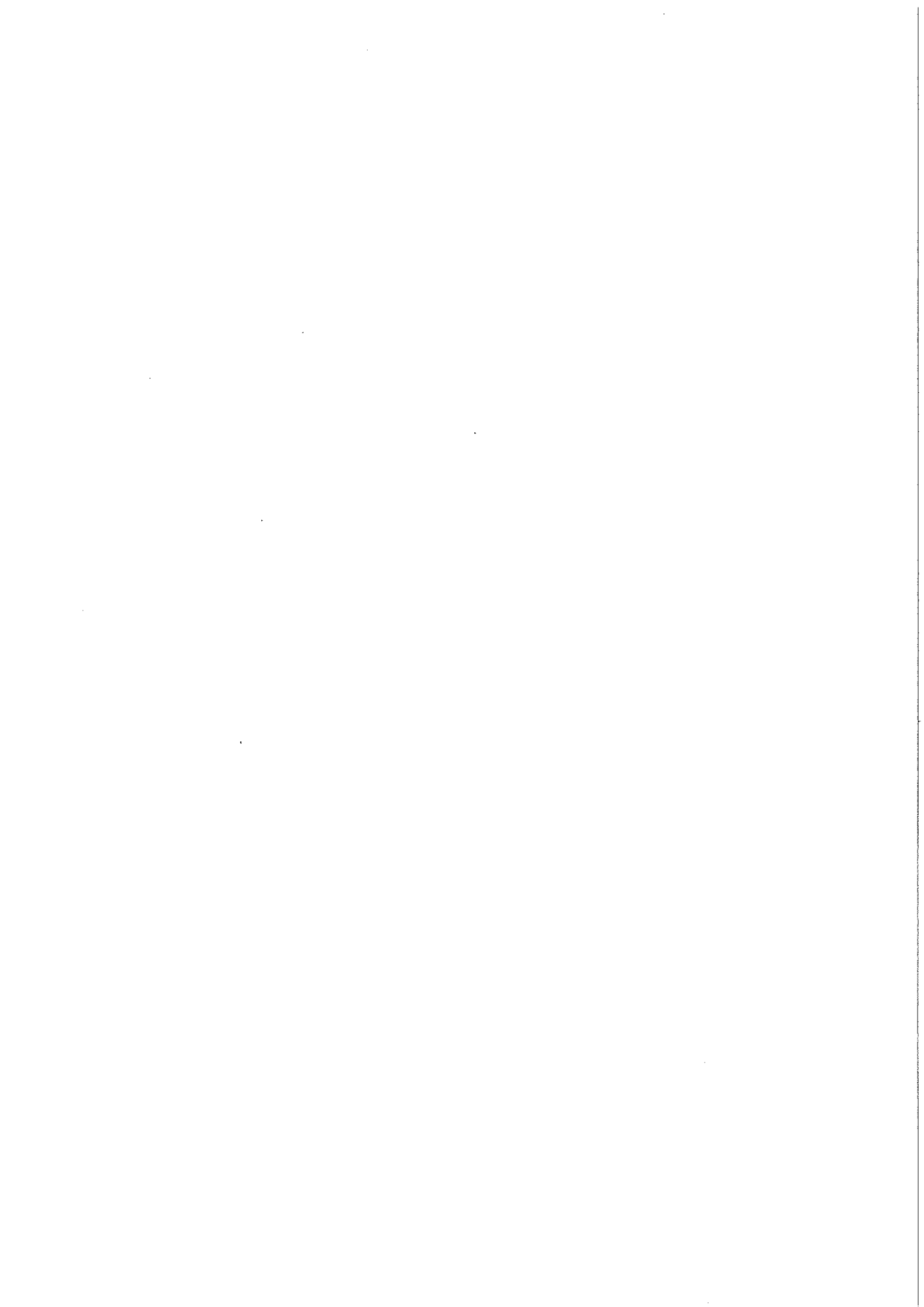


**附件十一：Ease of Doing Business (EoDB) - APEC Seminar on the First
Steps of Successful Reform in Doing Business – Summary
Report (文件編號：2011/SOM1/EC/018)**





**Asia-Pacific
Economic Cooperation**

2011/SOM1/EC/018

Agenda Item: 6

**EoDB-APEC Seminar on the First Steps of
Successful Reform in Doing Business – Summary
Report**

Purpose: Information
Submitted by: Chinese Taipei



**First Economic Committee Meeting
Washington, D.C., United States
5-6 March 2011**

APEC Seminar on the First Steps of Successful Reform in Doing Business
October 5-6, 2010
Grand Formosa Regent Taipei, Chinese Taipei

Summary Report

1. Background of the Seminar

In 2009, the Ease of Doing Business (EoDB) Action Plan was approved by the APEC Economic Leaders' Meeting to improve the business environment in the region. Five indicators in the World Bank's Ease of Doing Business survey were selected: starting a business, getting credit, trading across borders, enforcing contracts, and dealing with construction permits – as priority areas for reform. Furthermore, the targets were set of cutting costs, time and procedures on average by 5% by 2011, and by a further 20% by 2015, for a total reduction of 25%.

In response to APEC's EoDB Action Plan, Chinese Taipei hosted a two-day seminar in Taipei in October 2010 to address how to take the first steps of reform in the three priority areas of starting a business, getting credit, and dealing with construction permits, with the focus on examining strategies for enhancing the business environment, and sharing various aspects of how examples of successful interim reforms were achieved.

The seminar was attended by delegates from Brunei Darussalam, Hong Kong, China, Indonesia, Japan, Malaysia, Mexico, New Zealand, Peru, Russia, Singapore, Chinese Taipei, Thailand, the United States, and Vietnam.

2. The Detailed Outcomes of the Workshop

1) *Session 1: Dealing with Construction Permits*

At session 1, valuable experience and feasible approaches regarding how to deal with construction permits in Malaysia, Chinese Taipei, and Hong Kong, China were shared by experts from private and public sectors. Ms. Regina Chyn, Deputy Director, Center for Economic Deregulation and Innovation, CEPD, Chinese Taipei, served as the moderator of this session.

The first presentation was made by Dato' Dr. Ir. Andy Seo Kian Haw, PEMUDAH Member and Vice President of the Federation of Malaysian Manufacturers (FMM), Malaysia. Dato' Dr. Seo used the PEMUDAH as a successful case to showcase how Malaysia has advanced in coordinating construction permits matter. He said that improvements were made by PEMUDAH, a taskforce set up by the Prime Minister in 2007, to facilitate business between the public and private business sectors. PEMUDAH was formed to foster collaboration between public and private sector and improve Malaysia's business environment. However, success of the task force can only be ensured if the relevant stakeholders were engaged and collaborate intensively.

Mr. Hsien-Min Su, Deputy Director General, Construction and Planning Agency of Chinese Taipei, further elaborated on the essence of single processing channel. He considered PEMUDAH as one example of the "single window" concept, according to which the Taipei City government had set up a window to process user-license stage applications for buildings under a certain size. Another reform taken by the Taipei City was simplifying documentary requirements. For example, certification of review and approval of water, power and telecommunications equipment design was no longer required for the issuance of construction permits and applications to register start of construction.

Prof. Albert P.C. Chan, Associate Head of Department of Building and Real Estate, Hong Kong Polytechnic University, stressed how the government of Hong Kong, China improved the area through a successful horizontal coordination. He said that governments were facing the dilemma of streamlining the process and, at the same time, meeting the end users' expectations and complying with regulations. In 2007, an inter-departmental workforce was established in Hong Kong, China, to re-engineer and streamline the relevant licensing procedures and improve processing efficiency. Consequently, Hong Kong, China jumped 40 places in dealing with construction permits. Prof. Chan concluded that in order to make doing business easier, we should learn from each other and interact with our counterparts in other economies.

Dr. Yuh-Chyurn Ding, Commissioner, Development of Urban Development, Taipei City

Government of Chinese Taipei, shared how the city making the relevant process more efficient. He stated that permit simplification measures included urban planning assistance, urban design review, and building permit review. Although major change of zoning has to be approved by the central government and take up to one year, the Taipei City government may still approve small scale zoning change, and necessary procedures took about three to six months to complete. In order to further shorten the time processing building permit, a single window for permit application was also established.

2) *Session 2: Starting a Business*

At session 2, experts from New Zealand, Chinese Taipei, and Indonesia exchanged views and shared experience regarding how to simplify the procedures of starting a business. The Moderator of this session was Mr. Justin Hygate. Hygate offered New Zealand's experience in advancing and promoting the area of starting a business. He mentioned that New Zealand had a serious piece of legislation for starting a business. New Zealand not only looked into the Companies Act, but also the Financial Reporting Act, which determined which types of companies were required to prepare their financial statement or to lodge those with the registrar. Business owners were encouraged to lodge documents with the registry, and the government was committed to simplify the process by developing the website. New Zealand was the first economy that allowed you to search a company in the registry over the internet since 1996. In 1998, New Zealand was the first to allow for incorporation of companies via the internet.

Mr. Yun-Lung Yeh, Director General, Department of Commerce, Ministry of Economic Affairs of Chinese Taipei, shared Chinese Taipei's experience in adopting e-government to make things easier. He stated that "e-Government Services" was established in 2007 to facilitate people to apply and approve reservation of company name and business scope on-line. Services provided also included sending e-approved form and e-receipt. The average days for the approval of reservation of company name and business scope was reduced from three days in 2008 to one day in 2010. In order to improve the ease of starting a business in 2010, Article 7 and 10 of Company Act will be revised to change the CPA audit report into a post-startup filing requirement.

Mr. Eric Tsai, Partner, PricewaterhouseCoopers Legal of Chinese Taipei, further stressed how Chinese Taipei reduced the relevant transaction costs. He said that the government has started several actions in improving the ease of doing business in recent years included the starting of cross-strait direct flights in 2008. Second, it was the enactment of the statute for industrial innovation, which replaced the Statute of Upgrading Industries. Third, it was the reduction of corporate income tax rate to 17%. Chinese Taipei had also set up the service center to provide foreign investors smoother and more efficient communication with local authorities.

Mrs. Huda Bahweres, Ministry for Economic Affairs of Indonesia, described the Indonesian experience and pointed out the room for improvement for Indonesia. She stated that despite the controversies concerning the methodology of the World Bank report, Indonesia should nevertheless thank World Bank for offering shock therapy. Many agencies had the intention to keep the process as it had been. Indonesia needed to improve public awareness, for example, businessmen should be used to seek the Ministry of Law directly instead of relying on the notary. Finally, in terms of the requirement of minimum legal capital for starting a company, it was still well kept in the books.

Mr. Chuan-Te Ho, Director, Department of Information Management, Research, Development and Evaluation Commission of Chinese Taipei, offered Chinese Taipei's story of success regarding ICT application. He said that the internet had become increasingly popular, and is powerful in connecting people, the business communities and the government. In addition, ICT can improve the procedure and performance in terms of time, cost, feasibility, availability, and accessibility. Given that 97% of businesses in Chinese Taipei were dominated by SMEs, Chinese Taipei was committed to reducing the digital divide, organize the SME e-enablement service teams, build an environment conducive to knowledge share between SME, and provide female-owned businesses with guidance information and resources to make its SMEs more globally competitive. Furthermore, Chinese Taipei government was planning for the next phase of e-government and had picked up EoDB as one of the primary goals for the transition.

Ms. Victoria Waite, Deputy Chief, APEC Technical Assistance and Training Facility of the United States, put emphasis on the relevant work of APEC. She noted that APEC EoDB was endorsed by the 2009 APEC ministerial meeting. The objective was to promote reform to make it cheaper, faster and

easier to do business in APEC region. Taking recommendations and working with volunteer economies to design an actual roadmap could be a feasible option. Another option would be to provide options on how to change or draft legal or regulatory measures that would properly encapsulate the type of changes that needed to be made.

3) *Session 3: Getting Credit*

At session 3, getting credits regulations and practices of Chinese and Japan were mentioned and discussed. The Moderator of this session was Dr. Sheng-Cheng Hu, Academician, Academia Sinica of Chinese Taipei.

Mr. Hsien-Nung Kuei, Director General, Banking Bureau, Financial Supervisory Commission of Chinese Taipei, offered how the Chinese Taipei government supported domestic SMEs in getting credits. He said that the bank loans to GDP ratio was 140% and getting credit had not been difficult. The government sponsored credit-guaranteed fund to enhance the credit of SMEs. In addition, the banking supervisory authorities had launched a campaign to increase loans to SMEs by domestic banks since July 1994. At present, in Chinese Taipei, SMEs played significant roles in the economy and the 1.23 million SMEs accounted for 97.91% of the total enterprises, and the loans extended to SMEs by local banks amount to 111 billion US dollars, accounting for 46.05% of total loans extended to private enterprises.

Mr. Junichi Shukuwa, Senior Economist, Economic Research Office, the Bank of Tokyo-Mitsubishi UFJ, Ltd, Japan, shared Japan's regulations and practices regarding getting credits as well as using available corporate assets as collateral to obtain quick loans. He stated that asset-based lending was a very big reform agenda in Japan, and loan of movables had increased significantly. The Law on the Registration of Security Interest in Movables and Claims was promulgated in 2005. Valid cases include: a) foods such as beef cattle, pig, rice, wine, sake, orchid, soy sauce, seaweed, noodles, frozen food, and processed marine products; b) goods such as ship, car, scrap iron, furniture, and even sand, c) luxurious goods such as piano, jewelry, fur, etc.; d) equipment such as electric plant, machine facilities, and tools; and e) others such as patents. Some issues in terms of getting credit of movable collateral were: estimation, monitoring, disposal, and sense of resistance.

Ms. Nan Yang, Secretary General, The Bankers Association, Chinese Taipei, reviewed the operation of financial institutes in Chinese Taipei with respect to the issue of getting credits. She stated that the domestic banking market gradually opened in the period during 1993 to 2010. There was large increase in market share of private banks and large decrease in banks' profitability. There was also transformation to a fully competitive "buyer's market," in which the demand side had stronger bargaining power and easier to get credit. Furthermore, the Joint Credit Information Center (JCIC) enjoyed intensive attention internationally. JCIC was established in 1975 as the first credit reporting institution in Asia to collect and file personal and corporate credit data, and to include both positive and negative information.

