

Main Report

# CCS Stakeholders Perception

01 September 2014

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with assistance from Forbes Research Pte Ltd.

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# Foreword

This report is intended to measure and understand the progress that CCS has made in the areas of :

## **Enlightened Legislation**

The body of competition law and regulations is robust, relevant and in line with international best practices

## **Effective Enforcement**

The enforcement regime is robust, credible and business-friendly. The process of detection, investigation, decision and enforcement of decision is thorough, objective and timely

## **Educated Stakeholders**

Stakeholders are informed about the competition regime and correctly understand CCS' rule and responsibilities

## **Enhanced Compliance**

General culture of competition compliance, and businesses voluntarily comply with competition law and regulations

*new component*

## **CCS Schemes & Programs**

Awareness and knowledge levels of CCS Reward Scheme and Leniency Program

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# Study Objectives:

This study employs two elements of design and methodology : (1) a mass on-line survey to develop top-line statistics, and (2) Cognitive Edge's methods of narrative enquiry with CCS's stakeholders, which will provide richer and more context-based understanding.

This study has been designed to incorporate both elements (1) and (2) through:

(1) Part 1 of the study seeks to understand stakeholders' (i) perceptions of CCS's Enforcement (i.e. CCS's branding and reputation; Quality of Enforcement; Trust and Confidence in CCS), (ii) the practices and attitudes of stakeholders toward Voluntary Compliance (i.e. company's compliance program; attention paid to competition matters etc.) and (iii) the knowledge stakeholders have about competition law (i.e. general awareness of CCS and its roles and responsibilities; understandings of do's and don'ts; quality of CCS's advocacy and outreach) and specific CCS programs and schemes.

(2) Part 2 focuses on (i) the **relevance** of current competition legislation (i.e. the quality of legislation act, guidelines and procedures; economic effectiveness), (ii) **credibility** of the enforcement (i.e. quality of regime; soundness of legal and economic analysis employed) and (iii) the **culture** of compliance (i.e. knowledge of how to apply law; commitment to compliance; quality of engagement with CCS; reception to consultation and feedback).

The analysis of Part 1 of the study includes a section of this report which discusses top-line survey data incorporating basic quantitative information on the knowledge levels, perceptions and attitudes of stakeholders toward CCS and competition law (Appendix 1). The analysis of Part 2 takes into account the results from the narrative enquiry (Appendix 2) which provides deeper context and richer understanding. The key findings draw from, and make reference to both parts of the study.

# Study Design

|                                |   |
|--------------------------------|---|
| <p><b>Methodology</b></p>      | <p>For the purposes of collecting and capturing entries, we used a multi-pronged approach incorporating two different collection methods - through (1) a mass online invitation to stakeholders (contact list for select stakeholders provided by CCS; and conducted by Forbes Research), and (2) Anecdote Circles as a method of conducting direct in-person capture of narrative entries. The first part of the study was configured as a market research survey, and the second part as a conditional section for participants who have had experience or knowledge of CCS to share in a narrative enquiry</p> |
| <p><b>Source of sample</b></p> | <p>CCS stakeholders which comprise the business community, consumers, government agencies, competition law practitioners, and law and economics university students</p>   |
| <p><b>Achieved sample</b></p>  | <p>190 narrative entries;<br/>Mass online survey : 196 consumers, 401 businesses, 30 government (see Note below), 28 practitioners &amp; 104 Students (Law &amp; Econ)</p>  |
| <p><b>Capture period</b></p>   | <p>June/July 2014</p>   |

\*Note: This report has a comparative component which seeks to conduct longitudinal comparisons between results from the 2012 study, and 2014. In 2012, the study recruited Government respondents solely from a contact list supplied by the CCS. This time around however, Government respondents were recruited largely from the general public - the findings from 2014, therefore, reflect more robust results in terms of validity. The comparative element, however, has not been applied to the Government group as the samples are not comparable

