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QUOTES

«As a driver of the technological revolution and industrial transformation, artificial intelligence has a profound impact on the global economy, society, and governance structure, contributing to equity and sustainable development».

BRICS Media and Think Tank Forum¹

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¹ Source: Xinhua

SAMR Approves Synopsys' \$35 Billion Acquisition of Ansys with Conditions

China's antitrust regulator approved American chip-design software maker Synopsys' \$35 billion acquisition of Ansys, with certain conditions. Among other things, the Chinese watchdog mandated that Synopsys cannot reject requests from customers to renew their contracts.

This decision removes the last major obstacle to the completion of the transaction, scheduled for July 17th. The buyout, announced in early 2024, was already approved by European and US authorities. In June, reports emerged that Chinese officials were delaying it in part because of escalating tensions over Washington's chip sanctions.

US companies seeking Chinese antitrust approval — particularly for deals in the tech sector — are often caught in the middle of geopolitical disputes between the countries. Although neither Synopsys nor Ansys is based in China, the two companies needed Beijing's sign-off because China is one of the world's largest semiconductor markets.

In 2018, US-based Qualcomm Inc. scrapped a \$44 billion bid for Dutch chipmaker NXP Semiconductors NV after failing to secure a nod in time. As recently as 2023, Intel Corp. abandoned its proposed \$5.4 billion acquisition of Tower Semiconductor Ltd. for the same reason.

Sources: SAMR, Bloomberg

China Issues Guidelines on the Country's Judicial Work

The CPC Central Committee has published guidelines for improving country's judicial work in the new era, emphasizing strengthened Party leadership over courts, enhanced judicial fairness, and improved dispute resolution mechanisms.

The guidelines prioritize protecting the rights of entrepreneurs and creating a favorable business environment. It is proposed to strictly punish all types of economic crimes, corruption and monopoly practices, strengthen the fight against monopolies and unfair competition.

The document also introduces the sealed system of criminal records for minor crimes. This mechanism is designed to help former convicts integrate back into society.

Source: Weixin

China Targets "Irrational" Competition in EV Sector

At a State Council executive meeting chaired by Premier Li Qiang, the cabinet reviewed efforts to regulate market behavior in the NEV sector. The move comes amid growing concerns over unfair market practices that threaten the industry's stable development.

The meeting report outlines plans for enhanced monitoring of automakers' cost structures and pricing practices, alongside stricter quality control measures.

The report calls for improving the long-term mechanism for regulating

competition, strengthening self-discipline in the industry, effectively implementing standards in the process of industrial modernization, and increasing the competitiveness of enterprises through technological innovation and quality upgrades.

These regulatory measures coincide with unprecedented growth in China's EV market. Official data shows NEV sales reached 693,700 units in H1 2025, which accounted for 44.3% of total car sales in the country.

Source: Gov.cn

China's Cyberspace Regulator Launches Campaign to Create a Safe Digital Environment for Minors

The Chinese Cyberspace Administration (CAC) has launched a two-month nationwide campaign aimed at creating a safe digital environment for children and adolescents.

The cyberspace regulator will strictly investigate and penalize illegal content involving violence and superstition, obscenity and pornography, incitement to suicide or self-harm, and violations of minors' privacy. Content promoting vulgarity, the cult of wealth, extreme forms of emotional behavior and other "low-value" content will come under special control.

Source: Weixin

Chinese Franchise and Retail Association Calls for an End to Price Wars in the Instant Retail Sector

The China Chain Store & Franchise Association, or CCSFA, has urged food delivery and instant retail platforms to curb destructive price subsidies, warning that the tactics distort market order, harm small merchants and threaten the industry's long-term sustainability.

In a public letter the CCSFA specifically called for:

- All platform companies must stop abusing their dominant market position and end anti-competitive practices like forced "choose-one-of-two" or "exclusive cooperation", etc.
- Companies must avoid attracting customers through artificially low prices. All businesses must maintain quality standards, avoiding cheapening products in order to reduce costs and falling into the vicious circle of "losses - decrease in quality - customer attrition."
- Focus on innovation-driven supply chain management and customer service to boost operational efficiency, rather than engaging in destructive price competition.
- Improve self-discipline.
- The Association urges platform companies to safeguard workers' rights through regulated working hours, fair performance assessment system, and the abolition of unjust fines.

Source: Weixin

BYD, Chery Found to Have Claimed Extra Subsidies

China's industry regulator found that carmakers including BYD Co. and Chery Automobile Co. claimed electric vehicle subsidies they didn't actually qualify for during the five years that started in 2016. The amounts came to more than 864 million yuan (\$121 million.)

Chery, the nation's largest car exporter, was found to have applied for some 240 million yuan of funding for around 8,760 EVs and hybrids that didn't qualify, while 143 million yuan for roughly 4,900 cars BYD sold were removed from the ledger, according to preliminary results published by the Ministry of Industry and Information Technology late last month.

The audit of the EV subsidy program between 2016 and 2020 was carried out across China earlier this year. It wasn't immediately clear if the companies are required to return the subsidies or if authorities have already deducted the excess amounts from payments to the manufacturers.

Some of the reasons for disqualifying the EVs in the audit included the manufacturer being unable to provide operational data for the cars, or their mileage didn't meet requirements.

Automakers, under pressure to meet sales targets, are sometimes offloading new vehicles to traders or dealers in bulk, who then help register the vehicles so the companies can book them as sales. Then the essentially brand new cars end up on the second-hand market, becoming "zero-mileage used cars."

Source: Bloomberg

Seven Driving Schools in China's Chongqing Were Fined for Price Collusion

In Chongqing, authorities have penalized seven driving schools for engaging in price collusion. According to the results of the investigation, since September 2022, the schools' representatives held multiple meetings where they negotiated and concluded anticompetitive agreement. This illegal arrangement established fixed pricing and revenue-sharing mechanisms among participants, effectively eliminating competition and harming consumer interests.

In two months, the driving schools collectively trained 760 students and generated 2.25 million yuan in revenue. In accordance with Article 56(1) of China's Antimonopoly Law, regulators imposed fines equivalent to 1% of annual turnover.

Source: SAMR

Uber and China's Baidu Deploy Autonomous Vehicles on the Uber Platform outside the U.S. and Mainland China

Uber and China's Baidu will partner to deploy thousands of Baidu's Apollo Go autonomous vehicles on the Uber platform across several international markets outside the U.S. and mainland China.

The first rollouts are expected in Asia and the Middle East later this year.

The tie-up brings together Uber's massive ride-hailing network with Baidu's fleet of more than 1,000 fully driverless vehicles across the world. Apollo Go is now present in 15 cities, including Dubai and Abu Dhabi, and, as of May, had completed more than 11 million rides.

Source: Reuters

Huawei Backs to the Top of China's Smartphone Market

Huawei Technologies Co. took the top spot in China's smartphone market for the first time in more than four years, a comeback fueled by new designs and software that appealed to users in a slowing market.

The hardware giant held on to a roughly 18% share of the market in the June quarter, while other leading competitors like Vivo and Oppo slumped. The Shenzhen device maker showed greater resilience than rivals as overall shipments in China fell 4% to 69 million units.

Huawei's recovery follows years of US export restrictions, which spurred the company to develop its own hardware and technologies, including artificial intelligence chips. In 2024, Huawei launched several smartphones powered by domestically designed and manufactured semiconductors, including the world's first commercially available device with two folds. It's also added smartphones with its own operating system, transitioning away from Google's Android.

Source: Bloomberg