Mr. Jeffrey Lin, Acting Manager, Risk Analysis Department, Joint Credit Information Center, Chinese Taipei, further introduced the role and main functions of the JCIC. He stated that JCIC was founded in 1975 and had 427 members that constituting most foreign banks and all domestic banks, credit cooperatives, farmers' & fishermen's association and other related financial institutions. JCIC maintained consumer and corporate credit information, including product types of basic profile, loan, financial statement, affiliated entities, comprehensive report, credit card and merchants, public information, and etc. JCIC also collects non-traditional credit data derived from all payment history data in the non-traditional credit sector, such as utility and telecom services. Current fierce debates were surrounding issues of data sharing versus data protection, getting credit versus responsible lending. Other challenges were regulatory challenge, defining the social responsibility of credit bureau, promoting credit education and offering debt consultation.

4) *Closing Remarks*

The Closing Remarks was made by Dr. Takashi Omori. He congratulated this seminar on fruitful discussion and was a milestone on the First Steps of Successful Reform in Doing Business. He stated that we needed high level commitment from both the public and the private sectors. Another key was the existence of outstanding civil servants with passion and dedication. Through the EoDB initiative, we can confirm the high level commitment and encourage all the civil servants in each economy. An inter-departmental task force would be effective in pushing the reforms forward, and regular monitoring

and clear timeframe would keep momentum. One-stop center is essential not only because it would minimize the time for moving around but also facilitate streamlining the whole procedures. One-stop center can invite the participation of the private sector such as utility companies. Indeed, the utilization of ICTs accelerated the administrative reform. Online application would reduce not only the time costs but also the degree of discretion and corruption. ICTs can provide equal opportunities. Moreover, E-government should be accompanied with measures to improve ICT literacy.

3. Participant Information

1) *Number of participants*

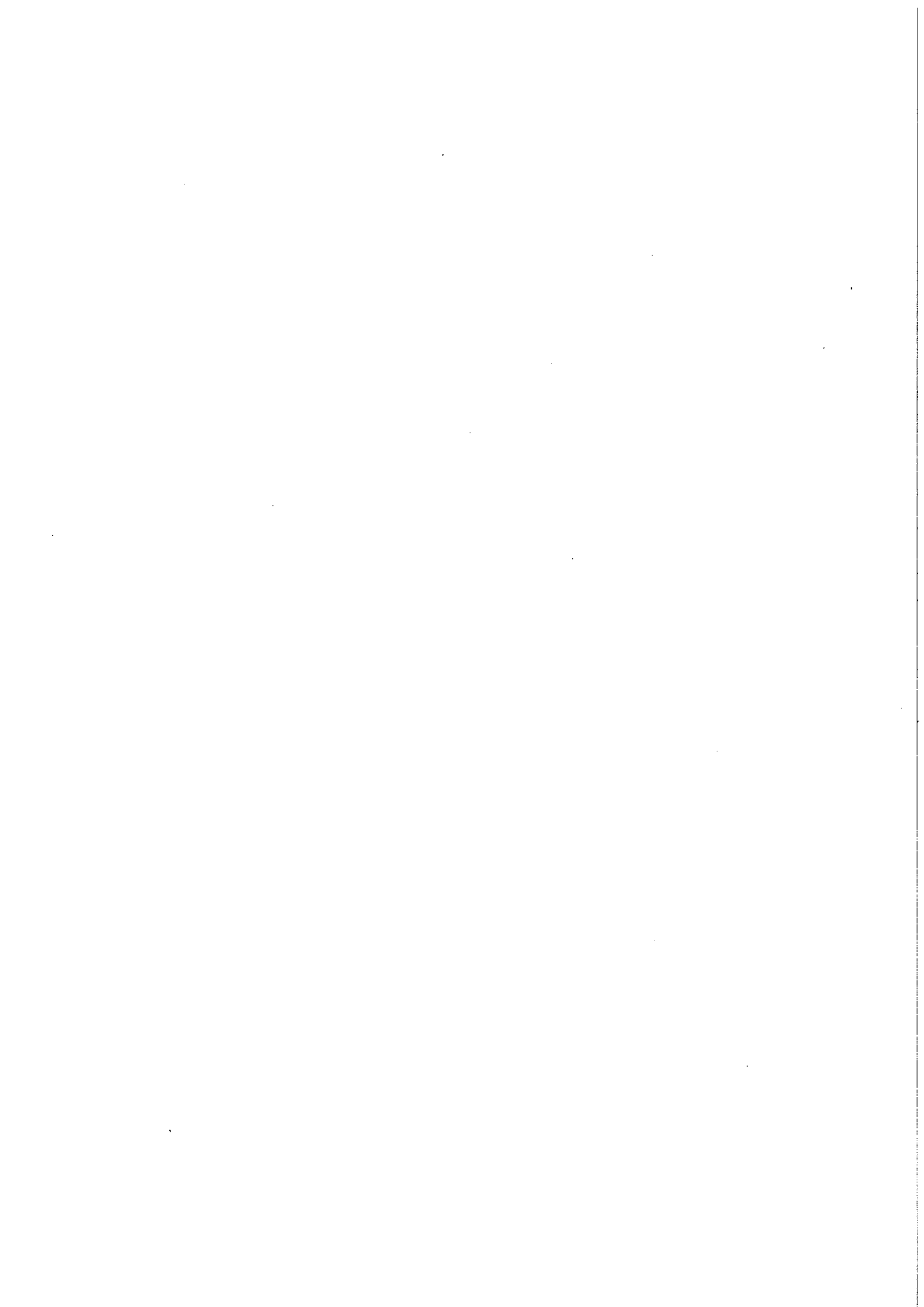
Approximately 100 local and international participants who were representatives from business, government and academic circles in Chinese Taipei attended the seminar.

2) *Participated APEC member economies*

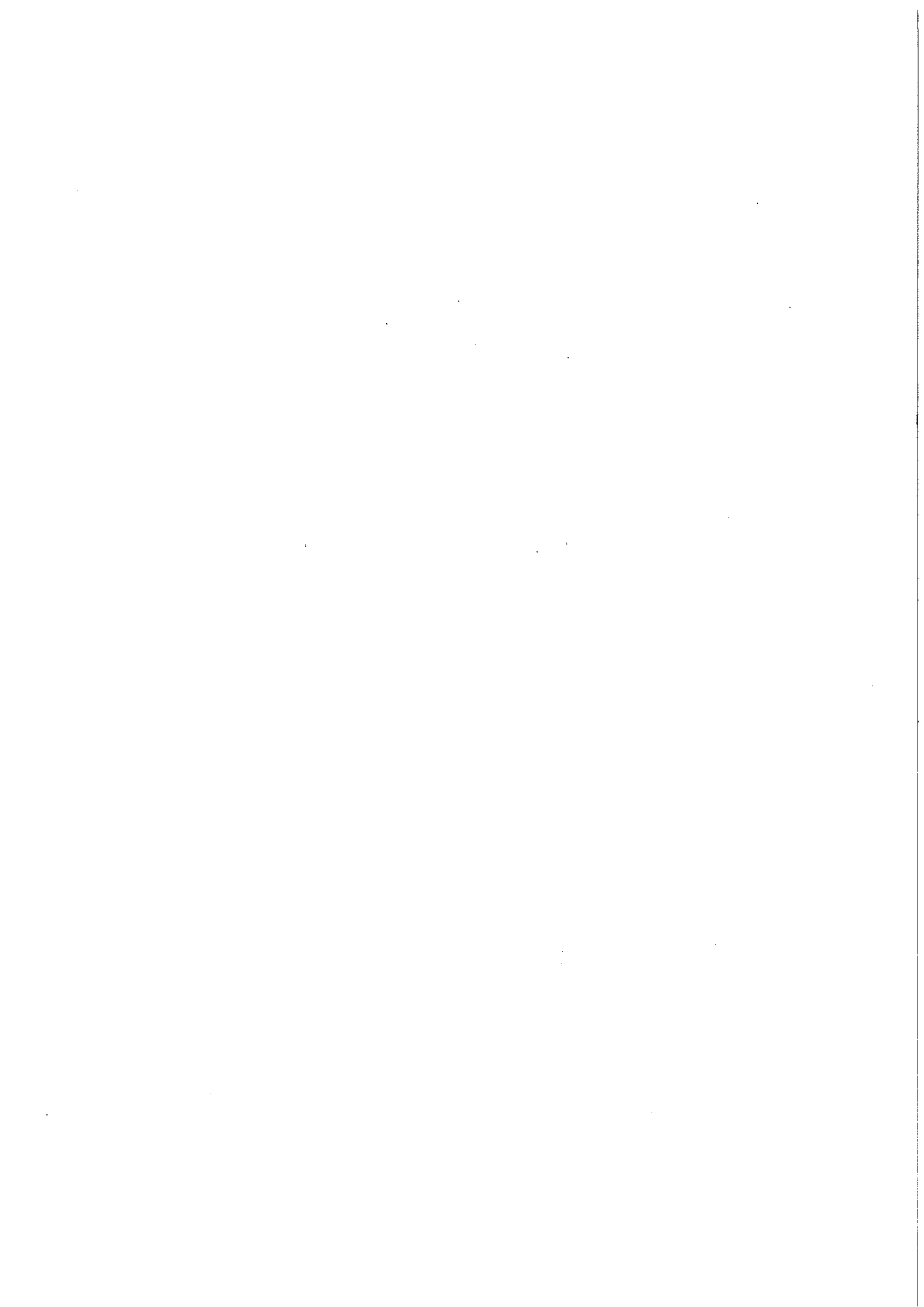
Brunei Darussalam, Hong Kong, China, Indonesia, Japan, Malaysia, Mexico, New Zealand, Peru, Russia, Singapore, Chinese Taipei, Thailand, the United States, and Vietnam.

4. Essential lessons learned

- 1) The core issue in promoting ease of doing business is not just raising index rankings but making real progress in improving the business environment. Under the tide of globalization, the only way that an economy can become a successful partner in international economic integration is to build a more friendly business environment.
- 2) On the subject of starting a business, it's noted that economic growth comes from the private sector, and that the government's job is to create a good business environment and regulatory system to support business operations. The process for starting a business in the case of New Zealand is smoothed by simple regulation, uniform charges and fees, and the provision of online services. While digitization is one trend, true reform must be carried out by reviewing regulations and getting rid of unnecessary controls. If the restrictions on starting a business are too onerous, they might easily cause business operations to sink into the underground economy where the government will have no way to regulate them.
- 3) On the issue of dealing with construction permits, it is needed for the entire process to be more simplified without affecting the end user, but as the competent agency the government must also ensure that the relevant regulations conform to the needs of public safety and health. The "one-stop centre" to handle the overall management of applications for water, telecommunications, and construction licenses is a feasible mechanism in the case of Hong Kong, China and other economies.
- 4) Improving the convenience of financing for small and medium enterprises (SMEs) is very crucial in the APEC region. Possibility should be explored for companies to use available corporate assets as collateral when necessary to obtain loans quickly. APEC economies are encouraged to strengthen their movable property collateral system in line with world trends to help SMEs obtain loans and broaden the channel for corporate financing.



**附件十二：Public Sector Governance (PSG) Friends of the Chair (FotC)
Work Plan (文件編號：2011/SOM1/EC/021)**





**Asia-Pacific
Economic Cooperation**

2011/SOM1/EC/021

Agenda Item: 6

Public Sector Governance FotC Work Plan

Purpose: Consideration

Submitted by: PSG FotC Coordinator (Chinese Taipei)



**First Economic Committee Meeting
Washington, D.C., United States
5-6 March 2011**

Name of the FotC: Public Sector Governance

Coordinating Economy: Chinese Taipei

Membership Principles and Member Economies:

Economies with the intension of sizable/substantial contribution will be members, while other economies will be CC-ed when FotC e-mail discussion is conducted among such members. The eight start-up members include Canada, Indonesia, Korea, New Zealand, Chinese Taipei, Thailand, USA, and Vietnam.

Objectives:

Good public sector governance strengthens the national economic environment and improves public service performance. As the progress of structure reform steps into a new phase in 2011-2015, the new PSG FotC aims to maintain a platform for economies to exchange practical experiences on public sector governance and to promote the application of the nine generalized high-level principles of good public sector governance among APEC economies. It will facilitate ANSSR and support APEC Growth Strategy by improving the quality of public sector governance via providing opportunities for benchmark learning and best practices sharing among economies.

Scope:

In order to deepen and widen dialogues among economies, Chinese Taipei suggests that the new PSG FotC group develops the priority areas on the basis of the interests of member economies and of its past achievements, including the nine high-level principles of good public sector governance established in the 2007 AEPR and other fruitful action results. With references to the findings of the *Stock-take of activities against the nine high-level principles for good public sector governance* and the *LAISR Reformulation Survey*, Chinese Taipei proposes five themes for advanced discussions in the new PSG FotC, including:

- **Strengthening public administration for the future**
Coping with changes of the market, the political situations, and the natural environment within and beyond the boundaries, economies have adjusted their governmental structures to enhance competitiveness and to strengthen governance capacity in the past decade. In order to update lessons of government restructuring from economies, Chinese Taipei proposes that one of the priority areas of the new PSG FotC focuses on the lessons and the results of public administration reforms. Discussions in this area will concentrate on approaches and outcomes of organizational restructuring in the public sector promoting across boundary governance, reduction of administrative process and burden, and an effective government. This area aims to facilitate experience sharing of administrative reforms and expects to promote economic, social, and political performance and good public sector governance among economies.
- **Improving the quality of public service**
Quality public service delivery is essential when promoting citizen trust and satisfaction toward the public sector. Seeking ways to advance the efficiency and quality of the public service delivery, APEC member economies have developed various innovative measures in recent years. This area aims to exchange the incentive mechanisms or initiatives economies designed to evaluate the quality of public service and to encourage the citizen-oriented public service.
- **Leveraging ICTs to strengthen public sector governance**
ICTs are becoming an essential part of many economies' governance initiatives. Active uses of ICTs for improving government process (e-administration), connecting citizens (e-citizens and e-services), and building external interactions (e-society) are beneficial to public participation and government transparency. This area expects to deepen experience sharing on how economies utilize new ICTs to promote government efficiency and responsiveness. Key issues in this area include agile and friendly access of public service, real-time government information and services, and applications of social networking to enhance interactions between the government and the public.
- **Enhancing fiscal transparency and public accountability**
Promoting fiscal transparency is one of the government's focal responsibilities to articulate the achievements of value for money. This area focuses on the practical measures and

tools economies took to enhance public spending management, to improve government productivity, and to assess the quality of fiscal transparency. This area aims to develop a paper of fiscal transparency and public accountability.

