

China Competition Bulletin

The China Competition Bulletin summarises the latest developments of competition and regulatory policy in the People's Republic of China, covering laws and policies, cases, agency and other relevant news, and selected publications.

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Highlights

The National Development and Reform Commission (NDRC) and a number of its provincial level bureaus have been quite active in the past couple of months, making a number of antitrust decisions in the insurance, cement, and auto industries. The NDRC also published its first administrative monopoly decision. Further, in a welcomed development, the NDRC released non-confidential versions of the orders it made in its August 2014 antitrust investigation into 8 Japanese auto parts companies and 4 ball bearing manufacturers, thereby signalling an improvement in the transparency of its antitrust decision-making. The NDRC, together with the Ministry of Commerce (MOFCOM) and the State Administration for Industry and Commerce (SAIC), also held a press briefing to address allegations that enforcement of the Anti-Monopoly Law (AML) is biased against foreign companies and used to promote industrial policy.

The Supreme People's Court (SPC) dismissed Qihoo 360's appeal in its antitrust case against Tencent, with the SPC ultimately finding that Qihoo 360 was unsuccessful in proving that Tencent had a position of dominance or if it had, that position was abused. This case had been ongoing since 2012.

1. Cases

1. Insurance Industry Players in Zhejiang Province Fined More than RMB 110 million

On 2 September 2014, the NDRC announced that it had investigated and fined several parties in the insurance industry in Zhejiang province for price fixing. The Zhejiang Insurance Industry Association had organised for 23 local property insurance companies to meet on multiple occasions to negotiate and agree on the discount for new car insurance policies and the commission rate paid to commercial vehicle insurance agents. The NDRC found that the industry association and the insurance companies involved in the cartel had breached Articles 16 and 13 of the AML, respectively. The anticompetitive conduct dated back to 2009, and the NDRC decisions—though published in September 2014—were taken in December 2013.

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The industry association was found to be the ringleader and was fined the maximum penalty against industry associations available under the AML (RMB 500,000). Most of the insurance companies involved were fined 1% of last year's revenue, which amount to more than RMB 110 million in total. Three of the 23 insurance companies were either exempt from penalty or had their penalty reduced as they had voluntarily provided information or important evidence on the cartel. Further, the NDRC listed the names of 9 insurance companies that had not participated in the price fixing arrangement and accordingly were not fined.

Moreover, the NDRC released non-confidential versions of the orders that it adopted. This is a new development, as it had only previously released information about its cases through brief press releases, in interviews, or at conferences. In each order, the NDRC set out the facts of the case, its legal analysis, and the basis for the penalty imposed, including whether any leniency was granted. The first company to admit to having engaged in price fixing and provided evidence to the NDRC was exempt from penalty, whereas the second and third companies that voluntarily provided evidence to the NDRC received a penalty reduction of 90% and 45%, respectively.

Sources: http://www.ndrc.gov.cn/xwzx/xwfb/201409/t20140902_624476.html

http://www.ndrc.gov.cn/gzdt/201409/t20140902_624550.html

http://www.ndrc.gov.cn/gzdt/201409/t20140903_624633.html

2. Three Cement Companies in Jilin Province Fined RMB 114 million for Price Fixing

On 9 September 2014, the NDRC announced that its local price bureau in Jilin Province, the Jilin Price Bureau, had fined 3 cement companies (Jilin Yatai, Northern Cement, and Jidong Cement) a total of RMB 114.39 million for price fixing.

On 14 April 2011, the 3 cement companies met to agree on the price of cement clinker. They agreed on the ex-factory export price of cement clinker; a price floor for cement clinker sold into Liaoning province; the minimum ex-factory, list, and quoted prices for cement sold in the cities of Changchun, Songyuan, and Panshi; and measures to implement the agreed prices. Separately, Northern Cement and Jilin Yatai met on 11 May 2011 to fix the price of cement in the cities of Tonghua and Baisha. The NDRC found that the cement companies breached the AML.