# Executive Summary - Key Findings (i)

## Overall

- CCS's efforts at building CPL awareness among **businesses and consumers have largely been successful** - with greater awareness observed in 2014 than in 2012; however, **more education is required to clarify CCS's roles and responsibilities, especially with regard to the exclusions in the Act and what constitutes anti-competitive conduct under specific business contexts, especially among small businesses and consumer**
- There is a **significant increase in the number of experiences shared with CCS** - with stories displaying greater knowledge about CCS, competition law, and cases that CCS has investigated. This signifies an **increased level of awareness of competition law and CCS's work**
- **The market is seen as dominated by large players, and it is difficult for small businesses/ SMEs to compete. Consumers and Businesses agree that businesses are colluding and there is insufficient competition**
- **Some competition concerns/issues that are raised in the narratives relate to industries that fall outside of CCS's purview such as telecommunications and public transport.** This makes it hard for businesses and consumers to see how CPL in Singapore benefits them or improves competition in the market

## Enlightened Legislation

- In general, **Business** have a **higher level of satisfaction toward CCS's competition legislation**, in terms of its **effectiveness in keeping markets competitive** and its **clarity**, compared to 2012
- Compared to 2012, perception has improved specifically towards **robustness of laws and regulations**
- In general, stakeholders perceived **competition legislation to be beneficial to businesses**, but are split on the cost of compliance
- Compared to 2012, a **larger proportion of stakeholders** felt that our competition legislation was **clear and effective in deterring anti-competitive behaviour**
- **Competition law is seen as being generally clear and effective** - but similar to 2012, **where stories are negative, the laws are seen as clear but not necessarily effective.** While the law may be clear, **stakeholders feel it does not necessarily help to improve competition in the market nor benefit the consumers or smaller local businesses**

# Executive Summary - Key Findings (ii)

## Effective Enforcement

- General perception is that **CCS is a professional organisation that embodies attributes like competence, commitment, integrity and excellence**
- Perception of CCS's quality of enforcement is that **CCS is generally effective, rigorous in its analysis and makes decisions that are sound and objective** - ratings have significantly improved for Business, but have fallen for Consumers
- Stakeholders generally perceive that **CCS's interventions are clear, well-explained, consistent, equitable, timely and backed by sufficient evidence**
- In instances where it was felt that CCS's interventions were **not clear and well understood**, there was confusion as to whether CCS was pursuing other **broader government policy objectives as opposed to enforcing competition law** and a sense that there was a **lack of clear explanation for CCS's decisions**
- Where narrative data is concerned, the **Negative narrative entries** tended to reflect the perception that **competition law and regulations are applied against small businesses, while favouring/protecting MNCs and big players**

## Educated Stakeholders

- **Businesses** perceive that the **quality of outreach and advocacy have improved** since 2012. **Consumers**, however, believe that the **CCS is less effective in reaching out to them**
- **Broadcast and print media** provide the greatest source of **awareness for consumers, businesses and students**. On the other hand, the main sources of information for **Practitioners** were the **roundtables and the CCS corporate website**
- **Businesses** find **CCS's business outreach sessions moderately effective**. Although they **could be better tailored to specific business contexts**
- **Government** generally finds **they can approach CCS for competition-related advice and that the advice provided is useful for decision making**

# Executive Summary - Key Findings (iii)

## Enhanced Compliance

- **Most respondents** are either **not aware or report that their companies do not have a competition compliance programme in place - only 17% of businesses** reported having such a program in place
- Of those **Businesses which indicated that they have a competition compliance program in place**, a high percentage of them **also indicated the strong commitment of the company leaders/management towards the programme**
- Of those **Businesses which indicated that they have a competition compliance program in place**, a high percentage of them **also indicated that the company has a whistle-blowing programme for internal reporting of anti-competitive practices**
- Respondents in general felt that **competition law is taken seriously in Singapore**, although there are still many people who do **not fully understand the complexities of it**
- **Practitioners express concerns that competition law is complex and can be difficult for laymen to understand**

## CCS Schemes & Programs

- Apart from **practitioners**, all other stakeholder groups displayed a low level of **awareness of the CCS Reward Scheme or Leniency Program**
- Among those who have heard of the **CCS Reward Scheme**, all 5 stakeholder groups display a **higher motivation to report anti-competitive practices** under the scheme **but a comparatively lower tendency to actually act on it** (*However, sample sizes are small for these sub-groups*)
- **Confidentiality of identity** and **Sense of righteousness** were the **main factors** identified as **motivations for reporting**; Quantum of reward was ranked 3rd
- In general, **Businesses, Practitioners and Government** find CCS Leniency Programme effective in encouraging cartel participants to report anti-competitive activities
- They also generally understand that the **Leniency Program applies to cartel participants**. However, the **knowledge levels surrounding the penalties and incentives are still fairly low, except in the Practitioner group**

