

Legal Update

China's Antitrust Enforcement: A Look Back on 2022 and What to Expect in 2023

The year 2022 was pivotal for antitrust law enforcement in China, with a major legislative overhaul and series of proposed amendments to implementing regulations of China's Anti-Monopoly Law (AML). We also witnessed active enforcement by the State Administration for Market Regulation (SAMR). Against this backdrop, we consider what may lie ahead in 2023.

Legislative Developments

On 24 June 2022, the amendment of the AML was officially approved by the Chinese People's Congress, with the changes taking effect on 1 August 2022. This was the first overhaul of the AML since it was introduced in 2008.

On 24 March 2023, following a public consultation from 27 June 2022 to 27 July 2022, SAMR released four implementing regulations of AML that finalised with amendments, including the following [click](#):

- Regulations on the Review of Concentration of Undertakings (Merger Control Regulations)
- Regulations on the Prohibition of Monopolistic Agreements (Monopolistic Agreements Regulations)
- Regulations on the Prohibition of Abusing Dominant Market Positions (Abusing Dominant Market Positions Regulations)
- Regulations on the Prohibition of Abusing Administrative Power to Eliminate or Restrict Competition

The other two regulations remain being finalised with revision [click](#):

- Regulations on the Notification Threshold of Concentration of Undertakings (Draft for Consultation)
- Regulations on the Prohibition of Abusing Intellectual Property Rights to Eliminate or Restrict Competition (Draft for Consultation)

In addition to the above, on 18 November 2022, the Supreme People's Court of China (SPC) launched a consultation on draft Provisions of the SPC on Issues concerning the Application of the Law in the Trial of Monopoly-Related Civil Disputes (Draft Provisions) [click](#).

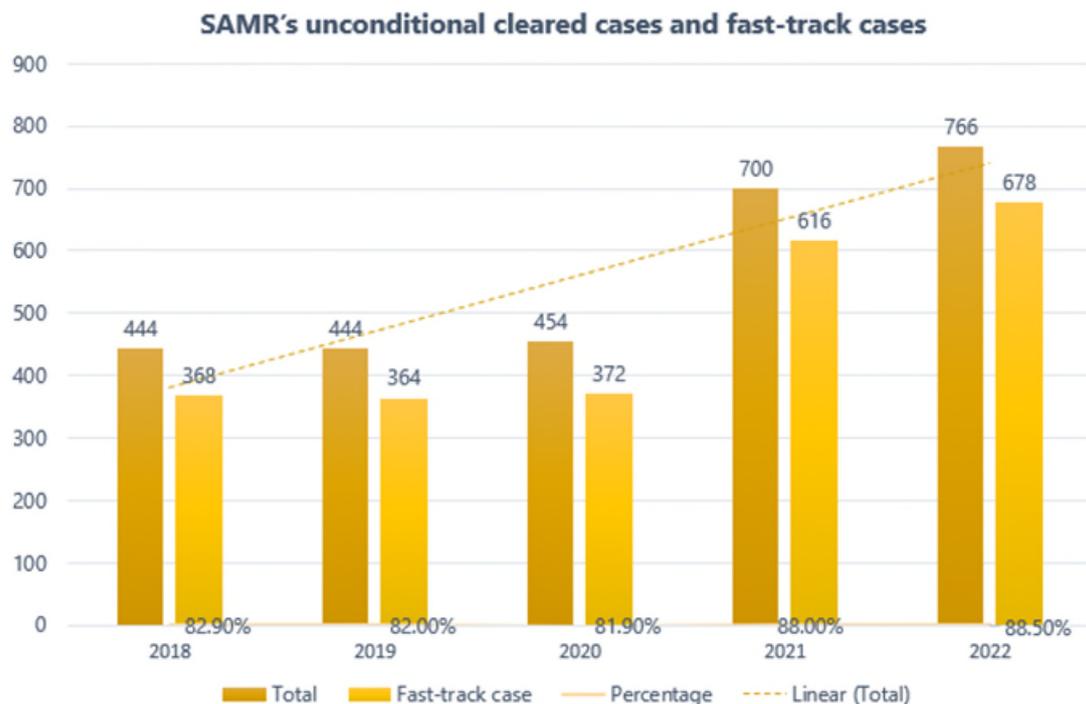
In a broader sense of competition regulation, the draft amendments to the China Anti-Unfair Competition Law (Draft AUCL) were published by SAMR for public comment on 22 November 2022 ([click](#)).

Overview of Antitrust Enforcement in China

1. MERGER CONTROL

The year 2022 was also busy for merger activity, with SAMR unconditionally clearing a record number of 766 merger filing cases, comprising 678 'fast-track' cases and 88 normal cases. In addition, there were five cases cleared with remedies by SAMR, and one lapsed case due to expiration of the long-stop date.

Similar to previous years, SAMR still took around two weeks to conclude 'fast-track' cases, although it saw a slight slowdown in the review period. To complete the picture, there were also 45 cases where parties were punished by SAMR due to failure to fulfil notification obligations (a decrease compared to 107 cases in 2021).



Source: PaRR-Global ([click](#))

Major developments in the realm of merger control include:

- Substantially increased fines

The amended AML has significantly increased the level of fines for failing to file or gun-jumping by 10 times. Where the unreported deal is found not to be anti-competitive, the maximum fine is increased from RMB 500,000 to RMB 5 million. In cases where the deal is anti-competitive, a fine may be levied up to 10% of the deal parties' group turnover in the last year.

- Introduction of the stop-the-clock scheme

Before the amendment of the AML, SAMR had a fixed term – maximum 180 days – to complete its merger review. When the deadline was not able to be met by SAMR, the deal parties usually had to withdraw and refile applications so that SAMR’s review period could re-start. This has occurred most frequently in high-profile and complicated cases. The amended AML introduces a stop-the-clock mechanism, which was further elaborated on in the Merger Control Regulations. This new mechanism empowers SAMR to suspend its review at any point if one of the following scenarios occurs:

- 1) The notifying party fails to submit the requisite materials or information rendering the review unable to proceed;
- 2) New circumstances or facts having material impacts on review occur that result in the review being impossible to continue without SAMR’s verification; or
- 3) Remedies proposals are submitted to SAMR for evaluation, and the notifying party requests to pause the review.

