

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

Further to the update in the Legal Matters Sub-committee report (2014-2015), the Government gazetted a Commencement Notice on 17 July 2015 to appoint 14 December 2015 being the commencement date for the Competition Ordinance (Cap. 619) (Ordinance) to come into full effect. It is clearly in the common interest of HAFFA and its Members that the Association not be placed in a position where it may be criticized for anti-competitive practices. Naturally, the maintenance of a competitive market is a fundamental principle which HAFFA recognizes.

To minimize the risk of contravening the Ordinance, HAFFA has approached the Competition Commission since 2014 to discuss our compliance with the Ordinance. Subsequently, the Association reviewed the practices and revised our conduct in accordance with the guidance of the Commission [e.g. cessation of the publication of the HAFFA Standard Trading Conditions (*December 1997 Edition*) given the quantum and rates under limits of liability and interest were recommended in the Conditions].

Don't agree with your competitors to:

1. fix prices



2. share markets



3. rig bids



4. restrict output



To encourage Member's compliance with the Ordinance, we have circulated the "Guidelines and practical compliance toolkit for SME" via HAFFA News. The guidelines describe how the Commission expects to interpret and give effect to the three competition rules in the Ordinance (First Conduct Rule, Second Conduct Rule and Merger Rule), and explain the procedures for handling complaints, conducting investigations and considering applications relating to exclusions and exemptions. As to the toolkit, it focuses on three basic steps to competition compliance and features useful checklists as well as practical measures to assist businesses, especially SMEs, in reviewing their business practices and developing a compliance strategy that best suits their needs. These documents and other useful resources are available at

HAFFA website: [After login] <http://www.haffa.com.hk/portal/Page/Default.aspx?id=636>

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