Legal 500 Country Comparative Guides 2024

China

Pharmaceutical Advertising

Contributor

Fangda Partners



Hans She

Partner | hshe@fangdalaw.com

Jasmine Zhang

Associate | jasmine.zhang@fangdalaw.com

Yichen Zhou

Trainee Associate | yichen.zhou@fangdalaw.com

This country-specific Q&A provides an overview of pharmaceutical advertising laws and regulations applicable in China.

For a full list of jurisdictional Q&As visit legal500.com/guides

China: Pharmaceutical Advertising

1. What laws are used to regulate advertising on medicines in your jurisdiction?

- 1) Specific regulations relating to medicine advertising
 - Drug Administration Law of the People's Republic of China (Amended in 2019)("Drug Administration Law")
 - Regulations for the Implementation of the Drug Administration Law of the People's Republic of China (Amended in 2019) ("Implementation Rules of Drug Administration Law")
 - Interim Measures for the Administration of Censorship of Advertisements on Medical Product, Medical Devices, Dietary Supplements and Formula Foods for Special Medical Purposes (2019) ("Interim Measures")
- 2) General regulations relating to advertising
 - Advertising Law of the People's Republic of China (Amended in 2021) ("Advertising Law")
 - Measures for the Administration of Internet Advertising (2023) ("Measures for Internet Advertising")
 - Regulations on Administration of Advertising (1987)
 - Criminal Law of the People's Republic of China (Amended in 2023) ("Criminal Law")
 - Anti-Unfair Competition Law of the People's Republic of China Amended in 2019)("Anti-Unfair Competition Law"

On 29 May 2023, the State Administration for Market Regulation issued a draft revision to the Interim Measures for public consultation, aiming to formalise as the Measures for the Administration of Censorship of Advertisements on Medical Product, Medical Devices, Dietary Supplements and Formula Foods for Special Medical Purposes. The draft revision includes more detailed regulations regarding the administrative review and approval processes for pharmaceutical advertising, and is expected to be enacted in the near future.

2. Are there any self-regulatory or other codes of practice which apply to the advertising of medicines? a) If there are any such codes, to

whom do they apply (companies, or healthcare professionals, for example)? b) What is the legal status of the self-regulatory codes?

a. If there are any such codes, to whom do they apply (companies, or healthcare professionals, for example)?

Yes. The China Advertising Association has issued selfregulatory rule/proposal which provides general guidelines in respect of advertising. Additionally, the China Pharmaceutical Industry Association ("CPIA") issued the No. T/PIAC 00001-2020 Pharmaceutical **Industry Compliance Management Practices** ("Practices"), which entered into effect on February 26, 2021. The Practices, while suggested rather than mandatory to follow) set forth strict requirements for compliance management within the enterprises in the pharmaceutical industry. These guidelines address various areas, including, anti-commercial bribery, antitrust, finance and taxation, product advertising, centralized procurement, environment, health and safety, adverse reaction report, data compliance and cybersecurity, amongst others.

b. What is the legal status of the self-regulatory codes?

In contrast to laws and regulations, self-regulatory codes lack binding authority and are not subject to enforcement by the Chinese administrative authorities or courts. The Standardization Law of the People's Republic of China (Amended in 2017) explicitly encourages adherence to self-regulatory codes, underscoring their role as industry best practices.

- 3. Is there a statutory or generally accepted definition of "advertising"? a) What does the definition cover? does it include patient information leaflets, for example, catalogues, disease awareness campaigns or correspondence, for example? b) Does the definition apply equally to all target audiences?
- a. What does the definition cover? does it include patient information leaflets, for example, catalogues, disease awareness campaigns or correspondence, for example?

The Advertising Law governs commercial advertising activities, encompassing any direct or indirect promotion of goods or services by business operators through a specific medium and form (Article 2).

Given the expansive definition of advertisements in China, any content introducing products or services from a particular business operator, visible to consumers, falls within the scope of advertising.

