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## **SAMR held a meeting on fair competition**

On February 25, SAMR hosted a meeting with representatives from leading companies including Trina Solar, JA Solar Technology, Longi Green Energy Technology, Alibaba Group, JD.com, BAIC Group and Mercedes-Benz. The meeting aimed to discuss measures to address the “involution” of competition and maintain a fair market order. Companies shared their experiences, discussed the current market situation and proposed recommendations to strengthen antitrust regulation, ensure fair competition and enhance corporate responsibility.

The problem of neijuan (internal escalation of competition) is becoming increasingly serious - due to excess capacity in a number of industries, companies are forced to increase investment, but do not receive adequate returns in the form of profits or technological breakthroughs. This issue is especially acute in the field of electric vehicles and solar energy.

Source: [SCMP](#), [SAMR](#)

## **SAMR discussed the strategy for improving the quality of products and services in 2025**

On February 25-26, SAMR held a national quality development meeting in Xi'an. During the meeting, the results of 2024 were summarized and priorities for 2025 were set. According to SAMR, in 2024, 952 projects were launched under the national quality improvement program, 580 cities started implementing quality improvement initiatives at the municipal level, and 34 companies were included in the list of leading enterprises in building a “strong country in quality”. In addition, 11.2 million automobiles and 4.54 million consumer products were recalled, and the overall quality level of products in the manufacturing industry reached 93.93%.

In 2025, the department plans to focus on further improving quality control mechanisms, combating “excessive competition”, strengthening international cooperation in standardization, and actively implementing branding strategies to improve the competitiveness of Chinese goods.

Source: [SAMR](#)

## **China extended the inspection and testing statistics system**

SAMR announced that the inspection and testing statistics system has been approved for further use by the National Bureau of Statistics. The updated system adds the indicator of whether an enterprise is a “specialized” enterprise or an “innovative” enterprise, which will help track the development of the industry more accurately.

The system was introduced in 2013 and has seen steady growth in the sector over the past 10 years. As of the end of 2023, there were 7,558 large inspection and testing organizations (annual revenue over RMB 10 million) in China, up 176.44% over 2013. The number of employees in these organizations increased by 147.11% to 698,900, and the total revenue reached RMB 3,751.22 billion, up 284.73%. At the same time, large organizations make up 14.04% of the total number of inspection and testing enterprises, but provide 80.32% of the industry’s revenue, which indicates market consolidation.

Source: [SAMR](#)

## **SAMR discussed product quality control priorities in 2025**

On February 27 the SAMR meeting on product quality and safety regulation was held in Chongqing. In 2024, the overall state of product quality in the country remained stable.

400,000 enterprises were inspected and 1.07 million batches of goods were tested (an increase of 30.5% year-on-year), of which 97,000 batches did not meet standards. State supervision found that the non-conformity rate in 49 product categories decreased, with 14 of them decreasing by more than 10% (including electric bicycle chargers). The list of products requiring production licensing was expanded to include 14 categories and 27 types of products. A total of 165,000 enterprises received support under the three-year quality improvement program for technical assistance.

Source: [SAMR](#)

## **China approved 104 new national standard substances for food safety**

In 2024, SAMR approved 104 new national standard substances for quality control of food and agricultural products. Among them, 45 are of the first category, 59 are of the second category. These standards will help to identify residues of pesticides and veterinary drugs, toxic contaminants, check the nutritional value and safety of GMO products.

Source: [SAMR](#)

## **SAMR discussed price supervision and combating unfair competition**

On February 27-28, the National Meeting on Price Supervision and Anti-Unfair Competition was held in Shenzhen. The meeting reviewed the results of 2024 and outlined key areas of work for 2025. Based on the results of 2024:

- 14,000 cases of unfair competition were investigated, of which 5,165 were related to the online sector (an increase of 136% compared with 2023).
- Measures were taken to control prices: 18,400 cases of illegal pricing in socially significant areas were identified, as well as 3,042 cases of unreasonable fees from enterprises. Companies were required to return 13.62 billion yuan in illegally collected payments.
- 2,982 cases of illegal network marketing and direct sales schemes were identified and stopped.