When deciding on the penalty, the NDRC took into account the excess capacity in the cement industry, the short duration of the price fixing agreement, the harm which was limited to certain regions, and the parties' level of cooperation with the investigation. Jilin Yatai and Jidong Cement, who were found to be uncooperative, were fined 2% of their 2012 revenue (RMB 60.04 million and RMB 13.38 million respectively). In contrast, Northern Cement cooperated with the investigation and actively rectified its actions. As a result, it was fined 1% of its 2012 revenue (RMB 40.97 million).

The NDRC also stated in its announcement that this decision is part of a wider investigation by the central and local NDRC authorities into price fixing in the cement industry, which began in March 2013. More penalties for price fixing in the cement industry are expected.

Source: http://www.ndrc.gov.cn/xwzx/xwfb/201409/t20140909_625063.html

3. FAW-Volkswagen and Audi Dealers Fined in Hubei Province For Resale Price Maintenance and Price Fixing

On 11 September 2014, the Hubei Province Price Bureau announced the outcome of its investigation into FAW-Volkswagen (a joint venture between FAW Group, a Chinese state-owned enterprise, and Volkswagen) and a number of Audi dealers. FAW-Volkswagen was fined RMB 248.58 million for engaging in resale price maintenance, and 8 Audi dealers were fined a total of RMB 29.96 million for price fixing.

The Hubei Province Price Bureau began its investigation in March 2014. It found that, since 2012, the Audi sales division of FAW-Volkswagen had organised multiple meetings with 10 Audi dealers in Hubei to negotiate and agree on resale prices of vehicles and maintenance service prices. Further, since 2013, some

Audi dealers had separately agreed to fix the sale price of vehicles. The Hubei Province Price Bureau determined that FAW-Volkswagen and the 10 Audi dealers had violated Article 14 and 13 of the AML, respectively.

FAW-Volkswagen's fine represented 6% of its last year's revenue. Of the 10 Audi dealers, 7 were fined between 1-2% of last year's revenue, whereas 3 received lenient treatment. Two Audi dealers were exempt from penalty, but for different reasons. One was exempt as it had voluntarily reported the conduct and provided important evidence, whereas the other's infringing conduct was considered to be minor and was quickly rectified. The third cooperative Audi dealer was given a 50% reduction in its penalty.

Source: <http://www.hbpic.gov.cn/chn201201110942263/article.jsp?articleId=45574>

4. Shanghai Price Bureau Sanctions Chrysler and Chrysler Dealers for Resale Price Maintenance and Price Fixing

On 11 September 2014, the Shanghai Price Bureau announced that it had fined Chrysler and 3 of its Shanghai dealers for violating the AML. Chrysler was fined RMB 31,682,000 for resale price maintenance (3% of last year's revenue for the relevant products). The Chrysler dealers were fined a total of RMB 2,142,100 for price fixing.

From 2012 to 2014, Chrysler signed distribution agreements with car dealers. It required dealers to observe its recommended prices, and punished dealers who did not maintain the recommended price by ceasing or delaying supply. Separately, 3 dealers agreed to fix prices for vehicle maintenance, auto parts, and paint jobs for Chrysler, Jeep, and Dodge vehicles.

Source: http://www.shdrc.gov.cn/main?main_colid=547&top_id=431&main_artid=24981

5. NDRC Investigates Administrative Monopoly in Hebei Province

On 26 September 2014, the NDRC announced that it had investigated the Transport Department, Price Bureau, and Finance Department of the Hebei Provincial Government for abuse of administrative power.

This is the first time that the NDRC has made public the outcome of an administrative monopoly investigation.

In October 2013, these 3 Hebei Province government departments jointly issued 2 notices to adjust the tolls payable by passenger vehicles using toll roads. Passenger vehicles using an electronic toll collection card or a monthly ticket would enjoy a 50% discount. This discount applied only to those passenger vehicles that were approved by the provincial road transport management authority and had fixed routes.

