



# SUMMARY OF ANNUAL REPORT 2021/2022

## Enforcement

### Investigations

The Competition Commission conducts investigations into possible contraventions of the Competition Ordinance and adopts appropriate enforcement outcomes where contraventions have been identified. Investigations may be initiated following complaints, referrals from the Government or other public authorities, or of the Commission's own volition.

During the year, the Commission received and processed **235** complaints. A total of **17** cases<sup>1</sup> which warrant further assessment were escalated to the Initial Assessment phase. Where the Commission has reasonable cause to suspect a contravention of a conduct rule, it will proceed to the Investigation Phase. During the period, the Commission has commenced investigation in **6** cases.

**Figure 1: Complaints – nature of alleged conduct<sup>2</sup>**

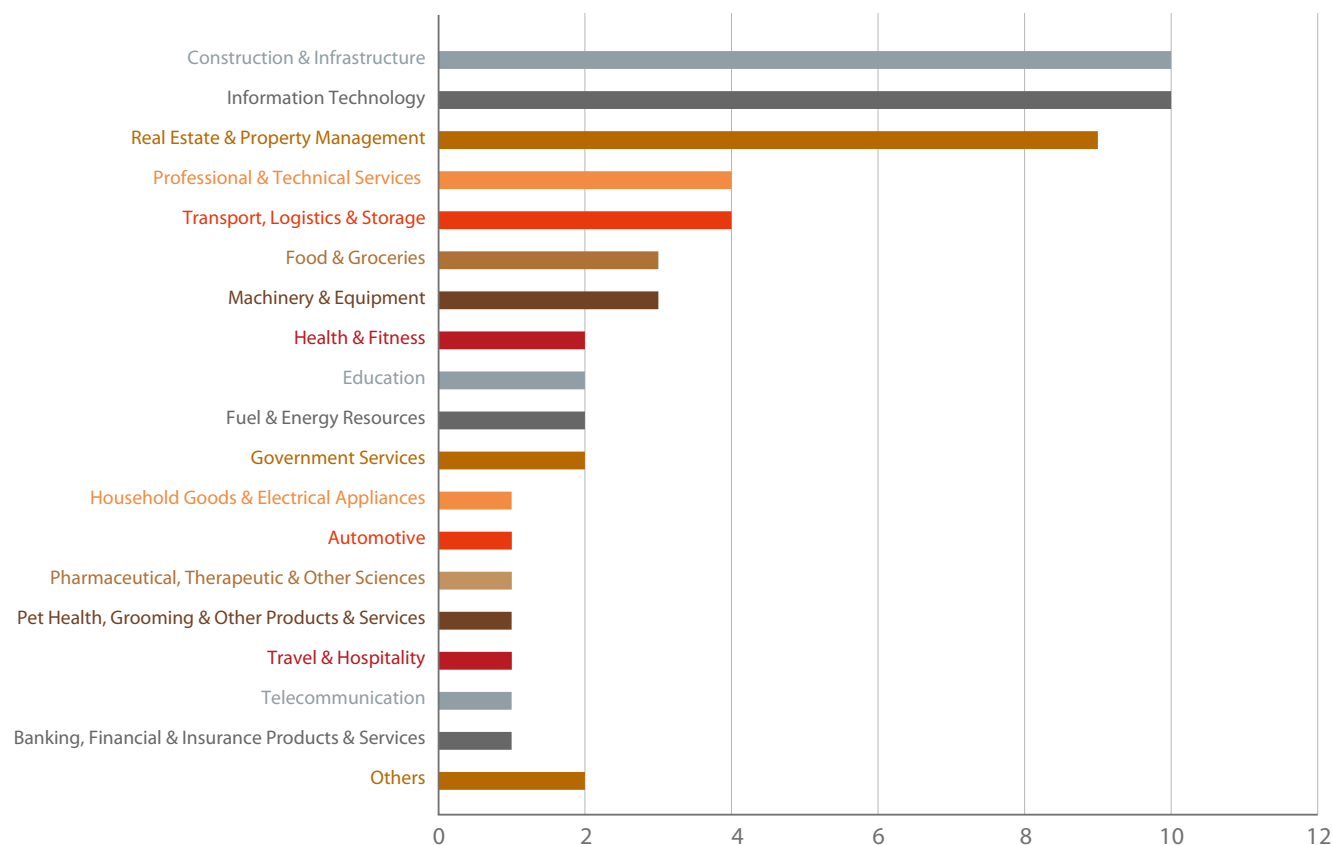
#### Complaints (1 April 2021 to 31 March 2022)

First Conduct Rule		Second Conduct Rule	
Cartel Conduct	62	Exclusive Dealing	22
Exclusive Dealing	10	Refusal to Deal	14
Resale Price Maintenance	6	Tying and Bundling	12
Exchange of Information	3	Predation	7
Others	8	Others	12
Others			
General State of Competition	44	Not related to a Conduct Rule	90

<sup>1</sup> Including cases arising from complaints and other sources.