Source: [SAMR](#)

## **A number of new national standards come into effect on March 1st**

New national standards will come into effect in China on March 1, covering areas such as green urban freight transport, battery maintenance, water conservation management, household services, home appliances and furniture. These standards aim to upgrade traditional industries and meet people's needs for a better quality of life, including:

- The standard for "Evaluation of Urban Freight Transport Green Performance" sets quantitative indicators for the low-carbon development of urban freight transport.
- The standard for "Technical Conditions for Releasing Traction Batteries from Repair" specifies requirements for the maintenance and repair of batteries for electric vehicles.
- The standard for "Water Conservation Management Standards for Urban Water Supply Enterprises" regulates water conservation measures at the stages of water collection, treatment and distribution.
- The standard for "Quality Standards for Maternal and Child Care Services in the Domestic Service Sector" specifies the training and qualification requirements for personnel providing maternal and child care services.

- The “Quality Classification of Tourist Attractions” standard sets conditions for classifying tourist attractions by quality, including service, safety and environmental requirements.
- Standards for home appliances, such as “Noise Test Methods for Household and Similar Electrical Appliances - Special Requirements for Dry Cleaning Robots” and “General Specifications for Electric Motors for Electronic Home Appliances”, aim to improve the reliability and quality of home appliances, thereby promoting the development of smart home.
- The “Guide to the Quality Classification of Consumer Products - Sanitary Ware” standard addresses the problem of consumers having difficulty in distinguishing quality sanitary wares.

Source: [SAMR](#)

### **“First offense without penalty”: a new approach to business regulation**

SAMR is introducing a new mechanism called «首违不罚» “no penalty for first violations” and «轻微免罚» “no penalty for minor violations” to ease the administrative burden on businesses. The new mechanism provides for a waiver of penalties in 12 categories of cases if the violation is committed for the first time, is minor in nature, and does not result in serious consequences.

This step is aimed at eliminating the problem of “excessive penalties for minor offenses” and improving law enforcement. SAMR emphasizes that the new measures will help reduce the regulatory burden on China’s 189 million registered enterprises, most of which are small and medium-sized businesses. At the same time, strict control over serious violations, especially in the field of food safety, will remain.

Sources: [SAMR 1](#), [SAMR 2](#)

### **China to strengthen supervision of the implementation of the “unconditional return” policy in offline stores**

SAMR, together with four departments, published the “Three-Year Action Plan for Optimizing the Consumer Environment (2025–2027)”. The document provides for the creation of a more transparent dispute resolution system, as well as the introduction of an “unconditional return” mechanism for goods in offline stores. By 2027, the number of stores that have committed to unconditional returns should exceed 1.5 million.

The government will not only encourage businesses to participate in the program, but also strengthen control over its implementation. It is important to develop uniform return criteria, as well as provide mechanisms to protect businesses from unscrupulous consumers who abuse the return policy. Expanding the “unconditional return” policy in offline trade is designed to increase the level of trust in retailers, stimulate consumption and contribute to the sustainable development of the economy.

Source: [SAMR](#)

### **Supreme People's Procuratorate: over 40 antitrust lawsuits considered in the public interest**

On February 18, the Supreme People's Procuratorate of the People's Republic of China held a press conference to present its work results for 2024.

In 2024, the Procuratorate filed more than 40 antitrust cases in the public interest. In total, more than 40,000 people were charged in cases of market violations. Among them, there

were over 200 cases of crimes related to the violation of commercial secrets, as well as 3,000 cases of corruption in state-owned companies.

The Procuratorate also actively fought unfair competition in the online environment, examining 5,165 cases, which is 136% more than in 2023. In addition, the Procuratorate investigated 2,982 cases of illegal direct sales and financial pyramid schemes, and participated in campaigns to protect intellectual property and prevent corruption in key sectors of the economy.

Source: [Press Release of the Supreme People's Procuratorate of the People's Republic of China](#)

## **Huawei, Vivo and Xiaomi lead China's smartphone market thanks to government subsidies**

China's government-backed electronics subsidy program has boosted smartphone sales. Huawei led the market in January, followed by Vivo and Xiaomi, accounting for 54% of sales, according to a report from Counterpoint Research. Overall, the smartphone market grew 17% year-on-year, with models in the 2,000-5,000 yuan (\$275-\$688) price range seeing strong growth. The subsidy program, launched on January 20, gives consumers a 15% discount (up to 500 yuan) on smartphones, tablets, and smartwatches priced at up to 6,000 yuan. In the first week of the program (January 20-26), smartphone sales increased 65% to 9.5 million units. Analysts predict the subsidies will add 2-3% to first-quarter sales growth.