The NDRC found that the discounted tolls for Hebei passenger vehicles were effectively a subsidy for Hebei transport businesses. Highway toll expenses accounted for 10-20% of the total revenue of transport businesses. This preferential policy meant that the toll expenses for Hebei transport businesses were significantly lower than their out-of-province competitors, placing them at a competitive disadvantage. As a result, the NDRC found that the policy harmed fair competition and constituted an abuse of administrative power in breach of Article 8 of the AML.

Pursuant to the AML, the NDRC issued a letter of recommendation to the Hebei Provincial Government, suggesting that it order the relevant departments to rectify their conduct and treat all transport businesses equally. Reports indicate that the NDRC investigation was initiated in response to a complaint by the South Korean embassy, which passed on a complaint by a Chinese-Korean company in Tianjin who was unable to take advantage of the discount.

Source: http://jjs.ndrc.gov.cn/gzdt/201409/t20140926_626773.html

6. Cement Companies Fined For Cartel in Zhejiang Province

On 21 September 2014, the Shangyu Administration for Industry and Commerce (Shangyu AIC) announced that it had investigated and fined 8 local cement companies for market sharing in Shaoxing, Zhejiang Province.

According to the Shangyu AIC's investigation, the cement companies formed an industry association and entered into 3 agreements that allocated market share amongst themselves. The Shangyu AIC found that the industry association and cement companies had reached and implemented a monopoly agreement to divide up the market in violation of the AML. Both the industry association and cement companies were fined, but the penalty amounts were not disclosed.

Source: http://www.saic.gov.cn/jgzf/fldyfbzljz/201410/t20141021_149246.html

7. SPC Dismisses Qihoo 360's Appeal in its Abuse of Dominance Case Against Tencent

On 16 October 2014, the SPC handed down its decision in the high-profile Qihoo 360 v Tencent case. The court dismissed Qihoo 360's appeal and upheld the first-instance decision of the Guangdong High People's Court. The case was heard by the Guangdong High People's Court in April 2012, with a decision handed down in April 2013.

The SPC handed down a detailed 115 page judgment. It defined the relevant market as instant messaging services in mainland China. It noted that, however, that it was not necessary to clearly define the market in every abuse of dominance case. In the absence of a clear market definition, the court stated that direct evidence of anticompetitive conduct to assess market position and the effect of the alleged anticompetitive conduct on the market can be used.

The SPC found that Qihoo 360 had not provided sufficient evidence to prove that Tencent had a dominant position, although it acknowledged that Tencent had over 80% of the personal computer and mobile instant messaging service markets. It also determined that Tencent's conduct did not restrict competition. Qihoo 360 was ordered to pay RMB 796,800 to Tencent for legal costs.

Sources: http://www.court.gov.cn/xwzx/yw/201410/t20141016_198470.htm

http://www.gov.cn/xinwen/2014-10/16/content_2766304.htm

Background information: 'High People's Court of Guangdong Hands Down Judgment in Qihoo v Tencent', China Competition Bulletin, Edition 25, March/April 2013, 6

8. China Mobile Wins Lawsuit on Abuse of Dominance

On 2 September 2014, the Shanghai No 2 Intermediate People's Court ruled in favour of China Mobile in an abuse of dominance lawsuit filed by an individual.

The plaintiff, Tong Hua, claimed that China Mobile suspended and cancelled his phone account which, he argued, should have been preserved during a retention period of 90 days. Tong sued China Mobile for abuse of dominance, but the court decided that China Mobile did not violate the AML. It found that China Mobile neither refused to deal nor applied discriminatory conditions. According to the court, the parties were in a contractual relationship with no adverse effects on competition.

