

MEDIA RELEASE

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CCCS TO ENSURE MARKETS WORK WELL FOR BUSINESSES AND CONSUMERS

- 1. The Competition Commission of Singapore ("CCS") is renamed the Competition and Consumer Commission of Singapore ("CCCS") after taking on an additional function of administering the Consumer Protection (Fair Trading) Act (Chapter 52A) or CPFTA with effect from 1 April 2018.
- 2. Speaking at the official launch of CCCS this morning, Dr. Koh Poh Koon, Senior Minister of State, Ministry of Trade and Industry and Ministry of National Development highlighted that competition and consumer protection share a close and complementary relationship.
- 3. Dr. Koh noted that "CCCS is well-placed to take on the consumer protection role. The enforcement of both the Competition Act and the CPFTA involves investigations and enforcement related to the conduct of individuals and businesses, which plays well to the strength of CCCS's track record in enforcement, as well as its strong in-house legal and economic capabilities."
- 4. Dr. Koh added that, "with a broader overview of both the competition and consumer protection domains, CCCS will work to safeguard fair trading and competition to ensure the proper functioning of Singapore's markets so that consumers can enjoy a wider variety of products and services at competitive prices."

How CCCS will approach consumer protection

5. At the launch event, CCCS Chairman, Mr. Aubeck Kam highlighted that mediation of complaints against errant retailers through the Consumers Association of Singapore ("CASE") will continue to be the first port of call to assist consumers. Given that over 70% of such cases handled by CASE in the first instance are successfully resolved through mediation, this is a good outcome for both businesses and consumers as their disputes can be resolved without prolonging the matter and without incurring unnecessary cost.

6. On the other hand, errant retailers who persist in unfair trade practices will be referred to CCCS for investigation. CCCS will be empowered with investigation and enforcement powers to take timely action against these errant businesses, who unfortunately continue to persist in unfair trading practices and take advantage of consumers. CCCS will also be able to file injunction applications with the Court to deal with the egregious traders and trading practices. Mr. Kam highlighted that CCCS will also work closely with the police, so that cases involving Penal Code offences such as cheating, are dealt with in a seamless manner.

New synergies between competition and consumer protection

- 7. In addition, Mr. Aubeck Kam shared that the new remit will ensure CCCS's powers under the CPFTA work hand in glove with its powers under the Competition Act. Specifically, the additional powers under the CPFTA can enhance the existing market studies which CCCS had already been conducting.
- 8. For example, CCCS completed an inquiry into the supply of car parts in Singapore last year. As the result of the market study on car parts, CCCS worked with the major car dealers to amend the car warranty terms and conditions to facilitate a more competitive market where third-party car workshops can compete effectively in providing car servicing and repair services, which will help to facilitate a more competitive market for car repairs and servicing, with more choices for car owners. Under the CPFTA, CCCS would also be able to ensure that after the dealers remove the clauses, customers will not be misled to think that there was such a requirement even if it was not written in the contract.

CCCS's new initiatives

- 9. During the launch event, Dr. Koh also announced two new market studies aimed at enabling markets to work well by creating opportunities and choices for businesses and consumers in Singapore.
- 10. The first is a market study on the online travel booking sector. Given that Singaporeans are increasingly well-travelled and with the rise of the digital economy, online travel booking platforms have become a key channel for consumers to search for and purchase travel-related products, including air tickets and accommodation.
- 11. The study will focus on understanding the industry landscape relating to both the provision of flight tickets and hotel accommodation in Singapore. This will help CCCS understand how commercial practices and arrangements in the online travel sector impact competition and consumers in Singapore. In particular, CCCS will examine the types of commercial arrangements entered into between third party online travel booking platforms and the service providers, including how such

- commercial arrangements are negotiated and applied in Singapore; how online travel booking platforms and service providers compete with each other.
- 12. The second is a joint study with the Personal Data Protection Commission ("PDPC") to examine consumer protection, competition and personal data protection issues, which could arise if a data portability requirement is introduced in Singapore.
- 13. Internationally, several jurisdictions have provided, or are considering to provide for a right to data portability, which enables individual consumers to request for their personal data and other data which they have provided to a service provider to be given to another competing provider they have decided to switch to, in a format which is structured, commonly used and machine-readable. This will enhance individual consumers' ability to choose between providers, as they do not have to repeatedly provide their details each time they switch providers.
- 14. The ease of switching will in turn foster competition between different service providers and also encourage them to innovate and develop new services, resulting in more choices for consumers.

CCCS to continue ensuring well-functioning markets for both businesses and consumers

15. In summing up his speech, Dr. Koh reiterated that the complementary nature of competition and consumer protection will enable CCCS to continue to grow a vibrant economy with well-functioning and innovative markets. He said, "Even as CCCS steps up to take on their new consumer protection role, CCCS will not compromise their current role as the national competition authority. The enforcement of the Competition Act deals with the anti-competitive conduct of businesses while the enforcement of the CPFTA ensures that businesses engage in sound trading practices. Both bring about benefits for consumers, and in different ways."

About The Competition and 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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