



# Concurrences

Revue des droits de la concurrence  
*Competition Law Journal*

## Yena LIM, The Competition Commission of Singapore: A leading enforcer in a small economy

---

**Interview** | Concurrences N° 3-2012  
[www.concurrences.com](http://www.concurrences.com)

**Yena LIM**

[yena\\_lim@ccs.gov.sg](mailto:yena_lim@ccs.gov.sg)

| *Chief Executive Officer, Competition Commission, Singapore*

**Yena LIM**

yena\_lim@ccs.gov.sg

Chief Executive Officer, Competition  
Commission, Singapore

## Since October 2010:

Chief Executive Officer  
of the Competition Commission  
of Singapore

## From 2006 to 2010:

Managing Director of the  
Agency for Science, Technology  
and Research

## From 2002 to 2006:

Ministry of Trade and Industry:  
Responsible for Economic policies  
in favor of Competitiveness  
and capacity development  
for the economy

## From 1999 to 2002:

Ministry of Transport: reviewing  
the market structure for bus and  
rail transport as well as overseeing  
liberalization of the taxi sector

## From 1991 to 1995:

Ministry of Education: in charge  
of the school physical planning  
and development and higher  
education

Graduated from the National  
University of Singapore, Bachelor  
of Social Science (Economics) –  
2nd Upper Honours

# Yena LIM, The Competition Commission of Singapore: A leading enforcer in a small economy

## What is your educational background?

My background is in economics and I have over 20 years of experience in the Singapore public service, having worked in a number of ministries and statutory boards including the Ministry of Trade and Industry, Ministry of Transport, Ministry of Finance and the Agency for Science, Technology and Research.

## In the past, you served in many Ministries where you had key positions. Why did you decide to embrace a career in competition?

Having worked in a number of government bodies, I have handled regulatory issues in sectors such as energy and transport. For example, during my stint with the Ministry of Trade and Industry, I was responsible for economic policies pertaining to competitiveness and capability development for the economy. As such, when the opportunity came for me to take on this role, I was happy to accept the challenge. As the field of competition law is relatively new in Singapore, there are many opportunities for CCS to shape the competitive landscape through enforcement decisions and advocacy. I am fortunate to have staff in CCS who is dynamic, forward-looking and knowledgeable to carry out CCS' mission.

---

*“A successful ASEAN Economic Community will create market access for Singapore, stimulate a higher level of economic activities in the region, and strengthen the trade links that Singapore and other ASEAN Member States have with the rest of the world”*

---

## You first joined the Competition Commission of Singapore (CCS) as a Commission member and later in 2010 as Chief Executive Officer. What are your main responsibilities as CEO? How long is your mandate?

The Chief Executive is appointed by the Minister for Trade and Industry in consultation with the Public Service Commission, on three-year renewable terms. It is a full-time position, responsible for setting the agenda for CCS and ensuring its effectiveness in delivering results. This involves the proper administration and management of the functions and affairs of CCS. It covers setting strategies, determining priorities, overseeing the progress of investigations, securing and allocating resources, and ensuring processes are efficient and responsive to the needs of businesses.

## Could you describe the role of the President in comparison with the one of the CEO?

While the Chief Executive is responsible for the running of the agency, the Chairman and his Commission members are charged with carrying out the functions and duties of CCS; key ones being to take decisions on cases of potential infringements, and to promote and sustain competition in markets in Singapore. They also have

Board responsibilities such as ensuring proper corporate governance and exercising fiduciary responsibility over CCS. The Chairman and Commission members are not full-time appointments, and are appointed by the Minister for Trade and Industry on three-year renewable terms.

**Could you describe the Competition Law and Policy framework in Singapore? What are the main powers of the CCS to perform these tasks?**

The mission of CCS is to champion competition for growth and choice. Our value proposition to the country is to provide a robust and enlightened competition regime that forms the enabling framework to grow a vibrant economy with competitive markets and innovative businesses. We are a statutory body charged to administer the Competition Act and enforce its prohibitions. There are 3 main prohibitions under the Act, as follows:

- Section 34 prohibition against agreements between undertakings, decisions by associations of undertakings or concerted practices which prevent, restrict or distort competition within Singapore;
- Section 47 prohibition against any conduct on the part of one or more undertakings, which is an abuse of a dominant position, in any market in Singapore; and
- Section 54 prohibition against mergers and acquisitions which result in a substantial lessening of competition within Singapore.