Sources: <http://www.shezfz.com/view.html?id=103186>

<http://legal.people.com.cn/n/2014/0411/c188502-24884394.html>

9. Shanghai Court Hears China Telecom Abuse of Dominance Case

On 13 October 2014, the Shanghai No 1 Intermediate People's Court heard an abuse of dominance case against China Telecom. A disabled lawyer, Yang Zhiyong, brought 7 claims against China Telecom. He argued that China Telecom abused its dominant position by stopping favourable broadband discounts for disabled users, overcharging monthly fees due to unfair calculation methods, engaging in price discrimination between corporate and household users, and charging a retention fee for suspending phone numbers. The case is pending.

Source: <http://tech.sina.com.cn/t/2014-10-14/09599691730.shtml>

10. Emiage Sues Qihoo 360 for Abuse of Dominance

Emiage, an emerging app development company, is reportedly suing Qihoo 360 for abuse of dominance and unfair competition. Emiage alleges that Qihoo 360 has a "white list" mechanism that blocks messages sent by Emiage's products to users. According to Emiage, Qihoo 360 scans and monitors all applications installed on users' smartphones.

The hearing, before the Beijing No 2 Intermediate People's Court, has been postponed from its original date of 23 October 2014 due to the establishment of the new Intellectual Property Court. The possible transfer of the case to the new court requires a re-scheduled hearing.

Sources: <http://www.techweb.com.cn/internet/2014-10-17/2086117.shtml>

http://finance.ifeng.com/a/20141023/13212629_0.shtml

11. Beijing Court Rules Against Kingsoft in Unfair Competition Case

On 22 September 2014, the Beijing No 1 Intermediate People's Court ruled that Kingsoft had engaged in unfair competition. The court found that Kingsoft's Internet browser blocked video website Youku's advertisements unfairly through an ad filter, which resulted in Youku's loss. Kingsoft's argument that the filtering function could be switched off by users was not considered by the court. The court ordered Kingsoft to compensate Youku RMB 300,000.

Source: <http://bj1zy.chinacourt.org/article/detail/2014/09/id/1449430.shtml>

2. News of Anti-Monopoly Enforcement Agencies and the Courts

1. China Responds to Concerns about AML Enforcement

On 11 September 2014, the State Council Information Office held a briefing to discuss the AML enforcement actions recently announced by the AML enforcement agencies. The Director-Generals of the MOFCOM Anti-Monopoly Bureau (Mr Shang Ming), the NDRC Price Supervision and Anti-Monopoly Bureau (Mr Xu Kunlin), and the SAIC Antimonopoly and Anti-Unfair Competition Enforcement Bureau (Ms Ren Airon) attended and answered questions.

The press briefing addressed allegations that AML enforcement is targeted at foreign companies and used to promote industrial policy. The Director-Generals refuted such claims. For example, Ms Ren stated that, of the SAIC's 39 investigations, only 2 currently involve foreign companies.

Their comments are consistent with those made by Premier Li Keqiang at the annual World Economic Forum meeting held in Tianjin from 10-12 September 2014, where he stated that only 10% of AML investigations involved foreign companies. Premier Li defended China's antitrust enforcement, stating that Chinese AML enforcement agencies would not enforce regulations selectively or target certain groups of companies. He also commented that China would not close the door to foreign firms and capital. His comments were echoed

by Wang Yang, the Vice Premier, in Xiamen.

The following points of discussion from the briefing were especially interesting:

- *Update on the NDRC's investigation of Qualcomm:* Mr Xu said that the investigation is nearly complete and that a decision is expected soon. He also pointed out that the NDRC began researching and investigating Qualcomm's conduct in 2009, when 2 American companies made complaints. It was not until last year when it had received a number of complaints from both domestic and foreign companies that it stepped up that investigation. He also noted that Qualcomm's lawyers were present at all meetings between the NDRC and Qualcomm.
- *Update on the SAIC's investigation of Tetra Pak:* Since beginning its investigation in 2012, the SAIC has inspected 2 operational sites, made 5 requests for information, and reached out to Tetra Pak on 10 other occasions for explanations. It has also conducted surveys, visited businesses, and consulted with legal, economic, and industry experts. The main areas of investigation are liquid food, packaging equipment, packaging materials, and raw materials.
- *SAIC's investigation of Microsoft:* The investigation began last year in response to complaints made by a number of companies. Ms Ren especially noted the high level of interest in this case, which is unprecedented for the SAIC. She also noted that lawyers were present during the SAIC's raids of Microsoft's offices.
- *Addressing the US Chamber of Commerce's report on AML enforcement:* Mr Xu did not believe that matters covered in the report were entirely correct or substantiated, or that the report necessarily reflected businesses' views.
- *Dismissal of expert from Anti-Monopoly Commission Expert Advisory Group:* Mr Xu recalled that the impetus to investigate Professor Zhang Xinzhu, who was a member of the Anti-Monopoly Commission Expert Advisory Group and dismissed in July 2014 from that position, for violation of work discipline was Professor Zhang's involvement in preparing a report for Qualcomm that Qualcomm submitted to the NDRC.
- *Current enforcement structure:* Mr Xu, Mr Shang, and Ms Ren all believed that the current divided enforcement structure reflected China's national conditions. Mr Xu commented that the enactment of the AML might have been delayed by a few years had a single enforcement authority been insisted on. However, he did note that, in the long term, a unified and relatively independent and powerful enforcement agency would be required.

Sources: http://www.china.com.cn/zhibo/2014-09/11/content_33487367.htm

http://www.gov.cn/xinwen/2014-09/10/content_2748099.htm

The US Chamber of Commerce's report on AML enforcement can be found here:

<https://www.uschamber.com/report/competing-interests-chinas-competition-law-enforcement-chinas-anti-monopoly-law-application>

2. Update on MOFCOM's Enforcement Activities

From 1-3 September 2014, Mr Zheng Wen, Deputy Director-General of the MOFCOM Anti-Monopoly Bureau, led a delegation to visit Shanghai to find out more about competition in the semiconductor, medical equipment, and related industries.

MOFCOM held an AML training session in Hefei (Anhui Province) on 18-19 September 2014. Representatives from local commerce departments and state-owned enterprises attended the session.

On 19 September 2014, Mr Shang Ming, Director-General of the MOFCOM Anti-Monopoly Bureau, met separately with the Chief Executive Officers of Maersk (Mr Søren Skou) and Lafarge (Mr Bruno Lafont). Mr Shang and Mr Skou discussed MOFCOM's prohibition of Maersk's P3 shipping alliance with Mediterranean Shipping and CMA CGM, and Mr Skou talked about Maersk's recent development plan. Mr Shang and Mr Lafont discussed Lafarge's proposed merger with Holcim, which was submitted to MOFCOM for review in

July 2014. Mr Shang emphasised that MOFCOM would make its decision according to the AML, that allegations made by foreign media outlets and organisations about selective enforcement against foreign companies are not true, and that MOFCOM placed great importance on transparency in enforcement procedures.

Sources:

<http://fldj.mofcom.gov.cn/article/xxfb/201409/20140900720633.shtml>

<http://fldj.mofcom.gov.cn/article/xxfb/201409/20140900740713.shtml>

<http://fldj.mofcom.gov.cn/article/xxfb/201409/20140900737260.shtml>

<http://fldj.mofcom.gov.cn/article/xxfb/201409/20140900736909.shtml>

3. MOFCOM Releases the List of Unconditional Clearances for Third Quarter of 2014

On 11 October 2014, MOFCOM released the list of 48 merger cases that it unconditionally cleared in the third quarter of 2014.

Source: <http://fldj.mofcom.gov.cn/article/zcfb/201410/20141000755915.shtml>

4. Update on the NDRC's Enforcement Activities

On 18 September 2014, the NDRC released non-confidential versions of the orders it made in relation to its August 2014 enforcement action against 8 Japanese auto parts manufacturers and 4 Japanese ball bearing manufacturers for price fixing. At that time, the NDRC had issued a press release, which was consistent with its past practice. The release of these orders, combined with its publication of orders adopted in the Zhejiang insurance industry investigation discussed above, signals a new and higher degree of transparency for the NDRC.

