

# SAMR Issues Three Conditional Clearances after Year-long Hiatus: A Green Light for Dealmakers?

Almost a year since its last conditional clearance decision, the Chinese competition authority, the State Administration for Market Regulation (SAMR), recently conditionally cleared three deals within the span of four weeks. These decisions include deals involving US companies and/or sensitive sectors (specifically, agricultural products, air cargo services and semiconductors), sending a positive signal and showing China is seeking to promote a business-friendly environment, despite recent geopolitical uncertainties. That said, companies with a potentially “sensitive” deal should be prepared for a protracted review process and the possibility of remedies being required.

Interestingly, one of the deals (*Synopsys/Ansys*) fell below the filing thresholds but was nonetheless “called in” and examined by SAMR. We also discuss two further cases involving global deals (*Qualcomm/Autotalks* and *Keysight/Spirent*) where SAMR also exercised this power. We expect this trend to continue, mirroring the approach of other competition authorities globally with similar powers.

In this article, we take a closer look at these decisions and highlight the key takeaways from them.

## **Bunge/Viterra - merger of two key agribusiness rivals**

As mentioned in our [previous competition and regulatory newsletter](#) dated 25 June 2025, SAMR **conditionally cleared** the acquisition of Viterra Ltd (Viterra) by Bunge Global (Bunge) on 12 June 2025 following a review period of more than 20 months.<sup>1</sup> SAMR exercised its “stop-the-clock” powers to halt its review for over 11 months, resuming again on 6 June 2025, less than a week before it eventually cleared the deal. This was one of the longest reviews since the “stop-the-clock” mechanism was introduced in 2022 and meant SAMR’s clearance came more than 10 months after that of the European Commission.

Both Viterra and Bunge are focussed on the processing and trading of agricultural products and have overlapping businesses in nine markets, including the markets for the trade of imported soybean, barley and rapeseed. SAMR noted that China relies heavily on these imports and, in particular, is the world’s largest importer of soybeans and barley. SAMR was concerned that the deal would increase the level of market concentration and Bunge’s capacity to store, process and transport these products, thus enhancing its ability to control the relevant import markets. In the case of soybeans, SAMR was concerned it could weaken customers’ bargaining power and further raise barriers to entry. In light of these factors, SAMR concluded that the deal could give rise to anti-competitive effects.

While the 2022 combined market shares were not especially high (combined shares of 20-25%, 35-40% and 30-35% for soybeans, barley and rapeseed respectively), SAMR intervened with tailored behavioural remedies to secure continued supply for Chinese customers. More specifically, SAMR imposed the following remedies for a duration of at least five years:

- (1) continuing supply to Chinese customers under existing contracts (unless the customer terminates or breaches the contract);
- (2) ensuring timely, stable, reliable, and sufficient supply of soybeans, barley and rapeseed to Chinese customers based on fair, reasonable, and non-discriminatory (FRAND) terms, and submitting quarterly sales reports to SAMR; and
- (3) promptly reporting to SAMR any global crop shortages, and using best endeavours to comply with the obligations set out in (2) in such circumstances.

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<sup>1</sup> Review times are calculated from date of initial submission.

After five years Bunge can apply to SAMR for approval to lift the conditions, which will otherwise remain in effect. The remedies package also contains two additional conditions, the details of which have not been made public.

### **ANA/Nippon Cargo - international air cargo merger**

On 30 June 2025, just two weeks after the clearance of *Bunge/Viterra*, ANA Holdings (ANA) received **conditional clearance** from SAMR to acquire Nippon Cargo Airlines (Nippon Cargo). The decision follows an even lengthier 22-month review process, with SAMR stopping the review for an extensive 17-month period from 4 January 2024 to 19 June 2025.

Similar to *Bunge/Viterra*, this transaction also involved the merger of two key competitors, in this case with a horizontal overlap in the market for international air cargo transport services on China-Japan and Japan-China routes. Post-transaction, the market share of the merged entity would reach 40-45% in both markets - around three times the share of its largest competitor. SAMR expressed concerns over this relatively high market concentration and high barriers to entry, which it addressed through the following remedies:

- (1) continuing to honour, or renewing on applicable market terms, existing agreements with other airlines for cargo ground handling services at Tokyo Narita and Osaka Kansai airports for flights between China and Japan, while also extending the same terms to new entrants; and
- (2) transferring up to seven pairs of ANA's cargo flight slots between Shanghai Pudong and Tokyo Narita airports to the first new airline entering the market if certain conditions are satisfied.

SAMR has set a strict deadline for ANA to identify and hand over the flight slots to a new airline within six months. If ANA fails to do so within this timeframe, the monitoring trustee will select a new airline to receive those flight slots instead. The deadline and the trustee mechanism both speak to SAMR's commitment to introduce at least one new competitor into the market and reflect its active control over ANA's market power in the heavily trafficked and strategically important China-Japan cargo corridor.

