China summons internet firms to warn over unfair competition

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Those summoned included messaging and gaming giant Tencent and TikTok parent ByteDance

Financial regulators in China summoned 13 internet companies on Thursday to call for changes to their fintech operations, the central bank said in a notice, as Beijing ramps up scrutiny on monopolistic practices in the country's tech industry.

Regulators have been taking China's tech firms to task to curtail the reach of private companies into the public's daily finances, with 34 major companies already warned earlier this month to abide by anti-competition guidelines.

That group, which included Chinese search engine Baidu and gaming giant Tencent, was told to heed the case of Alibaba, after the e-commerce giant was hit with a record $2.78 billion fine by China's market watchdog for abusing its dominant market position.

Those summoned by financial regulators on Thursday again included Tencent and TikTok parent ByteDance, according to a notice on the Chinese central bank's website.

Others in the meeting included financial businesses affiliated with major brands such as e-commerce giant JD.com, food delivery platform Meituan, ride-hailing company Didi and travel platform CTrip.

The financial regulators present included the People's Bank of China, which is the country's central bank, as well as the country's banking and insurance regulator.

Although internet platform companies "played an important role in improving the efficiency of financial services", the notice said, regulators cautioned of problems that needed to be fixed.

For example, some businesses engage in "unfair competition", go beyond their scope of their licence or have poor corporate governance.

Influential businesses such as those summoned are to "take the lead" in correcting their practices, while companies are to conduct "self-examination" in line with the law, the notice said.

It added that "improper connections between payment tools and other financial products should be broken", and so should any "information monopoly".

Fintech firm Ant Group, an Alibaba affiliate whose planned record-shattering $35 billion Hong Kong-Shanghai IPO was shelved late last year, also said this month it would comply with an overhaul outlined by regulators.

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