Initially, concerns were raised that SAMR may use this mechanism arbitrarily to prolong its review period – making the filing period in China more unpredictable. However, looking back over the past few months since its implementation, the review system has become more transparent, given that rules are now in place to suspend and restart the review clock. Further, it reduces the burden on the notifying party to formally withdraw and refile in the event that the review period is close to expiry.

Despite the above-mentioned positive effects, notifying parties should still submit a complete set of filing documents and respond to SAMR’s requests in a timely and complete way to avoid an extended review period.

- SAMR is entitled to investigate below-threshold deals

The amended AML empowers SAMR to investigate otherwise unreportable or deals which have likely anti-competitive effects. Merger Control Regulations specify the procedure and reiterates the standing-still obligations of the deal parties to await the review decisions, in case their below-threshold deal falls into the remit of SAMR.

This amendment is perceived to deal with so-called killer acquisitions often seen in the internet sector and medical industries, and to deal with high-profile but not reportable cases (e.g., *Qualcomm/Arriver Business of Veoneer* (2022)). However, it is not apparent if any below-threshold deals have been investigated since the amended AML entered into force.

- SAMR delegates review power to five local AMRs

On 15 July 2022, SAMR announced a pilot programme to delegate power to review fast-track deals to five local AMRs – in Beijing, Shanghai, Guangdong, Chongqing and Shaanxi (Local AMRs) ([click](#)). The pilot period is in effect from 1 August 2022 until 31 July 2025.

In addition to the requirement that delegated cases should be eligible to be reviewed under the simplified procedures, a local nexus associated with the respective Local AMR’s designated area is also required. From 1 August 2022 to 31 December 2022, it is reported that Local AMRs cleared

102 fast-track cases unconditionally, against SAMR's 164 cleared fast-track cases over the same period.

Of the 102 cases, the Local AMRs of Beijing, Shanghai, Guangdong, Chongqing and Shaanxi reviewed and approved 19, 47, 11, 23 and 2 cases, respectively, with the Shanghai office ranked first, partly thanks to its remit covering multiple economically well-developed areas (including Shanghai, Jiangsu, Zhejiang, Anhui, Fujian, Jiangxi and Shandong).

Although the delegation of review power for merger cases has freed up SAMR's administrative capacity, it is observed that the allocated cases have gone through a longer examination period, to some extent due to the fact that the power of decision-making still lies in the hands of SAMR, which grants final approval on the case.

As a consequence, this development may cause more rounds of back and forth between local and central agencies.

- Proposed substantial increase in filing threshold

The draft Regulations on the Notification Threshold of Concentration of Undertakings proposes to substantially increase the filing threshold from RMB 400 million to RMB 800 million for Chinese domestic turnover – and from RMB 10 billion to RMB 12 billion for combined global turnover – of the deal parties. Furthermore, a proposed new scenario is that if one party's turnover in China exceeds RMB100 billion, and another relevant party has a market value over RMB 800 million which generates more than one-third of its global turnover within China, then statutory filing is mandatory.

The proposal is expected to reduce the number of merger filings in Mainland China, and meanwhile capture deals driven by those industry giants aiming to acquire nascent but promising targets. The draft amendment has not been officially passed and it remains to be seen how the statutory threshold will eventually be adjusted.

Representative Cases and Key Observations in Merger Control

SAMR has approved five cases with remedies in 2022, all of which have gone through a protracted review timeline, as is commonly seen in the examination of complex cases. In addition, one case in the chemical sector lapsed, due to the parties' inability to complete the deal in time before obtaining a China merger control green light.

An overview of the five cases subject to remedies:

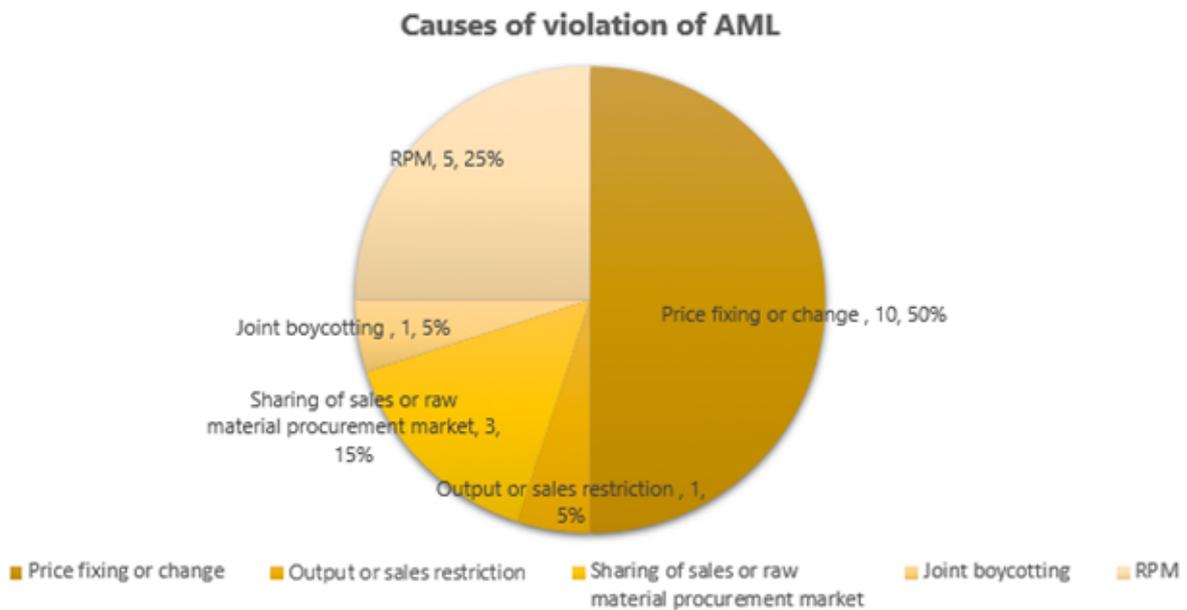
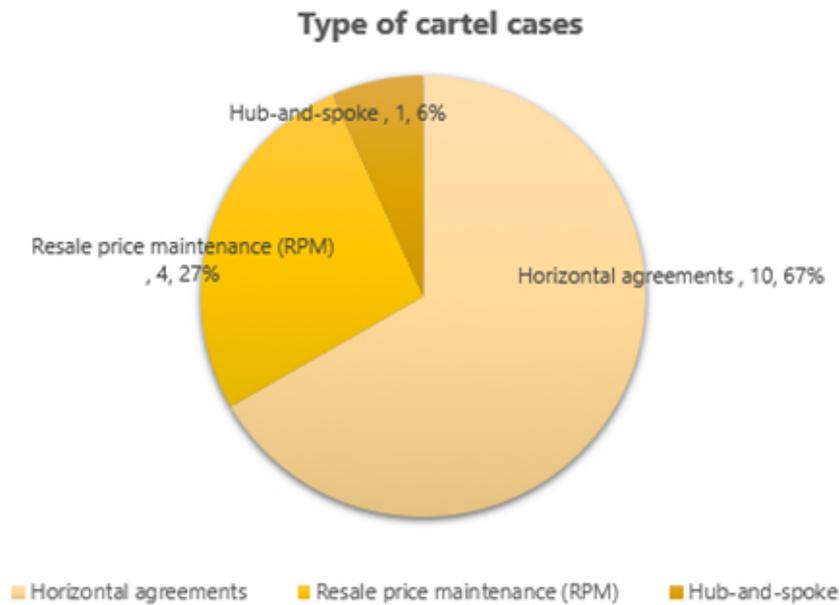
	Industry	Competition Concerns	Type of Remedies	Review Timeline (from date of submitting filings to date of obtaining approval)	Review Decision in Other Judications (if applicable)
GlobalWafers/Siltronic (20.01.2022) (click)	Semi-conductor	Horizontal overlap	Structural – divestiture, coupled with behavioural remedies	392 days (pulled and refiled and cleared at second phase of review)	Cleared without remedies while the deal collapsed due to failure to pass foreign investment review in Germany
Advance Micro Devices (AMD) /Xilinx (21.01.2022) (click)	Semi-conductor	Conglomerate	Behaviour	368 days (pulled and refiled and cleared at third phase of review)	Cleared without remedies
II-VI/Coherent (28.06.2022) (click)	Semi-conductor	Vertical	Behaviour	372 days (pulled and refiled and cleared at second phase of review)	Cleared without remedies
Shanghai Airport/Eastern Air Logistics/Joint Venture (13.09.2022) (click)	Air transport	Horizontal overlap and vertical	Structural – hold-separate	328 days (pulled and refiled and cleared at third phase of review)	Not reported in other jurisdictions
Korean Air/Asiana Airlines (26.12.2022) (click)	Air transport	Horizontal overlap	Structural – returning flight slots and traffic rights, coupled with behavioural remedies	711 days (pulled and refiled twice and cleared at second phase of review)	Cleared with remedies in South Korea; review decision remains pending in the UK, EU, US and Japan; cleared unconditionally in other applicable jurisdictions

Summary of observations:

- SAMR's review timeline remains lengthy for high-profile and complex cases. Besides continuing to factor in the likely delay from SAMR's merger review, a proper outreach strategy to placate concerns of stakeholders is crucial to carefully planning the deal long-stop-date. SAMR consults stakeholders including relevant ministries or industry regulators, trade associations and customers on their points of view during its review of normal-track cases. Additionally, it is not uncommon for competitors of deal parties to proactively complain about the case to SAMR. It is thus necessary for deal parties to proactively manage outreach to stakeholders in a timely fashion to dispel any concerns about the deal – and encourage them to make positive representations to SAMR about the deal.
- Apart from merger control, deal parties need to seriously consider the issue of national security review (NSR) in relation to their cross-border deals, something which has emerged as a primary regulatory concern. In GlobalWafers/Siltronic, besides merger control approvals, the deal had to be subject to NSR approval from Germany. Having successfully obtained SAMR's conditional approval after a 368-day review, the deal was eventually abandoned by the parties because they were unable to resolve NSR concerns of the competent German agency, the German Federal Ministry for Economic Affairs and Climate Action.
- Remedied cases observed in past years all involved foreign companies, but for the first time SAMR has insisted on attaching remedies to a local deal involving Shanghai Airport/Eastern Air Logistics/JV where the JV parties are both state-owned enterprises (SOEs). This is a timely reminder not to assume that deals involving SOEs could fly under SAMR's radar. Where the SOEs are the deal parties, steps and strategies to obtain merger control approval should not be treated lightly. In addition, SAMR defines an exceptionally narrow geographic market for one of the concerned markets, i.e. airport logistic services, that is confined to the coverage of Pudong Airport of Shanghai. Although it is debatable whether such a narrow market would overestimate the market power of the deal parties, what is needed to be kept in mind is that there is no "keep the market definition open" approach taken by the SAMR, as the European Commission deploys. With a narrowly defined market, SAMR may overlook other competitive constraints, thereby putting the deal at a disadvantage. It is recommended that deal parties and their advisors strive for a broader market to be accepted by SAMR to reflect the parties' market power in a fairer way.