Mr Xu Kunlin, Director-General of the NDRC Price Supervision and Anti-Monopoly Bureau, attended the 8th Seoul International Competition Forum hosted by the Korea Fair Trade Commission on 4 September 2014. He spoke about public enterprises and competitive neutrality.

Source: http://jjs.ndrc.gov.cn/gzdt/201409/t20140904_624912.html

Orders can be found at: <http://www.sdpc.gov.cn/fzgggz/jgjdyfld/fjgld/>

5. Update on the SAIC's Enforcement Activities

On 16 October 2014, the SAIC held its third high-level seminar in Yiwu, Zhejiang province. In the keynote speech, SAIC Minister Zhang Mao emphasised the SAIC's duty to promote fair market competition with unified competition rules, and mentioned that the SAIC will continue to strengthen law enforcement to secure sound competition.

On 23 September 2014, the Division Chief at the SAIC's Antimonopoly and Anti-Unfair Competition Enforcement Bureau, Ms Yang Jie, attended the third Intellectual Property Rights and Standards Development Forum organised by the Ministry of Industry and Information Technology in Beijing. The discussion mainly covered standard essential patents (SEPs), especially in the context of newly disclosed industrial and competition policies involving SEPs.

Sources: http://www.saic.gov.cn/ywdt/tpbd/zyhd/xxb/201410/t20141017_149143.html

http://www.sipr.cn/index.php?option=com_content&view=article&id=2483

6. Update on the SAIC's AML Investigation Into Microsoft

On 1 September 2014, the SAIC disclosed that it has questioned Chen Shi, Microsoft's senior vice president, on the issues under investigation and requested Microsoft to submit a written report within 20 days on the suspected interoperability problems.

Source: http://news.xinhuanet.com/fortune/2014-09/02/c_126944441.htm

3. Central and Local Government News

1. Specialised Intellectual Property Courts Established in Beijing, Shanghai, and Guangzhou

On 31 August 2014, the Standing Committee of the National People's Congress established specialised intellectual property courts in Beijing, Shanghai, and Guangzhou.

These courts will be the courts of first instance for civil and administrative cases relating to patents, new plant varieties, integrated circuit layout design, technical secrets, and other specialised and technology related matters. Appeals of these first instance decisions will be heard by the high people's court of the province or city where the court is located. The specialised intellectual property courts will also serve as the appellate courts for copyright and trademark cases originating from the district people's courts within their municipality.

Source: http://www.npc.gov.cn/npc/xinwen/2014-09/01/content_1877042.htm

2. Antitrust Regulations Announced in the Shanghai Free Trade Zone

A series of municipal regulations relating to antitrust enforcement and the establishment of an inter-agency collaboration system were announced for the Shanghai Free Trade Zone (FTZ) in September 2014. The Shanghai Municipal Commission of Commerce, the Shanghai Municipal Development & Reform Commission, and the Shanghai Administration for Industry and Commerce published their antitrust enforcement regulations. Together with the Management Committee of the Shanghai FTZ, they issued a notice on the establishment of a joint conference to provide guidance on antitrust enforcement in the FTZ. This joint conference will be led by the Shanghai Commission of Commerce and all members will be required to share information about complaints, investigation outcomes, and antitrust violations. The Management Committee is also authorised to receive complaints and consulting requests, as well as to coordinate specific enforcement activities.

Sources: <http://www.shanghai.gov.cn/shanghai/node2314/node2319/node12344/u26ai40447.html>

http://www.shdrc.gov.cn/searchresult_detail.jsp?main_artid=25037

<http://www.scofcom.gov.cn/service/search/content.jsp?contentid=MjM2OTQ5>

<http://www.scofcom.gov.cn/service/search/content.jsp?contentid=MjM2OTUw>

3. Outcomes of the Fourth Plenum

From 20–23 October 2014, the Fourth Plenum of the 18th Central Committee of the Chinese Communist Party (CCP) was held in Beijing. The Fourth Plenum focused on advancing governance according to law in China. Some of the major tasks identified included strengthening the implementation of the constitution and guaranteeing judicial fairness and increasing judicial credibility. The CCP also emphasised its leadership over all aspects of the legal system and the socialist rule of law.

