresponding packaging requirements and carry warning signs or warning statements in Chinese indicating instructions on storage and transportation.

Article 29 No manufacturer shall produce any product that the State has officially ordered to eliminate with the passage of time.

Article 30 No manufacturer shall forge the origin of a product, nor shall it forge or falsely use another manufacturer's name and address.

Article 31 No manufacturer shall forge or falsely use another manufacturer's product quality marks such as quality authentication marks.

Article 32 The manufacturer shall not adulterate, substitute a fake product for a genuine one, a defective product for a high-quality one, or pass an unqualified product off as a qualified one.

Section Two Seller's Liabilities and Obligations for Product Quality

Article 33 The seller shall establish and implement the check-before-acceptance system and examine the quality certificates and other marks when replenishing its stock.

Article 34 The seller shall take measures to maintain the quality of products it sells.

Article 35 The seller shall not sell products that the State has explicitly ordered to eliminate with passage of time or ordered to stop sale, and shall not sell products that have gone ineffective or gone deteriorated in quality.

Article 36 The marks on the products which the seller sells shall conform with the provisions of Article 27 of this Law.

Article 37 The seller shall not forge the origin of the products, forge or falsely use other's factory name or address.

Article 38 The seller shall not forge or falsely use product quality marks such as quality authentication certificates.

Article 39 In selling products, the seller shall not adulterate, substitute a fake product for a genuine one, a defective product for a high-quality one, or pass an unqualified product off as a qualified one.

Chapter Four Compensation for Damages

Article 40 A seller shall be responsible for repair or change of the product, or for refund of a product if it is sold under any of the following circumstances, and, where the product has caused any loss to the consumers, the seller shall compensate for such loss:

- 1) The product does not have the functions it ought to have, and the seller has not given prior explanation thereabout;
- 2) The product does not conform to the product standards indicated on the product or its package;
- 3) The quality of the product does not conform to the quality status indicated by way of product descriptions or samples, etc.

If, after repair, change, refund or compensation has been made according to the provisions of the preceding paragraph, the liability is attributed to the manufacturer or to another seller who had supplied the product (hereinafter referred to as supplier), the seller shall have the right to recover his losses from the manufacturer or the supplier.

Where a seller fails to make repair, change, refund or compensation in accordance with the provisions of the first paragraph, the department for supervision over product quality or the administrative department for industry and commerce shall order the seller to make rectification.

Where sales contracts or contracts for processing concluded between manufacturers, between sellers, or between manufacturers and sellers provide otherwise, the parties concerned shall act in accordance with the provisions of the contracts.

Article 41 A manufacturer shall be liable for compensation if its defective product causes damage to human life or property other than the defective product

itself (hereinafter referred to as another person's property).

A manufacturer shall not be liable for compensation if it can prove the existence of any of the following circumstances:

- 1) The product has not been put in circulation;
- 2) The defect causing the damage did not exist when the product was put in circulation;
- 3) The science and technology at the time the product was put in circulation was at a level incapable of detecting the defect.

Article 42 Where, due to the fault of the seller, damage to human life or another person's property occurs, the seller shall be liable for compensation.

Where the seller can identify neither the manufacturer of the defective product nor the supplier thereof, it shall be liable for compensation.

Article 43 Where a defective product causes damage to human life or another person's property, the victim may claim damage either from the manufacturer or from the seller of such product. Where the liability falls on the manufacturer, but the seller has made the compensation, the seller shall have the right to recover the loss from the manufacturer. Where the liability falls on the seller, but the manufacturer has made the compensation, the manufacturer shall have the right to recover the loss from the seller.

Article 44 Where bodily injury is caused by a defective product, the infringer shall compensate for the medical expenses, the nursing fee incurred during the period of treatment and other economic losses of the infringed such as the decreased earnings due to loss of his working time. Where the infringed becomes disabled, the infringer shall also pay such fees as the fee for self-help apparatus, the subsistence allowance, damage for the disabled, and necessary living expenses of the person (s) the infringed maintains. Where such defect causes death of the infringed, the infringer shall also pay the funeral expenses, the death damage, and necessary living expenses of the person(s) supported by the infringed before his death.

