

29 August 2024

For Immediate Release

**Competition Commission issues statement on  
first criminal case relating to non-compliance with its investigation powers**

In response to the first criminal prosecution for non-compliance with its investigation powers, the Competition Commission (Commission) has issued the following statement:

In the investigation of a suspected price-fixing cartel among cleaning service companies<sup>1</sup>, the Commission executed search warrants at the offices of the companies involved. During the course of the operation, an individual had tried to delete documents and information that are relevant to the Commission's investigation from a number of computers. The Commission has subsequently referred the case to the Police for criminal investigation.

The case was brought for plea at the West Kowloon Magistrates' Courts today. The individual involved was charged with one count of disposal and concealment of documents, in contravention of Section 53 (1)(a) of the Competition Ordinance (Ordinance). Under Section 53 of the Ordinance, any person, having been required to produce a document under the Commission's investigation powers, destroys, falsifies or conceals such document, shall be liable to a fine of up to HK\$1,000,000 and to imprisonment for up to 2 years on conviction.

The investigation powers conferred by the Ordinance on the Commission include requiring any person under investigation to produce documents or information and to attend before the Commission to provide relevant information, as well as entering and searching relevant premises pursuant to a court warrant<sup>2</sup>. This marks the first case in which a person is subject to criminal prosecution for non-compliance with the Commission's investigation powers.

Apart from Section 53, the Ordinance also stipulates that any person providing false or misleading information or obstructing the Commission's search pursuant to a warrant is also liable to a fine of up to HK\$1,000,000 and to imprisonment for up to 2 years. Additionally, a person who refuses to provide the Commission with the documents and information so required without reasonable excuse, or fails to attend before the Commission without reasonable grounds, may be liable to a fine of up to HK\$200,000 and to imprisonment for up to 1 year. Whoever instructs or assists anyone to obstruct the Commission's investigation is also subject to criminal sanctions.

The Commission would like to reiterate that no one should obstruct the Commission from exercising its investigation powers. Notwithstanding any challenges, the Commission will remain steadfast in its commitment to performing its functions, investigate possible

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<sup>1</sup> See the Commission's [Press Release](#) dated 14 December 2021.

<sup>2</sup> The Commission's investigation powers include: (a) under Section 41 of the Ordinance, the Commission may by notice in writing require a person to produce documents or information concerning an investigation; (b) under Section 42 of the Ordinance, the Commission may by notice in writing require a person to attend before the Commission at a specified time and place; and (c) under Section 48 of the Ordinance, the Commission may apply to a judge of the Court of First Instance for a warrant to enter and search specified premises for evidence.

contraventions of the Ordinance and adopt appropriate follow up actions where contraventions have been identified.

The Commission is grateful to the Police for their proactive assistance on this case.

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