Source: http://news.xinhuanet.com/politics/2014-10/23/c_1112953884.htm

4. MOT Releases Guidance to Promote Fair Competition in the Automobile Repair Industry

On 3 September 2014, the Ministry of Transport (MOT), together with nine other central government authorities, issued the *Guiding Opinions on Transforming and Upgrading Service Quality in the Automobile Repair Industry*.

Mr Liu Xiaoming, Director of the MOT Transportation Bureau, stated that the Chinese automobile repair industry has experienced rapid development along with problems involving market structure, transparency, and business integrity. Accordingly, the new guidance puts forward various measures to transform and update the industry. These measures mainly relate to industry structure, environmentally-friendly operations, consumer protection, transparency, human resources development, and industry standardisation. In terms of competition, the guiding opinions aim to promote and build up an after-sale market for automobiles with abundant supplies, transparent distribution, and fair competition.

Sources:

http://www.moc.gov.cn/zfxxgk/bnssj/dlyss/201409/t20140918_1693089.html

http://www.moc.gov.cn/zfxxgk/bnssj/dlyss/201409/t20140924_1696844.html

<http://auto.hexun.com/2014-10-23/169625023.html>

5. State Council Issues New Regulation to Relax Approvals and Break up Broadcasting Monopolies in the Sports Industry

On 2 October 2014, the State Council published the *Opinions on Accelerating the Development of the Sports Industry and Promoting Sports-Related Consumption*. These regulations focus on decentralising the regulation of the sports industry.

The opinions rescind the administrative approval powers of the General Administration of Sport (GAS) over the hosting of sporting events. In the past, all commercial and public sporting events taking place in China involving domestic or international parties were subject to GAS approval. This involved a review process and standards that varied for different events, and it was unclear. According to these opinions, GAS approval is no longer required and local governments are now responsible for supervising sporting events occurring in each respective jurisdiction.

The opinions also allow for a wider range of TV networks to directly purchase or transfer broadcasting rights for sporting events, except the Olympics, the Asian Games, and the World Cup. Previously, sports broadcasting rights in China were tightly restricted. For example, only CCTV could represent China and sign sports broadcasting contracts with organisers of international sporting events.

Sources:

http://www.gov.cn/zhengce/content/2014-10/20/content_9152.htm

http://www.ce.cn/xwzx/gnsz/gdxw/201410/20/t20141020_3738778.shtml

4. News of State-Owned Enterprises

1. China Starts a New Round of SOE Reforms

State-owned enterprise (SOE) reforms are reportedly picking up pace throughout the country. Many provinces and cities have released reform programs and proposals, and 6 central SOEs have been involved in ownership reform pilot programs. New proposals for salaries and compensation of executives in central SOEs have also been approved. At the local level, most proposed plans include introducing private investment into industries, improving corporate governance, and transforming supervision measures.

Source: http://finance.ce.cn/rolling/201410/22/t20141022_3748277.shtml

Major Acronyms

AML	Anti-Monopoly Law 2007, PRC
MOFCOM	Ministry of Commerce, PRC (MOFCOM is one of China's three competition enforcement agencies which applies the AML and is responsible for enforcing the merger control regime under the AML)
NDRC	National Development and Reform Commission, PRC (NDRC is one of China's three competition enforcement agencies which applies the AML and is responsible for enforcing price-related infringements of the AML in the areas of restrictive agreements and abuse of dominant market position)
SAIC	State Administration for Industry and Commerce, PRC (SAIC is one of China's three competition enforcement agencies which applies the AML and is responsible for enforcing non price-related infringements of the AML in the areas of restrictive agreements and abuse of dominant market position)
PRC	People's Republic of China

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