

MEDIA RELEASE

23 November 2005

The Competition Commission Publishes Six Revised Competition Guidelines

1. The Competition Commission of Singapore (CCS) has today published the following Competition Act¹ guidelines, after public consultation:

- Powers of Investigation;
- Enforcement;
- Notification for Guidance and Decisions;
- Leniency Programme;
- Transitional Arrangements; and
- The Appropriate Amount of Penalty

2. The sections 34 and 47 prohibitions dealing with anti-competitive agreements and abuse of dominance respectively will come into operation from 1 January 2006. There will be a transitional period from 1 January to 30 June 2006 for parties to agreements made before 31 July 2005 to review such agreements to bring them into compliance with the Act.

3. A total of 25 submissions were received during the public consultation periods². There was general support for the draft guidelines. The CCS has carefully considered all contributions and suggestions and made appropriate changes to the draft guidelines and provided clarification to deal with a range of issues relating to, for example, right to legal access, whether notifications for prospective agreements or conduct will be accepted, whether anyone who had initiated a cartel is eligible for leniency and factors considered in calculating the financial penalty. The CCS thanks all respondents for their contributions and comments.

4. The revisions to the earlier draft guidelines and comments on the contributions are outlined in *Appendix 1*. The guidelines are at *Appendices 2, 3, 4, 5, 6 and 7*. The guidelines will be made available at the CCS website at www.ccs.gov.sg.

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About the Competition Commission of Singapore

The CCS is a statutory body established under the Competition Act 2004 on 1 January 2005 to administer and enforce the Act. Its mission is to promote healthy competitive markets that will benefit the Singapore economy based on sound economic principles applied objectively and consistently. For more information, visit www.ccs.gov.sg.

For media clarification, please contact:

Ms Chin Yen Yen
Senior Assistant Director
Corporate Communications
Competition Commission of Singapore
DID: 6325 8216
Email: chin_yen_yen@ccs.gov.sg

Ms Amy Gay
Deputy Director
Corporate Communications
Competition Commission of Singapore
DID: 6325 8217
Email: amy_gay@ccs.gov.sg

Notes to Editor:

1. The Competition Act 2004 (Act) was passed in Parliament on 19 October 2004 and assented to by the President on 4 November 2004. The new law will improve Singapore's international competitiveness by enhancing the efficient functioning of markets in Singapore. Instead of attempting to catch all forms of anti-competitive activities, the principal focus will be on activities that have an appreciable adverse effect on competition in Singapore or that do not have any net economic benefit. The Act is being implemented in phases:

Phase I - On 1 January 2005, the provisions establishing the Competition Commission of Singapore (CCS) were brought into force.

Phase II - On 1 January 2006, the provisions on anti-competitive agreements, decisions and practices; abuse of dominance; investigation, enforcement; appeal process; and miscellaneous areas will come into force.

Phase III - The remaining provisions relating to mergers and acquisitions will likely come into force at least 12 months after Phase II.

2. The CCS issued the second set of draft guidelines to the Act on (i) Powers of Investigation, (ii) Enforcement, (iii) Filing of Notification for Guidance and Decisions, and (iv) Lenient Treatment for Undertakings Coming Forward with Information in Cartel Activity Cases for public consultation between 26 May to 30 June 2005. The third set of draft guidelines on the Transitional Arrangements and the Appropriate Amount of Penalty were issued for public consultation between 17 August to 16 September 2005.