This includes patient information leaflets, catalogues, disease awareness campaigns, and correspondence. If these materials are utilized to introduce commodities or services, they are deemed as "advertising." Moreover, within the realm of the Internet, web links or QR codes containing content for promoting pharmaceutical products are subject to scrutiny under the *Advertising Law*.

b. Does the definition apply equally to all target audiences?

Theoretically this definition applies equally to all target audiences. However, practically, differences may arise between targeting at healthcare professionals and consumers when it comes to pharmaceutical advertising. For instance, providing information relating to medicines to healthcare professional for scientific purpose supported by published academic journal or news report, may likely fall outside the scope of advertising (see our response to Q8).

4. Are press releases regarding medicines allowed in your jurisdictions, and if so what are the restrictions on these (bearing in mind the target audience)?

Pharmaceutical company is allowed to release or circulate information of drugs, which are approved to be launched, provided that such information is authentic, objective and free of any functional claims. However, it is noteworthy that Article 14(2) of the *Advertising Law* prohibits the publication of medicine advertising in the form of press releases. To ensure compliance, these releases should avoid involving news reporter, and remain simple and straightforward.

Legal and regulatory requirements for the contents of press releases include authenticity, impartiality, objectiveness and accuracy, as stipulated by Article 34 of the Regulations on Broadcasting and Television (2020 Revision) and the Notice of the General Office of the General Administration of Press and Publication on Issuing Several Provisions on Taking Strict Precautions

against False News Reports (2011).

Furthermore, the Forbidden Words and Discreet Words in News and Information Report issued by Xinhua News (Revised in July 2016) enumerates specific terms prohibited in press releases related to pharmaceutical products. Prohibited phrases include "best effects," "without side effects," "perform a radical/perfect cure," and "latest technology," among others.

5. Are there any processes prescribed (whether by law or Codes of Practice) relating to the approval of advertising of medicines within companies?

We did not find any laws, regulations or codes of practice regarding the approval processes of medicine advertising within pharmaceutical companies. Pharmaceutical companies may formulate and enact such processes at its own discretion.

Please note, however, there are certain local standards as applicable to advertising companies, providing guidance and rules (in line with the laws and regulations as set out in our reply to Q1) for reviewing advertising of medicines. Examples are the No. DB33/T 2178-2019 local standard of Zhejiang province, the No. DB21/T 3519-2021 local standard of Liaoning province, and the No. DB22/T 3583-2023 local standard of Jilin province.

6. Do companies have to have material approved by regulatory bodies prior to release?

As per Article 89 of the *Drug Administration Law* and Article 48 of the *Implementation Rules of Drug Administration Law*, all medicine advertisements are subject to prior censorship and approval by the provincial Medical Products Administration where the domestic medicine manufacturer or the medicine import agency is located. Once the advertisement meets legal requirements, the authority will issue an approval, complete with a specific approval number for the advertisement. An exception is that, if the drug advertisement only promotes the product name (either the generic name or product name of the drug), the content of the advertisement does not need to be censored and approved by the authority.

Furthermore, if the intended reach of the medicine advertisement extends beyond the province of the initial approval, the advertiser must secure an advertisement recordal with the medical product authority in each additional province where the advertisement is intended

to be published.

7. Is comparative advertising for medicines allowed and if so, what restrictions apply?

According to Article 13 and Article 16.3 of the *Advertising Law*, it is prohibited to compare medicines in terms of efficacy or safety. Additionally, as a general rule for advertisement regulation, advertising for medicines shall not disparage the goods or services from any other producer or operator.

In this connection, practically comparative advertising for medicines is rarely seen since the above rules (which are implemented strictly in practice) substantially obstructs applying comparative advertising in respect of medicine products, even though there is no explicit, outright ban as set forth in the law.

8. Is it possible to provide information on unauthorised medicines or unauthorised indications? Is it possible to provide information on unauthorised medicines or unauthorised indications during a scientific conference directed at healthcare professionals, or to send information to healthcare professionals?

