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Agenda Item: 9

Thailand's Updates and Development of Competition Policy and Regulatory Reform

Purpose: Information
Submitted by: Thailand



**Competition Policy and Deregulation Group
Meeting
Canberra, Australia
23 - 24 January 2007**

Thailand's Updates and Development of
Competition Policy and Regulatory Reform

APEC CPDG 2007

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Outline

1. Background of The Trade Competition Act 1999
2. Competition Laws and Policy development
3. Enforcement of Competition Laws and Policy
 - 3.1 Measures against Violations
 - 3.2 Mergers and Acquisitions
4. The role of The Competition Authority in the formulation and implementation of other policies
5. Technical Assistant Activities, provided or received
6. Resources of the Competition Authorities
 - 6.1 Budget
 - 6.2 Number of Officials

Year 1999
Thailand Enacted

1. The Trade Competition Act for Private Enterprises Free & Fair Competition
2. The Act on Price of Goods & Services for Preventing the Price – Fixing and Unfair Trade Practice

Objective of the Trade Competition Act

- To promote fair and free trade
- To prevent monopoly, restraint of business competition
- To prevent unfair business practices
- To enhance business and economic efficiency
- To fulfill consumer welfare and benefit

The Scope of the Trade Competition Act

- Applies to all business operations except :
 - Central, provincial and Local administration
 - State enterprises under the law on budgetary procedure
 - Farmers group, Cooperatives
 - Business prescribed under the Ministerial regulation

Thailand Cases 1999-2006

Year	Dominant Position	Merger	Collusion	Unfair Trade Practice	Total
1999	1	-	-	1	2
2000	2	-	-	2	4
2001	4	-	1	2	7
2002	2	-	1	4	7
2003	3	-	8	2	13
2004	-	-	3	9	12
2005	-	-	2	7	9
2006	-	-	-	6	6
Total	12	0	15	33	60

Authorized Body: The Competition Commission

- The Minister of Commerce Chairman
- Permanent Secretary, MOC Vice Chairman
- Permanent Secretary, MOF Member
- Director General, DIT, MOT Member/Secret
- 8 – 12 Qualified (1/2 private) Member
- No qualified from political party

The Competition Commission power

- Recommend, Issue, Notification, Act
- Consider Complaint
- Order under section 30 and 31
- Monitor and accelerate an inquiry of offence
- Perform other Acts provided by the law
- Consider taking criminal proceedings under section 55

Competition Law and Policy Development

- Encourage and promote the trade competition act and its related notification regulation emphasizing transparency, justification, accountability, non discrimination, and comprehensiveness
- Encourage free economic system, ensure fair competition, preserving the common interest

The Competition Commission issue a new regulation on the trade guideline between retailer and supplier 2006

- Enforcement 12 October 2006
- Under section 29 of the Trade Competition Act 1999
- By power of section 18(2)
- Guideline on international standard of non compulsory, non discrimination, transparency, justification, accountability, advance agreement , fair competition

Notified Unfair Practice ;

- Unfair Pricing
- Taking Unfair Economic benefit
- Unfair returned Product
- Unfair Consignment Sale Agreement
- Coercion to Purchase
- Taking Advantage of Suppliers' Employee
- Refuse Ordered Private Brand Product
- Other Unfair Trade Behavior

New Legislation under consideration

- Notification on the Guideline of the Market Dominant Behavior
- Notification on the Guideline of the Merger Behavior
- Retail and Wholesale Act

Enforcement of Competition Law and policy

- Measures against violation
- The Competition Commission will submit the decision to the Public Prosecutor whether to issue a prosecution order and some cases , the Competition Commission may give order for suspension or cessation

Enforcement of the Competition Law and Policy

- Under section 26 of the Trade Competition Act 1999, not allow the business merger that result in a monopoly of unfair competition

The Role of the Competition Commission

- To support an economic system under the free market mechanism.
The government facilitate fair competition, consumer protection & welfare, and anti monopoly practice including deregulation of unnecessary rule and law

Technical Assistance and Cooperation with Overseas 2007

- 23 – 24 January 2007, APEC CPDG Meeting, Canberra , Australia
- March 2007, Seminar on “ Sharing Experiences in APEC Economies Strengthening the Economic Legal Infrastructure Particular in Commercial Competition Law, Hanoi, Vietnam
- 3 – 4 May 2007, The 3rd East Asia Top Level Officer Meeting and The East Asia Conference on Competition Law and Policy, Hanoi, Vietnam

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- August 2007, The 3rd APEC Training Course on Competition Law and Policy, Malaysia
- August 2007 , The 3rd ACFC Annual Meeting and ACFC Conference on Competition, Hanoi , Vietnam

Resources of the Competition Authority

- Budget 9.6 million Baht
- Personnel 26 Person

Thank you

Good Bye