## A. Building the Findings

In this section, there will be a series of tables comparing findings from 2012 and 2014. Figures in blue indicate where mean scores from 2014 were significantly higher ( $p < 0.05$ ) than those in 2012, and red indicates that the 2014 results were significantly lower ( $p > 0.05$ )

# Overall

CCS's efforts at building CPL awareness among **businesses and consumers have largely been successful** - with greater awareness observed in 2014 than in 2012; however, **more education is required to clarify CCS's roles and responsibilities, especially with regard to the exclusions in the Act and what constitutes anti-competitive conduct under specific business contexts, especially among small businesses and consumers**

Part 1:Q1 - I have heard of the CCS or the Competition Act (Yes)

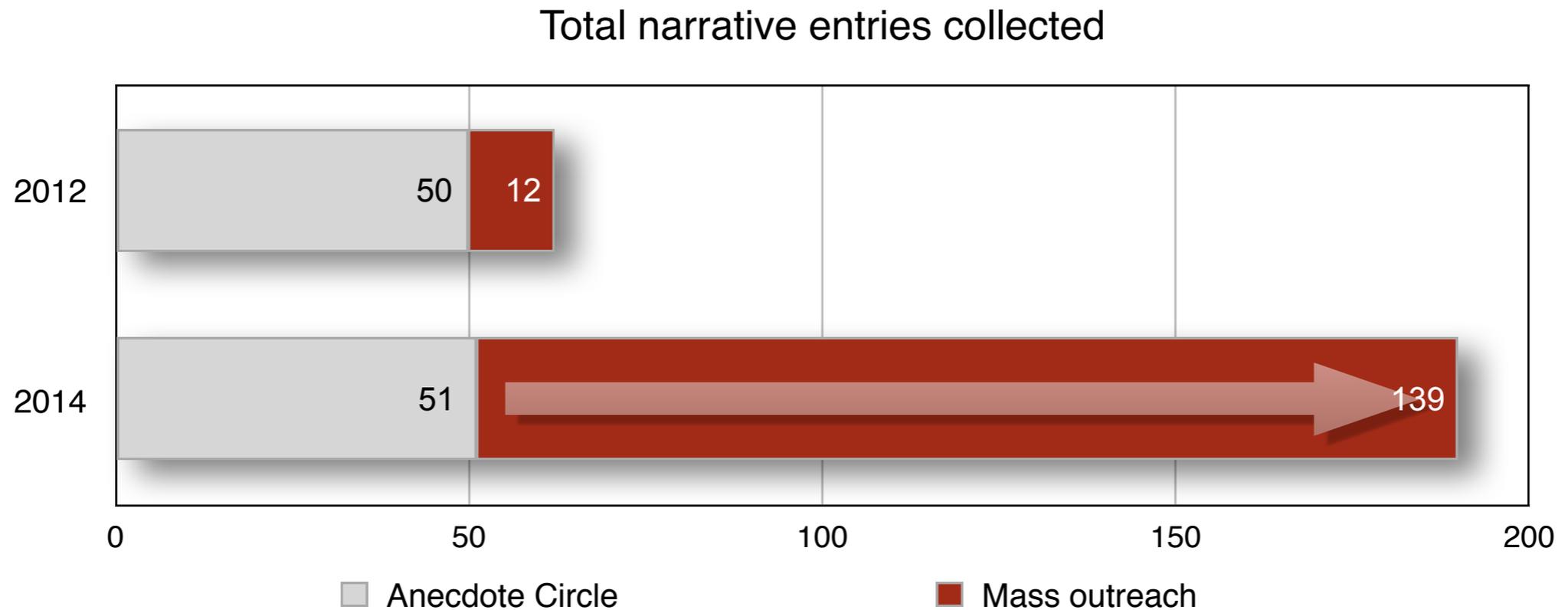
|                      | 2012      | 2014      | %tage change |
|----------------------|-----------|-----------|--------------|
| <b>Consumers</b>     | 36% (73)  | 51% (99)  | 15%          |
| <b>Business</b>      | 41% (166) | 59% (236) | <b>18%</b>   |
| <b>Practitioners</b> | 100% (17) | 93% (26)  | - 7%         |
| <b>Government</b>    | 100% (19) | 80% (24)  | NA           |

