



**Asia-Pacific  
Economic Cooperation**

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**2014/SOM1/CPLG/014**

Agenda Item: 8

## **Recent Developments in Competition Policy**

Purpose: Information  
Submitted by: Chinese Taipei



**Competition Policy and Law Group Meeting  
Ningbo, China  
21-22 February 2014**

# Recent Developments in Competition Policy

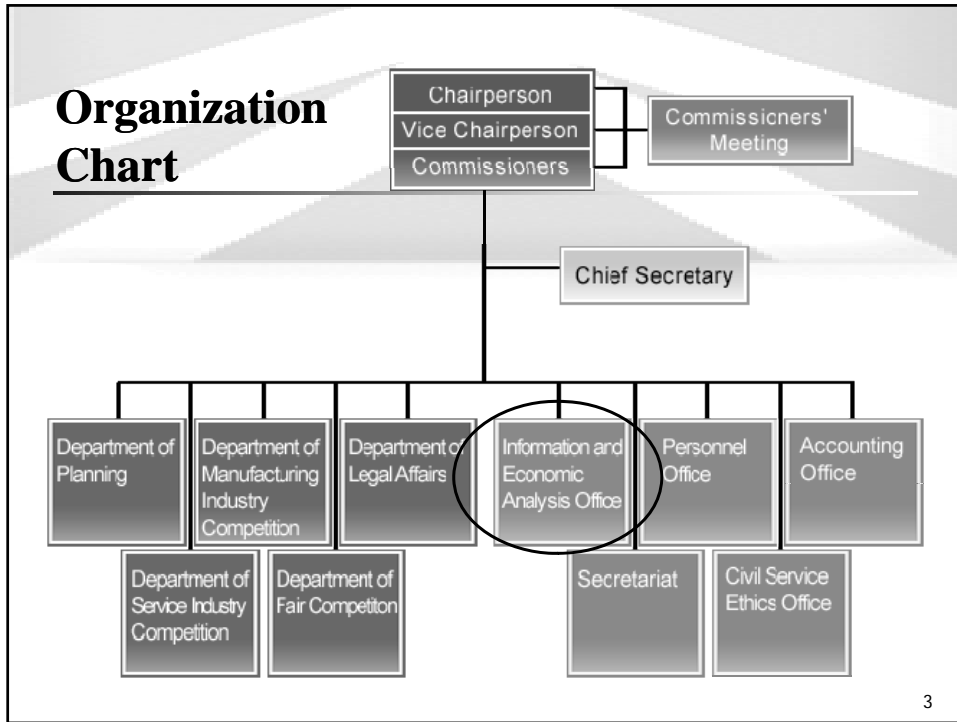
Chinese Taipei  
February 21, 2014

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## Outline

- ◆ The Framework of the Fair Trade Act
- ◆ Enforcement 1992-2013
- ◆ Significant Anti-Competitive Cases
- ◆ The Developments of the Fair Trade Act
- ◆ Future Outlook

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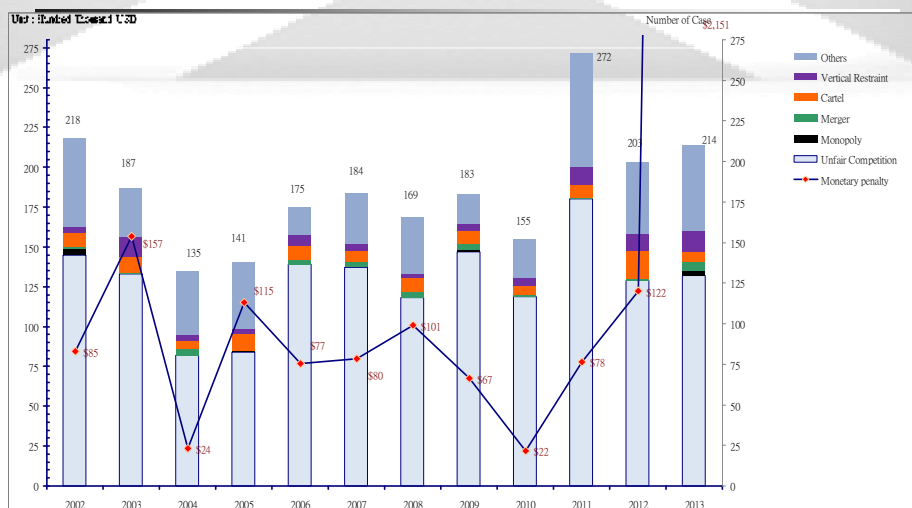


## Enforcement 1992-2013

Cases Received	• 38,520
Total Fine	• TWD\$6.1 billion
Complaints	• 28,998
<i>ex officio</i> investigations	• 2,292
Concerted Action Applications	• 175
Pre-Merger Applications and Notifications	• 6,610
Interpretations	• 2,737

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## Enforcement 1992-2013



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## Significant Anti-Competitive Cases (1)

### ◆ The First Leniency Application Case

- In September 2012, the CTFTC imposed administrative fines on four optical disc drive manufacturers (ODDs) for price fixing and bid rigging, ranging from NT\$25 million to NT\$5 million, or a total of NT\$54 million.

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## Significant Anti-Competitive Cases (2)

### ◆ The Highest Penalty Case

- In March 2013, the CTFTC imposed administrative fines on nine independent power producers (IPPs) for price fixing, ranging from NT\$1.82 billion to NT\$100 million, or a total of NT\$6.05 billion.

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## Amendments to the Fair Trade Act

- ◆ Promulgated in February 1991
- ◆ Enacted in February 1992
- ◆ 1999 Amendments
  - replacing criminal penalties for monopolization and concerted action with administrative penalties (*administrative action is prior to judicial adjudication*)
  - eliminating the register of monopolistic enterprises
- ◆ 2000 Amendments in response to provincial reform

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## **Amendments to the Fair Trade Act**

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### ◆ 2002 Amendments

- revising the merger review system from “pre-approval” to “pre-notification”
- improving procedural transparency in line with the Administrative Procedure Act

### ◆ 2010 Amendments

- imposing joint and several liability on endorsers in advertising

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## **Amendments to the Fair Trade Act**

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### ◆ 2011 Amendments

- increasing the maximum administrative fines for monopolization and concerted action
- implementing a leniency program

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## Draft Amendments

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- ◆ eliminating market share as a criterion for merger notification and extend waiting period of second request
- ◆ employing search and seizure power
- ◆ extending the expiration length of power to impose administrative penalties
- ◆ differentiating administrative penalties for various violation

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## Future Outlook

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- ◆ Completing the Fair Trade System and Robust the Enforcement of the Fair Trade Act
- ◆ Comprehensive Competition Advocacy to Enhance a Quality Culture of Competition
- ◆ Facilitating International Enforcement Cooperation to Create a Level Playing Field

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