Where the defective product causes damage to the property of the infringed, the infringer shall restore the damaged property to its original state, or compensate for the depreciated value of the property. Where the infringed suffers any other serious losses, the infringer shall also compensate for such losses.

Article 45 The limitation period for bringing an action for damages arising from the defect of a product is two years, counting from the day when the party concerned knew or should have known the infringement of his rights and interests.

The right to claim damages from defective products shall be lost upon completion of ten years from the day when the defective product causing the damage is delivered to the first consumer, except that the explicitly stated period for safe use has not expired.

Article 46 "Defect" referred to in this Law means the unreasonable danger existing in a product that endangers the safety of human life or other person's property. Where there are national or industry standards safeguarding the health or safety of human life and property, "defect" means inconformity to such

standards.

Article 47 Where a civil dispute over product quality arises, the parties concerned may seek a settlement through negotiation or mediation. Where the parties are unwilling to resort to negotiation or mediation, or the negotiation/mediation fails, they may apply to an arbitration organization for arbitration as agreed upon between the parties. Where the parties fail to reach an arbitration agreement, or the arbitration agreement is invalid, they may file a suit directly with a people's court.

Article 48 The arbitration organization or the people's court may entrust an organization in charge of product quality inspection specified in Article 19 of this Law with product quality inspection.

Chapter Five Penalty Provisions

Article 49 Where anyone produces or sell products that do not comply with the relevant national or industry standards safeguarding the health or safety of human life and property, the related organ shall order it to stop the production or sale, confiscate the products produced or for sale in violation of law, and impose a fine less than three times of the value of the products produced, for sale or sold out. Where there exist illegal earnings, the earnings shall be confiscated concurrently. Where the case is serious, the business licence shall be revoked. Where the activities constitute a crime, the offender shall be prosecuted for criminal liabilities in accordance with law.

Article 50 Where a manufacturer or a seller adulterates, passes a fake product off as a genuine one, passes a defective product off as a high-quality one, or passes an unqualified product as a qualified one, the related organ shall order it to stop the production or sale, confiscate the products produced or for sale in violation of law, and impose a fine more than fifty percent but less than three times of the value of the products produced, for sale or sold out. Where there exist illegal earnings, the earnings shall be confiscated concurrently. Where the case is serious, the business licence shall be revoked. Where the activities constitute a crime, the offender shall be prosecuted for criminal liability in accordance with law.

Article 51 Where anyone produces or sells products the State has explicitly ordered to eliminate with the passage of time, or sells products the State has explicitly ordered to stop the sale, the related organ shall order it to stop the production or sale, confiscate the products produced or for sale in violation of law, and impose a fine less than the value of the products produced, for sale or sold out. Where there exist illegal earnings, the earnings shall be confiscated concurrently. Where the case is serious, the business licence shall be revoked.

Article 52 Where anyone sells products that have gone ineffective or gone deteriorated in quality, the related organ shall order it to stop the sale, confiscate the products for sale in violation of law, and impose a fine less than two times of the value of the products for sale or sold out. Where there exist illegal earnings, the earnings shall be confiscated concurrently. Where the case is serious, the business licence shall be revoked. Where the activities constitute a crime, the offender shall be prosecuted for criminal liability in accordance with law.

Article 53 Where anyone forges the origin of the products, forges or falsely

uses the factory name or address of others, forges or falsely uses product quality marks such as quality authentication certificates, the related organ shall order it to rectify the matter, confiscate the products produced or for sale in violation of law, and impose a fine less than the value of the products produced, for sale or sold out. Where there exist illegal earnings, the earnings shall be confiscated concurrently. Where the case is serious, the business licence shall be revoked.