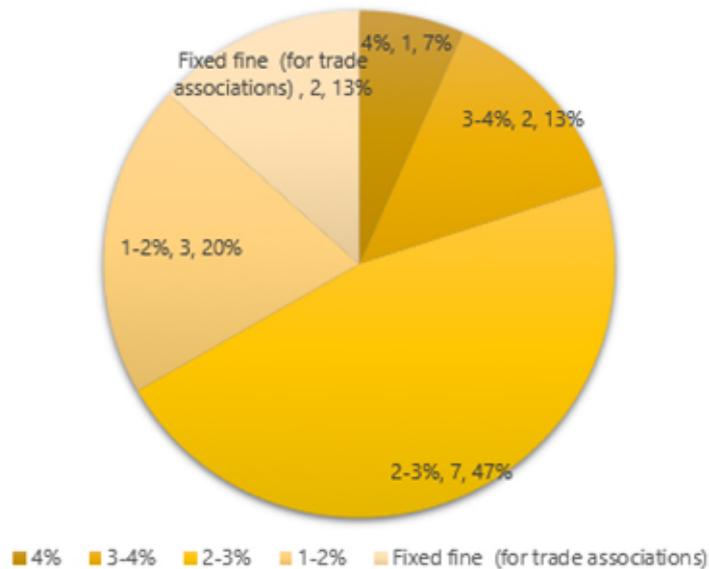
2. CARTELS

In 2022, there were 15 punitive decisions on cartel cases, all of which were rendered by Local AMRs. A summary of the features of cartel cases in 2022 based on SAMR's website is as follows.



Note: there is a hub-and-spoke case which contains both horizontal and vertical components. This explains why there are 5 cases instead of 4 involving RPM practice in the second chart.

Percentage of annual revenue to decide fine



The antitrust authorities can impose a fine on the concerned party for cartel cases up to 10% of annual revenue of the year preceding that of investigation, although in 2022 the Local AMRs did not impose a fine more than 5%. It is also noteworthy that for concerned parties that are wholly owned subsidiaries of a global company, only revenue generated from the Mainland is counted. This is indicated in the resale price maintenance case of Geistlich (Beijing) Trading ([click](#)), the master distributor in China of its parent company, Swiss medical device maker Geistlich Pharma.

Major developments in the realm of cartels include:

- “Rule of reason” is applied to Retail Price Maintenance (RPM) agreements

Another significant change to RPM agreements in 2022 is clarification regarding the application of the principle of “rule of reason” in AML, which is reaffirmed in the Monopolistic Agreements Regulations. This solves the long-standing divergence between antitrust enforcement authorities and Chinese courts. The administrative authorities are prone to treating RPM as per se illegal, while the courts take a more moderate approach by looking into whether the RPM agreements result in anti-competitive effects to judge their illegality, mirrored with the principle “rule of reason” originated from US antitrust practice. With this clarification, RPM agreements will now be treated with a presumption of being anti-competitive in the first place, but stay rebuttable with evidence to corroborate an assertion of no competition-lessening effects by the accused party. Accordingly, companies are now provided with more leeway to defend their RPM agreements than before. While previously, RPM agreements constituted a hardcore restriction in China and could only be individually exempted under Article 20 (former Article 15) of AML, where the degree of burden of proof appeared high, making it hard for companies to invoke it successfully.

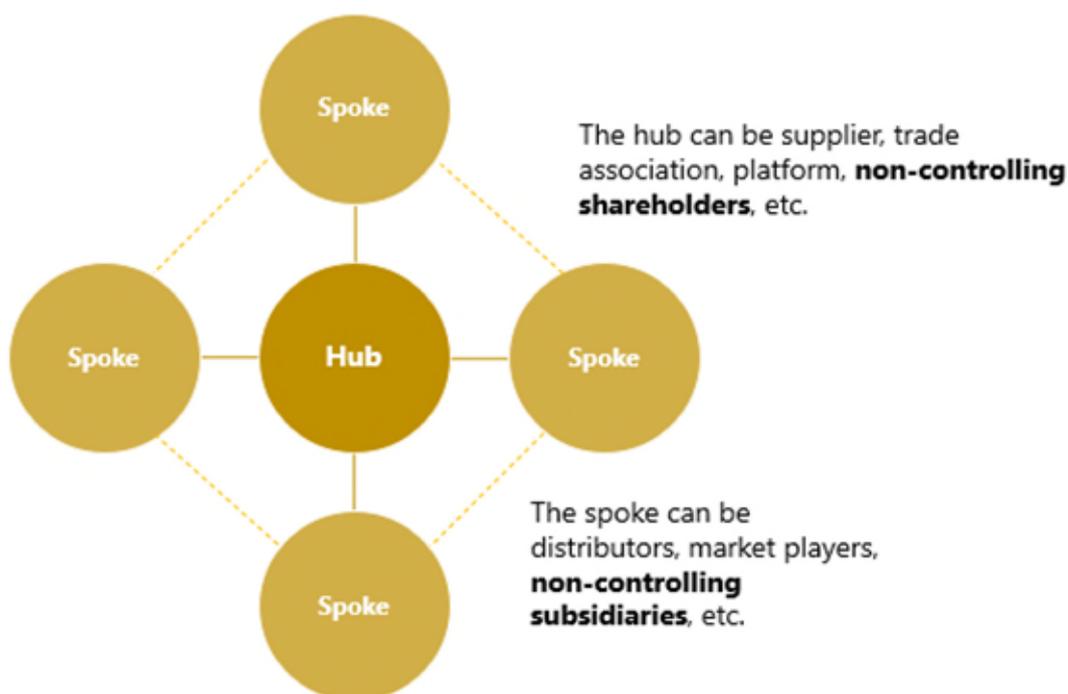
- Introduce a “safe harbour” for vertical agreements in name

The AML provides that, as long as market shares of parties to vertical agreements fall below certain market share thresholds set by SAMR, their agreements may be safe from review. It is understood this rebuttable “safe harbour” can be applied to vertical agreements that include RPM cases. It was hoped further details regarding the “safe harbour” scheme would be provided in the then to-be-amended Monopolistic Agreements Regulations. However, in the final version of the Monopolistic Agreements Regulations the proposed 15% market share threshold originally proposed in June 2022 was dropped and this could be seen as a de facto shelving of the “safe

harbour” provision, rendering most vertical agreements (including RPM cases) not able to apply for exemption under this scheme. We expect more instructions from SAMR on how to apply “safe harbour” in practice.

