



**Asia-Pacific
Economic Cooperation**

2013/SOM1/CPLG/034

Agenda Item: 8

Recent Development of Thai Trade Competition Act

Purpose: Information
Submitted by: Thailand



**Competition Policy and Law Group Meeting
Jakarta, Indonesia
3-4 February 2013**


Office of Thai Trade Competition Commission


Recent Development of Thai Trade Competition Act

**APEC
CPLG
MEETING**

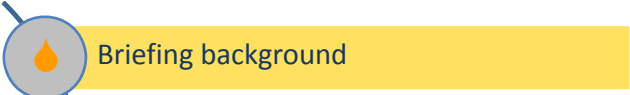

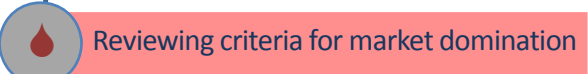
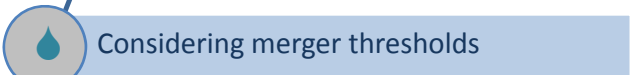
APEC Competition Policy and Law Group (CPLG) Meeting
3-4 February 2013

Jakarta
Indonesia

The views expressed in this presentation are solely those of the author and are not purported to reflect those of the Office of Thai Trade Competition Commission


Office of Thai Trade Competition Commission

Outline of Presentation

-  Briefing background
-  Reviewing scope of the Act
-  Reviewing criteria for market domination
-  Considering merger thresholds

**APEC
CPLG
MEETING**

Jakarta
Indonesia



Thai Trade Competition Act

**APEC
CPLG
MEETING**

Jakarta
Indonesia

Objective :


- ✓ To promote free & fair business competition
- ✓ To improve market efficiency and protect competition not competitors

Scope :

- ✓ The Act applies to all kind of businesses
- ✓ The Act does not apply to state owned enterprises which are under the law on budgetary procedure and the act of administrations

Measures :

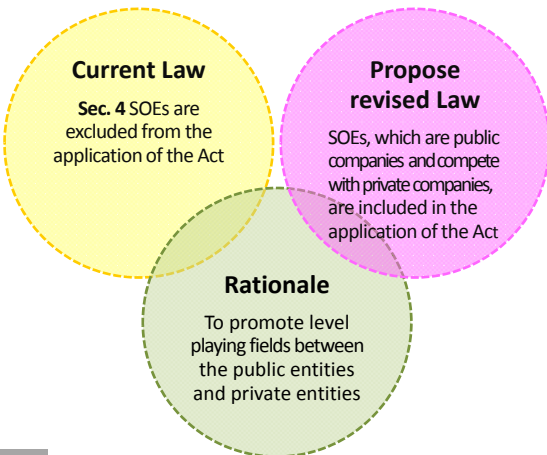
- ✓ To regulate anticompetitive practices (*Abuse of dominant position / Restrictive agreements / Mergers resulting in monopoly / Unfair trade practices*)
- ✓ To punish by criminal sanctions (*Fine up to 6 million baht & imprisonment for 3 years*)



Reviewing Scope of the Act

**APEC
CPLG
MEETING**

Jakarta
Indonesia



Current Law
Sec. 4 SOEs are excluded from the application of the Act

Propose revised Law
SOEs, which are public companies and compete with private companies, are included in the application of the Act

Rationale
To promote level playing fields between the public entities and private entities

Status
The Law is being amended to expand the scope of the law in order to apply to the SOEs that do business in competition with private sectors

TCC **Reviewing criteria for market domination**

Sec.3 : Business operator with market domination means one or more business operators in the market of goods or service, that have the market share and sales volume, above the level prescribed by the Trade Competition Commission

Trade Competition Commission (TCC)

Specialized Sub-Committee on criteria for market domination

appointed ↓ ↑ Report back

To consider & propose the opinion on the appropriate criteria for market domination thresholds to TCC

APEC CPLG MEETING

Jakarta Indonesia

- ✓ A business operator with market share $\geq 50\%$ & sales revenue $\geq 1,000$ million baht
- ✓ Top 3 business operators with combined market share $\geq 75\%$ & sales revenue $\geq 1,000$ Million baht
- Except**
 - ✓ Business operator with market share $< 10\%$ or sales revenue $< 1,000$ Million baht

TCC **Considering merger thresholds**

Sec.26
A business operator shall not carry out a business merger which may result in monopoly or unfair competition as prescribed and published in the Government Gazette by the Commission unless the Commission's permission is obtained

Trade Competition Commission (TCC)

Specialized Sub-Committee on Merger & Acquisition

appointed →

Report back ←

To consider & propose the minimum amount or number of market share, sales volume, that merger of business is regulated, to the TCC

APEC CPLG MEETING

Jakarta Indonesia



**APEC
CPLG
MEETING**

Jakarta
Indonesia

**Thank you
for your kind attention**