Article 54 Where the product mark does not conform to the provisions of Article 27, the related organ shall order the party concerned to rectify the matter. Where the marks on packaged products do not conform to 4) and 5) of Article 27, and the case is serious, the related organ shall order the party concerned to stop the production or sale, and impose a fine less than thirty percent of the value of the products produced, for sale or sold out. Where there exist illegal earnings, the earnings shall be confiscated concurrently.

Article 55 In selling the products prohibited as stipulated in Article 49 to 53 of this law, where the seller has sufficient evidence proving that it does not know that the products is prohibited for sale and truthfully tells the source of the product, it may receive a lighter penalty or a mitigated penalty.

Article 56 Where the manufacturer or seller refuses to receive lawful supervision or check of its products, it shall be warned and ordered to rectify the matter. Where the manufacturer or seller refuses to make the rectification, it shall be ordered to suspend the business for internal rectification. Where the case is very serious, the business license of the law-breaker shall be revoked.

Article 57 Where an institution for inspection or authentication of product quality forges inspection data or issues a false certificate, the related organ shall order it to make rectification, impose a fine ranging from 50, 000 yuan to 100, 000 yuan upon the institution, and a fine ranging from 10, 000 yuan to 50, 000 yuan upon the person directly liable for the wrongdoing. Where there exists illegal income, the income shall be confiscated. Where the case is serious, the related organ shall cancel the institution's qualification for inspection or authentication. Where the activities constitute a crime, the institution and the person directly liable shall be prosecuted for criminal liabilities in accordance with law.

Where the inspection data or certificate of an institution for inspection or authentication of product quality is untrue and thus causes losses, the institution shall be held liable for the damages accordingly. Where serious losses occur, the related organ shall cancel its qualification for inspection or authentication.

Where the institution for authentication of product quality, in violation of paragraph two of Article 21, does not order the manufacturer/seller to make rectification or cancel the manufacturer/seller's qualification to use the authentication mark when the manufacturer/seller uses authentication mark on products that do not meet the authentication criteria, and causes losses to consumers, said institution shall bear the joint and several liabilities with the manufacturer/seller. Where the case is serious, the related organ shall revoke the institution's qualification for authentication.

Article 58 Where an association or social intermediary institution makes warranties or guarantees for the quality a certain product, but the product

warranted or guaranteed does not meet the quality criteria and causes losses to consumers, said association or institution shall bear joint and several liabilities with the manufacturer and seller of the product.

Article 59 Where anyone makes false statement of its product quality in advertisement and cheats or misleads consumers, it shall be prosecuted for legal liabilities in accordance with the Advertisement Law of the People's Republic of China.

Article 60 The related organ shall confiscate the raw materials, auxiliary materials, packaging materials and manufacturing apparatus specially for production of products specified in Article 49 and Article 51 of this Law, or for production of fake products.

Article 61 Where anyone knows or ought to know the products are prohibited by this Law for production or sale, but still provides such convenience as transportation, safe-keeping and storage, or provides techniques for manufacturing of fake products, the related organ shall confiscate all the income from provision of conveniences such as transportation, safe-keeping and storage, and all the income from provision of techniques for manufacturing of fake products, and impose a fine of more than fifty percent but less than three times of the illegal income concurrently. Where the provider's activities constitute a crime, it shall be prosecuted for criminal liabilities in accordance with law.

Article 62 Where a service provider uses products prohibited for sale by Article 49 to 52 of this Law in its profit-seeking service, the related organ shall order it to stop the usage of such products. Where the service provider knows or ought to know that the product it is using falls within the scope prohibited for sale by this Law, the related organ shall punish the service provider citing the punishing measures for sellers with respect to the value of the products used or to be used in violation of law.

Article 63 Where anyone hides, removes, sells off or destroys the articles sealed up or detained by the organ for supervision of product quality or by the administrative organ for industry and commerce, said organ shall impose upon it a fine less than three time of the value of the articles hidden, removed, sold off or destroyed, and confiscate the illegal income (if any) concurrently.