- Explicit prohibition of “hub-and-spoke” agreements

The amended AML clearly holds organisers or facilitators of monopolistic agreements liable, which is further elaborated on in the Monopolistic Agreements Regulations. Hub-and-spoke collusion includes both vertical and horizontal features. Essentially, it comprises a central actor (hub) surrounded by entities at a different level of the supply chain (spoke), where the spokes are connected through the hub by way of agreements or collusion (as the below diagram shows). Previously, Chinese antitrust regulators dealt with hub-and-spoke cases by relying on rules that govern horizontal agreements, vertical agreements, and trade associations’ material assistance, to conclude monopolistic agreements, but now the approach is more straightforward. In addition, there is now recognition that more entities could serve the role as a hub. Parties should therefore be wary of their agreements with counterparties up or down the supply chain.



- Aggravate penalties

Violations	Old AML	The Amended AML
Concluding and implementing monopolistic agreements	Confiscation of illegal gains; A fine from 1% to 10% of sales revenue in the last financial year.	Confiscation of illegal gains; A fine from 1% to 10% of sales revenue in the last financial year; if no

		revenue, a fine of up to RMB 5 million
Concluding but not implementing monopolistic agreements	A fine of up to RMB 500,000	A fine of up to RMB 3 million
Legal representative, person in charge of the company, persons directly responsible for concluding the monopolistic agreements	N/A	A fine of up to RMB 1 million
Hub-and-spoke agreements	N/A	All the above listed penalties can apply
Trade associations organising undertakings reaching monopolistic agreements	A fine of up to RMB 500,000 Deregistration if the violation is severe	A fine of up to RMB 3 million Deregistration if the violation is severe

Interesting Cartel Cases

- Geistlich (Beijing) Trading CO., Ltd (Geistlich China) engagement of monopolistic RPM practice

On 9 February 2022, the Beijing AMR fined Geistlich China RMB 9.12 million for RPM practices which infringed the AML. Geistlich China is Geistlich Pharma's wholly owned subsidiary distributing its medical products in China through engaging in and managing local distributors. Beijing AMR's investigation revealed that from 2008 to 2020, Geistlich China had engaged in RPM conspiracy with its distributors by means of signing contracts, having meetings, interacting on WeChat and sending verbal notices; implementing RPM by imposing administrative rules and deterrent measures to discipline distributors. Beijing AMR identified that the RPM practice had hindered competition in the concerned market and damaged consumer welfare.

This is typical RPM directed by a supplier towards its distributors, and it is treated as a cartel case by the Chinese authorities. Under certain circumstances, this kind of case may be considered under the realm of abuse of dominance, as per the recently delivered EU judgement in Case C-680/20s ([click](#)). Similar to the case of Geistlich China, the party concerned managed its distribution network in Italy and included anti-competitive clauses in contracts with its distributors, for which the Italian Competition Authority punished the party concerned for abusing its dominance in a relevant market. The case was brought to the Court of Justice (ECJ) to consider/clarify certain questions, one of which concerned whether the EU's abuse of dominance rules (i.e. Article 102 TFEU) can be interpreted to apply cases where the abusive act was conducted not by the party in a position of dominance itself, but by its distributors with which a contractual relationship exists. The ECJ clarified that Article 102 TFEU is applicable where the distribution agreements are decided unilaterally by a supplier or producer, and to which distributors only play an implementing role. This can be compared with situations where distribution agreements are not a matter of unilateral conduct, but a form of contractual coordination, in which case the EU rules governing cartels (i.e. Article 101 TFEU) should be referred to. The similarity between the referenced EU case and the case of Geistlich China sheds light on the way anti-competitive behaviours between a supplier and its distributors will be interpreted. First, where the concerned distribution contracts between them are made unilaterally, where the supplier has a decisive say, it is likely that the rules of abuse of dominance may be applied and vice versa. Second, if a distribution agreement has both clauses about RPM and abusive behaviours (e.g., exclusive dealing, refusal of supply, etc.), it is likely that both rules

concerning monopolistic agreements and those concerning abuse of dominance will be taken into account by authorities, resulting in cumulative penalties being imposed for engaging in two kinds of anti-competitive behavior.

- Zhejiang civil explosives industrial association organising members to conclude monopolistic agreements ([click](#))

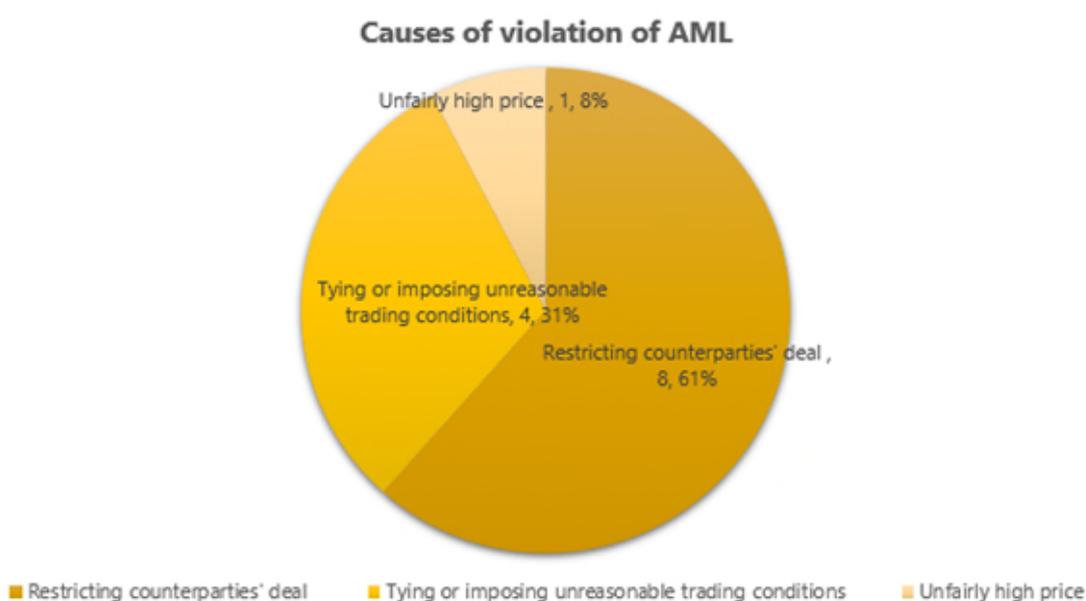
On 15 September 2022, Zhejiang AMR imposed a fine of RMB 52 million on a local civil explosives industrial association and its members for reaching monopolistic agreements. Specifically, the entities in question were the provincial industrial association, three producers of civil explosive products with a competitive relationship, and a general distributor of civil explosives with a vertical relationship with the three producers.