Functional claims of disease treatment, medical terminology and any other terms that may mislead consumers to believe that the promoted product is a drug are not allowed to appear in advertisements for non-drug products, according to Article 17 of the *Advertising Law*. As such, providing information on unauthorised medicines or unauthorized indications carries the risks of violating the *Advertising Law*.

However, if 1) such information is provided for scientific and research purposes, and is cited or copied from published academic journal or news report; or 2) the information is circulated only orally to a healthcare professional (which probably does not fall within the definition of "advertising" given the lack of "medium") and then the healthcare professional relays such information to others, we believe the risks in either scenario would be relatively manageable.

Laws and regulations do not explicitly prohibit providing objective medicine information of drugs or a newly added indication without a medicine approval certificate in a scientific seminar or academic communication, but such information is prohibited to serve promotional purpose.

9. Please provide an overview of the rules that apply to advertising to the general public for prescription only medicines and over the counter medicines, and include the information that must or must not be included.

Medicine advertisements are subject to strict censorship held by relevant authorities. According to Article 16 of the *Advertising Law*, the information in medicine advertisements shall not differ from the drug insert sheets approved by the National Medical Products Administration and shall conspicuously indicate the restrictions and adverse reactions. Also, medicines advertisements shall NOT contain:

- 1. any assertion or assurance on efficacy or safety;
- 2. any statement on the recovery rate or effective rate;
- any comparison with other drugs or medical devices in respect of efficacy and safety, or comparison with other medical institutions;
- 4. any recommendation or certification by advertising endorsers.

Specifically, there are some special requirements for prescription only medicines and over the counter ("OTC") medicines. Advertisements on prescription only drugs can only be published on specialized pharmaceutical or medical journals jointly designated by the national authorities. An advertisement on a prescription medicines shall conspicuously indicate: "this advertisement is intended for medical and pharmaceutical professionals only", and an advertisement on OTC medicines shall conspicuously indicate: "please follow the instructions of the drug or purchase and use the drug under the direction of a pharmacist."

10. Are there any restrictions on interactions between patients or patient organisations and industry (e.g., consultation, sponsorship)? If so, please describe those briefly.

It is worth noting that such interactions should avoid falling within the scope of unfair competition or commercial bribery as stipulated by the Anti-Unfair Competition Law, the Practice (suggested rather than mandatory to follow), the Interim Provisions on Banning Commercial Bribery (1996), the Notice of the Supreme People's Court and the Supreme People's Procuratorate on Issuing the Opinions on Issues concerning the Application of Law in the Handling of Criminal Cases of Commercial Briberies (2008), the Notice of the Ministry

of Health on Further Fighting Commercial Briberies in the Purchase and Sale of Medicines (2010), the Notice by the Supreme People's Procuratorate and the Ministry of Public Security of Issuing the Provisions (II) of the Supreme People's Procuratorate and the Ministry of Public Security on the Standards for Filing Criminal Cases under the Jurisdiction of the Public Security Organs for Investigation and Prosecution (Amended in 2022), the Criminal Law and other laws and regulations.

To simply put, pharmaceutical companies may support and assist patients or patient organizations to carry out patient education programs, helping patients acquire relevant disease knowledge and maintain correct disease prevention and management habits. However, in no case should pharmaceutical companies bribe patients or patient organizations in any possible forms, including but not limited to, by giving them shopping cards, expensive gifts, money or in kind, providing "kickbacks" in the process of pharmaceutical purchase and sales, or conducting interest transfer under the guise of scientific research, etc.

Furthermore, pharmaceutical companies must comply with any applicable laws and regulations relating to personal information protection, and shall not illegally collect or process the personal information of patients.

11. Which information must advertising directed at healthcare professionals contain, and which information is prohibited? For example, can companies provide information about clinical trials, or reprints of scientific journal articles?

The current laws and regulations do not provide guidance in this respect.

