



NEWSLETTER

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Weekly Competition Law News

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Beijing Courts to Regulate Monopoly Behaviors and Optimize Business Environment

On July 30, 2020, the website of the Standing Committee of the Beijing Municipal People's Congress released the *Report of the Beijing High People's Court on the Work of Optimizing Business Environment*. The Beijing High People's Court pointed out that the Beijing courts would regulate various monopoly behaviors strictly in accordance with relevant competition laws and regulations, properly deal with the cases that violate market competition rules, and give full play to the function of judicial judgment in maintaining and guiding the fair competition market environment. ([More](#))

Shanghai AMR to Hold Hearings on Penalties against Tourist Association and Companies

On July 29, 2020, the Administration for Market Regulation of Shanghai Municipality ("Shanghai AMR") issued eight hearing announcements. According to the announcements, the Shanghai AMR planned to impose corresponding administrative penalties on the Shanghai Tourism Trade Association and related enterprises for their alleged participation in monopoly agreements and decided to hold hearings on August 10 & 11 upon applications by the association and 7 tourism companies. ([More](#))

Hubei AMR Fines Three Used Car Trading Market Operators for Collusion

On July 29, 2020, China's State Administration for Market Regulation ("SAMR") issued a monopoly case related to the used car trading market investigated by the Administration for Market Regulation of Hubei Province ("Hubei AMR"). The Hubei AMR found that Huanggang Lantian Used Car Trading Market Co., Ltd., Huanggang Aojie Used Car Trading Market Co., Ltd., and Huanggang Fada Used Car Trading Market Co., Ltd. had reached and implemented a horizontal monopoly agreement to divide the used car trading market in Huanggang and fix the transaction service fee for used cars. The three enterprises were fined 4% of their turnover in 2018, totally about CNY 195,000. ([More](#))

Shanxi AMR Fines A Gas Company CNY 2.4m for Abuse of Dominance

On July 27, 2020, the SAMR released a gas company monopoly case investigated by the Administration for Market Regulation of Shanxi Province ("Shanxi AMR"). Xinzhou Gas Co., Ltd. was confiscated illegal gains and levied fines, totaled about CNY 2.4m, due to abusing its dominant market position to restrict the construction materials required for the project without any justifications and other abusive behaviors. ([More](#))

Shanwei Government's Administrative Monopoly Case Selected as SPC's Typical Case of Administrative Litigation Involving Property Rights Protection

On July 27, 2020, the Supreme People's Court ("SPC") collectively released typical cases of administrative litigations involving property rights protection for the first time. *Shanwei Zhencheng Bus Transportation Co., Ltd. v. Shanwei Government* was selected as one of nine typical cases. The Guangdong High People's Court held in the second instance that the Shanwei Government's appointment of the exclusive undertakings in advance with regard to management rights of the city's public transportation

and the use rights of public land violated relevant regulations that undertakings should be determined by market competition mechanism, and consequently constituted the abuse of administrative power which excluded existing competitors out of the market. ([More](#))

Hainan Seeks Comments on Draft Regulations on Fair Competition

Recently, the Administration for Market Regulation of Hainan Province released the *Regulations of Hainan Free Trade Port on Fair Competition (Draft Exposure)* (“**Draft Regulations**”). The Draft Regulations consists of 50 articles under the following eight chapters: (i) general provisions; (ii) fair competition review; (iii) abuse of administrative power to exclude and restrict competition; (iv) monopolistic behaviors; (v) unfair competition; (vi) supervision, inspection and investigation; (vii) legal liability; and (viii) supplementary provisions. The Draft Regulations proposes for the establishment of a fair competition committee in the free trade port, and also stipulates that the free trade port shall establish competition evaluation system and conduct special evaluations of market competition on a regular basis. The deadline for submitting comments is July 31, 2020. ([More](#))

Overseas News

European Commission to Strengthen Cooperation with the US in Platform Competition Policy

On July 30, 2020, *EURACTIV* reported that before a hearing with Big Tech giants held by the US House Judiciary Subcommittee on Antitrust, Commercial and Administrative Law, European Commission Executive Vice President Margrethe Vestager submitted a statement to the US subcommittee and highlighted how the European Commission would welcome greater alignment between the US and the EU in platform competition policy. According to the statement, the European Commission was studying potential solutions in competition policy in terms of relevant issues, including continued competition law enforcement, ex-ante regulation of digital platforms, and a possible new competition tool. ([More](#))

German Monopoly Commission Releases Biennial Report XXIII on Competition 2020

On July 29, 2020, the German Monopoly Commission released the *Biennial Report XXIII: Competition 2020* (“**Report**”). The Report focuses on problems in three aspects: (i) in the Covid-19 crisis, continuing to apply with no compromises as to substantive law and that the potentially distortive rescue packages for companies implemented by the state should be accompanied by measures to promote competition; (ii) effectively limiting the market power of the major digital platforms by setting rules for dominant platforms at European level; and (iii) regulating state subsidies and reduce distortions of competition in the internal market with an instrument in European competition law. ([More](#))

Big Tech CEOs Attend Congress Antitrust Hearing

On July 29, 2020, the US House Judiciary Subcommittee on Antitrust, Commercial and Administrative Law held a Hearing with the theme of Online Platforms and Market Power, Part 6: Examining the Dominance of Amazon, Apple, Facebook, and Google. CEOs of Apple, Google, Amazon and Facebook testified at the hearing and answered questions about alleged predatory business practices, theft of digital

content and aggressive copying and purchasing of competing businesses. The hearing was presided over by the Subcommittee Chairman David Cicilline. ([More](#))

US DOJ Concludes Avanci's Proposed 5G Platform is Unlikely to Harm Competition

On July 28, 2020, the Department of Justice (“**DOJ**”) Antitrust Division announced that it had completed its review of Avanci’s new Platform for licensing “Fifth Generation” (“**5G**”) telecommunications technology in the automotive industry, and concluded that Avanci’s proposed 5G Platform was unlikely to harm competition. According to Assistant Attorney General Makan Delrahim, the 5G Platform can facilitate the licensing of potentially thousands of cellular standard essential patents that Avanci has said it will provide access to at rates that are FRAND. According to the DOJ’s business review letter, Avanci’s 5G Platform may make licensing standard essential patents related to vehicle connectivity more efficient by providing automakers with a one stop shop for licensing 5G technology. ([More](#))

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