



MEDIA RELEASE TO CHECK AGAINST DELIVERY OF SPEECHES

27 April 2016

MINISTER LIM HNG KIANG: COMPETITION POLICY AND LAW PROMOTES CLOSER ECONOMIC INTEGRATION WITHIN ASEAN

1. The Competition Commission of Singapore (CCS) is hosting the International Competition Network's (ICN) Annual Conference 2016 from 27 to 29 April 2016. The ICN Annual Conference is a key forum for strategic discussions and networking among competition authorities from around the world.

2. The ICN¹ is the only international body devoted exclusively to competition law enforcement and policy. Its members include competition authorities from around the world. With an increasing number of investigations that involve cross-border effects and concurrent reviews by multiple agencies, the ICN helps to facilitate cooperation and convergence among its members.

3. From 27 to 29 April, some 450 delegates, including senior government officials from around the world, including ASEAN and other established jurisdictions, as well as non-governmental advisors (NGAs) who represent business and consumer groups, academia and the legal and economic professions, will convene in Singapore for the Conference.

4. This is the first time the ICN Annual Conference is hosted in Southeast Asia. It takes place against the backdrop of exciting competition law developments in the region over the past few years. Under the ASEAN Economic Community (AEC)² Blueprint 2015, 9 out of 10 ASEAN member states (AMS) have enacted competition legislation. Building on this blueprint, AMS will continue to deepen and strengthen the capacities and competencies of their competition authorities under AEC 2025.

5. Mr. Lim Hng Kiang, Minister for Trade and Industry (Trade), made the opening address at the Conference, highlighting "competition policy and law as a key enabler for economic growth". Competition encourages businesses to become more efficient,

¹ It was established in October 2001 and has grown from less than 20 competition authorities to more than 120 today, spanning more than 110 jurisdictions.

² The AEC aims to remove economic barriers to facilitate free flow of trade and investments in the region to pave the way for ASEAN to achieve its economic and development goals. It also strives to transform ASEAN into a competitive regional market with free flow of goods, services, investment, skilled labour and freer flow of capital. This allows ASEAN companies to extend their businesses beyond national boundaries to take advantage of aggregated demand within ASEAN.

productive and innovative, giving them an edge over their competitors in the market and ensures that markets are open to new entrants so that all businesses can compete on a level playing field. Consumers consequently benefit from better prices and product/service offerings.

6. Mr. Lim also pointed out that consistent rules and enforcement among AMS when dealing with the fast developing sectors in ASEAN will increase certainty for businesses across ASEAN. For example, in the field of e-commerce, online retail spending within ASEAN is expected to grow by 25 per cent annually.³

7. With regard to the harmonisation of competition policies and laws among AMS, CCS will contribute towards the goal of alignment of competition policy and law among AMS by leading efforts to develop an ASEAN Competition Policy and Law (CPL) Programme. The CPL Programme will promote closer collaboration and relationships amongst businesses, competition authorities as well as relevant government agencies in ASEAN, to help foster a culture of fair competition and create a level playing field for all businesses. (see *Annex A for Factsheet on the CPL Programme*)

8. Competition advocacy plays a particularly integral role in creating a competitive, innovative and dynamic ASEAN. Raising awareness of competition law and policy in jurisdictions where it is a new concept can be a considerable challenge that ASEAN must overcome to realise the full benefits of having a competitive single ASEAN market. In this regard, CCS led in the development of a regional toolkit to guide AMS in carrying out advocacy initiatives to various stakeholders. CCS also led the revamp of the ASEAN Experts Group on Competition (AEGC) web portal⁴ with, the aim of building greater public awareness on competition policy in the region and promoting competition law compliance. The regional advocacy toolkit and revamped web portal are completed and launched at the Conference. (see *Annex B for Factsheet on AEGC*)

9. One of the themes for this year's Conference is on disruptive innovations. The advent of the internet and digital platforms has catalysed the growth of disruptive firms and their innovative offerings to businesses and consumers. More people are purchasing products and services online, putting pressure on traditional "brick and mortar" setups. For instance, the global average of online sales as a proportion of total retail sales in 2014 was slightly under 6 per cent and online sales in more mature e-Commerce markets like China and the United States of America account for 10 per cent and 6.5 per cent of total retail sales respectively. In this connection, CCS will be leading a special project on disruptive innovations and sharing a comprehensive report on its findings of how the ICN members have successfully

³ AT Kearney and CIMB ASEAN research institute (2015), *Lifting the Barriers to e-Commerce in ASEAN*.