According to the *Practices* (suggested to follow but not mandatory), the content should be mainly focused on the products, scientific exchanges, or medical education and must not exceed the scope as set out in the product indications. The promotional information in the academic materials provided by medical representatives to medical and health professionals or medical institutions should be clear, easy to understand, accurate, objective, fair and complete. It is suggested to contain the following information:

- a. The name of the medicine;
- b. The active ingredient of the drug;
- c. The name and address of the pharmaceutical company;
- d. Administration approval information;
- e. The deadline for the validity date of the

- promotional materials;
- f. A summary of prescription information, including one or more indications that have been approved, dosage, and a brief description of contraindications and side effects; and
- g. If the content of a publication is invoked, its provenance must be indicated on the promotional materials.

Clinical trials and reprints of scientific journal articles can be provided, on the basis that the information and statistics are authentic and objective.

12. May pharmaceutical companies offer gifts to healthcare professionals and are there any monetary limits?

Pharmaceutical companies may provide promotionsupportive goods and medical-related items to healthcare professionals or healthcare institutions only under limited, specific circumstances and for particular purposes, such as, for organization of scientific meetings or conferences. The provision of such promotionsupportive goods and medical-related items should adhere to "minimum quantity" and "minimum value" principles.

For promotion-supportive goods, the value of each item should not exceed RMB 100 according to the Section D. 4. 3. 4. 3. 2 of the *Practices*. That said, such promotion-supportive goods are prohibited to be offered in the course of promoting prescription drugs according to the same section of the *Practices* (only allowed for promotion of OTC drugs).

For medical-related items which are beneficial for enhancing medical services and patient care and are related to the daily-work of the healthcare professionals, the value of each item should not exceed RMB 500 according to Section D. 4. 3. 6. 2. 3 of the *Practices*.

13. Are pharmaceutical companies allowed to provide samples to healthcare professionals?

No. Provision to individuals (including healthcare professionals) is not permitted. That said, samples of a medical product with a limited quantity are allowed to be supplied to medical institutions for the purpose of familiarizing healthcare professionals with the product, through a third party with drug marketing license.

The limited quantity should be defined according to the minimum packaging or minimum dosage required for

getting familiar with the drugs. The samples should be used within the scope of the approved indications only. Samples should also be marked so that they cannot be resold or otherwise misused.

14. Are pharmaceutical companies permitted to sponsor scientific meetings or congresses and/or attendance by healthcare professionals to these events? If so, which restrictions apply? Do additional restrictions apply to events taking place abroad?

The law does not explicitly ban such sponsorship, and we have not seen additional restrictions for abroad events, either. However, it is worth noting that such sponsorship should avoid falling within the scope of unfair competition or commercial bribery as set out in Q10. Specifically, pharmaceutical companies should be cautious in sponsoring scientific meetings or congresses held overseas, and should sponsor such overseas events with sufficient and reasonable reasons.

According to section D. 4. 3. 6. 6. 1 and D. 4. 3. 6. 6. 4 of the *Practices*, reasonable sponsorship of scientific meetings or congresses and/or attendance by healthcare professionals to these events is allowed, but it is strictly prohibited to directly provide funding for attendance to internal departments and doctors of medical and health institutions. Such financial support should be based on public interest or legitimate commercial purposes and not be aimed at obtaining improper commercial benefits. pharmaceutical companies are suggested to pay attention to, among the others, the following principles when making donations or sponsorship:

- The companies should carefully select sponsored projects to ensure that the projects are of high scientific value. It is not suggested for pharmaceutical companies to provide financial support to entertaining projects; and
- The relevant payment should be made directly to the institution (legal entity), instead of its departments or relevant individuals.

15. What are the restrictions on the organisation of cultural, sports or other non-scientific events in relation to scientific conferences by pharmaceutical companies?

Since the definition of bribery under the Chinese laws and regulations is relatively broad, organisation of cultural, sports or other non-scientific events healthcare on the

sidelines of scientific meetings or conferences will run the risks of commercial bribery that is subject to administrative penalties in accordance with the *Anti-Unfair Competition Law*.

