

MEDIA RELEASE

30 November 2023

CCCS Carries Out Unannounced Inspections in the Building Construction Sector

- 1. The Competition and Consumer Commission of Singapore ("**CCCS**") has recently carried out unannounced inspections at the premises of certain businesses active in the market for the provision of building construction services in Singapore.
- 2. Unannounced inspections¹ are part of investigations into possible infringements of section 34 of the Competition Act 2004 (the "Act") by the inspected businesses. Section 34 of the Act prohibits, amongst other things, agreements or concerted practices that prevent, restrict or distort competition in Singapore. The fact that CCCS carries out such inspections does not mean that the businesses investigated have in fact infringed the Act; nor does it prejudge the outcome of the investigation.
- 3. There is no legal timeline by which investigations into anti-competitive practices must be concluded. The duration of such investigations depends on a number of factors, including the complexity of the case, the degree of cooperation provided by the investigated businesses, whether leniency applications are initiated and the manner in which each investigated business exercises its right of defence.
- 4. At the conclusion of the investigation, CCCS will consider the evidence gathered and determine whether the inspected businesses have infringed section 34 of the Act. If CCCS finds that a business has infringed section 34 of the Act, CCCS may issue such directions that it considers appropriate under section 69 of the Act, which may include the imposition of a financial penalty on the infringing business².
- 5. Under CCCS's leniency programme, lighter punishment can be accorded to businesses that are part of a cartel agreement or concerted practice (or trade associations that participate in or facilitate cartels) when they come forward to CCCS with information on their cartel activities. Where eligible, businesses can be granted total immunity or a reduction of up to either 100% or 50% in the level of financial penalties, where applicable. More information can be found at www.cccs.gov.sg/approach-cccs/applying-for-leniency.

¹ Unannounced inspections can be conducted by CCCS as part of its investigations into suspected anticompetitive practices and are carried out pursuant to section 64 of the Act.

² More information about CCCS's investigative powers and the possible outcomes after an investigation can be found at <u>www.cccs.gov.sg/faq/complaints-investigations-and-enforcement</u>

6. CCCS is also interested in hearing from persons with useful information on cartel activity in Singapore. Under the CCCS Reward Scheme, a monetary reward of up to S\$120,000 can be paid to informants for information that leads to infringement decisions against cartel members. The informant's identity will be kept strictly confidential. More information can be found at www.cccs.gov.sg/approach-cccs/reward-whistle-blowing-scheme.

-End-

About the Competition and Consumer Commission of Singapore

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 2004 which empowers CCCS to investigate and adjudicate anticompetitive activities, issue directions to stop or prevent anti-competitive activities and impose financial penalties. CCCS is also the administering agency for the Consumer Protection (Fair Trading) Act 2003, which protects consumers against unfair trade practices in Singapore. Our mission is to make markets work well to create opportunities and choices for businesses and consumers in Singapore.

For more information, please visit <u>www.cccs.gov.sg</u>.

For media clarifications, please contact:

Ms. Grace Suen Senior Assistant Director (Communications) Competition and Consumer Commission of Singapore Email: grace_suen@cccs.gov.sg DID: 6325 8216