- **Strengthening trust, integrity, and ethics**
Corruption erodes public trust towards the government and the performance of public governance. Therefore, to build a clean government and to construct public service ethic codes have been major concerns among economies. This area aims to promote further discussions on the systematic and organizational design and regulations of anti-corruption in the public sector. Economies will also have opportunities to exchange experiences on surveying the public perception of corruption and on training programs of the public service ethics.

List of Individual Activities to be Succeeded (see Annex 3)

List of Ideas on Possible New Projects (see Annex 4)

- Seminar, workshop, and roundtable discussion on priority areas
- Tailor-made project to assist member economies to improve governance quality in the public sector
- Paper on fiscal transparency and public accountability

In order to exchange lessons and experience with other sub fora, the PSG FotC group will also seek opportunities to invite other groups to run activities jointly. For example, activities in the area of *Strengthening trust, integrity, and ethics* may also invite the Anti-corruption and Transparency Taskforce to participate.

Items in the Forward Work Programme for LAISR and Their Transition to the New FotC Groups (Public Sector Governance)

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
1. Set the stage for productive discussion on public sector governance within APEC.	Seminar on public sector governance	Completed	New Zealand, Japan, Malaysia	Public Sector Governance
	APEC Economic Policy Report on public sector governance	Completed	New Zealand, EC Chair	Public Sector Governance
	Bibliography of resources on public sector governance	Completed	New Zealand	Public Sector Governance
2. Identify areas of need for strengthening public sector governance.	Review APEC Economic Policy Report on public sector governance	Completed	Canada, EC Chair	Public Sector Governance
3. Promote better understanding of practical measures to strengthen public sector governance.	Good practice principles for public sector governance	On-going	Canada	Public Sector Governance
	Policy dialogues on public sector governance	On-going	To be decided	Public Sector Governance
	Management Performance: Towards Effective Government	Completed	Canada	Public Sector Governance
4. Capacity building to implement practical measures.	Workshop on e-governance	Completed	Chinese Taipei, New Zealand	Public Sector Governance
	Workshop on government performance and results management	Completed	Chinese Taipei, New Zealand	Public Sector Governance
	Workshops on public sector governance as appropriate	On-going	To be decided	Public Sector Governance
5. Increase awareness of the elements of sound public sector governance.	Ministerial Meeting on Structural Reform	Completed		Whole of the EC
6. Stocktake of progress in strengthening public sector governance and set direction of future work.	Summary of outputs and outcomes of work programme	Completed	New Zealand	Public Sector Governance, whole of the EC

Work Plan Details of Public Sector Governance FotC Group (draft)

Priority areas	Action items/Specific products	Timeframe	Led by	Format
1. Strengthening public administration for the future	Good practice principles for public sector governance	2011 EC1	Canada	Theme report
2. Improving the quality of public service				
3. Leveraging ICTs to strengthen public sector governance				
4. Enhancing fiscal transparency and public accountability	Improving Public Sector Transparency: Good Practices and Reform Experiences (tbc, draft proposal will send to economies for consultation after 2011 EC1)	2011 EC2	Chinese Taipei	Roundtable discussion
5. Strengthening trust, integrity, and ethics				

**附件十三：Draft Work Plan for Regulatory Reform Friends of the Chair
(FotC) (文件編號：2011/SOM1/EC/023)**



**Asia-Pacific
Economic Cooperation**

2011/SOM1/EC/023

Agenda Item: 6

Draft Work Plan for Regulatory Reform FotC

Purpose: Consideration

Submitted by: Japan



**First Economic Committee Meeting
Washington, D.C., United States
5-6 March 2011**

Draft Work Plan for New Regulatory Reform FotC

Name of the FotC: Regulatory Reform

Coordinating Economy: Japan

Membership Principles¹ and Member Economies:
Indonesia, Korea, Malaysia, Mexico, New Zealand, Chinese Taipei, Thailand, the U.S. and Vietnam

Objectives:

Promote regulatory reform in APEC economies to:

- increase social welfare by better balancing and more effectively delivering government policies over time;
- boost economic development and consumer welfare by encouraging market entry, innovation and competition and thereby promoting competitiveness;
- control regulatory costs so as to improve productive efficiency by reducing unnecessary costs, particularly for entrepreneurs and small, medium, and micro sized businesses;
- improve public sector efficiency, responsiveness, and effectiveness through public management reforms;
- rationalize and simplify law; and
- improve the rule of law and democracy through legal reform, including improved access to regulation and reduced discretion, where excessive, for regulators and enforcers.

Scope:

The Regulatory Reform FotC will work to promote regulatory reform bearing in mind that all the FotC's activities will help implement the APEC Leaders' Growth Strategy and the ANSSR initiative.

List of Individual Activities to be Succeeded (see Annex)

1. APEC-OECD Integrated Checklist on Regulatory Reform

The Checklist is a voluntary tool that member economies may use to evaluate their respective regulatory reform efforts. Based on the accumulated knowledge of APEC and the OECD, the Checklist highlights key issues that should be considered during the process of development and implementation of regulatory policy, while recognizing that the diversity of economic, social, and political environments and values of member economies require flexibility in the methods through which the checklist shall be applied, and in the uses given to the information compiled.

So far, six economies (the U.S.; Hong Kong, China; Chinese Taipei; Korea; Australia; and Japan) have conducted self assessments.

This exercise would contribute to "Regulatory Cooperation and Convergence", one of the proposed priorities for APEC2011.

2. Voluntary Reviews of Institutional Framework and Process

A process for voluntary self review was developed and endorsed at the EC2 meeting held on 23 – 24 July 2009 in Singapore.² The key features of effective reform institutions or processes that

¹ FotC coordinators are expected to propose as to how the membership can be organized. Possible examples include:

A: Economies with the intention of sizable/substantial contribution will be members, while other economies will take part in decision making at the Plenary.

B: Two kinds of membership, with core members and non-core members.

C: Economies with the intention of sizable/substantial contribution will be members, while other economies will be CC-ed when FotC e-mail discussion is conducted among such members.

² PSU prepared HANDBOOK FOR "THE APEC VOLUNTARY REVIEWS OF INSTITUTIONAL FRAMEWORKS AND PROCESSES FOR STRUCTURAL REFORM" in October 2009.

were agreed to be important for supporting reform are: Mandate, Governance, Budget, Independence, Authority, Transparency, and Economy-wide mandate/perspective.

The overall purpose of the review is to examine the extent to which these key features are present in the institutions and processes for structural reform within the reviewed economy. This review complements the APEC-OECD Integrated Checklist on Regulatory Reform.

3. Benchmarking Survey

The benchmarking survey was intended to gather information on the current regulatory state of play in APEC economies to provide a base level (the benchmark) against which to measure progress - with a follow up to be conducted in approximately five years to examine progress.

The benchmarking survey was also intended to assist economies in setting domestic targets, tracking the success of regulatory initiatives over time and allocating APEC's capacity building resources in this area. The questions attempted to capture the framework and processes which assist in achieving good regulatory outcomes by taking a 'snapshot' of the regulatory processes in place in each economy.

In 2010, the results of the survey have been reported to EC members. So far, twelve economies (Australia; Hong Kong, China; Japan; Korea; Malaysia; Mexico; New Zealand; Russia; Singapore; Chinese Taipei; Thailand; and the U.S.) have conducted self assessments.

Possible New Projects

Promoting Regulatory Reform Contributing to APEC Leaders' Growth Strategy and APEC New Strategy on Structural Reform (ANSSR)

In the past, Regulatory Reform FoTC have supported regulatory reform activities in APEC economies by horizontal approach through developing and utilizing practical tools such as the Good Practice Guide on Regulatory Reform, the benchmarking survey and APEC-OECD Integrated Checklist on Regulatory Reform, and editing the APEC Economic Policy Report 2009 which focused on regulatory reform.

Since 2011, with utilizing these horizontal approach, we plan to focus on the priority sectors contributing to APEC Leaders' Growth Strategy (which consists of balanced growth, inclusive growth, sustainable growth, innovative growth and secure growth) and APEC New Strategy on Structural Reform (ANSSR), and share best practices through figuring out regulations which could be driving force or disincentive to promoting activities on of these sectors and enforcing case studies. The priority sectors are as follows:

- i. Improving business environment for Small and Medium Enterprises such as export promotion
- ii. Promoting sustainable growth such as promoting investment on green industries
- iii. Promoting innovation such as developing a skilled, adaptable, and professional work-force

We plan to make use of following activities as a means of sharing best practices:

A) Survey on regulations which could be driving force or disincentive to promoting activities of these sectors

With reference to PSU researches, we plan to implement surveys of these sectors, collaborating with PSU where appropriate.

B) Policy dialogue or workshops

To be held in order to identify the necessary works by economies and to share the best practices.

C) Dialogue with ABAC

Cooperation with ABAC is indispensable in this field to promote regulatory reform in alignment with business needs. Also we might derive benefits through sharing and examining best practices. For this purpose, we plan to hold workshops.

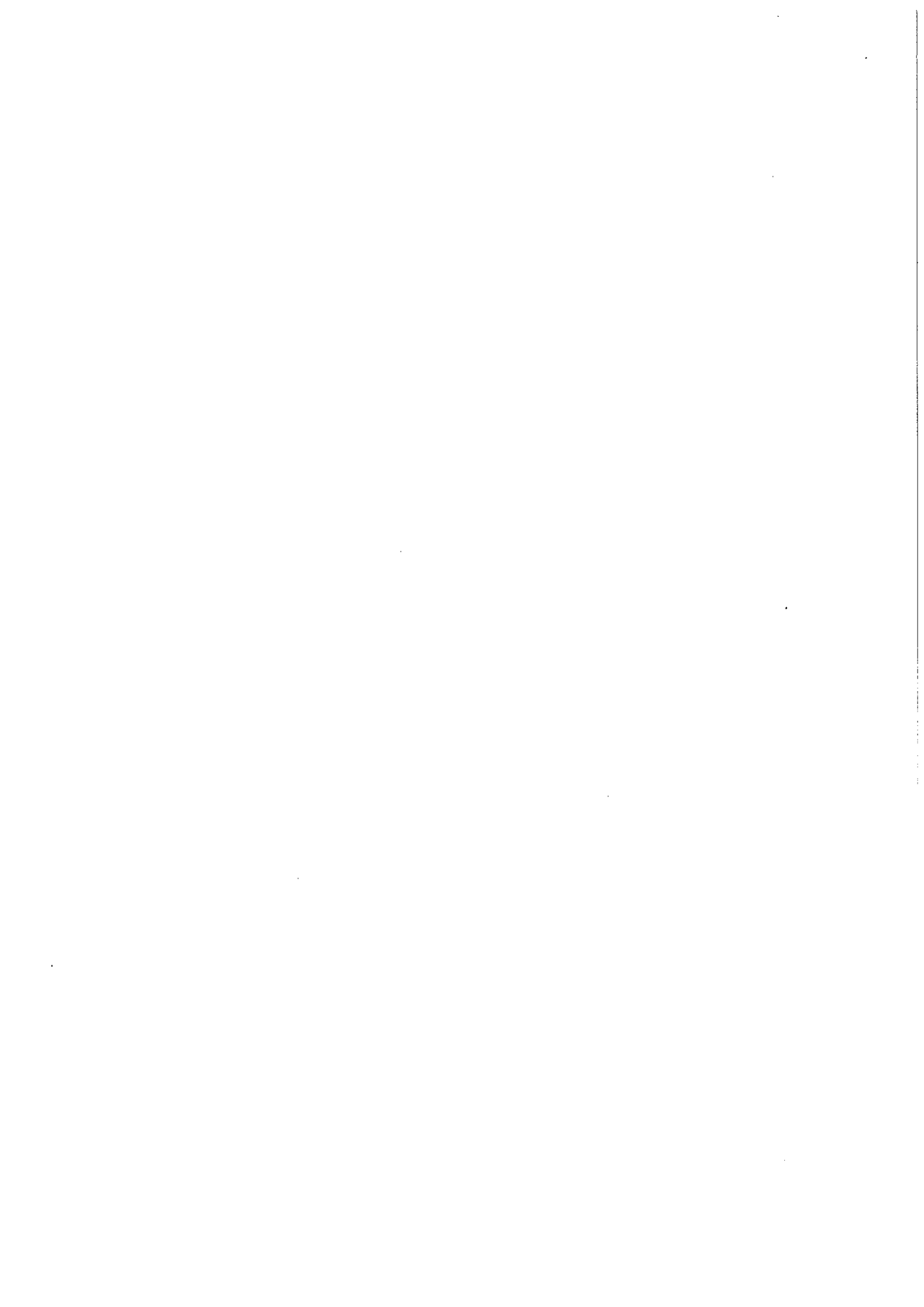
D) Joint sessions with other fora

It is important to make our discussion more professional and technical through cross-fora collaboration. Possible ideas include joint sessions with the HRDWG or SMEWG to discuss regulatory reform for Inclusive Growth or with the ISTWG to discuss it for Innovative Growth.