16. Is it possible to pay for services provided by healthcare professionals and if so, which restrictions apply?

Yes, it is possible for pharmaceutical companies to pay healthcare professionals for their services. For example, healthcare professionals can get the corresponding remuneration for lecturing at an academic conference or participating in a research program. However, it is worth noting that such payment should avoid falling within the scope of unfair competition or commercial bribery as set out in Q10.

However, the *Practices* (D. 4. 3. 6. 3) has provided certain guidelines that are suggested to be observed. For example, the payment of lecture fees or other labour fees must be based on legitimate business needs, and should be reasonable in accordance with fair market value. Pharmaceutical companies must sign a written contract with the healthcare professionals to clarify their rights and obligations.

Also, the arrangement of lectures or other labour services shall not be made for the following purposes:

- Induce healthcare professionals to prescribe, recommend, procure, supply, and/or use any medicine:
- Encourage or reward speakers for using or supporting the products of the relevant pharmaceutical company in the past, present, and future;
- · Affect the results of clinical trials:
- Exert improper influence on customers or prescribers; or
- Seek improper benefits for pharmaceutical companies.

17. Are pharmaceutical companies permitted to provide grants or donations to healthcare professionals or healthcare institutions? Does it matter if the grant or donation is monetary or in kind?

Pharmaceutical companies are permitted to provide donations or grants to healthcare institutions according to the Administrative Measures for the Receipt of Public Welfare Donations by Health and Family Planning Agencies (for Trial Implementation) ("Measures for Donations") on a non-profit basis and for the public interest purpose, and such grants or donations can be monetary or in kind. According to Article 5 of the Measures for Donations, such donations or grants should be used for non-profit activities, for example, medical treatment cost remission of patients, public health services and health education, training of healthcare professionals, academic and research activities, and construction of public facilities and equipment purposes, etc. Also, according to Article 6 of the Measures for Donations, the donations or grants should neither be provided for advertising or other commercial purposes, nor be suspected of constituting unfair competition and commercial bribery, and should be in accordance with other Chinese laws and regulations. In respect of the donation procedure, such donations or grants shall comply with the provisions of Measures for Donations, including the internal pre-evaluation procedure handled by the healthcare institutions, signing the donation agreement, etc.

Healthcare professionals, in principle, are not permitted to accept any grants or donations provided by pharmaceutical companies according to Article 88 of the *Drug Administration Law*.

18. Are pharmaceutical companies required to disclose details of transfers of value to healthcare professionals or healthcare institutions? If so, please indicate whether this is a legal requirement or not, and describe briefly what the companies must report and how. Do these transparency requirements apply to foreign companies and/or companies that do not yet have products on the market?

There are no specific disclosure requirements for drug companies regarding the value of transfers related to donations to health care institutions, but it is highly recommended to record the transaction details in the company's financial book in case there are any audits conducted by the authorities. According to the *Measures for Donations*, healthcare institutions are obliged to publicize information about donations. For listed companies in China, it is necessary to disclose donations according to special requirements from the Stock Exchange.

19. Are there any restrictions (whether by law or

Codes of Practice) on advertising for medicines on social media directed to healthcare professionals or directed to the general public?

Advertising for medicines on social media shall generally follow the restrictions of such advertising on the internet (see our response to Q20).

Regarding promotion of drugs on social media, according to the *Measures for Internet Advertising*, it is forbidden to publish drug advertisements in disguised form by introducing health and wellness knowledge. Such knowledge shall not be accompanied by the addresses, contact information, shopping links, or other content of the relevant companies.

Online live streaming marketing activities are popular on Chinese social media. Drug advertisements shall also be approved by the authority before being posted in online live streaming marketing activities.

20. Is advertising on the internet for medicinal products regulated, and if so, how? Should companies include access restrictions on websites containing advertising or other information intended for healthcare professionals?