Compared to 2012:

- **Businesses registered an OVERALL higher level of satisfaction and knowledge of CCS and Competition Law**

# Overall

There is a **significant increase in the number of experiences shared with CCS** - with stories displaying greater knowledge about CCS, competition law, and cases that CCS has investigated. This signifies **an increased level of awareness of competition law and CCS's work**



# Overall

The market is seen as dominated by large players, and it is difficult for small businesses/ SMEs to compete  
 Consumers and Businesses agree that businesses are colluding and there is insufficient competition

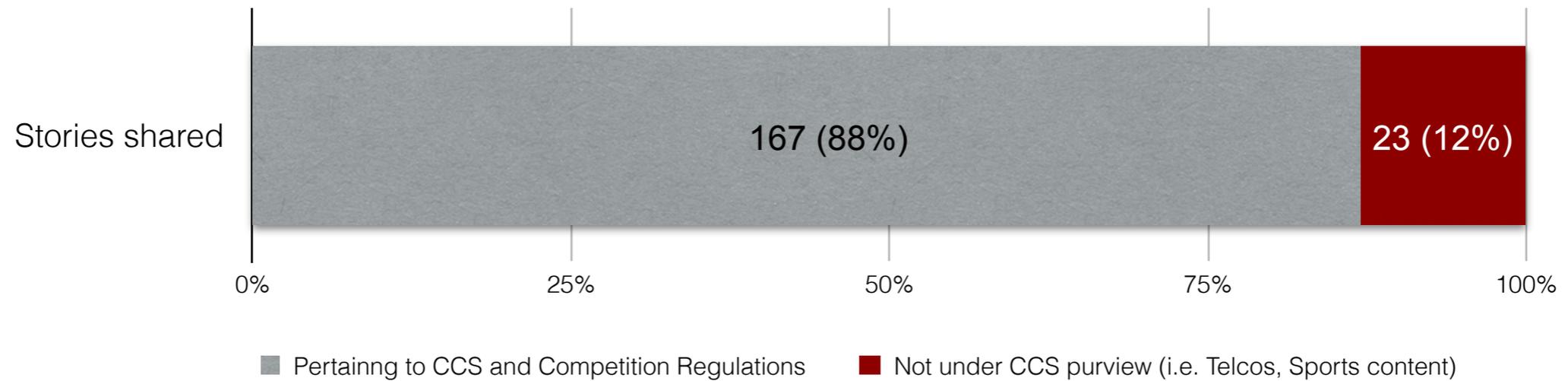
Figure 1: Part 1:Q5-6 - Perception of General Sense or Market Competition

|  | Consumers | Business | Practitioners | Government | Students |
|--|-----------|----------|---------------|------------|----------|
| Q5. I find businesses in Singapore being run by only a few large players                               | 4.51      | 4.34     | 4.2           | 4.21       | 4.06     |
| Q6. I find many businesses in Singapore colluding with one another and there is not enough competition | 4.19      | 3.95     | 3.00          | 3.52       | 3.67     |

\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

# Overall

**Some competition concerns/issues that are raised in the narratives relate to industries that fall outside of CCS's purview such as telecommunications and public transport.** This makes it hard for businesses and consumers to see how CPL in Singapore benefits them or improves competition in the market



# Enlightened Legislation

The body of competition law and regulations is robust, relevant and in line with international best practices

# Enlightened Legislation

In general, **Businesses** have a **higher level of satisfaction toward CCS's competition legislation**, in terms of its **effectiveness in keeping markets competitive** and its **clarity**, compared to 2012

Part 1:Q34-37 - **Perception of Competition Act & CCS Guidelines**

|   | Consumers | Business | Practitioners | Government | Students |
|---|-----------|----------|---------------|------------|----------|
| Q34. I find the Competition Act effective in keeping markets competitive                | 3.75      | 4.01     | 4.52          | 4.09       | 4.47     |
| Q35. I find the Competition Act business-friendly                                       | 4.00      | 3.98     | 4.13          | 4.05       | 4.71     |
| Q36. I find CCS' guidelines useful, clear and easy to apply                             | 3.64      | 4.01     | 4.65          | 4.09       | 4.46     |
| Q37. Overall, I think competition legislation is robust, relevant and business-friendly | 3.81      | 4.11     | 4.62          | 4.04       | 4.46     |