Items in the Forward Work Programme for LAISR and Their Transition to the New FotC Groups (Regulatory Reform)

Objectives	Action items/Specific products	Status	Led by	Suggested New FotC /Subfora
1. Provide context for the discussion on regulatory reform within APEC	Roundtable discussion on regulatory reform	Completed	Australia	[Regulatory Reform]
2. Provide guidance for good practice regulation principles and practices within APEC	Good Practice Guide on Regulatory Reform	Completed	Australia, Peru, Mexico, New Zealand	[Regulatory Reform]
	Workshop on Improving Public Consultation in the Rulemaking Process	Completed	United States, Indonesia, Japan, Mexico, Vietnam	[Regulatory Reform]
	Survey of incentive schemes for civil servants	Completed	Chinese Taipei	[Regulatory Reform]
3. Enhance APEC economies' regulation making, review and enforcement processes and systems.	Ministerial Meeting on Structural reform	Completed	Australia, Peru, Singapore, EC Chair	[Whole of the EC]
	AEPR 2009: Regulatory Reform theme	Completed	Australia	[Regulatory Reform]
	Benchmarking Survey	will be conducted in 2015		[Regulatory Reform]
	Voluntary reviews of institutional framework and processes	On-going		[Regulatory Reform]
	APEC-OECD Integrated Checklist on Regulatory Reform	On-going		[Regulatory Reform]
4. Improve APEC economies' regulation in key sectors of the economy.	Ongoing program to address identified weaknesses	On-going		[Regulatory Reform]
	Desktop research on the current cost and quality of transport, telecommunication services, and energy to consumers in APEC economies	On-going	PSU	[Regulatory Reform]
	Promoting Regulatory Reform Contributing to APEC Leaders' Growth Strategy and APEC New Strategy on Structural Reform (ANSSR)	On-going	Japan	[Regulatory Reform]
5. Address key regulatory burden on businesses in APEC economies.	Study of regulatory burden within APEC economies	Completed	Singapore	[Regulatory Reform]
6. Assess overall progress in regulatory reform amongst APEC economies and set direction for future work.	Report to APEC Leaders for endorsement	Completed by Nov 2010	Australia, EC Chair	[Regulatory Reform, whole of the EC]

附件十四：2011 CPLG 會議議程 (文件編號：2011/SOM1/CPLG/001)





**Asia-Pacific
Economic Cooperation**

2011/SOM1/CPLG/001
Agenda Item: 2

Draft Agenda

Purpose: Consideration
Submitted by: CPLG Convenor



Competition Policy and Law Group Meeting
Washington, D.C., United States
7-8 March 2011

**Meeting of the APEC
Competition Policy and Law Group (CPLG)
Washington, D.C., the United States
March 7 - 8, 2011**

Draft Annotated Agenda

Day 1

MORNING SESSION: 9:30-12:30

9:30-9:40

1. Convenor's Opening Remarks

2. Adoption of Agenda

9:40-10:00

3. Progress Report on CPLG Projects in 2010

- *Vietnam will be invited to report outcomes of the project "APEC Training Course on Competition Advocacy" held on 8-10 September, 2010 in Vietnam.*
- *Chinese Taipei will be invited to report updates on the APEC Competition Policy and Law Database.*

10:00-11:10

4. New Project for 2011

((1) APEC Secretariat will provide briefing on project approval process for 2011)

(2) CPLG Work Plan and Collective Action Plan in 2011

CPLG convenor will give a briefing on 2011 work plan and Collective Action Plan of the CPLG.

(3) APEC Training Course on Competition Policy in 2011

Malaysia will be invited to report the progress on "APEC Training Course on Competition Policy" scheduled to be held in Malaysia in 2011.

(APEC Training Course on Competition Policy in 2012)

(4) New Project proposal from Russian Federation

Russian Federation will be invited to report the outline and the progress on

- *"Survey on Information Exchange on Competition in APEC Region"*
- *"Facilitating competition and countering anticompetitive practices in seaports in the APEC region"*
- *"Measures of Competition Development in APEC"*

(5) Any Other Projects (input sought)

Members will be invited to propose new projects.

11:10-11:30

Coffee Break

11:30-12:30

5. Dialogue with the EC Chair and Coordinator of FotC on Competition Policy

- *EC Chair will be invited to brief on EC's priorities/work plans.*
- *EC (Coordinator of FotC on Competition Policy) will be invited to brief on the FotC's priorities/future plans.*
- *EC Chair and Coordinator of FotC exchange views on the relationship between EC (including FotC) and CPLG with the CPLG members.*

12:30-14:00

Lunch Break

AFTERNOON SESSION: 14:00-

6. Roundtable with the private sector including ABAC

[Coffee break will be held for about 20minutes.]

(* Detailed agenda of the roundtable discussion will be shown as Annex 1)

Day 2

MORNING SESSION: 9:30-12:30

7. Members Dialogue on Competition Advocacy: Development and Implementation of an Effective Work Program

[Coffee break will be held for about 30minutes.]

(* Detailed agenda of the dialogue will be shown as Annex 2)

12:30-14:00 Lunch Break

AFTERNOON SESSION: 14:00-17:00

14:00-15:50

8. Members' Reports/Presentations on Updates and Developments of Competition Policy

Each economy will make a brief presentation (about 5-10 minutes) on updates and developments of competition policy and law with presentation material, which may cover the following items;

- 1) Introduction of competition law and change to competition law and policy; and*
- 2) Enforcement of competition law and policy (featuring recent cases).*

15:50-16:20 Coffee Break

16:20-16:40

9. The outline of Trans-Pacific Partnership (TPP)

The New Zealand will give a briefing on the outline of TPP including competition chapter.

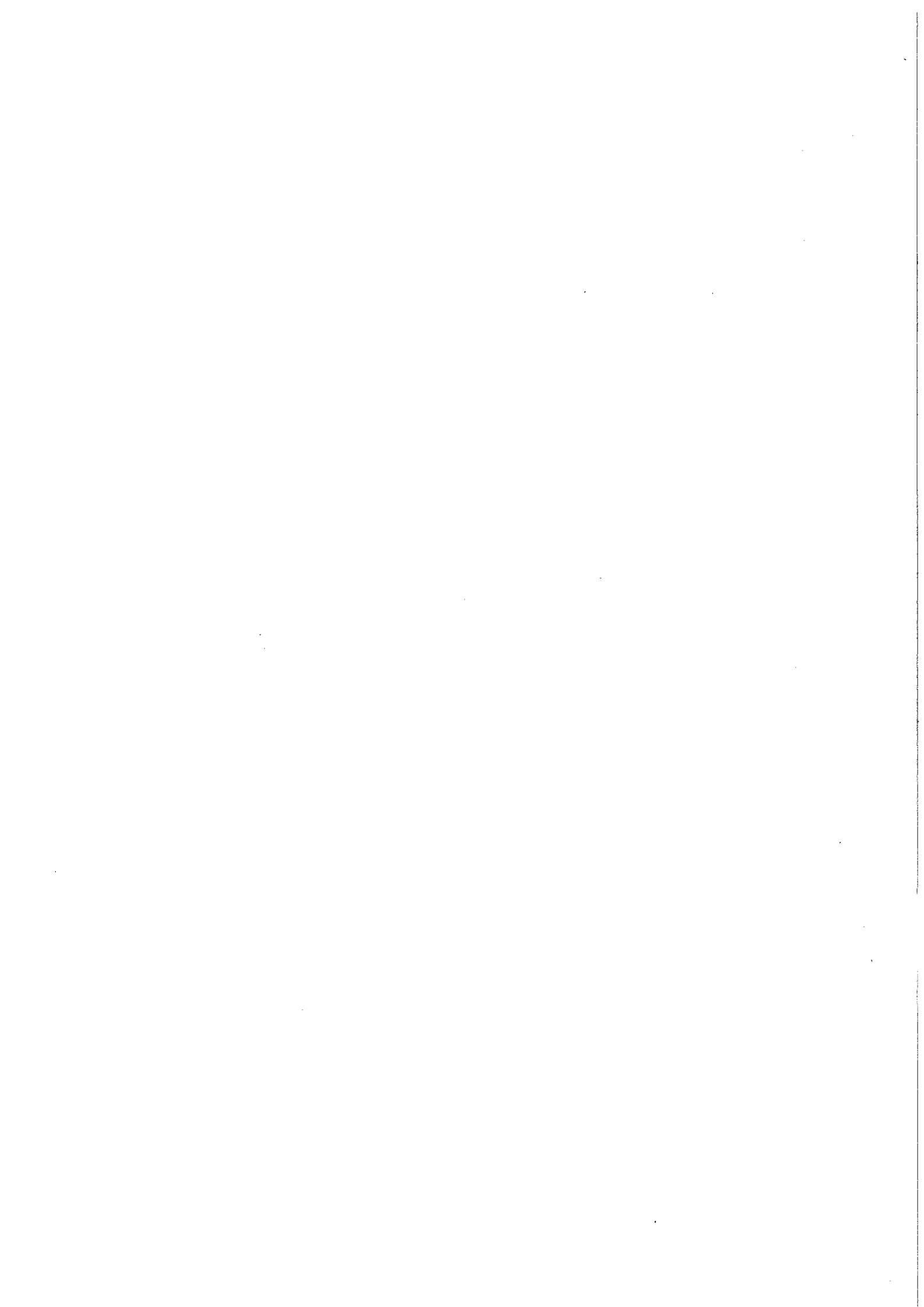
16:40-17:00

10. Other Business

- Report by APEC Secretariat*
- Members will be invited to consider other matters, if any.*

11. Next/Future Meeting

12. Summary and Conclusion



附件十五：2011 CPLG 會議文件一覽表 (文件編號：2011/SOM1/ CPLG /000)



**Asia-Pacific
Economic Cooperation**

2011/SOM1/CPLG/000

Agenda Item: 9

Document Classification List

Purpose: Consideration
Submitted by: APEC Secretariat



APEC
USA 2011

**Competition Policy and Law Group Meeting
Washington, D.C., United States
7-8 March 2011**

Document Classification List

Document No.	Title	Agenda Item	Submitted By	Public Release		Reason for Restriction	Derestriction Date (where applicable)
				Yes	No		
2011/SOM1/CPLG/000	Document Classification List - Competition Policy and Law Group Meeting 2011	9	APEC Secretariat		√	Internal document	
2011/SOM1/CPLG/001	Draft Annotated Agenda - Competition Policy and Law Group Meeting 2011	2	CPLG Convenor	√			
2011/SOM1/CPLG/001anx1	Draft Agenda - Roundtable with the Private Sector Including APEC Business Advisory Council (ABAC)	6	CPLG Convenor	√			
2011/SOM1/CPLG/001anx2	Draft Agenda - Members Dialogue on Competition Advocacy: Development and Implementation of an Effective Work Program	7	CPLG Convenor	√			
2011/SOM1/CPLG/002	Report on Updates on the APEC Competition Policy and Law Database	3	Chinese Taipei	√			
2011/SOM1/CPLG/003	Updates to the Project Management Process	4(1)	APEC Secretariat	√			
2011/SOM1/CPLG/004	Competition Policy and Law Group Meeting (CPLG) Work Plan	4(2)	CPLG Convenor		√	Under consideration	
2011/SOM1/CPLG/005	Competition Policy and Law Group Meeting (CPLG) Collective Action Plan	4(2)	CPLG Convenor		√	Under consideration	
2011/SOM1/CPLG/006	Project Proposal: Survey on Information Exchange on Competition in APEC Region: Phase	4(4)	Russia	√			
2011/SOM1/CPLG/007	Facilitating Competition and Countering Anticompetitive Practices in Seaports in the APEC Region	4(4)	Russia	√			
2011/SOM1/CPLG/008	Concept Note - Measures of Competition Development in APEC - Paper	4(4)	Russia	√			
2011/SOM1/CPLG/009	Concept Note - Measures of Competition Development in APEC - Presentation	4(4)	Russia	√			
2011/SOM1/CPLG/0010	Economic Committee 2011 Chair's Update	5	EC Chair	√			
2011/SOM1/CPLG/011a	Procedural Fairness in Competition Enforcement: The Chilean Experience	6	Chile	√			
2011/SOM1/CPLG/011b	Report on Merger Regulations in Chinese Taipei	6	Chinese Taipei	√			
2011/SOM1/CPLG/011c	Merger Control in Indonesia Based on the Law on the Prohibition of Monopolistic Practices and Unfair Business Competition	6	Indonesia	√			
2011/SOM1/CPLG/011d	Procedural Importance to Competition Proceedings in Non-Merger Context - Japan Fair Trade Commission's (JFTC) Approach	6	Japan		√	Under consideration	

2011/SOM1/CPLG/012a	China's Anti-monopoly Institutions, the Objectives of Competition Advocacy and the Priorities for Competition Advocacy Activities	7(1)	China		√		Draft
2011/SOM1/CPLG/012b	Institutions, Objectives and Priorities of the Federal Antimonopoly Service of the Russian Federation	7(1)	Russia		√		
2011/SOM1/CPLG/012c	Competition Advocacy in South East Asia	7(2)	Indonesia		√		
2011/SOM1/CPLG/012d	A Year of 1 ³	7(2)	Singapore		√		
2011/SOM1/CPLG/012e	Report on Competition Advocacy: Chinese Taipei Experience	7(3)	Chinese Taipei		√		
2011/SOM1/CPLG/013	Updates of Competition Law in Japan	8	Japan		√		
2011/SOM1/CPLG/014	Recent Activities in Competition Assessment in Korea	7(2)	Korea		√		
2011/SOM1/CPLG/015	FAS Recent Legal Initiatives- The Third Antitrust Package	8	Russia		√		
2011/SOM1/CPLG/016	Competition Commission of Singapore -- Highlights of 2010	8	Singapore		√		
2011/SOM1/CPLG/017	Report on Updates and Developments of Competition Policy in Chinese Taipei	8	Chinese Taipei		√		
2011/SOM1/CPLG/018	APEC Secretariat Report on Key Developments -- March 2011	9	APEC Secretariat		√		
2011/SOM1/CPLG/019	Federal Trade Commission Competition Advocacy: Practice and Effectiveness	7	United States		√		
2011/SOM1/CPLG/020	Competition Advocacy: Institutions, Objectives and Priorities	7	United States		√		
2011/SOM1/CPLG/021	Update on Developments in Competition Law/Policy - United States	8	United States		√		
2011/SOM1/CPLG/022	APEC Training Course on Competition Policy	3	Malaysia		√		
2011/SOM1/CPLG/023	China's Merger Control Legislation and Enforcement	8	China		√		
2011/SOM1/CPLG/024	Progress Report - Training Course on Competition Advocacy, 8-10 September 2010, Viet Nam	3	Viet Nam		√		
2011/SOM1/CPLG/025	Challenges and Obstacles to Effective Competition Advocacy and Strategies to Overcome Them	7 (2)	New Zealand		√		
2011/SOM1/CPLG/026	Chile: Updates and Developments of Competition Policy and Law in 2010	8	Chile		√		
2011/SOM1/CPLG/027	Updates and Developments: Competition Policy	8	New Zealand		√		