⁴ <http://www.asean-competition.org/>

advocated competition considerations to government agencies to allow for more vibrant and dynamic markets.

10. CCS Chairman, Mr. Aubeck Kam highlighted in his welcome remarks the challenges faced by regulators in the growth of disruptive firms and their innovative offerings to businesses and consumers. He said that regulators face the dual challenge of regulating not only in the public interest but also to ensure that the business environment is not rendered unnecessarily restrictive. In this regard, competition authorities can play an important and constructive role, by advocating that competition is also an important policy goal and should not be ignored by industry regulators. For example, in respect of third-party taxi booking mobile applications in Singapore, CCS worked closely with the Land Transport Authority (LTA) to ensure that we take a balanced approach towards embracing disruptive innovations and having the necessary regulations in place so that competition ultimately benefits commuters and the taxi industry as a whole.

11. The Conference also included a special plenary on “building economic communities with competition policy”. Johannes Laitenberger, Director General, DG Competition of European Commission and Ambassador Ong Keng Yong, Ministry of Foreign Affairs spoke at this plenary session.

12. In his presentation, Ambassador Ong said that ASEAN’s millennials were changing markets and consumption in ASEAN as they are better educated, have higher spending power and are technologically savvy. ASEAN millennials look for brands that resonate with them and welcome competition and choice. ASEAN policy makers should therefore seize the opportunity presented by the ASEAN Economic Community and develop and enforce competition policy which promotes lower costs, wider choice and improved quality in goods and services.

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Enclosed:

Annex A: Factsheet on ASEAN Competition Policy & Law Programme

Annex B: Factsheet on the ASEAN Experts Group on Competition (AEGC)

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About The Competition Commission of Singapore (CCS)

CCS is a statutory board established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry. The Act empowers CCS to investigate alleged anti-competitive activities, determine if such activities infringe the Act and impose suitable remedies, directions and financial penalties.

For more information, please visit www.ccs.gov.sg.

About the International Competition Network (ICN)

The ICN was set up with a view to creating more effective enforcement of antitrust law in the context of globalization. The ICN is also intended to serve as a forum for exchanging information and experiences on best practices, tools and methods in the context of competition policy and law. The ICN is the only international body devoted exclusively to competition law enforcement and its members represent national and multinational competition authorities.

For more information, please visit <http://www.internationalcompetitionnetwork.org/>

Annex A: Factsheet on ASEAN Competition Policy & Law Programme

The ASEAN Competition Policy and Law Programme aims to foster a culture of fair competition and to promote competition law awareness and compliance in the region through a series of programmes that CCS will initiate in close collaboration with relevant stakeholders (e.g. ASEAN government officials, businesses, etc.). The Programme's objectives include:

- Equipping companies with the requisite knowledge to navigate the competition landscape in ASEAN to help in their internationalization efforts.

- Fostering closer collaboration with ASEAN government agencies to promote fair competition culture so as to create a level playing field for companies expanding into ASEAN.

- Strengthening competition regimes across ASEAN to improve market access so as to create more business opportunities.

Annex B: Factsheet on the ASEAN Experts Group on Competition (AEGC)

In 2007, the Association of Southeast Asian Nations (ASEAN) Economic Ministers endorsed the establishment of the ASEAN Experts Group on Competition (AEGC) as a regional forum to discuss, coordinate and implement regional policies and work programmes on Competition Policy and Law (CPL).

The Competition Commission of Singapore (CCS) currently chairs the work group on developing strategy and tools for regional competition advocacy. The recent work products are:

- A revamped AEGC web portal that acts as a one-stop information centre on CPL across all ten ASEAN member states (www.asean-competition.org)



- A Regional Toolkit on Competition Advocacy For ASEAN Member States



About the Regional Toolkit on Competition Advocacy

The toolkit is designed as a step-by-step guide for competition authorities in ASEAN on advocating for competition policy and law. As each ASEAN Member State has different needs and priorities, the toolkit provides them practical guidance, tools and templates on advocacy for CPL.

To serve as a practical guide, the toolkit also collates case studies from ASEAN Member States on successful advocacy approaches and outcomes.

