

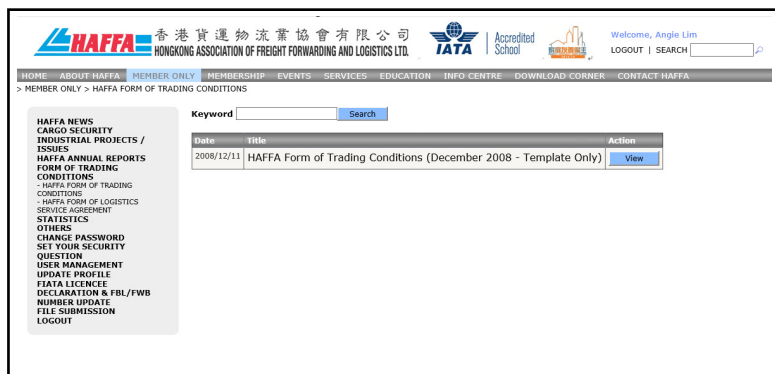
**LEGAL MATTERS SUB-COMMITTEE****Chairman:** AE CARGO SERVICES LTD – Mr. Ronnie Leung**Vice Chairman:** THE JANEL GROUP OF HONG KONG LTD – Ir. Dr. Paul Tsui**Member:** DHL GLOBAL FORWARDING (HONG KONG) LTD**Hong Kong Competition Ordinance**

The Competition Ordinance was passed in June 2012 by the Legislative Council but has not yet come into full effect. As reported before, Members may recall that HAFFA has issued three letters regarding industry's views and many questions on the Ordinance to the Government back in 2008, 2010 and 2011 respectively. However, except an acknowledgment letter, no official feedback to the enquiries was received from the Government.

To better understand the latest development of the Ordinance and its impact on our industry and Members, the Competition Commission was invited for a face-to-face meeting with HAFFA Executive Committee on 31 July 2014. You may wish to know that the Ordinance is designed to be implemented in phases to allow businesses and the people of Hong Kong to become familiar with the new legal requirements, and make necessary adjustments to their business practices.

**Competition Ordinance ABC – THE FOUR DON'TS**

To this end, the Commission is tasked by the Ordinance to develop Guidelines to provide guidance and assistance for businesses before the Ordinance is fully implemented. On 09 October 2014, the Commission and the Communications Authority (CA) jointly published drafts of the six Guidelines that are required by the Ordinance for public consultation. The Draft Guidelines outline how the Commission and CA expect to interpret and give effect to the three competition rules under the Ordinance (*the First and Second Conduct Rules and the Merger Rule*), as well as the procedures for handling complaints, conducting investigations and considering applications for exclusions and exemptions.



In view of the impending full operation of the Competition Ordinance in Hong Kong, upon careful consideration, the HAFFA Executive Committee decided to cease the publication of the HAFFA Standard Trading Conditions (*December 1997 Edition*) with effect from November 2014 given the quantum and rates under limits of liability and interest were recommended in the Conditions. In this regard, we only posted HAFFA Form of Trading Conditions (*December 2008 - Template Only*)

currently on the website for Members' reference. **Member should take note and ensure that no reference to the HAFFA Standard Trading Conditions (*December 1997 Edition*) is made in your business communications and quotations.**



At the last HAFFA Christmas Luncheon for Senior Executives held on 10 December 2014, we were honorable to have invited Mr. Philip Monaghan, Executive Director (*General Counsel*) of the Commission who gave all participating Members an informative and inspirational elaboration on the Ordinance. In response to Members' enthusiastic request, we are delighted to announce that the Commission has accepted our invitation again to deliver a speech in Chinese at the upcoming Annual General Meeting (AGM) to be held on 28 April 2015. Trust that the guest speaker from the Commission will give you an insightful analysis on the new Ordinance as well as highlights on industry-specific cases.

More details of the Ordinance are available at the Commission's website:

English: <http://www.compcomm.hk/en/index2.html>

Chinese: <http://www.compcomm.hk/tc/index2.html>

**Date: 21 April 2015**

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