



MEDIA RELEASE

30 JULY 2021

CCCS CONSULTS ON GUIDANCE NOTE FOR BUSINESS COLLABORATIONS

The Competition and Consumer Commission of Singapore (“**CCCS**”) is seeking public feedback on a proposed Business Collaboration Guidance Note¹ (“**Guidance Note**”) that aims to clarify CCCS’s positions on six common types of business collaborations and to provide guidance on how CCCS will generally assess whether such collaborations comply with section 34 of the Competition Act (Cap. 50B) (the “**Competition Act**”).²

2. The six common types of business collaborations covered in the Guidance Note are:
- (i) **Information sharing** – Exchange of both price and non-price information among businesses;
 - (ii) **Joint production** – Collaboration to jointly produce a product or subcontract production out;
 - (iii) **Joint commercialisation** – Collaboration in the selling, distribution or promotion of a product;
 - (iv) **Joint purchasing** – Collaboration to jointly purchase from one or more suppliers;
 - (v) **Joint research & development** – Collaboration on R&D, such as joint investment; and
 - (vi) **Standardisation** – Setting of industry or technical standards by standard setting organisations as well as the usage of standard contractual terms.

3. In response to rapidly changing operating conditions, businesses are transforming the way they operate to adapt and to seize new opportunities. They may desire to collaborate with one another but may be unfamiliar with how competition law may apply to such collaborations. The Guidance Note aims to provide businesses, including trade associations, with the necessary guidance on how to collaborate with greater confidence and certainty that they are in compliance with competition law.

4. CCCS recognises that many collaborations have pro-competitive effects, and it intends to encourage more of such collaborations. The Guidance Note will provide details on the

¹ This proposed Business Collaboration Guidance Note replaces the guidance note CCCS issued in July 2020 to provide businesses with more clarity on collaborations between competitors in relation to the supply of essential goods or services in Singapore (the “**COVID-19 Guidance Note**”). The application of the COVID-19 Guidance Note will expire on 31 July 2021.

² Section 34 of the Competition Act prohibits agreements between businesses or concerted practices which prevent, restrict or distort competition in Singapore unless it is excluded or exempted under the Competition Act.

conditions under which the six types of collaborations would not give rise to competition concerns and elaborate on some factors that CCCS would use in its assessment such as the nature and extent of the collaborations, collaborating parties as well as market shares.

5. CCCS is also cognisant of the important roles that trade associations play in advancing the interests of their members, the industry and the economy, and has included a section on how trade associations can support collaborations amongst their members.

Public Consultation

6. CCCS is now seeking public feedback in relation to the Guidance Note. The closing date for submissions is 27 August 2021. More information on the Guidance Note and the public consultation can be accessed and downloaded from the CCCS website at www.cccs.gov.sg under the section "[Public Consultation](#)".

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About the Competition & Consumer Commission of Singapore (CCCS)

The Competition and Consumer Commission of Singapore ("CCCS") is a statutory board of the Ministry of Trade and Industry. CCCS administers and enforces the Competition Act (Cap. 50B) which empowers CCCS to investigate and adjudicate anti-competitive activities, issue directions to stop and/or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency of the Consumer Protection (Fair Trading) Act (Cap. 52A) or CPFTA which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for business and consumers in Singapore.

For more information, please visit www.cccs.gov.sg.

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