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For Immediate Release

Competition Commission Publishes Practical Compliance Toolkit for SMEs

The Competition Commission (Commission) today (2 November) published in Chinese and English a practical toolkit - “How to comply with the Competition Ordinance” to assist businesses, especially small and medium enterprises (SMEs), review their business practices and develop a compliance strategy that best suits their needs before the full implementation of the Competition Ordinance (Ordinance) scheduled for 14 December* this year.

Compliance can be distilled into three basic steps: *Identify Risks*, *Mitigate Risks* and *Regular Review*. The toolkit features useful checklists for identifying and classifying potential risks in the course of dealing with competitors, suppliers and customers, as well as practical measures to consider in formulating a tailor-made compliance strategy for businesses of different natures and sizes. There is also a simple quiz so businesses can test their knowledge of competition law which is fundamental to setting up an effective compliance strategy.

Dr. Stanley Wong, Chief Executive Officer of the Commission, said, “Compliance is not necessarily costly and complicated. The key to successful competition compliance is to understand the risks your business is exposed to, manage those risks, and ensure that all your staff is mindful of the need of compliance.”

“There is no one-size-fits-all solution to formulating a compliance strategy. Businesses are advised to develop and implement a strategy suitable for their size and risk profile. Enterprises are also encouraged to keep a record of what has been done to mitigate potential competition law risks for their businesses.”

“SMEs constitute over 98% of Hong Kong’s businesses and they have been a major focus of our advocacy and engagement plan. The toolkit published today is part of the Commission’s ongoing programme to assist businesses to comply with the new law.” he added.

Since mid-2014, the Commission has conducted over 180 briefings and meetings with the representatives of SMEs, major chambers, industry associations and professional bodies. Seven over-subscribed seminars for SMEs and the public were organised and a brochure was published to assist SMEs in understanding their rights and obligations under the Ordinance.

* A Commencement Notice was gazetted by the government in July 2015 to appoint 14 December 2015 as the commencement date for the Competition Ordinance (Cap. 619) to come into full effect.

Towards the full implementation of the Ordinance, the Commission will participate in events targeting businesses, especially SMEs, organised by other public organisations, including the World SME Expo to be held from 3-5 December 2015. Businesses are also encouraged to approach their trade/industry associations, which the Commission has been closely working with, for advice and assistance. The Commission will continue to conduct free seminars regularly and release operational documents including a leniency policy and a statement of the Commission's enforcement priorities to further assist businesses in understanding and complying with the Ordinance.

The toolkit in both Chinese and English is now available on the Commission's website (www.compcomm.hk) for free download. Limited printed copies are also available upon request at the Commission's office. The printed and electronic copies of the toolkit will also be distributed through the network of related government departments, public organisations, major chambers and trade associations.

NOTES FOR THE EDITOR

The Commission is an independent statutory body established to enforce the Competition Ordinance (Cap. 619), which was enacted in June 2012. The objective of the Ordinance is to prohibit conduct that prevents, restricts or distorts competition and mergers that substantially lessen competition in Hong Kong. At the present time, the Merger Rule applies only to a merger involving an undertaking that directly or indirectly holds a carrier licence issued under the Telecommunications Ordinance (Cap. 106).