

Keelung Customs Maritime Express Consignments Zone Operators

1637th Commissioners' Meeting (2023)

Case: Keelung Customs Maritime Express Consignments Zone operators were complained for increasing price and management practices related in violation of Fair Trade Law

Keyword(s): Maritime express, price consistency

Reference: Fair Trade Commission Decision of February 15, 2023 (the 1637th Commissioners' Meeting)

Industry: Other Service Activities Incidental to Water Transportation (5259)

Relevant Law(s): Articles 15 and 20 of the Fair Trade Law

Summary:

1. The Customs Administration of the Ministry of Finance (hereinafter referred to as the Customs Administration) announced on June 21, 2021 to take measures to control the total number of operators in the Maritime Express Consignments Zone. On the day the announcement was released, three operators in Keelung Customs declared they would increase the express consignments warehouse handling fees. The practice was suspicious joint price increase by taking advantage of government policy. Meanwhile, the aforesaid operators were also suspected of reserving customs clearance quotas for express delivery businesses they were on good terms with to collect various express consignments warehouse handling fees. The practice involved differential treatment. Therefore, the FTC launched an ex officio investigation.

2. Findings of the FTC after investigation:

The FTC notified the maritime express consignments operators involved to explain their business condition. It also asked the Customs Administration to provide information about operators in maritime express consignment zones under its jurisdiction and data regarding customs clearance procedures for imported maritime express consignments and customs clearance process. At the same time, the FTC notified Taipei Port International Logistics Co., Ltd. (hereinafter referred to as TPIL), Taiwan International Ports Logistics Corporation (hereinafter referred to as TIPLC) and Taipei Port Container Terminal Corporation (hereinafter referred to as TPCTC), to provide their statements with regard to increase of express consignments warehouse handling fees, reservation of customs clearance quotas, and related information.

3. Grounds for non-violation:

The FTC's investigation showed that TPIL, TIPLC and TPCTC, the three companies operating in the Keelung Customs Maritime Express Consignments Zone had indeed all raised their express consignments warehouse handling fees, but the rates were different and the time points the adjustments were made were rather far apart while the transaction terms were also inconsistent. Therefore, it was hard to conclude the three companies had violated the regulation against concerted actions set forth in Paragraph 1 of Article 15 of the Fair Trade Law. In addition, customs clearance procedures were executed to allocate customs clearance quotas in accordance with the cargo canvassing capacity ratio of trading counterparts whereas the actual conditions of the zone and warehouses, the number of operators, and the time of arrival were also taken into account to schedule the customs clearance sequence of each clearance line. Based on existing evidences, the FTC found it difficult to conclude there was any differential treatment in violation of the Fair Trade Law.

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