Taiwan Professional Electrical Engineers Association

1767th Commissioners' Meeting (2025)

Case: The Taiwan Professional Electrical Engineers Association violated the Fair Trade Act by engaging in concerted action to establish a "Reference Fee Schedule for Technical Services" in its Articles of Association

Keyword(s): Electrical Engineers Association; technical service fees; concerted action

Reference: Fair Trade Commission Decision of September 3, 2025 (the 1767th Commissioners' Meeting); Disposition Kung Ch'u Tzu No. 114082

Industry: Activities of Professional Membership Organizations (9422)

Relevant Law(s): Articles 14 and 15 of the Fair Trade Act

Summary

1. The FTC received a complaint alleging that Article 12 of the Articles of Association of the Taiwan Professional Electrical Engineers Association R.O.C. (hereinafter referred to as the "Association") provided that: "Members of the Association shall comply with ... 4. ... not reducing technical service fees ...," and that Article 14 also provided: "The reference fee schedule for technical services is as follows: 1. For members performing services under Subparagraphs 1 and 2, Paragraph 1, Article 7 of the Professional Engineers Act, the reference fee schedule for technical services is set forth in Appendix(1)." These provisions were suspected of violating the prohibition clause against concerted actions under the Fair Trade Act.

2. Findings of the FTC after investigation:

   In 2012, the Association adopted the "Reference Fee Schedule for Technical Services" and the "Table for Calculating Electrical Engineering Construction Costs" through resolutions of its general meeting and meetings of its board of directors and supervisors. "Technical service fees" refer to the remuneration charged by electrical engineers to clients for undertaking the design and supervision of electrical equipment engineering projects. Such fees were calculated by multiplying the

percentage specified in the "Reference Fee Schedule for Technical Services" by the amount specified in the "Table for Calculating Electrical Engineering Construction Costs." The Association also prescribed maximum and minimum fee limits. In addition, in 2024, through resolutions of its general meeting and meetings of its board of directors and supervisors, the Association increased the fee standards for members' technical services by raising the amounts listed in the "Table for Calculating Electrical Engineering Construction Costs," with an increase of up to 30%.

3. Grounds for disposition:

All domestic practicing electrical engineers are members of the Association. Furthermore, under the Electricity Act, the design and supervision of electrical equipment must be performed by duly registered professional engineers. Therefore, the Association's membership encompasses all service providers in the relevant market and possesses substantial collective market power. Moreover, the Association's establishment and adjustment of technical service fee standards restricted the prices charged by its members in market transactions, thereby restraining market competition and being sufficient to affect the supply-and-demand functions of the market for electrical equipment engineering design and supervision services provided by electrical engineers. Such conduct constituted a concerted action by a trade association under Paragraph 4, Article 14 of the Fair Trade Act and violated the prohibition clause against concerted actions under Paragraph 1, Article 15 of the same Act. Pursuant to the first sentence of Paragraph 1, Article 40 of the same Act, the FTC ordered the Association to cease its unlawful conduct, amend its Articles of Association, revoke the relevant resolutions, and take other necessary corrective measures within 6 months while an administrative fine of NT$1 million was also imposed.

Appendix:

Taiwan Professional Electrical Engineers Association R.O.C.'s Uniform Invoice Number: 01005897

Summarized by: Hu, Hsing-An; Supervised by: Liao, Hsien-Chou □