



NEWSLETTER

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Domestic News

Executive Meeting of the State Council: Rectifying the Broadband Access Monopoly in Office Buildings

On April 7, 2021, Premier Li Keqiang chaired an executive meeting of the State Council. He proposed to further promote the cheaper and faster internet connection and improve the quality of internet and services. The government will resolutely rectify the behaviors such as broadband access monopoly and forced markup in office buildings, and ensure that the terminal users can enjoy the benefits of a cheaper and faster internet connection. The government will appropriately lower the thresholds for broadband access network services, support the participation of private enterprises, and promote to lower the rates through fair market competition. ([More](#))

SAMR: Actively Cooperate with the Legislative Bodies to Revise the Anti-Monopoly Law in 2021, and Strengthen the Supervision of Antitrust Enforcement

On April 2, 2021, the State Administration for Market Regulation (“SAMR”) published its 2021 Legislation Work Plan. According to the Plan, SAMR announced that in order to strengthen and improve the antitrust enforcement, SAMR will continue to cooperate with the legislative bodies to revise the *Anti-Monopoly Law*. On April 1, 2021, the article published at the front page of *China Discipline Inspection Daily* mentioned that SAMR had listed strengthening the supervision of antitrust enforcement as its work focus. In response to relevant staff entering internet giants after resignation, SAMR will perfect the systems such as non-competition system. ([More](#))

Tianjin Tianyao to be Fined CNY 44 Million for Implementing APIs Monopoly Agreement

On April 2, 2021, Tianjin Tianyao Pharmaceuticals Co., Ltd (“**Tianjin Tianyao**”) issued an announcement, stating that it received a penalty notice from Tianjin Administration for Market Regulation (“**Tianjin AMR**”) on April 1, 2021. Tianjin AMR believed that Tianjin Tianyao divided the fluocinolone acetoacetate Active Pharmaceutical Ingredients (“**APIs**”) market and change and fix the price of APIs in the form of monopoly agreement. This behavior eliminated and restricted the competition in the APIs sales market and therefore Tianjin AMR intends to confiscate Tianjin Tianyao’s illegal income and impose a fine of 4% of its 2019 sales, totally CNY 44 million. ([More](#))

CPIA Issues Pharmaceutical Industry Compliance Management Norms

Recently, the China Pharmaceutical Industry Association (“**CPIA**”) issued the *Pharmaceutical Industry Compliance Management Norms* (“**Norms**”). The *Norms* put forward regulations in multiple areas that pharmaceutical companies should pay attention to. The antitrust compliance requirements are stipulated in Appendix B, which includes the design and implementation of the enterprise antitrust compliance system, the prevention of enterprise monopoly behaviors, and the notification obligations of enterprise mergers and acquisitions. The *Norms* took effect on February 26, 2021. ([More](#))

Overseas News

CCB Sets Scope for Digital Health Market Study

On April 8, 2021, the Canadian Competition Bureau (“CCB”) issued a market study notice in relation to its ongoing study of the health care sector. The notice presented the three topics of study: digital health data information, related digital health products and service, and the ability of health care providers to deliver digital care to patients. Over the course of the study, CCB will gather and analyze information from various sources. CCB will consult experts, health care sector decision-makers and other key stakeholders, as well as review the academic literature and the experience of other jurisdictions. The final report is expected to be released in the spring of 2022. ([More](#))

New Watchdog to Boost Online Competition Launches

On April 7, 2021, the Digital Markets Units (“DMU”), based in the Competition and Markets Authority (“CMA”) began to work. DMU will oversee plans to give consumers more choice and control over their data, promote online competition and crack down on unfair practices. The government has asked it to begin looking at how codes of conduct could work in practice to govern the relationship between digital platforms and groups such as small businesses which rely on them to advertise or use their services to reach their customers. It will take a sector neutral approach in examining the role of platforms across a range of digital markets, with a view to promoting competition. ([More](#))

FTC Conditionally Clears Acquisition of Constellation Brands, Inc. by E. & J. Gallo Winery’s Acquisition

On April 5, 2021, the Federal Trade Commission (“FTC”) announced that it approved the proposed acquisition of Constellation Brands Inc. (“Constellation”)’s assets by E. & J. Gallo Winery (“Gallo”). The approval is conditional. FTC concerned that the \$1.7 billion acquisition of assets from Constellation by Gallo would likely eliminate head-to-head competition between the two companies, and would substantially lessen competition in the United States for six types of wine and spirits products. The final order requires Gallo to divest several product lines and remove certain others from its asset purchase agreement with Constellation. ([More](#))

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