**附件十六：Report on Updates on the APEC Competition Policy and Law
Database (文件編號：2011/SOM1/CPLG/002)**



**Asia-Pacific
Economic Cooperation**

2011/SOM1/CPLG/002

Agenda Item: 3

Report on Updates on the APEC Competition Policy and Law Database

Purpose: Information
Submitted by: Chinese Taipei



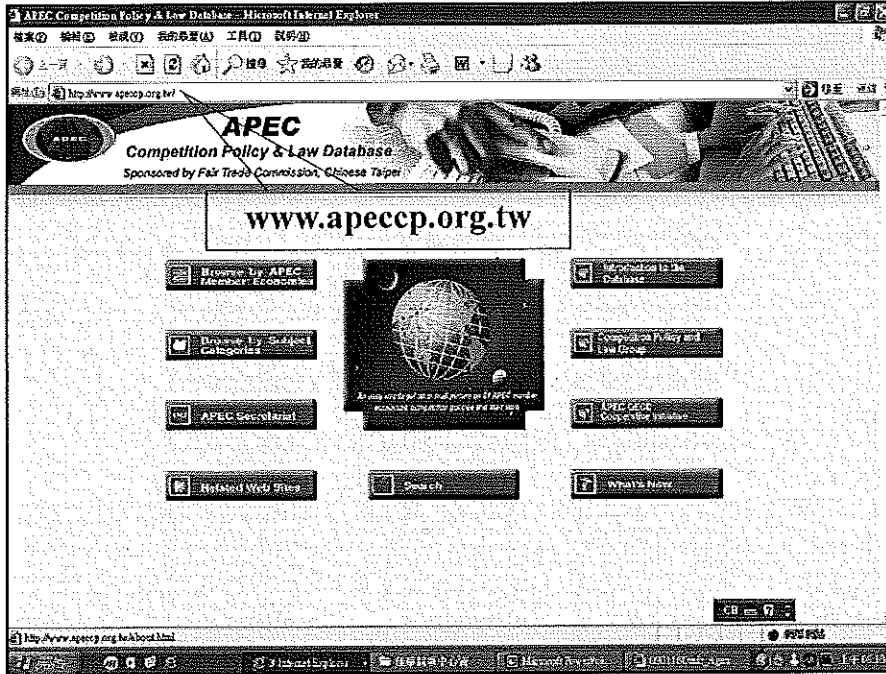
**Competition Policy and Law Group Meeting
Washington, D.C., United States
7-8 March 2011**

Updates on the APEC Competition Policy and Law Database

Chinese Taipei
7 March, 2011

Osaka Action Agenda

“APEC economies will gather information and promote dialogue on and study ... the objectives, necessity, role and operation of each APEC economy’s competition policy and/or laws and administrative procedures, thereby establishing a database on competition policy, ...”



- ### 14 Categories
- Policy Statements
 - Competition policies/Laws
 - Organizational Structure
 - Administrative Procedure
 - Decision Guidelines
 - List of Publications and Subscription Details
 - Q & As
 - Decisions of Administrative or Quasi-Judicial Agencies
 - Judicial Cases
 - International and/or Bilateral Cooperation Arrangements
 - List of Academics and Specialists
 - Issues Related to Competition Laws
 - Statistical Data
 - Announcement

Statistics

- The Database has received a significant response as well as acceptance by the international community.
- The number of visitors to the website has been growing in the recent years.

2010 Database Visit Statistics

Month	Visitors (Unit: Persons)	Visits (frequency)	Page Read (Unit: Pages)	Hits	Used Memory (Gigabyte)
January	7,491	20,694	279,906	288,829	5.78 GB
February	8,847	21,229	258,118	268,528	5.71 GB
March	10,881	25,899	279,251	291,634	6.70 GB
April	8,196	19,797	273,038	281,078	5.88 GB
May	8,549	20,236	254,900	263,489	6.46 GB
June	9,796	19,056	298,635	306,747	6.75 GB
July	5,088	12,680	274,662	280,494	6.17 GB
August	7,242	17,880	250,781	256,936	6.29 GB
September	7,604	18,770	308,987	321,250	6.88 GB
October	8,126	19,206	299,909	308,371	12.45 GB
November	7,269	21,530	264,865	272,830	16.83 GB
December	7,344	22,031	310,875	317,825	20.87 GB
Total	96,433	239,008	3,353,927	3,458,011	106.79 GB




Database Contents browse by APEC Member Economies


- [Australia](#) NEW! Updated 2010.05
- [Brunei Darussalam](#) NEW! updated 2010.08
- [Canada](#)
- [Chile](#) NEW! Updated 2010.08
- [People's Republic of China](#)
- [Hong Kong, China](#)
- [Indonesia](#) Updated 2009.4
- [Japan](#) NEW! Updated 2010.08
- [Republic of Korea](#)
- [Malaysia](#)
- [Mexico](#)
- [New Zealand](#) NEW! Updated 2010.05
- [Papua New Guinea](#)
- [Peru](#) NEW! Updated 2010.08
- [Republic of the Philippines](#)
- [Russia](#)
- [Singapore](#) NEW! Updated 2010.05
- [Chinese Taipei](#) NEW! Updated 2010.08
- [Thailand](#)
- [United States of America](#) updated 2009.02
- [Vietnam](#) Updated 2009.01








Database Contents of APEC Member Japan


- [Policy Statements](#)
 - [Competition Policies/Laws](#)
 - [Organizational Structure](#)
 - [Administrative Procedures](#)
 - [Decision Guidelines](#)
 - [List of Publications and Subscription Details](#)
 - [Q & As](#)
 - [Decisions of Administrative or Quasi-judicial Agencies](#)
 - [Judicial Cases](#)
 - [International and/or Bilateral Cooperation Arrangements](#)
 - [List of Academics and Specialists](#)
 - [Issues Related to Competition Laws](#)
 - [Statistical Data](#)
 - [Announcement](#)
- 


 **Database Contents of APEC Member Peru**

 **International and/or Bilateral Cooperation Arrangements**





-  [Peru - Canada FTA \(Chapter 13\)](#) NEA/2010/06/11
-  [Peru - Chile FTA \(Chapter 8\)](#) NEA/2010/06/11
-  [Peru - Singapore FTA \(Chapter 14\)](#) NEA/2010/06/11
-  [Peru - US FTA \(Chapter 13\)](#) NEA/2010/06/11

 **Statistical Data**


-  [Commission for the Defense of Free Competition of INDECOP](#) NEA/2010/06/11



Publicaciones

Publicaciones Gratuitas

-  [Memoria Anual](#)
- [Memoria 2007](#)
- [Memoria 2008](#)
- [Memoria 2007](#)
- [Memoria 2005](#)

For Future Maintenance

- Only through the long-term updating and build-up of the Database can we help share experiences, exchange views, enhance dialogue on competition policies and laws and hopefully increase transparency in regard to competition matters.
- We encourage all member economies to check each one's part from time to time on the website, and continue forwarding to us the above-mentioned 14 categories of information and documents regarding to the Database.

Thank you for your Attention.

Any further questions or suggestions

Please e-mail to: apocvysiz@apocvysiz.gov.tr

or: cbihabua@tc.gov.tr

**附件十七：Report on Merger Regulations in Chinese Taipei (文件編號：
2011/SOM1/CPLG/011b)**



**Asia-Pacific
Economic Cooperation**

2011/SOM1/CPLG/011b
Agenda Item: 6

Report on Merger Regulations in Chinese Taipei

Purpose: Information
Submitted by: Chinese Taipei



**Competition Policy and Law Group Meeting
Washington, D.C., United States
7-8 March 2011**

Merger Regulations in Chinese Taipei

Chinese Taipei Fair Trade Commission
(CTFTC)
7 March 2011

1

Brief History of Merger Regulations In Chinese Taipei

Legislative History of Fair Trade Act

- Promulgated In February 1991
- Came in force In February 1992
- Amended in 1999, 2000, 2002, and 2010

Merger Control Authority: Fair Trade Commission (CTFTC)

- Established on January 27, 1992
- A ministerial level government agency consists of 9 full-time commissioners and issues its decision independently by majority vote
- Equipped with the investigatory power and authorized to take disposition on any case violating the Fair Trade Act

2

Legal Framework of Merger Regulations in Chinese Taipei

- Fair Trade Act
- Enforcement Rules of Fair Trade Act

Requirements

- Thresholds of Sales Monetary Amount Which Enterprises of a Merger Shall File with the CTFTC
- Regulations for the Examination of Financial Holding Company Merger Cases

Guidelines/Directions

- Directions for Enterprises Filing for Merger
- CTFTC Disposal Directions (Guidelines) on Handling Merger Filings
- CTFTC Disposal Directions (Guidelines) on Extraterritorial Mergers

3

Merger Regulations in Fair Trade Act

Definition of Merger (Article 6)

- Where an enterprise and another enterprise are merged into one;
- Where an enterprise holds or acquires the shares or capital contributions of another enterprise to an extent of more than one-third of the total voting shares or total capital of such other enterprise;

In computing the shares or capital contributions referred to in subparagraph 2 of the preceding paragraph, the shares or capital contributions of another enterprise held or acquired by an enterprise(s) controlled by, controlling, or affiliated with the acquiring enterprise under subparagraph 2 shall be included.

4

Merger Regulations in Fair Trade Act

Definition of Merger (Article 6)

See the proportion of the business or how important the business or property is

- Where an enterprise is assigned by or leases from another enterprise the whole or the major part of the business or properties of such other enterprise;
- Where an enterprise operates jointly with another enterprise on a regular basis or is entrusted by another enterprise to operate the latter's business; or
- Where an enterprise directly or indirectly controls the business operation or the appointment or discharge of personnel of another enterprise.

Ex. Take more than half seats on the board of directors

5

Merger Regulations in Fair Trade Act

Thresholds for Notification, Waiting Period, and Exclusion (Article 11)

Thresholds

Market Share

- A & B \geq 1/3
- A or B \geq 1/4

Turnover

- Financial Enterprises:
A > NTD\$20 billion & B > NTD\$1 billion
- Non-financial Enterprises:
A > NTD\$10 billion & B > NTD\$1 billion

6

Merger Regulations in Fair Trade Act

Thresholds for Notification, Waiting Period, and Exclusion (Article 11)

Notification & Waiting Period

Merging parties file an application to the CFTC

If they do not receive the CFTC's notice or any formal decision within 30 days, they are free to finalize the notified merger.

Such a period may be further shortened or else extended to 60 days at the discretion of the CFTC on a case-by-case basis.

Only when the overall economic benefits of the merger could not outweigh the disadvantages resulted from competition restraints can the CFTC prohibit the merger.

7

Merger Regulations in Fair Trade Act

Thresholds for Notification, Waiting Period, and Exclusion (Article 11)

Waiting Period & Exclusion

Waiting period

- 30 days
- CFTC may extend to 60 days

Proviso: When the waiting period is going to expire, the enterprises may proceed to merge, but the merger may not proceed under any of the following circumstances:

- Where the filing enterprises consent to a further extension of the period.
- Where the filing contains any false or misleading item.

8

Merger Regulations in Fair Trade Act

Thresholds for Notification, Waiting Period, and Exclusion (Article 11)

Documents required to be submitted with the filing

A written report form specifying some information

Basic data on each participating enterprise

The financial statement and operating report

Data such as the production or operating costs, sales prices, and

Production and sales values (volumes)

An explanation of the benefits of the merger for the overall

economy and any disadvantages due to restraints on competition

Major future operating plans ; overview of the long-term

Investments ; information of the market structure ; other

Documents as specified by the central competent authority

9

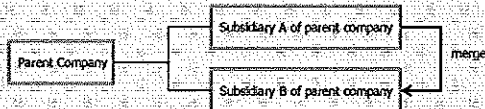
Merger Regulations in Fair Trade Act

Exception of Merger (Article 11-1)



• Where any of the enterprises participating in a merger already holds no less than 50% of the voting shares or capital contribution of another enterprise in the merger and merges such other enterprise

• Where enterprises of which 50% or more of the voting shares or capital contribution are held by the same enterprise merge.



10

Merger Regulations in Fair Trade Act

Exception of Merger (Article 11-1)

- Where an enterprise assigns all or a principal part of its business or assets, or all or part of any part of its business that could be separately operated, to another enterprise newly established by the former enterprise solely

Because first three types of merger, they involve only adjustments of the existing internal economic structure of enterprises, and do not necessarily increase the economic scale or reduce the efficiency of the competition in the market.

- Where an enterprise, pursuant to the proviso of Article 167, Paragraph 1 of the Company Law or Article 28-2 of the Securities and Exchange Law, redeems its shares held by shareholders so that its original shareholders' shareholding falls within the circumstances provided for in Article 6, Paragraph 1, Subparagraph 2 herein.

It is simply an act of a company in securing its rights as creditor for its own interest in property and falls outside the purpose of this Law for merger regulation, which is to prevent harms caused by concentration of economic power by requiring pre-merger filings.

11

Merger Regulations in Fair Trade Act

Review Standard (Article 12)

- CFTC may not prohibit any of the mergers filed if the overall economic benefit of the merger outweighs the disadvantages resulted from competition restraint.