At the end of 2014, the State lifted restrictions on the price of civil explosive products allowing it to follow the market. However, local producers and sales companies in the province signed an agreement in July 2015 to maintain a general distribution system monitored and facilitated by the industrial association. Through a series of meetings held by the industrial association, prices were horizontally fixed among producers and the resale prices were vertically set between producers and their distributor. Conduct also included restricting sales and boycotting. It was a de facto hub-and-spoke case.

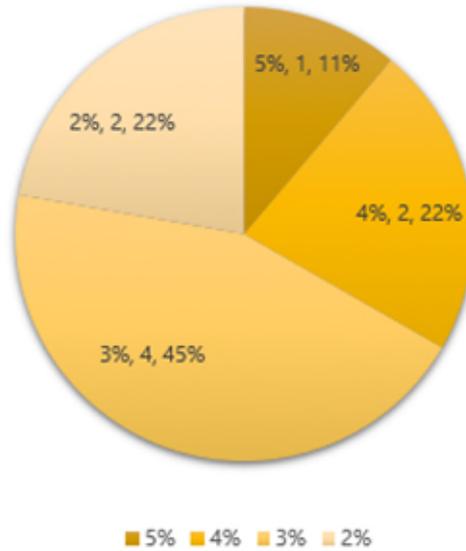
Article 13 (cartel, now Article 17), Article 14 (RPM, now Article 18) and Article 16 (trade associations' material assistance, now Article 21) were relied upon to punish the involved entities. Notably Zhejiang AMR resorted to different grounds to justify its punishment over the three types of entities: Articles 13, 14 and 17 of the old AML for trade association which were involved in both horizontal and vertical behaviours and provided substantive aid to reach monopolistic agreements; Articles 13 and 14 of the old AML for producers engaged in both horizontal and vertical behaviours; and Article 14 of the old AML for the distributor involved in the vertical conduct.

3. ABUSE OF DOMINANCE

Nine decisions of abuse of dominance were delivered in 2022, one of which was under SAMR review. A summary of the features of abuse of dominance cases in 2022 based on SAMR's website is set out as follows.



Percentage of annual revenue to decide fine



Developments in the Realm of Abuse of Market Dominance

- Rules governing abuse of market dominance cases were not subjected to significant change by the amended AML, nor in the finalised Abusing Dominant Market Positions Regulations, except for the incorporation of tools designed to deal with certain practices in the internet sector. Internet market players are banned from utilising data troves, algorithm, technologies and platform rules to tip the market in their favour.
- AUCL addresses a wider range of competitive behaviours in the market than AML. In the Draft AUCL, it re-proposes the “relatively advantaged position” of market players, something which was initially proposed in the AUCL’s second proposed amendment in 2016 but failed to be officially adopted. The proposal this time is to prohibit market players of a relatively advantaged position from engaging in behaviour similar to those exerted by dominant market players listed under AML (e.g., exclusive dealing, imposing unreasonable trading conditions, tying). In the Appendix of the Draft AUCL, it explains that evaluation of “relatively advantaged position” factors in advantages enjoyed by an undertaking in terms of technology, capital, user numbers, industrial sway and degree of reliance of its counterparties to the undertaking.

In many circumstances, it is hard to substantiate a dominant position of a market player, especially in a dynamic industry like the internet. If a “relative advantaged position” suffices to capture unfair behaviour in the market, it can alleviate the burden of proof of plaintiffs. However, defining the concept of “relatively advantaged position” is quite uncertain in practice. Further, the blurred language in the Draft AUCL is likely to give rise to concerns regarding the administrative investigation process or litigation. Despite this, companies should be wary that if the proposed clauses regarding “relative advantaged position” in the Draft AUCL are eventually passed, it will likely address more acts considered detrimental to market competition, and more complaints or investigations can be expected in the future.

A Notable Case of Abuse of Market Dominance in 2022

On 26 December 2022, SAMR released its decision on abusing market dominance by CNKI.net's (CNKI) and imposed a fine of RMB 87.6 million, representing 5% of CNKI's last year's annual revenue generated in Mainland China. [\(click\)](#) This case concerns the internet sector and is the first such case that SAMR has pursued in the digital academic territory.

SAMR defined the relevant market as Chinese academic literature online database services, considering the non-substitutability of Chinese academic literature online database services with digital library database services, online search services of academic sources, and online database services of foreign academic source, respectively. SAMR also decided the market need not be further segmented by the subjects or types of academics. To determine the market dominance of CNKI, market share data remained the first and primary indicator relied upon by SAMR as usual. It found that from 2014 to 2021, CNKI consistently kept a share over 50%, calculated either on revenue or download volume. Paired with other factors, including market concentration degree and high barriers to entry, bargaining power and financial and technological advantages of CNKI, users' reliance on the CNKI, and ancillary services developed by CNKI, SAMR determined that the market dominant position of CNKI was established. Though in a nascent area, the accused abusive behaviour was not much different from those found in traditional markets that can be included in the categories of imposing unfair high prices and exclusive dealing. Specifically, CNKI was found to have abused its dominant market position through selling database services at unfairly high prices by continuously and largely raising services prices, and through entering into exclusive agreements with academic journal publishers and universities prohibiting them from providing their academic sources to any third parties, which were guaranteed by reward and punitive measures.