\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

significantly higher than 2012

significantly lower than 2012

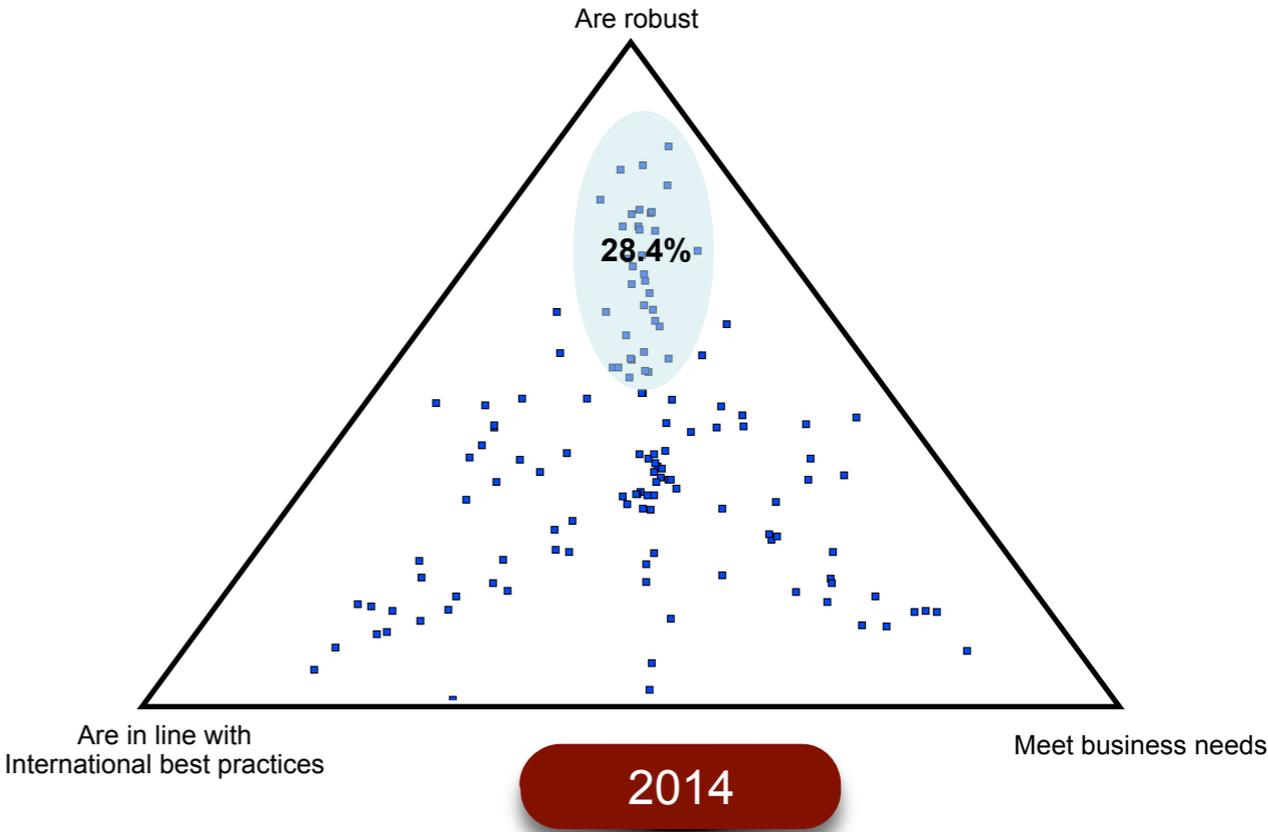
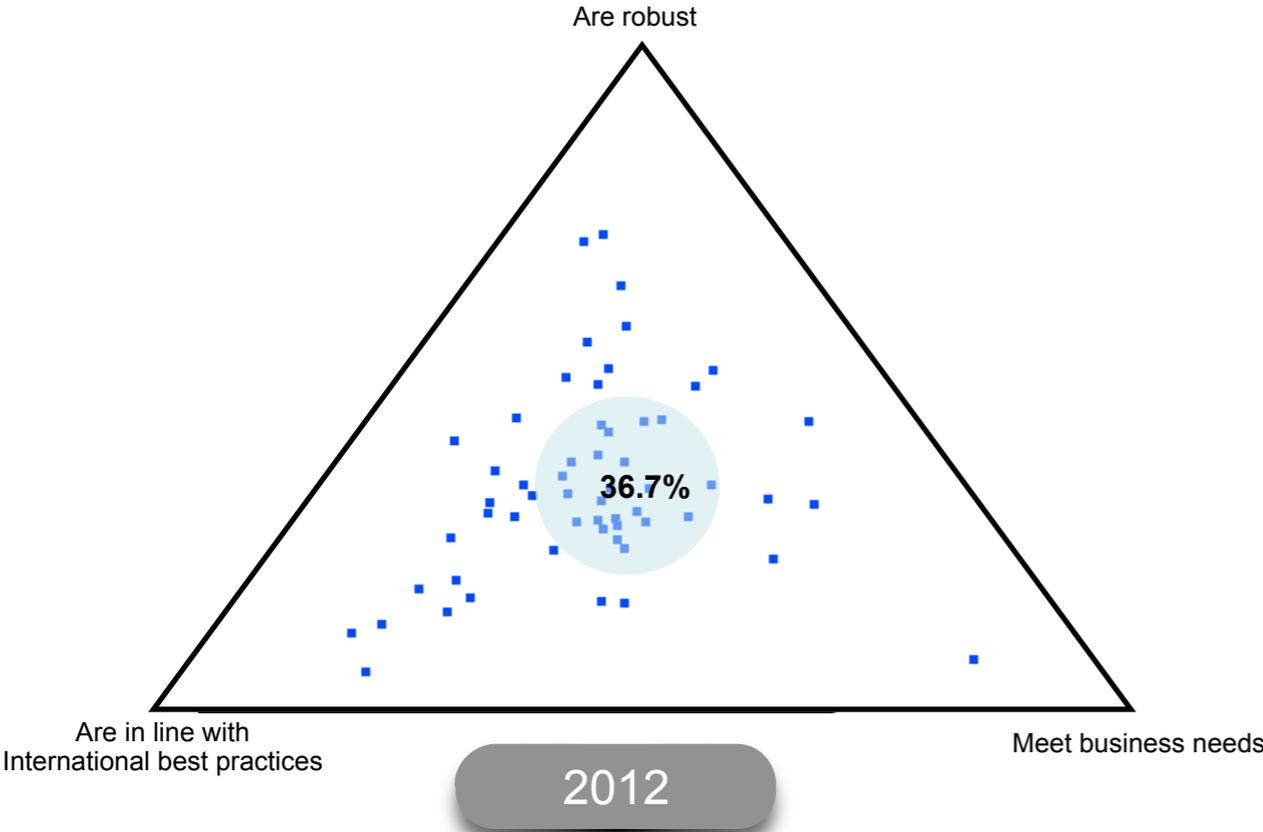
new group