The Commission has the authority to issue infringement decisions against parties that violate the Act and to impose financial penalties and remedies. The law does not provide for criminal penalties against cartel activities, unlike some other jurisdictions.

The Competition Appeal Board, an independent specialist tribunal, hears appeals against decisions of CCS. Further appeals may be made to the High Court, and thereafter to the Court of Appeal, but only on points of law and the amount of the financial penalty.

**Are there any pending reforms regarding Competition law and policy in Singapore?**

We regularly review our competition policy, law, guidelines, procedures and processes to ensure they remain relevant and effective for the economy. The reviews take into account legal reforms in other jurisdictions, as well as lessons learnt from our experience in implementing the Competition Act. An on-going review involves proposals to improve our guidelines on merger procedures. The goals are to increase the transparency of the merger review procedures, to streamline the process of merger notification to minimise the burden on business, and to maximise the benefits of Singapore's voluntary merger notification system. We recently completed the public consultation phase and are finalizing the changes.

**What have been the major changes since you took over as CEO? What have been the main challenges so far?**

As we enter our 8<sup>th</sup> year, we have been reflecting on our value proposition and how to chart our future direction. There are 4 areas that CCS will give priority to over the next few years.

*Firstly*, we will be reviewing our competition legislation, guidelines and procedures to bring them in line with developments in other jurisdictions, if the changes are relevant for the Singapore economy. It has been over 6 years since the Competition Act was enacted, so a major review is timely.

---

**“The business community should be able to rely on an enforcement system that is clear and credible, and takes timely decisions to meet the needs of businesses.”**

---

*Secondly*, we will continue to strengthen the effectiveness of the enforcement regime. The business community should be able to rely on an enforcement system that is clear and credible, and takes timely decisions to meet the needs of businesses. We will examine each part of the value chain; spanning surveillance, investigation, decision-making, and enforcement of decision; to make sure that the processes are fair, thorough, robust and timely.

*Thirdly*, we will work closely with the business community to increase voluntary compliance with competition laws and regulations. We want businesses to develop and implement competition compliance programmes as an integral part of good corporate governance. The more businesses voluntarily comply, the less CCS has to incur expenditure in enforcement, and the less the harm that will be visited on the economy.

*Lastly*, we will be reaching out actively to educate businesses about the competition regime. Businesses need help to understand how to apply and benefit from competition policy, and CCS' role in promoting and sustaining competition in markets. This will hopefully reduce the incidents of businesses violating the Competition Act through ignorance or negligence.

**What are the CCS's current enforcement priorities?**

CCS enforcement priority has always been clear and consistent. We focus on anti-competitive practices that have or are likely to have a significant adverse impact on the Singapore economy. We enforce in a fair manner regardless of whether the parties are local or overseas-based, private or government-owned, in the domestic or tradable sector. The key consideration is to achieve a better competitive outcome for the market in a cost-effective manner. It is important to signal to the market that CCS takes a strict view of collusive activities, such as price-fixing and price recommendations. In 2011, we issued two infringement decisions against price-fixing, and have a current case involving exchange of price information in a duopolistic

market. We have actively counselled trade associations against issuing price guidelines to their members as such activities could lend themselves to illegal price-fixing among competitors.

**What have been the major decisions taken by the CCS since you took over as CEO?**

In 2011, CCS issued two infringement decisions against price fixing of modeling services by modeling agencies and price fixing of monthly salaries of new Indonesian foreign domestic workers by employment agencies. We cleared 7 merger notifications filed across various industries such as construction, telecommunications and transportation.

Since inception, CCS has issued a total of 6 infringement decisions, with fines amounting over SGD 3 million. The list of infringement decisions issued by CCS includes:

Date of infringement decision	Case
9 Jan 2008	Collusive Tendering (Bid-rigging) for Termite Treatment/Control Services by Certain Pest Control Operators in Singapore
3 Nov 2009	Price fixing of coach bus services for travelling between Singapore and destinations in Malaysia from 2006 and 2008
4 June 2010	Collusive Tendering (Bid-rigging) in Electrical and Building Works
4 June 2010	Abuse of Dominant Position by SISTIC.com Pte Ltd
30 Sept 2011	Price fixing of monthly salaries of new Indonesian Foreign Domestic Workers by Employment Agencies
23 Nov 2011	Price fixing of rates of modeling services in Singapore by Modelling Agencies

One of the more interesting cases we had involved the abuse of dominance by SISTIC.com Pte Ltd. It was our first decision that involved the prohibition against the abuse of dominance and also our first case that involved a state-owned enterprise. To support our case, we had to use rigorous economic analysis to determine if SISTIC's conduct amounted to an infringement. The case went on appeal to the Competition Appeal Board and the appeal decision is currently pending.