Source: [SCMP](#)

## **Alibaba unveiled a new AI model QwQ-Max to compete with OpenAI and DeepSeek**

Alibaba Group has announced a preview of its new QwQ-Max AI reasoning model, which will compete with OpenAI o1 and DeepSeek R1. The launch signals growing competition in the advanced AI space. The company plans to invest \$53 billion in cloud and AI infrastructure development over the next three years, underscoring its strategic focus on advanced technologies.

Source: [SCMP](#)

## **OpenAI released GPT-4.5 for Pro subscribers amid sharp rise in AI competition**

OpenAI has released an updated version of its GPT-4.5 model, available to ChatGPT Plus subscribers. The improved version boasts greater speed, accuracy, and expanded context processing capabilities, increasing competition in the AI market. The release of the model coincides with increased developments from Google, Anthropic, and Chinese companies Baidu and Alibaba, all seeking to take a leading position in the generative AI industry. Experts note that OpenAI's new technologies could strengthen its leadership, but rivals are actively introducing their own innovations, offering more accessible and flexible solutions.

Source: [SCMP](#)

## **Tesla eyes India market entry amid EV policy shifts**

Tesla is considering entering the Indian market as the country's authorities review its policies on electric vehicles (EVs) and imports. The Indian government is expected to reduce import duties on EVs, which could pave the way for Tesla to launch sales in the country. However, questions remain about cost and local production, as Tesla has traditionally sought to establish manufacturing facilities in key regions. Analysts note that

despite the company's interest, intense competition from local and Chinese manufacturers remains a major challenge.

Source: [SCMP](#)

## **Chinese trade delegation visits Germany to discuss auto cooperation amid trade row**

A Chinese trade group headed to Germany on Monday to discuss cooperation in the automotive space. The visit comes amid escalating trade tensions with the US, including tariff threats and anti-subsidy probes. A delegation led by the semi-official China Council for the Promotion of International Trade set off for talks with top auto-industry players in Germany. The visit coincides with election results that tip conservative leader Friedrich Merz to become the German chancellor. Analysts say the meeting could provide insight into his trade policy, particularly as China faces tighter controls on auto exports and competition in the electric vehicle sector.

Source: [SCMP](#)

## **China's SAMR vice chief meets Procter & Gamble chairman**

On February 25, SAMR Deputy Director Shu Wei (束为) met with Jon Moeller, Chairman, President and CEO of Procter & Gamble, in Beijing. The parties discussed legislation and law enforcement in the field of market regulation.

Shu Wei noted that China continues to implement the high-level openness policy enshrined at the Third Plenum of the 20th Central Committee of the CPC. He emphasized China's desire to create a transparent, predictable and internationally oriented business environment, and expressed support for P&G's further investment in China, which, according to him, will contribute to the stability of China-US trade and economic relations.

Jon Moeller, in turn, praised China's efforts to combat intellectual property infringement and counterfeiting, and reaffirmed P&G's commitment to compliance with laws and regulations in the Chinese market.

Source: [SAMR](#)

## **China steps up standards integration with Taiwan to boost trade**

SAMR supports the integration of standards between mainland China and Taiwan, promoting economic and technological cooperation. Under the "Four Joint, Three Accepted" (四共同三采用) initiative, 285 unified standards have been developed in areas such as electronic technology, agro-industrial sector, services and new energy. The "China-Taiwan Common Standards Platform" has been established, containing 290,000 standards, making it easier for enterprises to mutually recognize certification. The project has already involved 40 Taiwanese experts, and the first international standard jointly developed by the two sides is the standard for oolong tea.

In the future, there are plans to expand the list of products whose certification in Taiwan will be recognized in mainland China, as well as simplify the procedures for mutual verification and recognition of products.

Source: [SAMR](#)

## **China drafts and approves world's first international standard for elder care robots**

The International Electrotechnical Commission (IEC) has officially approved an international standard for elderly care robots, developed under the leadership of China. The new standard takes into account the physiological and behavioral characteristics of older people and sets requirements for the design, production, testing and certification of such devices.

The document classifies the functions of robots depending on the level of support required and includes requirements for health monitoring, emergency alerts, communication with relatives and medical staff, assistance with household tasks, entertainment, household management and mobility. It also regulates requirements for energy efficiency, noise level, accessibility and reliability.

Source: [SAMR](#)