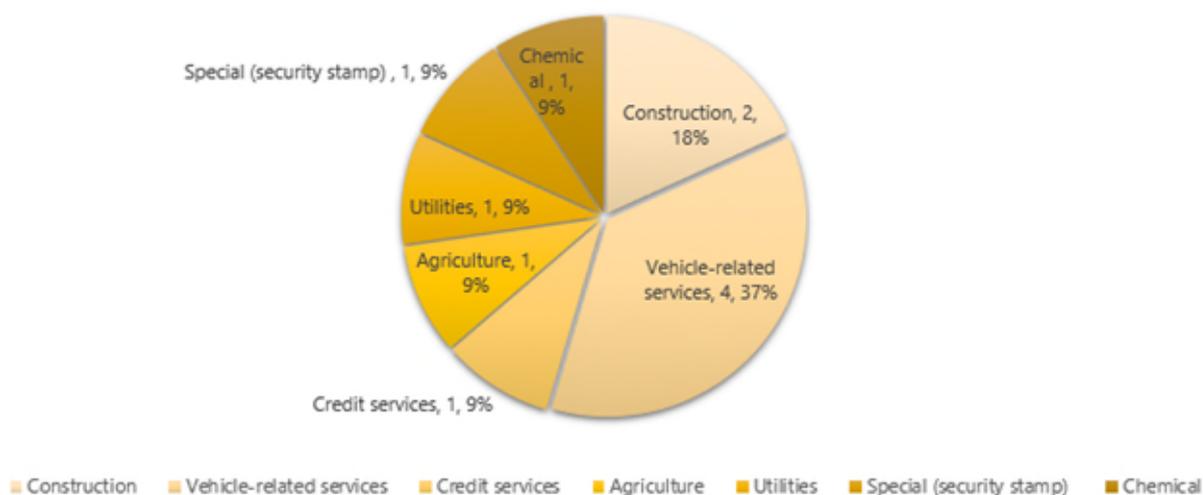
The case of CNKI is the only one subject to a fine of 5% of the last year's annual revenue. In addition, the penalty is observed as not penetrating to the group level of CNKI, divergent with the approach adopted in two other abuse of market dominance cases by SAMR in the internet sector in China. For them, SAMR calculated fines based on the annual revenue of the group level where earnings from all businesses were incorporated.

Observations on Antitrust Enforcement Distributed in Industries

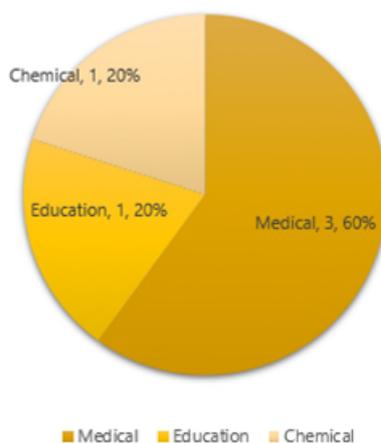
What follows is a summary of the antitrust enforcement statistics in different industries in China in 2022.

1. CARTELS

Sector distribution of cases of cartels (horizontal)



Sector distribution of cases of cartels (vertical)



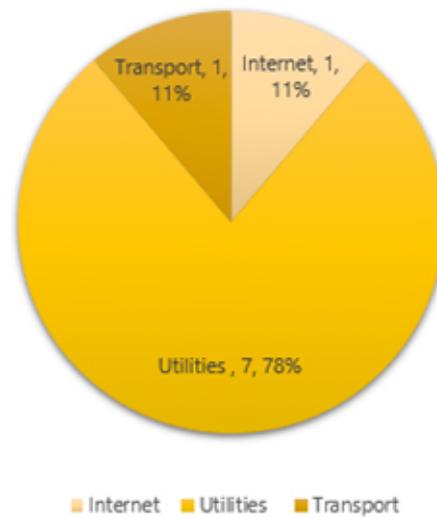
Note: There is a hub-and-spoke case in the chemical industry which contains both horizontal and vertical elements. It is thus counted twice.

Source: SAMR's website

With the exception of vehicle-related services (specifically, driving training and vehicle inspection), horizontal collusion is distributed relatively evenly in different industries; while medical appears to be a sector where RPM practice is more common.