IF Economic Benefit > The disadvantages resulted from competition Restraint,
THEN CFTC will not prohibit the merger

- CFTC may attach conditions or require undertakings in any of the decisions it makes on the filing cases referred to in Article 11, Paragraph 4 herein in order to ensure that the overall economic benefit of the merger outweighs the disadvantages resulted from competition restraint.

12

Merger Regulations in Fair Trade Act

Punishment (Article 13 & 40)

- **The following types of mergers will be disposed by CTFTC :**
 - Merging parties does not notify the CTFTC before implementing a merger
 - A merger takes place before the deadline of waiting period
 - A merger proceeds despite the CTFTC decides to prohibit such merger
 - Merging parties fail to perform the conditions and obligations required by the CTFTC
 - False or misleading application documents
- **The CTFTC may disposed the first four types of mergers in the following ways:**
 - Prohibit such merger; or
 - Prescribe a period for such enterprise(s) to split; or
 - Dispose of all or a part of the shares; or
 - Transfer a part of the operations; or
 - Remove certain persons from positions; and
 - 100,000 NTD ≤ Administrative penalty ≤ 50 million NTD
- **Merging parties provide false or misleading application documents**
 - 50,000 NTD ≤ Administrative penalty ≤ 50 million NTD

13

Merger Review

Methods for Merger Test

- **SLC Test:** entry barriers, substitute and complement on relevant markets, competitors, concentration level, economy of scale and scope, and etc.
- Dominance Test
- Public Interest Test
- **The merger test which CTFTC adopts are closer to SLC Test**

Simple Procedure

- From past empirical cases, CTFTC sifted some types of merger which may not bring the result of competition restraint substantially. In principle these particular types are presumed that
Economic Benefit > The disadvantages resulted from competition restraint

General Procedure

- If the merger does not lessen competition substantially after examining of SLC test, it would be presumed
Economic Benefit > The disadvantages resulted from competition restraint

14

Merger Review

In the general procedure of merger review, CTFRC shall consider the following factors when assessing the competition restraints resulted from the horizontal merger

- Unilateral Effects
- Coordinated Interaction
- Extent of Entry
- Countervailing Power
- Other factors affecting the result of competition restraints

15

Merger Review

The Presumption of Substantial Lessening Competition

If the merger parties have following situations, in principle, CTFRC will determine the merger could be harmful to competition and the overall economic benefits shall be examined further

- The sum of market share of merger parties reach to one-half of the market;
- The sum of market share of top two enterprises in a relevant market reaches two-thirds of the market; and (top 2=2/3)
- The sum of market share of top three enterprises in a relevant market reaches three-fourths of the market.(top 3=3/4)

However, the above circumstances are adopted only in horizontal merger, and the sum of market share of merger parties need to be over than 15% in the latter two.

16

Merger Review

With regard to the merger filing that has suspicion of obvious competition restraints, the filing enterprises shall submit the following factors of overall economic benefits to the CJFIC for deliberation:

- Consumer interests.
- The merging parties are originally at the weaker position in the trading.
- One of the merging parties is a failing enterprise.
- Other concrete results related to overall economic benefits.

17

Merger Review

Factors Affecting Competition Restraint in Vertical Merger

- The probability of other competitors selects their trading counterparts after the merger.
- The degree of difficulty for an enterprise not participating in the merger enters the relevant market.
- The possibility of merging parties abuses its market power in the relevant market.
- Other factors that may result market foreclosure.

18

Conclusions

To establish transparent enforcement standards, the CTFTC will continue to review related competition regulations and case handling guidelines to assure the transparency, accountability and predictability of the administrative procedure enhancing the positive interaction with enterprises as well as their understanding of and compliance with the regulations.

Globalization has already blurred the boundaries that once separated domestic markets. The CTFTC keeps making efforts to be in line with the world trend (i.e. the OECD and the ICAI merger review process, best practices for future amendments) and is keen to coordinate with other competition agencies for reduction of cost in multinational merger reviews.

19

Thank you for your attention!

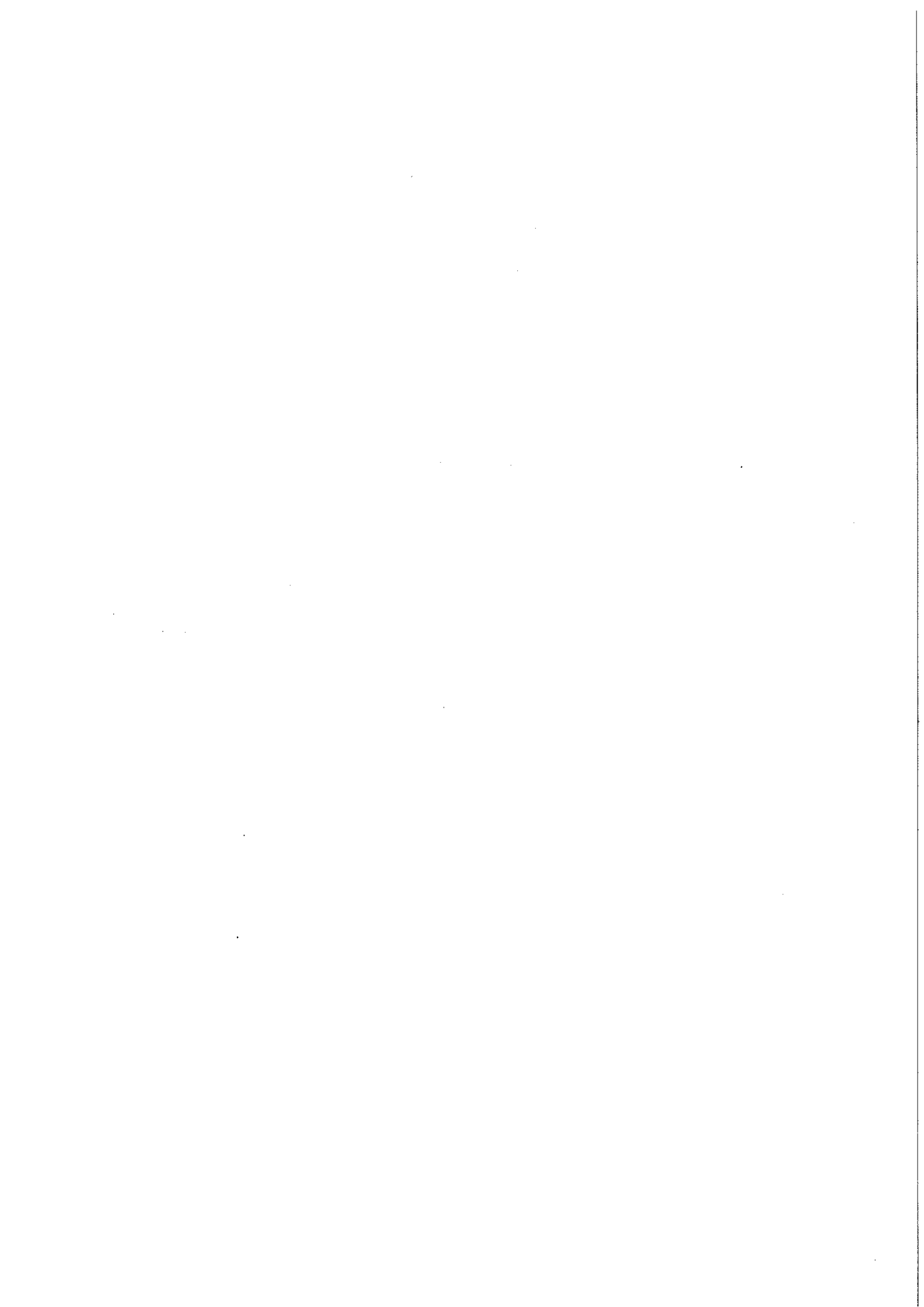
Chinese Taipei Fair Trade Commission
Website

<http://www.ftc.gov.tw/internet/english/index.aspx>

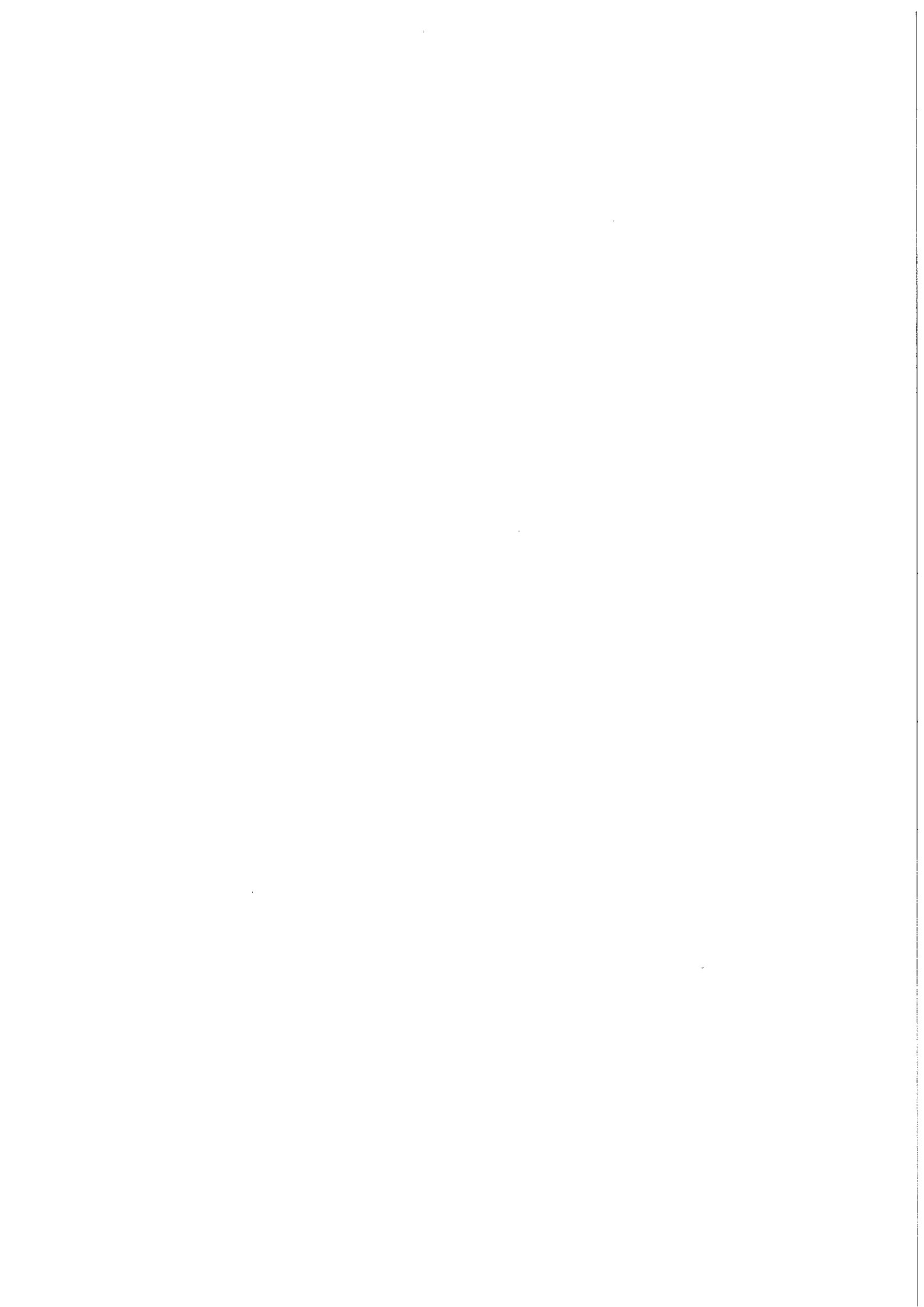
The screenshot displays the website's navigation menu on the left and a list of recent decisions on the right. The menu includes: About FTC, Laws, Regulations, Guidelines, Business Guidelines, Statistics, Publications, Merger Control, Decisions of Administrative or Quasi-Judicial Agencies, and Judicial Cases. The list of decisions includes:

Date	Decision Title
December 2010	Decisions
December 2010	December 2010 (Merger Notifications or Applications for Concentrated Actions)
December 2011	December 2011 (Additional Administrative Procedures and Other Matters)
November 2010	November 2010 (Decisions)
December 2010	December 2010 (Merger Notifications or Applications for Concentrated Actions)
October 2010	October 2010 (Decisions)
October 2010	October 2010 (Merger Notifications or Applications for Concentrated Actions)

20



附件十八：Report on Competition Advocacy: Chinese Taipei Experience
(文件編號：2011/SOM1/CPLG/012e)





**Asia-Pacific
Economic Cooperation**

2011/SOM1/CPLG/012e
Agenda Item: 7(3)

Report on Competition Advocacy: Chinese Taipei Experience

Purpose: Information
Submitted by: Chinese Taipei



**Competition Policy and Law Group Meeting
Washington, D.C., United States
7-8 March 2011**

Competition Advocacy : Chinese Taipei Experience

Chinese Taipei Fair Trade Commission
8 March, 2011

1

1. Introduction

2. Competition Advocacy in Practice
3. Evaluation of Competition Advocacy
4. Current Work and Future Outlook

2

Introduction

3

Introduction

◆ 1991 Fair Trade Act

The Fair Trade Act was promulgated on February 4, 1991 and went into effect on the same date one year later

◆ 1992 Fair Trade Commission

The Fair Trade Commission, a cabinet-level agency, was established on January 27, 1992

4

Introduction (cont.)

Mandates of the CTFTC

- ◆ Enforcing the Fair Trade Act

- ◆ Creating a quality culture of competition
 - ▶ Guidance about the application of the FTA
 - ▶ Research on competition issues
 - ▶ Competition advocacy

5

Introduction (cont.)

- ◆ Definition of competition advocacy
 - ▶ Non-enforcement Activities
 - ▶ Activities directed at other public authorities in charge of regulation or rule making;
 - ▶ Activities directed at all constituencies of the society with the aim of raising their awareness of the benefits of competition and of the role competition policy can play in the promotion and protection of market competition.

