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Weekly Competition Law News

By Lifang & Partners

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Domestic News

Jiangsu AMR Fines Toyota CNY 87.61m for RPM

On 27 December 2019, China's State Administration for Market Regulation ("SAMR") published the sanction decision in which the Administration for Market Regulation of Jiangsu Province ("Jiangsu AMR") fined Toyota Motor (China) Investment Co., Ltd. ("Toyota") around CNY 87.61m, accounted for 2% of its turnover of 2016 in Jiangsu. Jiangsu AMR found that by holding dealer meetings and other methods, Toyota's regional sales managers required distributors in Jiangsu to uniformly quote at the recommended retail prices of several Lexus models on the main automobile online platforms and asked distributors not to lower the prices without permission, which constituted resale price maintenance ("RPM") prohibited by the *Anti-Monopoly Law* ("AML"). (More)

China to Further Sweep the Policies Undermining Single Market and Fair Competition

On 26 December 2019, four central departments of Chinese government, SAMR, National Development and Reform Commission, Ministry of Finance and Ministry of Commerce published the *Notice of SAMR and Three other Departments on the Clean-up of Policies and Measures that Impede the Single Market and Fair Competition* ("**Notice**"). The Notice clarifies the range and priorities of the clean-up, and requires the relevant departments to strengthen the responsibility, accurately understand the requirements and timely report the results. The four departments should strengthen the coordination, track the progress in a timely manner, resolve the common problems and make sure that the goal of the clean-up work can be successfully achieved. (More)

Shanghai AMR Publishes Anti-Monopoly Compliance Guidelines for Undertakings

On 26 December 2019, the Shanghai Municipal Administration for Market Regulation ("Shanghai AMR") published the *Shanghai Anti-Monopoly Compliance Guidelines for Undertakings* ("Guidelines"). The Guidelines serves the purposes of (i)guiding local undertakings to strengthen compliance management; (ii)improving their abilities to recognize, prevent and resolve antitrust violations; (iii)effectively preventing and reducing legal risks for violation; (iv)operating in accordance with the law; (v)stimulating market vitality and creativity; (vi)fostering a culture of market competition; (vii) optimizing business environment; (viii)strengthening the implementation of competition policies; (ix) promoting compliance in business operations; (x)enhancing the transparency of local antitrust authority, and (xi) establishing a modern market system featuring unified, open and fair competition. (More)

SAMR Fines Guangzhou Port CNY 300,000 for Gun-jumping

On 25 December 2019, SAMR published its sanction decision in which Guangzhou Port Group Co., Ltd. ("Guangzhou Port") was fined CNY 300,000 for gun-jumping. On 12 November 2018, Guangzhou Port signed the *Share Transfer Contract* with Zhongshan Zhonghang Investment Development Co., Ltd. to acquire 52.51% share of Zhongshan Port & Shipping Enterprise Group Co., Ltd. This deal has met the thresholds of merger filing, but Guangzhou Port failed to file the deal, which violated the provisions on the concentration of undertakings under Article 21 of the AML.



Nanning Court Rules a Water Supply Company Constituted Abuse of Dominance

On 23 December 2019, *wenshu.court.gov.cn* published the first instance judgment of the antitrust dispute between Wu Zongli and Yongfu County Water Supply Company issued by Nanning Intermediate People's Court ("Nanning Court") on 21 October 2019. The defendant, Yongfu County Water Supply Company, was concluded for abusing the dominant market position to tie-in and therefore was ordered to return CNY 5,000 installation fee, pay interest and compensate plaintiff CNY 1,000 reasonable payment for stopping infringement. The plaintiff was ordered to return water pipes, water meter, and other supplement equipment to the defendant. (More)

SAMR Conditionally Approves Novelis's Acquisition of Aleris

Recently, SAMR announced that it had conditionally approved Novelis' acquisition of Aleris. On 26 July 2018, Novelis signed an agreement with Aleris' shareholder to acquire Aleris' 100% equity. In the beginning, the notifying party filed this deal under simplified procedures but encountered third party objection within the publicity period. Then the notifying party refiled under normal procedures. Later, due to the time limit of the review, it withdrawn and refiled the case twice. Finally, SAMR approved the transaction with conditions because it may eliminate or restrict competition in the relevant markets. (More)

Overseas News

French Competition Watchdog Fines Google EUR 150m for Abuse of Dominance

On 20 December 2019, the French competition watchdog, the Autorité de la Concurrence announced that it imposed Google a financial penalty of EUR 150m for abuse of a dominant position, and required Google to clarify the wording of Google Ads' operating rules, as well as the accounts suspension procedure. The Autorité de la Concurrence considered that Google Ads operating rules imposed by Google on advertisers were established and applied under non-objective, non-transparent and discriminatory conditions. This allowed Google to apply them in a discriminatory or inconsistent manner and led to damages for both advertisers and for search engine users. (More)





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