**CCS has always been seen as the most active and successful of the existing competition regimes in ASEAN. As the remaining five ASEAN countries are introducing domestic competition law and policy to comply with the 2015 ASEAN blueprint, what are your main expectations**

**with respect to the setting up of a regional competition framework? How would a regional framework benefit Singapore and the CCS in particular? In your view, is the EU model suitable for ASEAN?**

Under the ASEAN Economic Community (AEC) Blueprint, ASEAN member states (AMS) have committed to introduce nation-wide competition policy and law by 2015. This is a necessary condition to foster a culture of fair competition within the region, as well as to promote economic integration. Of the 10 countries, 5 have general competition laws; Indonesia, Malaysia, Singapore, Thailand and Vietnam. The Philippines has set up the Office for Competition, under the Department of Justice as the designated agency that oversees competition. Brunei, Cambodia and Myanmar do not have competition laws at this stage.

As AMS are at different stages of development in the competition enforcement regime, an important priority over the next few years would be to establish the necessary institutional structures to make them effective. There is also a need to promote mutual understanding of the various competition regimes in ASEAN and to foster good working relationships among competition authorities. The ASEAN Experts Group on Competition (AEGC) was set up as a regional forum to discuss and cooperate in competition policy and law. It has played an instrumental role in capacity building and sourcing for technical assistance, and will continue with this effort.

Given the different stages of development of AMS at this juncture with respect to implementing competition law, harmonization of competition law across ASEAN may not be a top priority. Countries need to take into account their own national and economic circumstances and requirements when drafting their laws, and will go through a learning phase before the system stabilizes and enforcement capacity is developed.

ASEAN is an important and dynamic trading entity. Trade within and outside of ASEAN has grown over the years. A regional competition framework will contribute to the economic infrastructure to achieve an AEC by 2015. The AEC provides for economic integration in Southeast Asia, establishing ASEAN as a single market and production base that facilitates trade and investment in the competitive global economy. A successful AEC will create market access for Singapore, stimulate a higher level of economic activities in the region, and strengthen the trade links that Singapore and other AMS have with the rest of the world.

**Although CCS is seen as a leader in terms of competition enforcement, some critics have recently been voiced on the fact that the CCS does not communicate enough on its decisions and should interact better with stakeholders? How would you react to such statements?**

Over the years, as CCS builds up a body of case decisions, the business community has greater clarity on how the Competition Act will be interpreted and enforced, and how to co-operate with CCS. This clarity is important. It lessens the likelihood of companies violating the law inadvertently.

On our part, we intend to improve our ability to hear the ground better and to engage more actively with companies, either directly or through business chambers, trade bodies and professional associations. We encourage companies to engage us early and to provide us with feedback. An important focus is to work with the business community to increase voluntary compliance with competition laws and regulations, to encourage companies to develop and implement competition compliance programmes as an integral part of good corporate governance.

#### **What's the role of the CCS in the international scene?**

CCS participates actively in both the regional and international fora. We support the promotion of competition policies in ASEAN, ICN, OECD and APEC.

For example, CCS held Chairmanship of the AEGC in 2008, and was also the Chair of the Working Group of the Regional Guidelines in Competition, which was launched in 2010. CCS is currently the Chair of the Working Group on Developing Strategy and Tools for Regional Advocacy. CCS will continue to actively support AEGC initiatives and workshops as ASEAN work towards the 2015 goal as set out by the AEC Blueprint.

CCS hosted the 7<sup>th</sup> East Asia Top Level Officials' Meeting on Competition Policy (EATOP) in Sept 2011. This was a closed-door meeting for competition agencies and relevant public sector agencies to review recent developments on competition policy and law, and to strengthen cooperation in competition work among East Asian economies. In conjunction with the EATOP, CCS also organised the 6<sup>th</sup> East Asia Conference for government officials, business leaders, competition professionals and academia to network and exchange ideas on emerging competition issues in the region.

CCS is also a regular participant at international conferences and workshops organized by APEC, OECD and ICN. In July 2012, CCS will be hosting the ICN Regional Workshop on Unilateral Conduct. ■