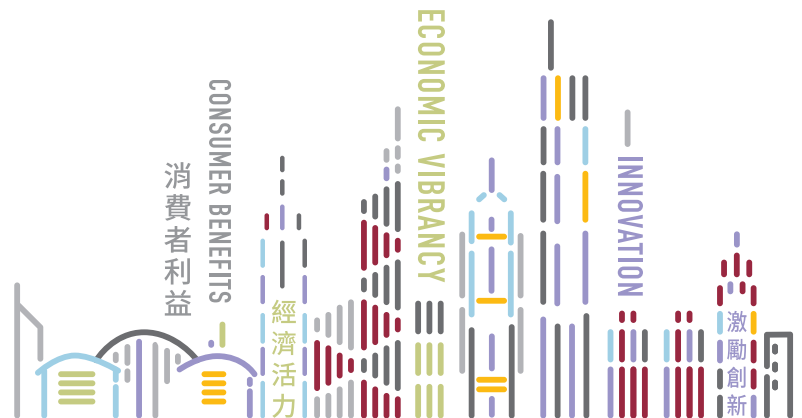


SUMMARY OF ANNUAL REPORT 2022/2023



Enforcement

Investigations

The Competition Commission conducts investigations into possible contraventions of the Competition Ordinance (Ordinance) and adopts appropriate enforcement outcomes where contraventions have been identified. Investigations may be initiated following complaints from businesses and individuals, or of the Commission’s own volition based on information from other sources such as the Commission’s own research, market intelligence gathered, or referrals from the Government or other public authorities.

During the year, the Commission received and processed **261** complaints. A total of **10** cases¹ 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 **5** cases.

Figure 1: Complaints – nature of alleged conduct²

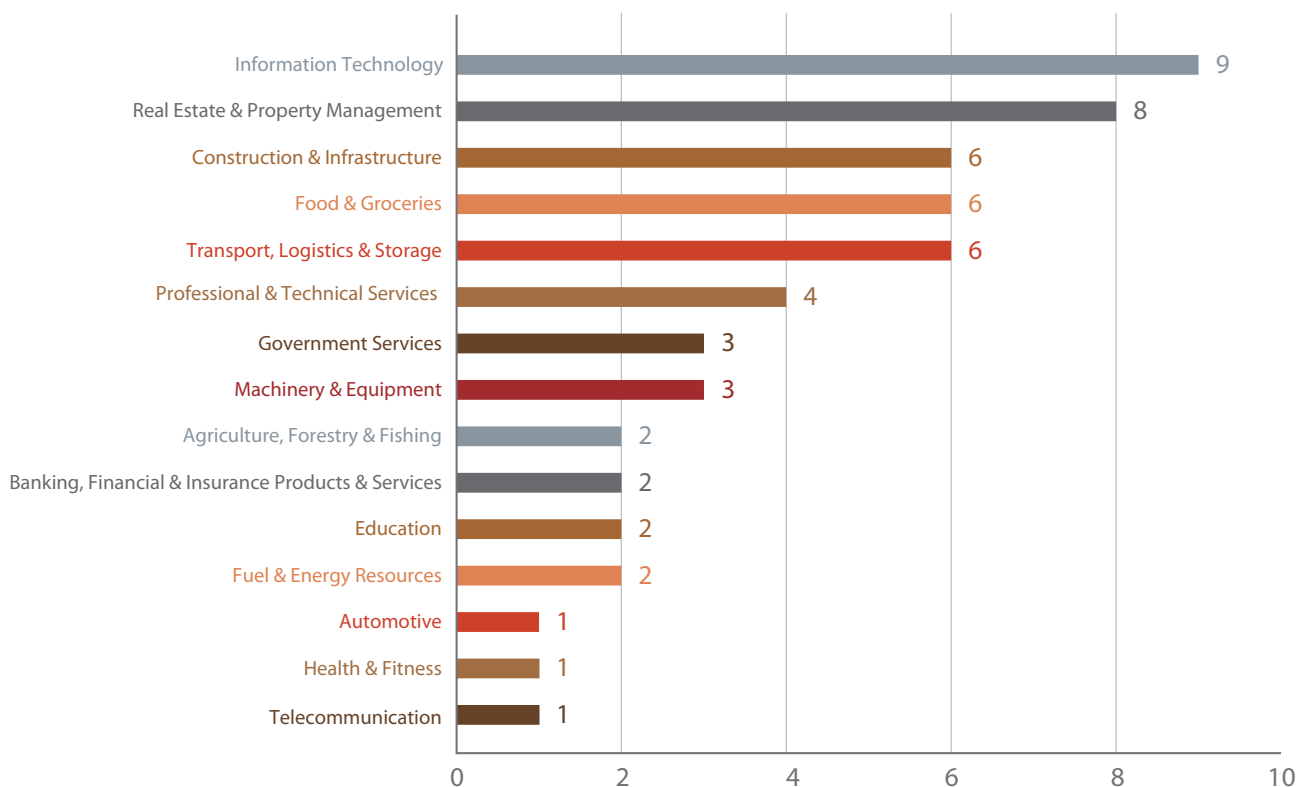
Complaints (1 April 2022 to 31 March 2023)

First Conduct Rule		Second Conduct Rule	
Cartel Conduct	87	Exclusive Dealing	17
Exclusive Dealing	10	Tying and Bundling	13
Tying and Bundling	10	Refusal to Deal	7
Resale Price Maintenance	8	Predation	3
Exchange of Information	8	Resale Price Maintenance	3
Others	15	Others	9
Others			
General State of Competition	47	Not related to a Conduct Rule	117

¹ Including cases arising from complaints and other sources.