6

Introduction (cont.)

◆ Targets of competition advocacy

- ▶ **Government agencies:** so that they realize the importance of competition and include competition among the factors to be considered in policy making.
- ▶ **Enterprises:** so that they comply with fair trade regulations for reducing the risk of a high penalty or other sanction protecting against the damage to business reputation, and enhancing the benefit resulting from the damage of integrity.
- ▶ **Consumers:** so that they are aware of the benefits of competition. Consumers will realize their right to request that decision-makers include competition factors in the market and will thus become smart consumer.

7

Introduction (cont.)- Resources

Year	Budget (NT\$million)		Manpower Total
	Total	Advocacy	
2010	349	16.4	222
2009	361	23.9	201
2008	361	20.6	206

Current status of manpower for advocacy:

First Department: 30 Second Department: 32

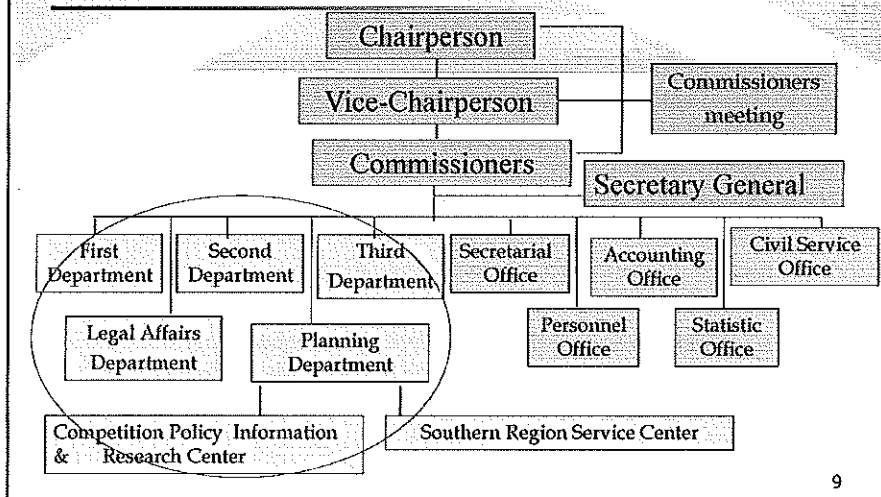
Third Department: 33 Legal Department: 26

Planning Department: 27

Note: full-time manpower only

8

Introduction (cont.) - Organization Chart



Competition advocacy in practice - deregulation as an example

Competition advocacy in practice

1. "461 Task Force" (1994)
2. "462 Special Project" (1995)
3. "Deregulation Task Force" (1996-1999)
4. "Green Silicon Island Vision and Promotion Strategy" (2001-2003)

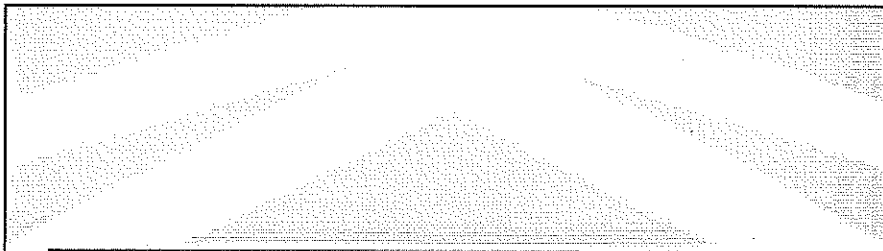
11

	461 Task Force	Deregulation Task Force
relevant agencies or related industries	MOF, Central Bank, MOEA, CEPD, MOT, MOI, VAC, GIO, DOH, MOE, EPA, ...	In manufacturing (5 industries): Sugar, petroleum product, telecoms, LPG, gravel In services (8 industries) Consumer cooperatives, telecommunications, cable TV, courier services,...
	462 Special Project	Green Silicon Island Project
# of laws or regulations should be amended or related industries	19 consultation meetings with relevant agencies 122 provisions in 74 laws should be amended	1. Insurance—MOF agreed to permit firms to set their own supplementary premiums for fire and car insurance. 2. attorney's fees--- MOJ agreed that bar associations should not set fee standards. 3. movie theatres--- GIO eliminated the rule that had limited the number of screens showing foreign films.

12

<i>Sectors</i>	<i>Year</i>	<i>Result</i>
<i>Civil Aviation</i>	<i>1987</i>	<i>Before 1987, only one international- freight company. Now, there are 7 national airlines.</i>
<i>Bank</i>	<i>1991</i>	<i>Before 1991, no private banks in Taiwan. Now, most of banks are privates.</i>
<i>Telecom</i>	<i>1994</i>	<i>Before 1994, only one state-owned Telecom company. Now, there are no SOE but three more privates.</i>
<i>Energy</i>	<i>2000</i>	<i>Petroleum and Natural Gas Market --- 1. CPC 2. FPCC Power Market--- market open in generation</i>
<i>Professional services</i>	<i>2008</i>	<i>accountant's fees --- the association deleted rules of setting fee standards lawyers, architects and technicians --- amending</i>

13



Evaluation of Competition Advocacy

14

Evaluation of Competition Advocacy

- ◆ Aim to Assess the effectiveness of competition advocacy work in Chinese Taipei:

- ▶ This included examining the extent to which advocacy advice and recommendations are taken on board by policy officials

- ▶ Gaining a better understanding about the extent of public awareness of competition law and policy

15

Evaluation of Competition Advocacy (cont.)

- ◆ Methodology:

- ▶ Follow-up and periodic review of regulations

- ▶ A survey of enterprises and consumers who have been recipients of advocacy

- ▶ Self-study

16

Evaluation of Competition Advocacy (cont.)

- ◆ In line with the Government's Regulation on "Government Performance and Management", the CTFTC set up yearly performance targets and measurement indicators from 2002 to proceed follow-up and periodic review of regulations.

17

Evaluation of Competition Advocacy (cont.)

- ◆ Survey Report of gaining a better understanding of the FTA:

Survey on business sector

Year	2007	2009
Awareness or understanding of the FTA	58.2%	81.1% (↑39%)
Would like to learn more about the FTC through what channel?	1. the FTC website (59.5%) 2. advocacy workshops (34.4%)	1. the FTC website (67.9%) 2. Publications (33.9%)

18

Evaluation of Competition Advocacy (cont.)

- ◆ General situation of gaining a better understanding of the FTA on enterprises and consumers:

Questionnaire survey with trivia questions on advocacy workshops

Year	2002	2003	2004
Received copies	256	787	4,795
Answer total correct	232 (91%)	694 (88%)	4,563 (95%)
Average Score	98	97	95

19

Evaluation of Competition Advocacy (cont.)

Observations on key factors lead to effective competition advocacy:

- (1) The competition agency itself---
 - independence
 - credibility
 - resources
- (2) The competition agency must develop relationships with government ministries, regulatory agencies, and other bodies.

20

Evaluation of Competition Advocacy (cont.)

◆ Independence

- ▶ Structural Independence: Article 28 of the FTA, Article 11 of the Organic Statute of FTC
- ▶ Operational Independence: Article 9 of the FTA

◆ Credibility: transparency, predictability, non-discrimination in the operations of routine administrative matters, case investigation, public explanation of the FTA and the Commissioners' decisions

◆ Resources

21

Current work and future outlook

22

The Implementation Plan of Competition Advocacy in 2010 and 2011

Activities	Target Audience	Budget
Focused exporting industry (Electronic, Motor Vehicles and Parts, Steel)	Association, Enterprises	NTD110,000 (USD3,500)
Introduction to FTC Regulation on Real Estate	Government agencies, Association, Enterprises	NTD350,000 (USD11,000)
Introduction to FTC Regulation on agricultural product trading behavior	Government agencies, Association, Enterprises	NTD200,000 (USD6,300)

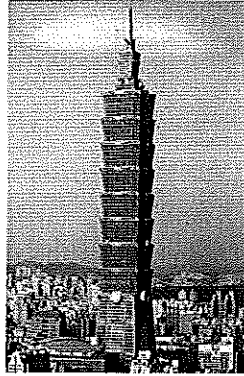
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The Implementation Plan of Competition Advocacy in 2010 and 2011 (cont.)

Activities	Target Audience	Budget
Introduction to FTC Regulation on Financial industry	Enterprises	NTD150,000 (USD4,700)
Introduction to FTC Regulation on the False, Untrue, and Misleading Advertisement	Government agencies, Enterprises	NTD360,000 (USD11,250)
Introduction to FTC Regulation on Multi-level sales	Government agencies, Enterprises, Participants, Consumers	NTD1,300,000 (USD41,000)

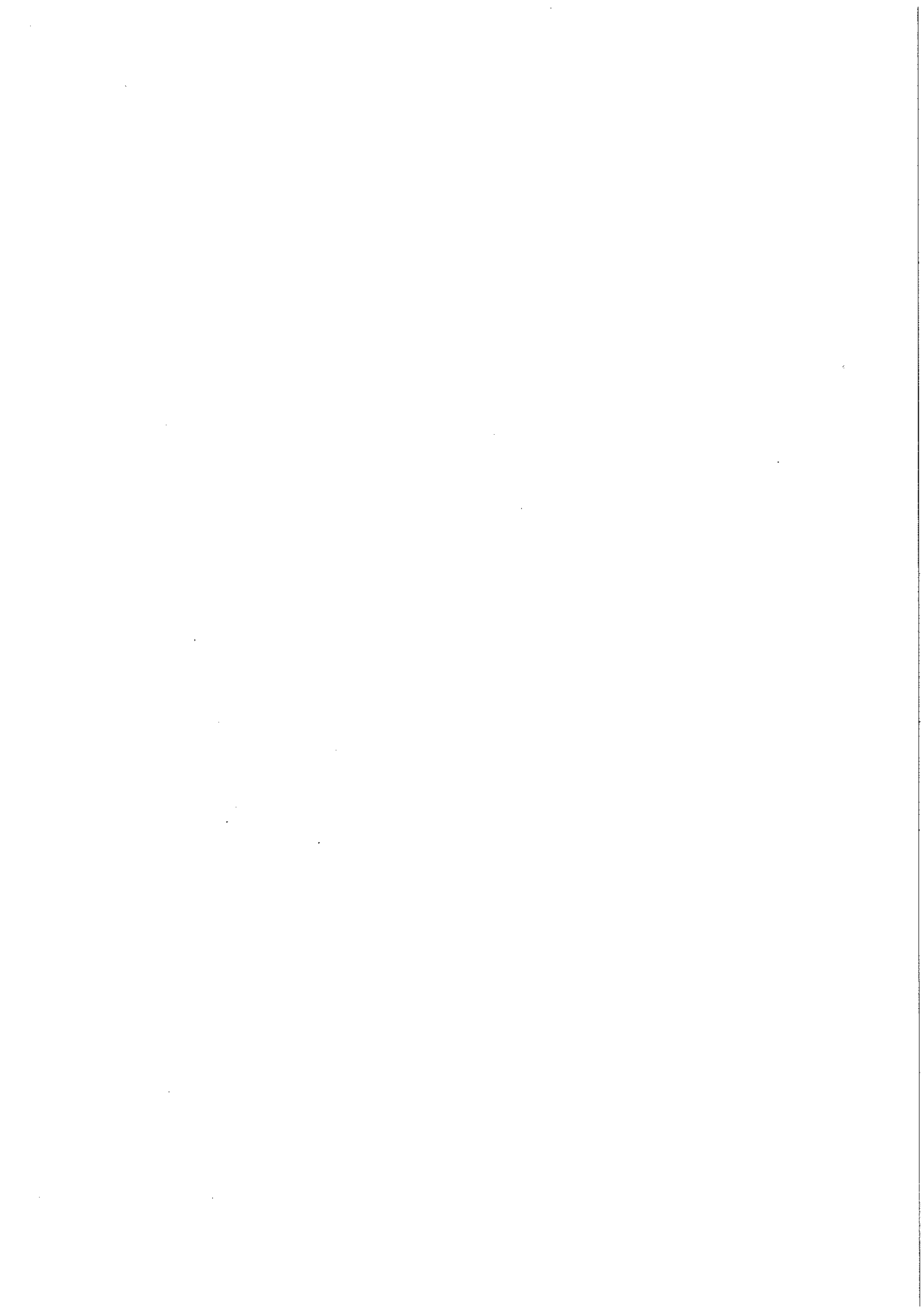
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Thank you for your attention.