new question

new question

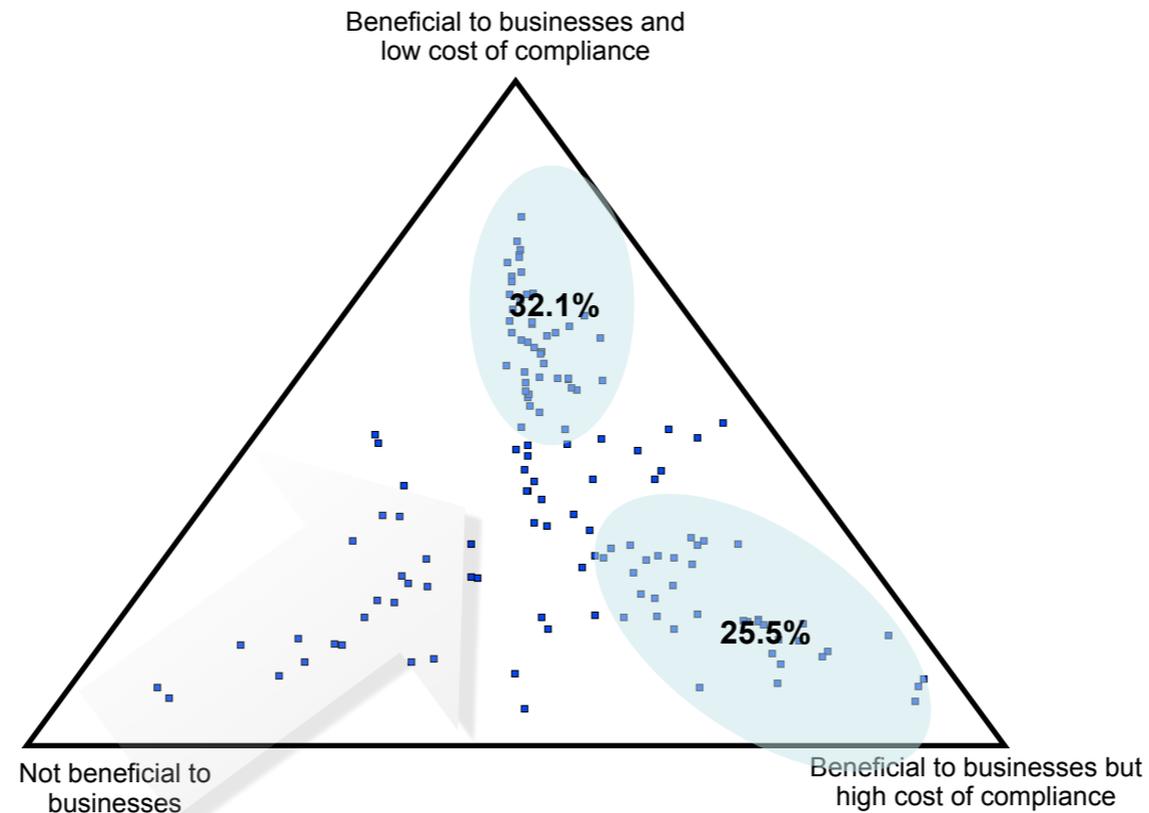
# Enlightened Legislation

Compared to 2012, perception has improved specifically towards **robustness of laws and regulations**



