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For Immediate Release

Competition Commission publishes a paper “Getting Prepared for the Full Implementation of the Competition Ordinance”

The Competition Commission (the Commission) today (26 May) published a document titled “Getting Prepared for the Full Implementation of the Competition Ordinance” which will serve to collect views from businesses and consumers in Hong Kong. The publication marks one of the steps towards the preparation of draft guidelines to be released for broader consultation later this year.

Under the Competition Ordinance (the Ordinance), the Commission is tasked to develop guidelines to inform stakeholders how it expects to interpret the Ordinance and to outline its processes for considering applications, dealing with complaints and conducting investigations.

The introduction of the Ordinance to Hong Kong is a critical step to safeguard and enhance a competitive environment which ensures consumers have access to more choices of goods and services at competitive prices. Competitive markets also provide opportunities for existing and new business, especially the smaller ones, to expand and enter into the market. Competition drives more efficient business practices and innovation, and directs enterprises to meet consumer demands by providing the right products at the right price and quality.

Anna Wu Hung-yuk, Chairperson of the Commission, said, “With the aid of the document, the Commission will be reaching out to the businesses and general public to explain the role of the Commission, advocate the benefits of the Ordinance and explain the key elements of and remedies available under the Ordinance. The engagement exercise will also provide a good opportunity for a direct dialogue with our stakeholders to understand their expectation on our work. We also expect to learn more about current trade practices conducted by various sectors, which is important to ensure our guidelines being developed will best suit the need of the stakeholders in future.”

Rose Webb, Senior Executive Director of the Commission, said, “We will conduct meetings and seminars with businesses to explain the Ordinance to assist their early preparation for compliance with the law. Businesses are encouraged to get started by conducting self-assessments of their business practices, conduct and agreements. We are planning advocacy activities, development of risk assessment tools and compliance programmes to enable businesses to make themselves ready, willing and able to comply with the Ordinance.”

From now to July, the Commission will be providing information through the Commission website (www.compcomm.hk) and approaching major stakeholder groups to solicit their views and expectations on the guidelines. A wider consultation will follow from September welcoming all interested parties to express their views on the draft guidelines. The Legislative Council will also be consulted which is a step required by the Ordinance.

The guidelines, though not part of the legislation, will provide clear guidance to the enterprises about how the Commission will enforce the law. The Ordinance requires guidelines on how the Commission will interpret and give effect to the Competition Rules (The First and Second Conduct Rules and the Merger Rule), set out how the applications for decision or block exemption order will be handled, indicate how complaints may be made and outline the procedures for deciding whether or not and how to conduct an investigation.

About Competition Commission

The Competition Commission is an independent statutory body established under the Competition Ordinance (Cap. 619) (CO) which was enacted in June 2012. The objective of the CO is to prohibit conduct that prevents, restricts or distorts competition, and to prohibit mergers that substantially lessen competition in Hong Kong. The scope of the application of the merger rule is limited to carrier licences issued under the Telecommunications Ordinance (Cap. 106).