25

**附件十九：Report on Updates and Developments of Competition Policy
in Chinese Taipei (文件編號：2011/SOM1/CPLG/017)**





**Asia-Pacific
Economic Cooperation**

2011/SOM1/CPLG/017
Agenda Item: 8

Report on Updates and Developments of Competition Policy in Chinese Taipei

Purpose: Information
Submitted by: Chinese Taipei



APEC
USA 2011

**Competition Policy and Law Group Meeting
Washington, D.C., United States
7-8 March 2011**

Updates and Developments of Competition Policy in Chinese Taipei

Chinese Taipei Fair Trade Commission
(CTFTC)
8 March 2011

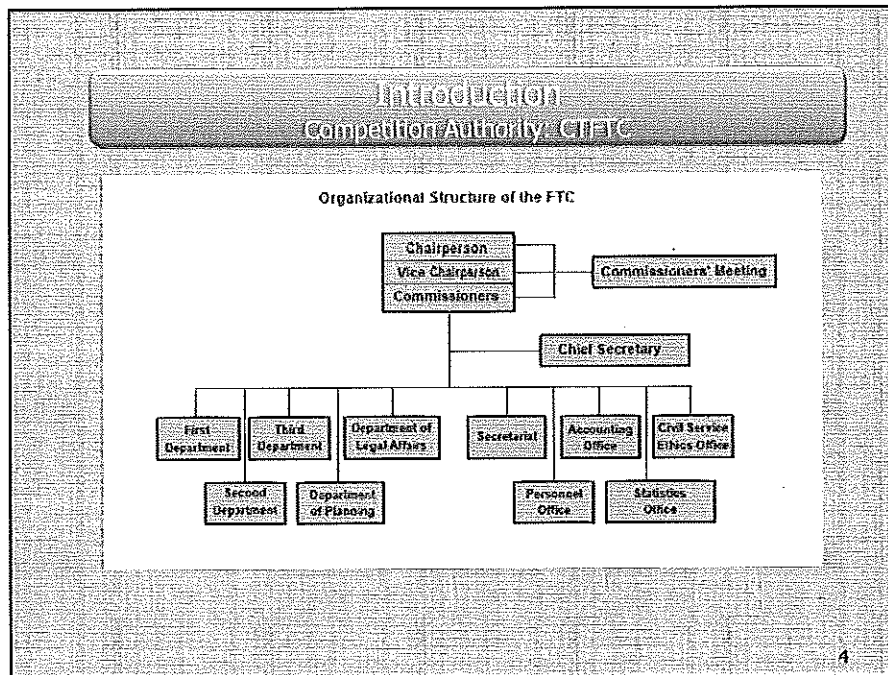
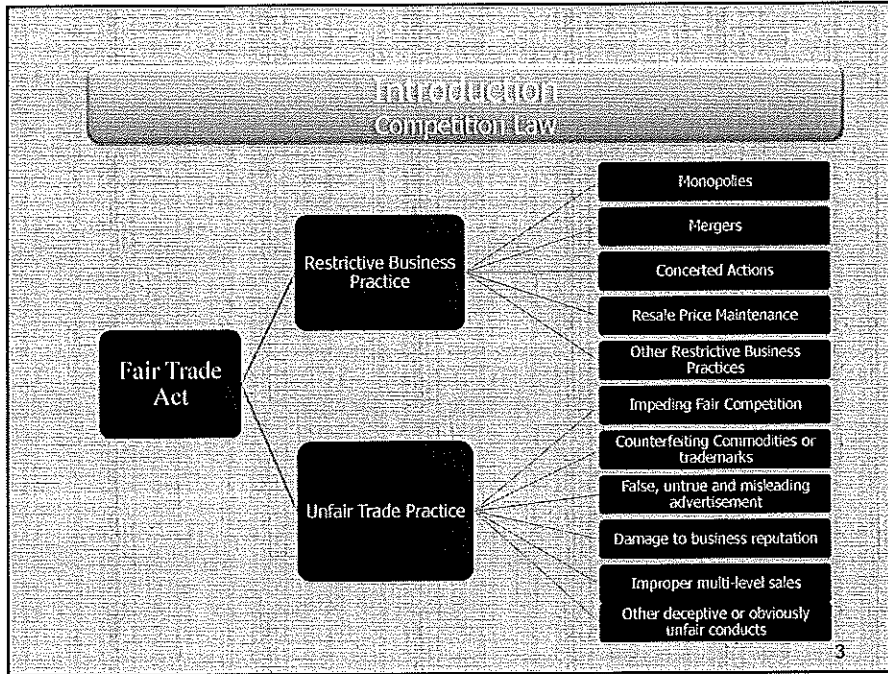
Outlines

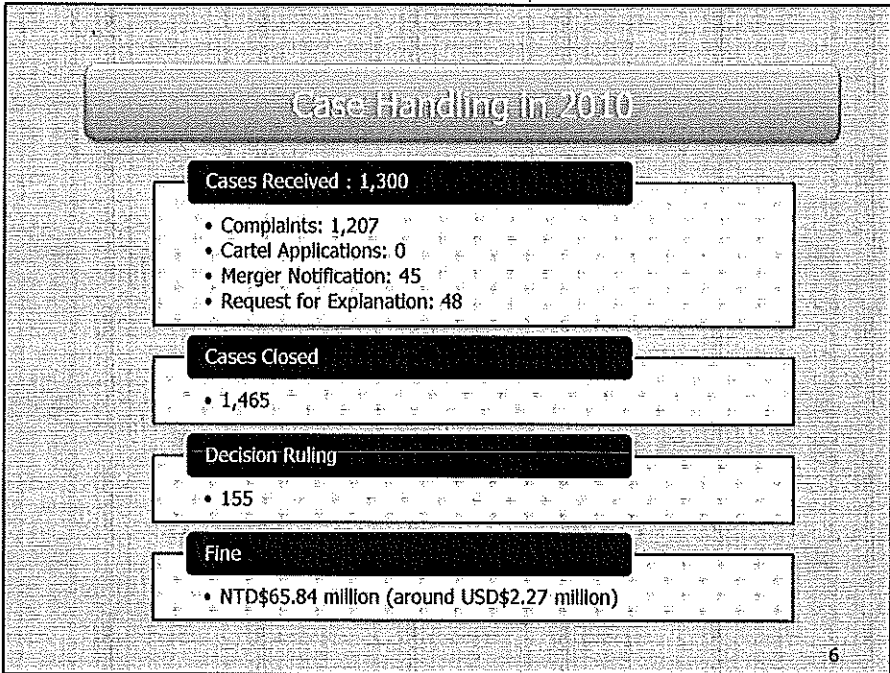
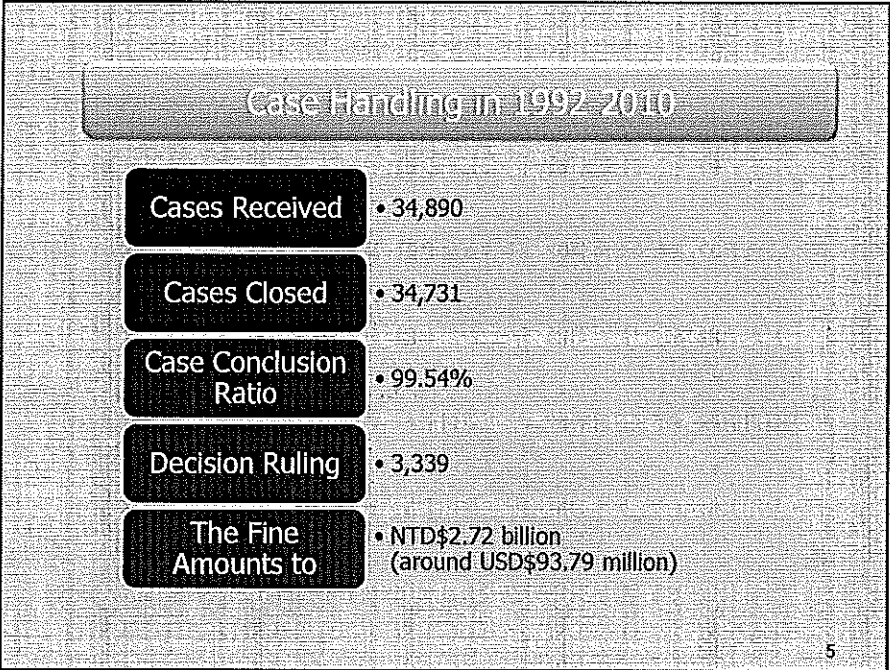
Introduction

Case Handling in 2010

Enforcement Works in 2010

Future Outlook





Enforcement Works in 2010

Cartel

- Three major domestic suppliers for industrial-use papers: Cheng Loong Corporation, Long Chen Paper Co., Ltd., and Yuen Foong Yu paper Mfg. Co. Ltd. raised the price for industrial-use papers in concerted action between November 2009 and March 2010. The action was sufficient to affect the demand and supply of domestic industrial-use paper market. They violated Article 14 of the Fair Trade Act regarding the prohibition on concerted actions. The unlawful activities were suspended immediately, and administrative fines of NTD\$5,000,000, NTD\$3,000,000, and NTD\$2,000,000 were imposed, respectively.
- Seven harbor services companies, including Kaohsiung Harbor Services Co., Ltd. jointly determined to share conveying maritime pilots and operating revenue to limit the provision of service capacity and influence the supply and demand for shuttle boat traffic in Kaohsiung harbor. These concerted actions violated Article 14(1) of the Fair Trade Act. The seven companies were ordered to cease the conduct and were imposed with administrative fines ranging between NTD\$100,000 and NTD\$2,000,000. The seven companies were imposed with administrative fines totaling NTD\$5,000,000.
- Taiwan Bar Association dissolved and informed local bar associations to notify bar members to withdraw from law service platforms constructed by other enterprises. It imposed constraints on business activities and was sufficient to affect service demand and supply in the market. It violated Article 14(1) of the Fair Trade Act. The unlawful activities were suspended immediately, and an administrative fine of NTD\$500,000 was imposed.

7

Enforcement Works in 2010

Merger

- US-based Motorola Inc. filed with CFTC its intention to sell the principal part of its public wireless network infrastructure and the corresponding operating rights to Finnish Nokia Siemens Networks B. V., NSN. The deal would also mean that the public wireless network infrastructure and the corresponding operating rights of Motorola Electronics Limited Taiwan, 100% owned by US Motorola Inc., would be sold to Nokia Siemens Networks Taiwan Co., Ltd. (NSN), 100% owned by Finnish Nokia Siemens Networks B. V., NSN. The merger was not prohibited pursuant to Article 12(1) of the Fair Trade Act.
- A merger notification filed by UNI-President Enterprise Co., Ltd. to acquire more than half the shareholdings of Wei-Li Food Industry Co., Ltd. through its subsidiary company was prohibited pursuant to Article 12(1) of the Fair Trade Act.
- Cashbox Partyworld Co., Ltd. and Holiday Co., Ltd. shared operational activities; in addition, Cashbox Partyworld directly or indirectly controls the business operation and personnel appointment of Holiday Co., Ltd. They failed to file the merger notification to the FTC and violated Article 11(1) of the Fair Trade Act. The unlawful activities were ordered for immediate suspension, and administrative fines of NTD\$3,000,000 and NTD\$1,500,000 were imposed.

8

Future Outlooks

Effectively enforcing the Fair Trade Act and creating a free and fair competition environment

Advocating fair trade principles and creating a quality culture of competition

Updating competition related regulations

Strengthening international cooperation and eliminating cross-border anti-competition behavior

Adjusting the function of the CTFTC according to the government reorganization policy

9

Future Outlooks

Effectively enforcing the Fair Trade Act and creating a free and fair competition environment

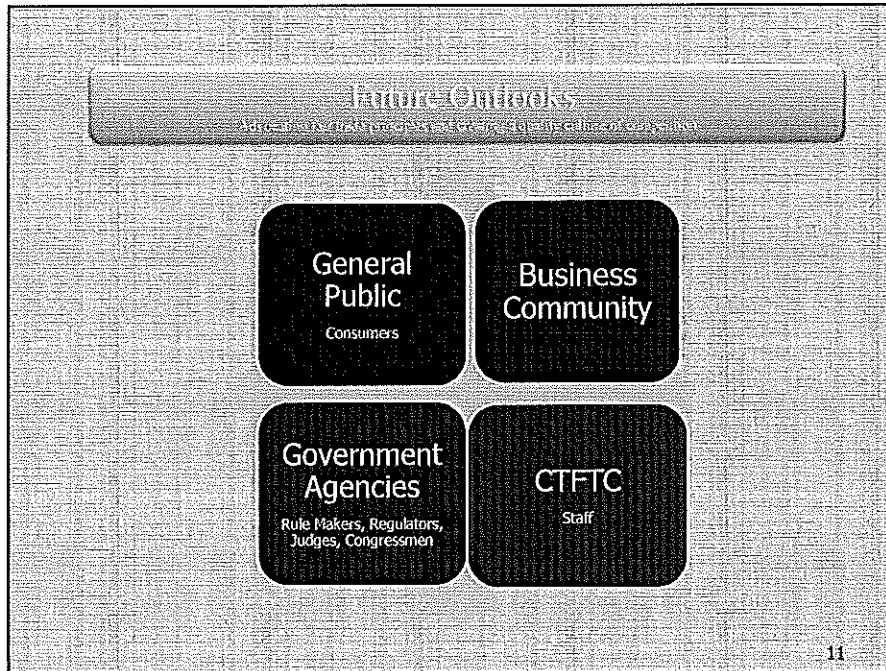
Overseeing selected industries

- Conducting supervision on selected industries with vigor competition and frequent violation to prevent disputes and violations in advance (i.e. Misleading Ad Supervision Program on household and electrical appliances industry)

Coordination and Cooperation with other regulatory agencies

Monitoring False or Misleading conduct provisions

10



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- Future Outlooks**
Work on competition (drafting regulations)
- Continuously promoting the proposed amendments of the Fair Trade Act**
 - Introducing a leniency program
 - Employing search power
 - Reviewing the threshold of merger notifications
 - Differentiating administrative penalties for various violations
 - Drafting and issuing new guidelines regarding market competition**
- 12

Future Outlooks

Strengthening bilateral cooperation and enhancing cross-border competition balance

Actively participating in international competition forums

Strengthening bilateral cooperation in terms of information and experience sharing

Continuously assisting young agencies in capacity building

13

Future Outlooks

Ensuring the continuity of CTFTC's reception to the transition of competition policy

In the future, CTFTC will become an independent agency

In the future, CTFTC will establish an economic analysis unit in the organization

14

Thank you for your attention!

**Chinese Taipei Fair Trade Commission
Website**

<http://www.ftc.gov.tw/internet/english/index.aspx>



<ul style="list-style-type: none">▶ About FTC▶ Law▶ Regulations▶ Guidelines▶ Business Guidelines▶ Statistics▶ Publications▶ Merger Control▶ Decisions of Administrative or Quasi-judicial Agencies▶ Judicial Cases	<ul style="list-style-type: none">▶ 2015/12/01 December, 2015 [Decisions]▶ 2015/12/01 December, 2015 [Merger Notifications or Applications for Concentrated Actions]▶ 2014/12/01 December, 2014 [Additional Administrative Procedures and Other Matters]▶ 2014/11/01 November, 2014 [Decisions]▶ 2014/11/01 November, 2014 [Merger Notifications or Applications for Concentrated Actions]▶ 2014/10/01 October, 2014 [Decisions]▶ 2014/10/01 October, 2014 [Merger Notifications or Applications for Concentrated Actions]
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