

Initiatives to enhance competition in the fuel market

The Government promotes competition in the fuel market mainly by maintaining an open market and removing barriers, so that prospective operators can enter the market freely, thereby enhancing economic efficiency. To promote competition in the fuel market, the Administration has introduced a number of positive measures -

- (1) waiving, as from July 2000, the requirement that a tenderer bidding for petrol filling stations (PFS) sites must hold a Special Import Licence or a fuel supply contract;
- (2) putting up for open tender existing PFS upon expiry of their leases;
- (3) publicising the fact that the Government is willing to consider applications for combined development of PFS with other retail uses and for modifying land use for the development of PFS;
- (4) continuing to identify suitable sites for PFS; and
- (5) specifying in new land leases that operators are required to put up oil price information boards, to enhance transparency of competition on oil prices.

The above measures are already in place and will continue to be implemented.