Article 64 Where anyone, in violation of this Law, is held liable for civil damages and payment of fines or forfeitures, and its property is not enough to pay all the damages, fines and forfeitures concurrently, it shall pay the civil damage first.

Article 65 Where any functionary of the people's government at any level and any functionary of other state organ has committed any of the following offences, he shall be given administrative sanction. Where the offence constitutes a crime, he shall be prosecuted for criminal liabilities:

- 1) Enshielding or letting loose the activities in the production or sale in violation of this Law;
- 2) Divulging information to the party who produces or sells products in violation of this Law to help the latter to evade investigation and punishment;
- 3) Obstructing or intervening in the product-quality-supervising organ's or the administrative organ for industry and commerce's investigation and punishment of manufacturing or selling activities in violation of this Law, and causing

serious results.

Article 66 Where, in the cause of inspection and random checking, the organ supervising product quality asks for more samples than the stipulated amount, or charges the inspected any inspection fee, the higher level of the product-quality-inspection organ or the state supervision organ shall order it to return the surplus amount of samples and the inspection fee. Where the case is serious, the person directly in charge and other people held directly liable shall be given disciplinary sanctions

Article 67 Where the product-quality-inspection organ or other state organ, in violation of Article 25 of this Law, recommend any manufacturer's products to society, or participate in any business by way of "guaranteeing the quality by supervising the manufacturing" or "guaranteeing the quality by supervising the sale", its higher level or state supervision organ shall order it to rectify the matter, eliminate the influence, and confiscate the income (if any). Where the case is serious, the person directly in charge and other people held directly liable shall be given disciplinary sanctions in accordance with law.

Where a product-quality-testing institution committed the offence described in the preceding paragraph, the product-quality-supervising organ shall order it to rectify the matter, eliminate the bad influence, and confiscate any illegal income. A fine less than one time of the illegal income may also be imposed upon the said institution. Where the case is serious, the related organ shall revoke the institution's qualification for testing of product quality.

Article 68 Where the product-quality-supervising organ or the organ for administration of industry and commerce abuses its power, neglects its duties, engages in malpractice or distorts law to seek illegal interest, and thus constitutes a crime, it shall be prosecuted for criminal liabilities. Where the offence has not constituted a crime yet, it shall be given disciplinary sanctions.

Article 69 Whoever obstructs, by means of violence or intimidation, product-quality-supervising organ or the organ for administration of industry and commerce from carrying out their duties according to law shall be prosecuted for criminal liabilities. Whoever refuses or impedes the work of said organs without resorting to violence or intimidation shall be punished by the public security organs in accordance with the relevant provisions of the Regulations on Administrative Penalties for Public Security.

Article 70 The administrative punishment in the form of revocation of business license provided for in this Law shall be decided by the organ for administration of industry and commerce, while the administrative punishment provided for in Article 49 to 57 and in Article 60 to 63 of this Law shall be decided by the product-quality-supervising organ or the organ for administration of industry and commerce according to the functions and powers prescribed by the State Council. Where the laws or administrative regulations provide otherwise as to the authorities exercising the power of administrative punishment, the relevant provisions of such laws and administrative regulations shall apply.

Article 71 With respect to the products confiscated in accordance with this Law, the related organ shall destroy or dispose of in other ways in accordance with related provisions of the State.

Article 72 The value of the products stipulated in Article 49 to 54, Articles 62

and 63 shall be calculated by the marked price of the products manufactured or for sale in violation of this Law. Where there exists no marked price, the value thereof shall be calculated by the market price of the products of the same category.

Chapter Six Supplementary Provisions

Article 73 The State Council and the Central Military Commission shall provide otherwise on the supervision and administration of the quality of products for the armed forces.

Where laws or administrative regulations provide otherwise on liabilities for damages caused by nuclear facilities and nuclear products, such laws and regulations shall apply.

Article 74 This Law shall come into force as of September 1, 1993.