

Revised proposed scope of the research

Competition policy in selected jurisdictions

1. Background

1.1 At the meeting of the Panel on Economic Development held on 16 November 2009, the Research and Library Services Division (RLSD) presented the proposed research outline on competition policy in selected countries, which would cover the United States (US), the United Kingdom (UK) and Singapore in the study. During the discussion, the Panel requested RLSD to cover the European Union (EU) and adjust the scope of the research incorporating Members' suggestions in the detailed study. As the widened scope of the proposed research undertaken covers a larger number of various aspects of the competition policy in these four jurisdictions, RLSD requires more time to compile the report. In this connection, RLSD proposes to split the research into two phases. The first phase will examine the framework of competition policy and the second phase will focus on the implementation of competition policy in the selected places.

2. Proposed scope of the research related to the framework of competition policy

2.1 The research covers the following aspects:

- (a) background leading to the introduction of the competition legislation and problems it aims to deal with;
- (b) public views about the objectives of the competition law and any misunderstanding revealed;
- (c) problems encountered during enforcement and legislative amendments and reviews of the effectiveness of the law;
- (d) existing practices of the government hindering the development of a free market and culminate an anti-competitive effect, if any;
- (e) concerns of the public and small and medium enterprises when dealing with accused anti-competitive conduct; and

- (f) institutional arrangement for enforcing the competition legislation, covering missions, functions and duties, organization structure, appointment, funding and accountability arrangements.

2.2 RLSD proposes to complete the first phase of the research by February 2010.

3. Proposed scope of the research related to the implementation of competition policy

- (a) types of conduct that are considered as anti-competitive acts;
- (b) exemptions and exclusions of anti-competitive acts, and their grounds;
- (c) exemptions of anti-competitive acts on certain bodies such as non-government public bodies, and their grounds;
- (d) types of offences – civil and/or criminal – held for infringement of the conduct rules;
- (e) procedures of initiating action against anti-competitive practices and appeal;
- (f) enforcement mechanism and penalties; and
- (g) price-fixing issues in selected sectors relevant to the Hong Kong economy and ways of dealing with such issues.

3.1 RLSD proposes to complete the second phase of the research by May 2010.