



**Asia-Pacific
Economic Cooperation**

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Agenda Item: 8

Updates of Competition Law in Japan

Purpose: Information
Submitted by: Japan



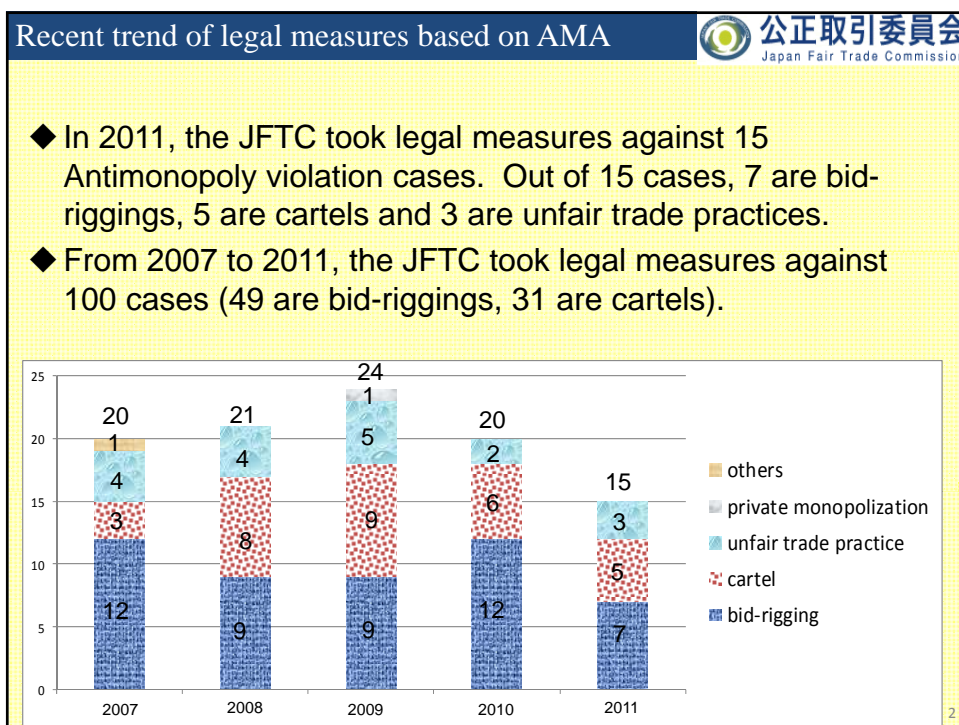
**Competition Policy and Law Group Meeting
Moscow, Russia
12-13 February 2012**

公正取引委員会
Japan Fair Trade Commission

Updates of Competition Law in Japan

February 13, 2012
CPLG Meeting in Moscow.
Japan Fair Trade Commission

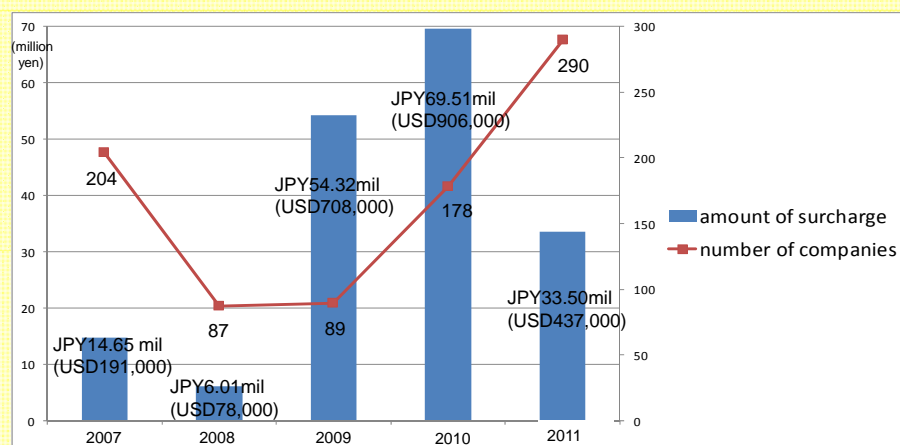
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Recent trend of surcharge payment orders



- ◆ With respect to surcharge payment orders, the amount of payment confirmed in 2011 was about 33.50 billion yen (about 437 million US dollar) against 290 companies.



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Leniency Program



- ◆ In Japan, leniency program was introduced with AMA amendment in 2005 (put into force in January 2006).
- ◆ By the amendment of the AMA in 2009, the maximum number of leniency applicants has been expanded from 3 to 5.
- ◆ In FY 2010, 131 leniency applications were received (480 applications were received from January 2006 until March 2011).
- ◆ In FY 2010, the JFTC published the names of 10 companies that received leniency in 7 cases.

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Major violation cases in 2011



◆ Cease and Desist Orders and Surcharge Payment Orders against Manufacturers and Distributors of Air Separation Gases

The JFTC issued cease and desist orders against cartel activities that four companies of manufacturing and distributing air separation gases made the agreement to raise the selling price of specified air separation gases. The JFTC also issued surcharge payment orders to these companies (the amount of surcharge is about 14 billion yen (about 183 million US dollar)). (May 2011)

◆ Cease and Desist Order against DeNA Co.,LTD

The JFTC issued a cease and desist order to DeNA Co., Ltd which operates mobile Social Networking Service(SNS) and develops and provides social games because the company forced specified social game developers not to provide their games through the competitor's SNS by disconnecting the website links of their games through the company's SNS if the developers have provided their games through the competitor's SNS.
(June 2011)

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M&A regulations



◆ M&A which may be substantially to restrain competition in any particular field of trade are prohibited under the AMA.

◆ Certain M&A, which exceed domestic turnover thresholds (e.g. 20 billion yen (about 261 million US dollar) for acquiring firm, 5 billion yen (about 65 million US dollar) for acquired firm), are subject to prior notification.

◆ In 2011, the JFTC reviewed the M&A regulations (review procedures and criteria) to further improve the swiftness, transparency and predictability of M&A investigation while enhancing international conformity.

◆ Recent major merger review case is as below.

✓ *Merger between Nippon Steel Corporation and Sumitomo Metal Industries, Ltd. (approved with remedy)*

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Further amendment of the AMA



- ◆ The bill to amend the AMA was submitted to the 174th ordinary session of the Diet on 12 March, 2010 and it is still pending in the Diet.

The bill includes;

- ✓ Abolition of the JFTC's hearing procedure for administrative appeal
- ✓ Development of procedures for hearings prior to the issuance of the JFTC's administrative orders, such as cease and desist orders

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Promotion of activities for international cooperation



- ◆ In addition to the APEC, the JFTC has contributed to the activities of the international organizations such as ICN (International Competition Network), OECD, etc.
- ◆ Chairman of the JFTC has been committed to the activities of the ICN as the Vice Chair of the Steering Group, since 2008. Besides, the JFTC was inaugurated as the co-chair of the Cartel Working Group of the ICN in 2011.

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Thank you for your kind attention

(Opinions expressed in this presentation are those of the speaker and are not those of the JFTC)