In China, any pharmaceutical advertisement shall not be released without being approved by the authority according to the *Drug Administration Law*, the *Interim Measures*, the *Measures for Internet Advertising* and other relevant laws and regulations (as set out in the response to Q6 and Q9).

Advertising on the internet circulated through live broadcasts, websites, and social media accounts shall also be approved by the authority before being released, otherwise the advertiser will have to bear administrative penalties.

Specifically, according to the *Measures for Internet Advertising*, it is forbidden to use the internet to publish advertisements for prescription-only drugs, while OTC drug advertisements are subject to prior censorship and approval by the Administration for Market Regulation and Medical Products Administration before being released. Any advertisement published on the internet should be identifiable and be conspicuously indicated as an "advertisement".

Currently, there are no mandatory requirements specifically requiring companies to implement access

restrictions on websites that contain advertising or other information intended for healthcare professionals.

21. Are there any anti-bribery rules that apply to communications between pharmaceutical companies and healthcare professionals or healthcare organisations?

The Chinese government has attached great importance to the supervision of anti-bribery in the medical field, and issued plenty of laws and regulations, like the Criminal Law, the Anti-Unfair Competition Law, the Drug Administration Law, the Announcement of the General Administration of Market Supervision on Launching Key Actions of Anti-Unfair Competition Law Enforcement, National Action Plan for Integrity Practice of Medical Institutions and Their Staffs (2021-2024), and the Nine Guidelines for Honest Practitioners of Medical Institutions, etc. Additionally, on October 11, 2024, the State Administration for Market Regulation promulgated a draft of Compliance Guidelines for Pharmaceutical Enterprises to Prevent Commercial Bribery Risks, seeking for public consultation. In recent years, there are also plenty of enforcement cases in this field, highlighting the determination of the Chinese government to strengthen anti-bribery supervision.

More specifically, for example, according to Article 141 of the *Drug Administration Law*, if a pharmaceutical company or a healthcare organization gives or receives kickbacks or other illicit benefits during the purchase and sale of drugs, or if a pharmaceutical company gives any property or other illicit benefits to healthcare professionals or healthcare organizations for using their medical products, the market regulatory department shall confiscate illegal proceeds, and impose a fine of not less than RMB 300,000 nor more than RMB 3 million on the violator. Further, if the scenario is serious, the business license of the pharmaceutical company and the drug approval certifications should be revoked.

Further, according to Article 142 of the *Drug Administration Law*, if a healthcare professional receives any property or other illicit benefits from a pharmaceutical company or its agent, he or she shall be disciplined by the health commission or the healthcare organization employing him or her, in addition to confiscation of any illegal proceeds. If the circumstance is serious, his or her license shall also be revoked.

22. What are the rules (whether statutory or self-

regulatory) which govern the offering of benefits or inducements to healthcare professionals?

As set out above in the response to Q21, at statutory level, the *Criminal Law*, the *Anti-Unfair Competition Law*, and *the Drug Administration Law*, etc., have provided relevant general provisions and also impose penalties.

At the industry level, the *Code of Practice* (Amended in 2022) released by the China Association of Enterprises with Foreign Investment R&D-Based Pharmaceutical Association Committee has always played an important role in regulating and guiding the communication and promotional behaviours between foreign pharmaceutical companies and healthcare professionals/institutions. Also, CPIA issued the *Practices*, which specifies the compliance management area of anti-commercial bribery and provided specific norms for the communication between pharmaceutical enterprises and healthcare professionals/institutions. For instance, pharmaceutical companies are not allowed to provide gifts or services to individual healthcare professional.

23. Which bodies are responsible for enforcing the rules on advertising and the rules on inducement? Please include regulatory authorities, self-regulatory authorities and courts.

Generally, the State Administration for Market Regulation and its local brunches are responsible for enforcing the rules on advertising and the rules on inducement. Specifically, the provincial Medical Products Administration takes charge of the censorship and granting approval for medicine advertisements, while county-level and district-level Administrations for Market Regulation and Medical Products Administrations are responsible for routine enforcement actions, like penalizing the violation of advertising law and other provisions. Besides, any failure of filing the medicine advertisements for the approval would be penalized by the Administration for Market Regulation upon notification by the Medical Products Administration.

