Saturday, August 28, 2021

The People’s Republic of China (PRC) passed the Personal Information Protection Law (PIPL) on Friday the 20th of August 2021. The new privacy regime strengthens the protection around the use and collection of personal data and introduces a new requirement for user consent.

The PIPL, closely resembling the European Union’s General Data Protection Regulation, prevents the personal data of PRC nationals from being transferred to countries with lower standards of data security; a rule that may pose inherent problems for foreign businesses. The PIPL was introduced following an increase in online scamming and individual service price discrimination – where the same service is offered at different prices based on a user’s shopping profile. However, while businesses and some state entities face stronger collection obligations, the
PRC state security department will maintain full access to personal data.

Although the final draft of the PIPL is yet to be released, the new law is set to commence on the 1st of November 2021. Companies will face fines of up to 50 million yuan ($7.6 million USD), or 5% percent of their annual turnover if they fail to comply. For an in-depth discussion of the Draft PIPL released in August 2020, see our K&L Gates publication here.

*Ella Richards also contributed to this article.*

Copyright 2021 K & L Gates

National Law Review, Volume XI, Number 240

**Source URL:** [https://www.natlawreview.com/article/get-program-china-s-new-privacy-laws-are-coming](https://www.natlawreview.com/article/get-program-china-s-new-privacy-laws-are-coming)