2. ABUSE OF DOMINANCE

Sector distribution of cases of abuse of dominance

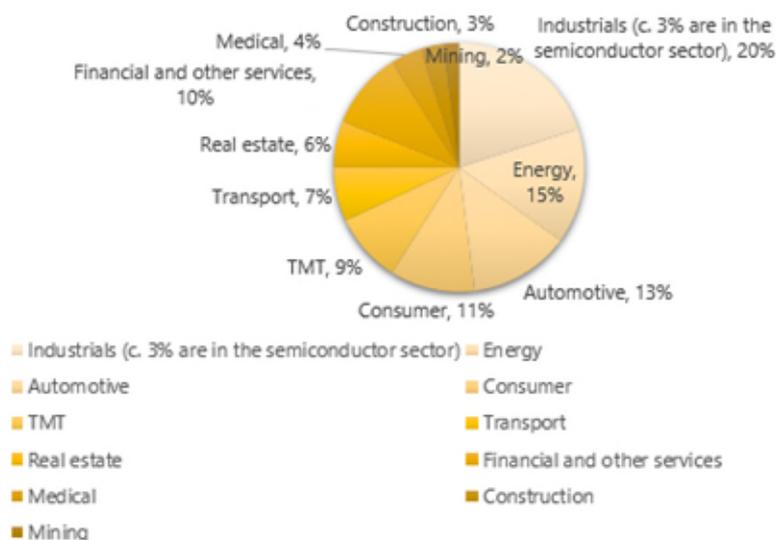


Source: SAMR's website

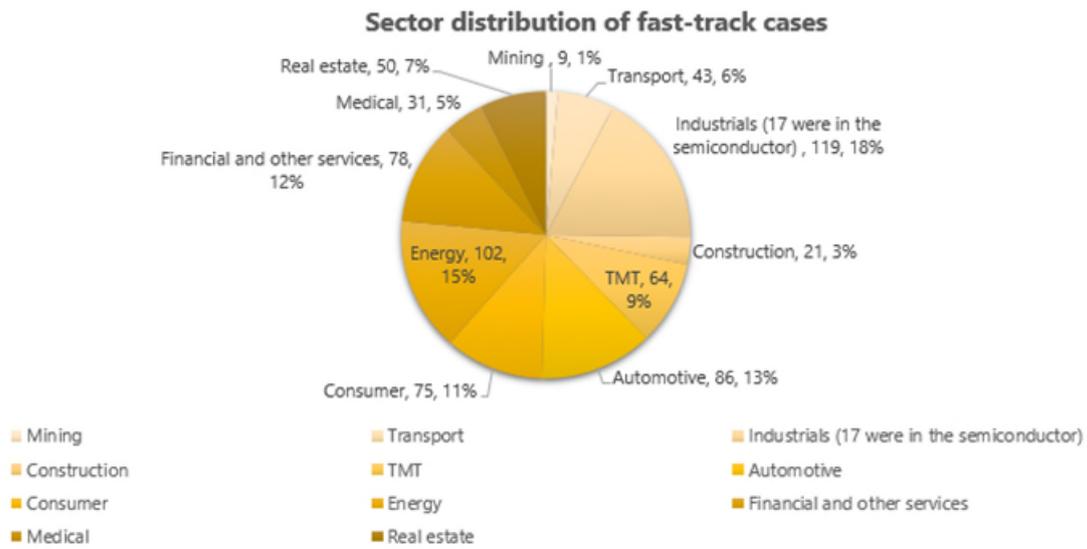
Utilities remains an area where abusing a market dominant position is frequently observed. In 2022, SAMR kept its eye on the internet sector and observed to have acted with less rigidity than during its enforcement in 2021, partly due to the decline of the Chinese economy due to various COVID-controlling related measures in 2022.

3. MERGER CONTROL

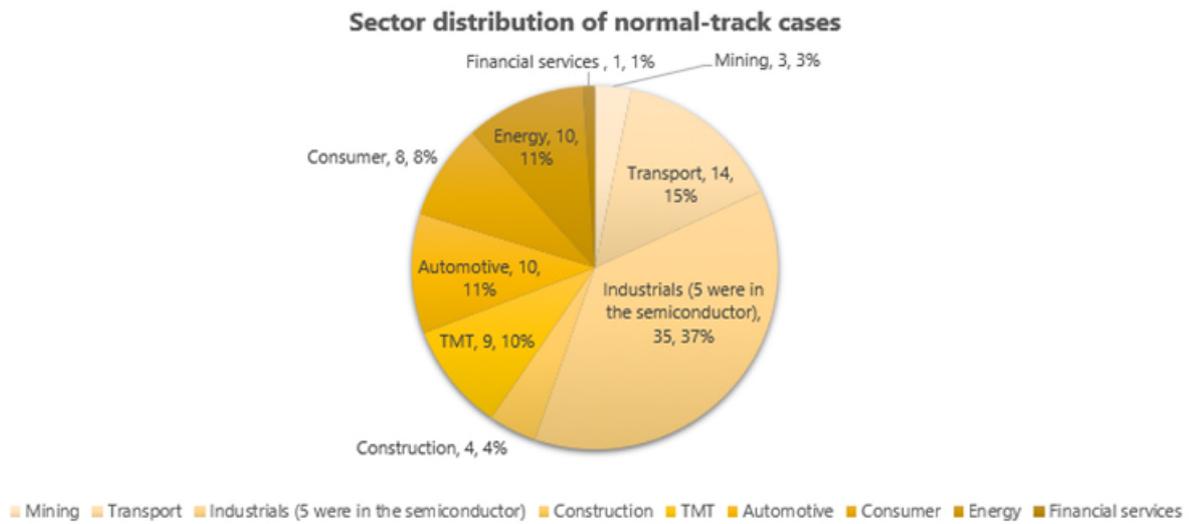
Sector distribution of unconditional clearance



Source: SAMR's website and PaRR-Global



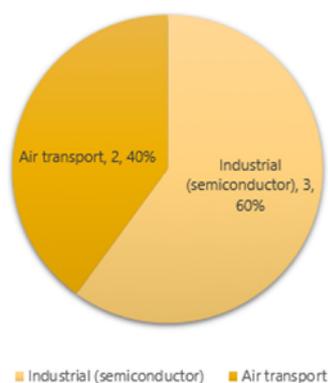
Source: SAMR's website and PaRR-Global



Note: The normal-track cases include the cases cleared with remedies and one which collapsed.

Source: SAMR's website and PaRR-Global

Sector distribution of cases cleared with remedies



Source: SAMR's website

Of 766 unconditional approvals in 2022, industrials, energy and automotive are the areas where most merger filings were made. This also applies equally to sector distribution of fast-track cases, followed by the consumer sector and the financial and other services sector. As to normal cases, industrials and transport are the top two areas with most normal filings, and automotive tied with energy for third place. The reason quite a few deals in energy and automotive were reported in 2022 is conjectured to be the increasing importance of energy, giving rise to more energy-related deals (including those concerning electric vehicles). The sector distribution for conditionally cleared cases indicates the semiconductor sector continues to sit in SAMR's crosshairs, and air transport is evidently also becoming a new antitrust enforcement focus. Lastly, telecommunications, especially 5G-related segments, was the one area facing increased scrutiny in 2022 as witnessed in the lapsed case in the chemical sector - partly contributed to the factor that 5G, like semiconductor, also sits at the centre of the tech war between China and western countries.

Looking Ahead to 2023

SAMR added to its manpower to deal with antitrust cases in the summer of 2022. It is believed that SAMR now has sufficient resources to crackdown on anti-competitive acts not compatible with AML. In addition, there are already four implementing regulations with the remaining two expected to be passed this year, indicating more rigorous enforcement by SAMR in the coming period. Facing the hefty costs of violating the amended AML and SAMR's stringent scrutiny, companies are recommended to carefully adhere to the amended AML and Chinese antitrust rules.

For more information about the topics raised in this Legal Update, please contact any of the following lawyers.

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