Self-regulatory authorities like China Advertising Association has the right to carry out punishments against its members for violation according to the *China Advertising Association Self-Regulation Rules*.

In addition, the *Practices* issued by the CPIA is not compulsory to follow and there is no penalty set out in the *Practices* for violation.

24. On what basis and before which bodies or courts can companies initiate proceedings against competitors for advertising infringements?

It depends on what type the advertising infringement is. Generally speaking, there are mainly administrative channels and judicial channels. On the one hand, if the competitor impairs the public interest, for example, the market competition order or the consumer rights, the company can file the administrative report/complaint with Administration for Market Regulation at or above the county level where the violation occurs, according to the Advertising Law, the Anti-Unfair Competition Law and other applicable laws and regulations. On the other hand, if the competitor infringes the company's private rights, like the intellectual property rights, the right owner can bring a suit to the court where the defendant is domiciled or the infringement/tort occurs, according to the Anti-Unfair Competition Law, the Copyright Law, the Trademark Law, etc.

25. What are the penalties, sanctions or measures that regulators or courts can impose for violating medicines advertising rules and rules on inducements to prescribe in your jurisdiction?

In China, administrative penalties serve as the primary form of punishment for violations. These administrative punishment measures include ordering rectification, requiring the advertiser to stop publishing and/or eliminating the influence within the corresponding scope, imposing fines, revoking the business license, rescinding the approval certificate for medicine advertisement, and banning the advertiser from applying for a medicine advertisement approval within a certain period of time. The violators may bear the criminal liability of disrupting market order crime in serious cases. According to Article 222 of the Criminal Law, any advertiser, advertisement agent or advertisement publisher who, in violation of Chinese regulations, takes advantage of advertisement to make false publicity of commodities or services, if the circumstances are serious, shall be sentenced to fixedterm imprisonment of not more than two years or criminal detention and shall also, or shall only, be fined.

26. What is the relationship between procedures before or measures taken by the self-regulatory authority and the procedures before or measures

taken by courts/government competent authorities?

Briefly there is no direct relationship between the two procedures or measures.

Administrative regulation is the main form of regulation in the advertising industry. In practice, the examination results of self-regulatory organizations can serve as a reference for administrative authorities' consideration, but they cannot be used as a legal basis for any decision making.

27. Are there any recent enforcement trends in relation to pharmaceutical advertising in your jurisdiction? Please report any significant (publicly known) enforcement actions in the past two years.

In recent years, the trend of administrative regulation and law enforcement of medical advertising has become more stringent, and the amount of penalties has gradually increased.

For instance, in July 2024, Shenyang Shuangding Pharmaceutical Co., Ltd. was fined RMB 700,000 by local authorities. The penalty was imposed after the company published unauthorized advertisements online for prescription-only medicines, which not only lacked approval but also violated the regulation that advertisements for such medicines are only allowed to be published in medical and pharmaceutical professional publications designated by the national authorities.

In a separate incident, Zhengzhou Changchuntang Pharmacy Co., Ltd. faced an administrative fine of RMB 200,000 in April 2024. The company was penalized for presenting functional claims and guarantees related to disease treatment, such as "effectively reduce blood pressure," in its promotional materials.

Additionally, the Measures for the Administration of Censorship of Advertisements on Medical Product, Medical Devices, Dietary Supplements and Formula Foods for Special Medical Purposes, which will replace the Interim Measures, once it formally comes into force, has provided more detailed requirements on drug advertising. For example, drug advertisements must conspicuously indicate the advertisement approval number, and must explicitly indicate that it is an advertisement, etc.

Contributors

Hans She Partner

hshe@fangdalaw.com

Jasmine Zhang Associate

jasmine.zhang@fangdalaw.com



Yichen Zhou Trainee Associate

yichen.zhou@fangdalaw.com