<sup>2</sup> Each complaint may involve allegations of multiple types of anti-competitive conduct.




**Figure 2: Sectors involved in Ongoing Initial Assessment and Investigation cases (1 April 2021 to 31 March 2022)<sup>3</sup>**



<sup>3</sup> Each case may involve multiple industry sectors.

## Cases filed with Competition Tribunal

The Commission filed **3** new cartel cases with the Competition Tribunal during the year:

 <p><b>1</b></p>	 <p><b>2</b></p>	 <p><b>3</b></p>
<p><b><i>Competition Commission v. Quadient Technologies Hong Kong Limited &amp; Others</i></b></p> <p>a price fixing, market sharing, and bid-rigging case regarding the sale of mail inserters<sup>4</sup></p>	<p><b><i>Competition Commission v. Hong Kong Commercial Cleaning Services Limited and Others</i></b></p> <p>on alleged price fixing cartel conduct regarding cleaning services tenders for public housing estates and other buildings managed by the Hong Kong Housing Authority</p>	<p><b><i>Competition Commission v. Gray Line Tours of Hong Kong Limited &amp; Others</i></b></p> <p>on alleged price fixing cartel conduct regarding the sale of tourist attractions and transportation tickets at hotels in Hong Kong</p>

<sup>4</sup> Mail inserters are machines that insert letters and other correspondence into envelopes for mass mailing.

## Other enforcement highlights



Conducted **first joint operation** with **the Police** regarding a suspected cartel and related criminal activities in a building maintenance project tender exercise

**Openly invited information** from the public for two investigations concerning online food delivery platforms and passenger car repair market

Published an **Advisory Bulletin** on the potential competition risks relating to membership admission rules of trade, sporting, professional and industry associations



Published a **Policy on Commitments** under section 60 of the Competition Ordinance to provide guidance and encourage businesses to make commitment offers where appropriate

## Advisory

During the past year, the Commission provided competition-related advice to the Government and public bodies on dozens of public policies and initiatives, including:



issues that are closely related to **people's livelihood**, such as the auction of wet market stalls, the fresh food supply chain, and the mechanism by which designated waste bags are to be distributed



issues related to the **general business environment**, which include airlines' right to operate, fees charged under the uncertificated securities market regime, and the taxi insurance market



**public initiatives** that may raise considerable potential competition concerns, such as the granting of new bus franchises to incumbent operators

The Commission also strives to proactively provide policymakers with knowledge and tools to enhance their abilities in conducting competition impact assessment during policy formulation process. Highlights are:

Worked with the Civil Service Bureau to provide in-person training to over 80 administrative officers recruited in recent years

Conducted webinars introducing the key aspects of the Ordinance for staff members of statutory bodies and public organisations

# Advocacy

Helping the general public and businesses understand the key elements of the Ordinance and the need for compliance is a key aspect of the Commission's work.

Despite the pandemic, the Commission continued to organise engagement events targeting different stakeholders in either physical or online format. It also carried on its momentum to roll out campaigns and initiatives in raising public awareness and fostering a pro-competitive culture across the community.

## Engagement events

### Engagement Facts and Figures (As at 31 March 2022)

40 briefings / meetings

6 major webinars

1 online training series

5,400\*

representatives of major chambers of commerce, industry associations, businesses including SMEs, public sector, students and members of the public reached

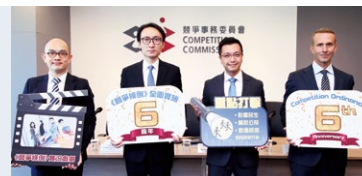
\* The figure includes participants of both physical and online events.

## Key campaigns and publicity initiatives during the year



Co-organised with Faculty of Law of the Chinese University of Hong Kong the first **Autumn Academy** on Competition Law and Policy for some 600 lawyers, compliance practitioners and businesses

Rolled out a campaign on the impact of the competition regime in Hong Kong to mark the **6<sup>th</sup> anniversary** of full commencement of the Competition Ordinance



Launched a **publicity campaign** riding on the **Tokyo Olympic Games** to promote fair competition and encourage reporting of anti-competitive conduct to the Commission

Concluded the **"Post to Compete"** Social Media Advocacy Contest for tertiary students with an award ceremony



Strengthened the use of **social media** with around 170 feeds about competition law and the Commission's work posted on its online platforms

## COMPETITION COMMISSION

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