² 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 2022 to 31 March 2023)³



³ Each case may involve multiple industry sectors.

Cases filed in Competition Tribunal

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

 1	 2	 3
<p><i>Competition Commission v ATAL Building Services Engineering Ltd and Others</i></p>	<p><i>Competition Commission v The Tien Chu (Hong Kong) Co Ltd</i></p>	<p><i>Competition Commission v Multisoft Ltd and Others</i></p>
<p>A bid-rigging, price fixing and market sharing case regarding the supply of air-conditioning works in Hong Kong</p>	<p>Hong Kong's first resale price maintenance case against an undertaking for imposing minimum resale prices on its two main local distributors in the sale of its monosodium glutamate (MSG) powder product</p>	<p>First cartel case involving the abuse of a government subsidy scheme, whereby respondents allegedly rigged the quotations for IT solutions they provided in applications for the Distance Business Programme</p>

Other enforcement highlights



Participated in a **joint operation** at the Aberdeen Wholesale Fish Market organised by the Hong Kong Police Force, and subsequently initiated an investigation into suspected anti-competitive conduct at the Market

Accepted commitments offered by seven car distributors, resulting in the complete removal of car warranty restrictions previously imposed on car owners of 17 passenger car brands

Entered into **cooperation agreements** with several respondents in cases relating to air-conditioning works, whereby the respondents agreed to admit liability and accepted terms including a proposed pecuniary penalty of HK\$150 million on a respondent company

Published three **policy and advisory** documents, including an advisory bulletin on employers' joint negotiations with employee bodies, a revised leniency policy for individuals, and a revised set of Non-collusion Clauses for procurement



Advisory

The Commission advises the Government on competition matters in Hong Kong and outside Hong Kong. Major initiatives in the past year included:



Provided competition-related advice to the Government and public bodies on more than 20 public policies and initiatives, including Taxi Fleet Management Regime, appliance labelling scheme and sports clubs' member admission



Conducted training on competition law and policy for over 120 Senior Administrative Officers and Senior Executive Officers, with a focus on public procurement and bid-rigging

International and Mainland Liaison

The Commission continued to foster strong ties with Mainland and overseas counterparts.

Received a delegation led by the Guangdong Administration for Market Regulation executives, during which possible areas of collaboration within the Guangdong-Hong Kong-Macao Greater Bay Area were explored



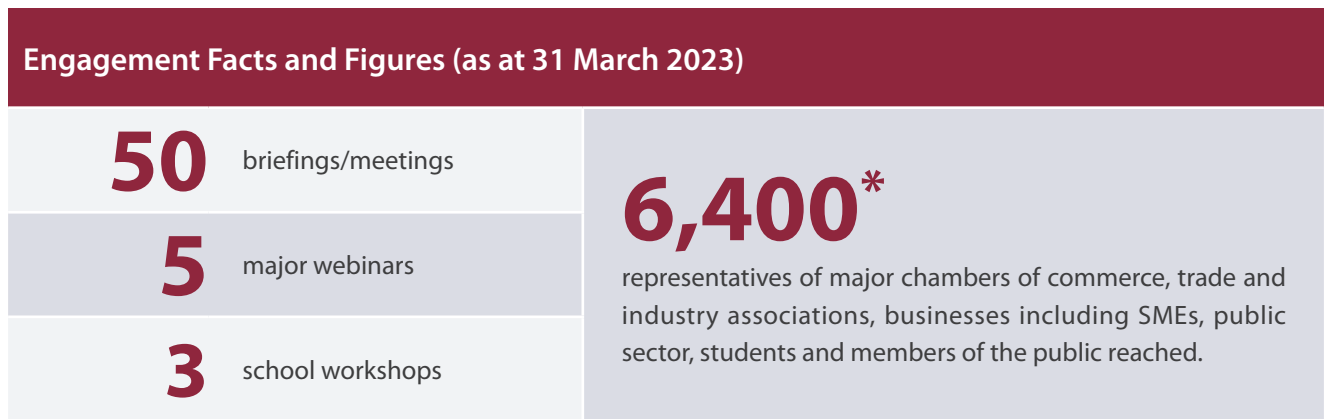
Resumed in-person attendance at international conferences, with fruitful exchanges on the latest development in competition law and policy

As the Co-chair of the International Competition Network (ICN) Advocacy Working Group, organised panel discussions in the Annual Conference of the ICN

Advocacy

As the local epidemic situation continued to subside, the Commission strengthened efforts during the year to help businesses and different stakeholders understand the key elements of the Ordinance and the need for compliance through events in either physical or online format. The Commission also broke new ground in its efforts to promote a pro-competition culture across the community through campaigns and various initiatives.

Engagement events



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

Key campaigns and publicity initiatives



Launched Hong Kong's first-ever docudrama on competition law cases, **COMPETE: Cartel Hunters**

Organised a webinar on **Mainland's Anti-Monopoly Law** which attracted an audience of over 350 lawyers, business representatives, academics and those from the public sector



Rolled out a tailor-made educational programme "**Cartel Hunters – Learn more about the Competition Ordinance**" for secondary schools to introduce the Competition Ordinance to their upper form students

Strengthened the use of **social media** with around 180 feeds about competition law and the Commission's work posted on its online platforms



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