Prolonged merger reviews in the airline sector are not uncommon, particularly in cases involving significant market overlaps. The 22-month review of *ANA/Nippon Cargo* marks the second-longest merger review in SAMR's history, narrowly behind its 23-month review of Korean Air's acquisition of Asiana Airlines, which concluded in December 2022. Both cases involved horizontal overlaps on key international routes and raised concerns regarding market concentration and barriers to entry. In *Korean Air/Asiana*, SAMR imposed a comprehensive set of remedies, such as the transfer of airport slots and partial traffic rights on specific China-South Korea routes to accommodate new market entrants. These examples show SAMR's rigorous scrutiny of airline mergers and its willingness to impose remedies to preserve competition in strategically important air transport routes.

### **Synopsys/Ansys - Below threshold merger in semiconductor manufacturing cleared in the midst of geopolitical tensions**

After another two weeks, SAMR granted the third **conditional clearance** in a row on 14 July 2025, concluding a year-long review process into the acquisition of Ansys Inc (Ansys) by Synopsys Inc (Synopsys). Unlike the two cases above, this case did not meet China's merger notification thresholds, but was "called in" and examined by SAMR, showing that SAMR is actively monitoring deals in certain sensitive sectors.

Both Ansys and Synopsys are software developers and produce a range of software, including software which forms part of the semiconductor chip manufacturing process. SAMR found that the deal could harm competition in the markets for optical software, photonics software, certain electronic design automation (EDA) software and semiconductor functional module IP.

To address these issues, SAMR approved the deal subject to a number of behavioural conditions for at least ten years, together with two structural remedies. The conditions included:

- (1) divesting Synopsys' entire optical and photonic device simulation business;
- (2) divesting Ansys' power analysis software business;
- (3) continuing to honour all existing customer contracts and continuing to supply EDA products to Chinese customers based on FRAND terms;

- (4) not engaging in tying and bundling of relevant products of the two companies by any means;
- (5) continuing to support industry-standard formats currently supported by relevant EDA products of the two companies;
- (6) maintaining and, upon request renewing, existing interoperability agreements for relevant products; and
- (7) entering into interoperability agreements with third-party EDA providers.

The structural remedies are in line with those in EU and UK, and - given the sensitivity and importance of this sector to Chinese companies - it is perhaps unsurprising that SAMR has required additional behavioural remedies to ensure the parties continue to supply to Chinese customers. Further, similar to *Bunge/Viterra*, one of the remedies was redacted in its entirety.

Generally speaking, clearance of this deal is encouraging. Despite the fact that this case ticked almost all of the boxes in terms of risk factors - two US companies, a very sensitive and critical (semiconductor) sector, in the midst of the current geopolitical uncertainties - SAMR cleared the transaction well before the transaction's ultimate long stop date of 15 January 2026.

SAMR is also understood to have "called in" other below-threshold transactions in technology-related sectors, including *Keysight/Spirent* (which is still under review) and *Qualcomm/Autotalks*. The latter is particularly noteworthy, as the original deal (announced in May 2023) was abandoned following competition concerns, but a significantly downsized and restructured transaction was completed in June 2025 without a SAMR notification. We expect SAMR will continue to exercise its power to "call in" transactions, which mirrors the approach of other competition authorities globally with similar powers.

The table below provides a summary of the key details and remedies imposed by SAMR in each of the three conditional clearance decisions.

|  | <i>Bunge/Viterra</i> | <i>ANA/Nippon Cargo</i> | <i>Synopsys/Ansys</i>   |
|--|----------------------|-------------------------|---|
| <b>Parties' Characteristics</b>                  |                      |                         |   |
| <b>Industry</b>                                  | Agriculture          | Air cargo transport     | Semiconductor design and engineering simulation software      |
| <b>Thresholds met?</b>                           | Yes                  | Yes                     | No  |
| <b>Combined market share in relevant markets</b> | 35% or below         | 40-45%                  | Up to 70% - 75%   |
| <b>Parties' places of headquarters</b>           | US/Netherlands       | Japan/Japan             | US/US   |
| <b>SAMR's Review Process</b>                     |                      |                         |   |
| <b>Review period</b>                             | 20 months 5 days     | 22 months               | 12 months 4 days  |
| <b>Remedies imposed</b>                          | Behavioural          | Behavioural             | Structural (in line with other jurisdictions) and behavioural |

### Key takeaways

The recent trio of conditional clearances issued by SAMR, following a year-long pause, reflects a more pragmatic and globally engaged stance in China's merger control landscape:

- **SAMR's willingness to approve high-stakes, geopolitically sensitive transactions** is demonstrated by these clearances, though the reviews were long and thorough and robust remedies were ultimately imposed.
- **The active use of the "stop-the-clock" mechanism** (introduced by the 2022 Anti-Monopoly Law) across all three cases underscores SAMR's commitment to conducting thorough and flexible reviews, particularly in transactions involving remedy negotiations or sensitive sectors such as agriculture, air cargo and semiconductors.
- **Two of the three decisions included confidential conditions**, suggesting that SAMR may be adopting more nuanced and commercially sensitive approaches in certain cases.

Taken together, these decisions suggest that SAMR is becoming more commercially responsive and willing to support international transactions, while continuing to exercise close oversight in strategically important sectors.

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