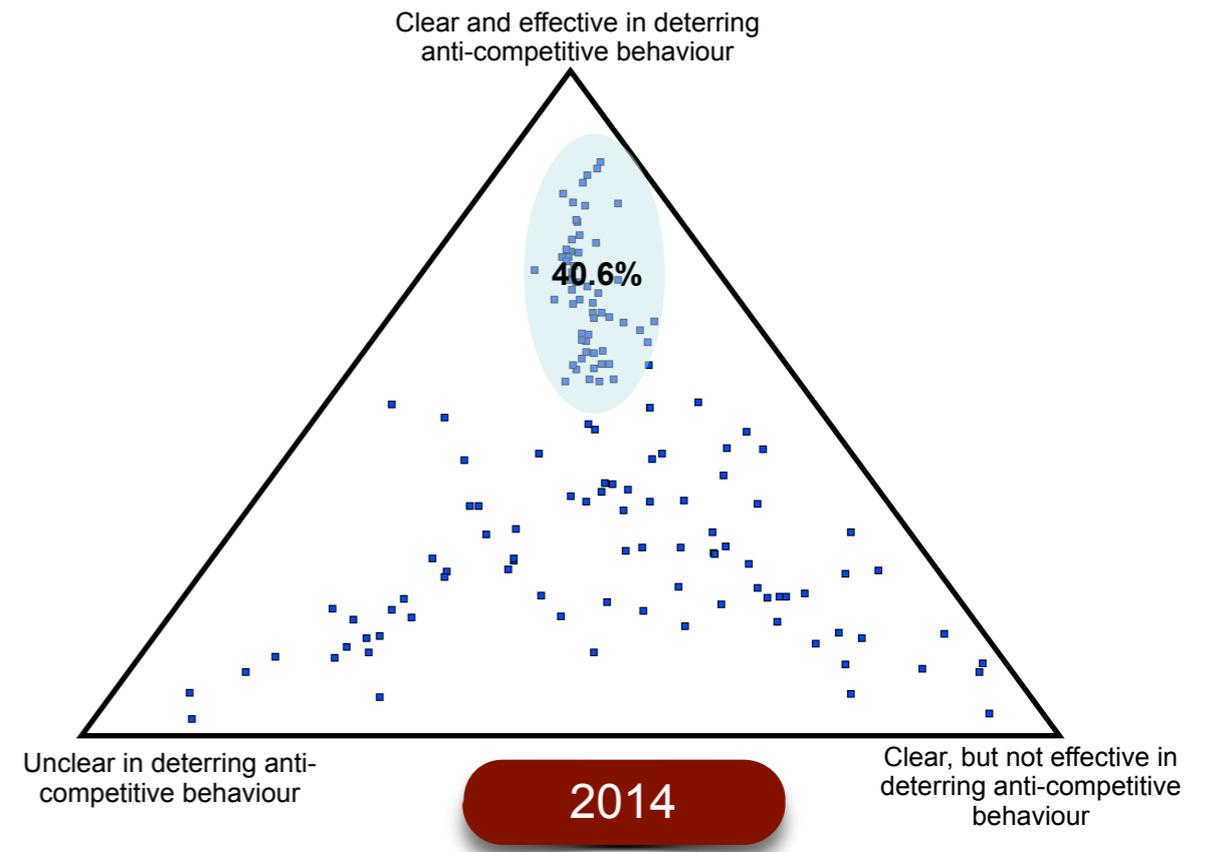
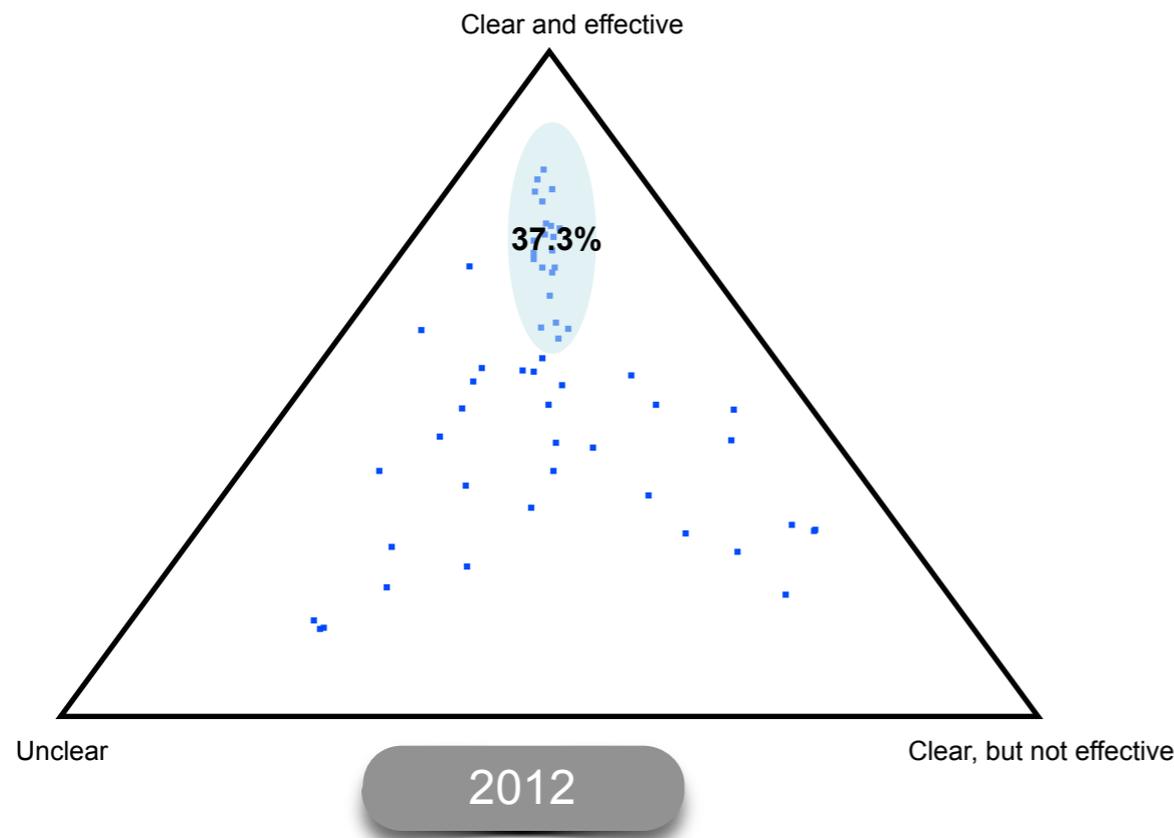
# Enlightened Legislation

In general, stakeholders perceived **competition legislation to be beneficial to businesses**, but are split on the cost of compliance



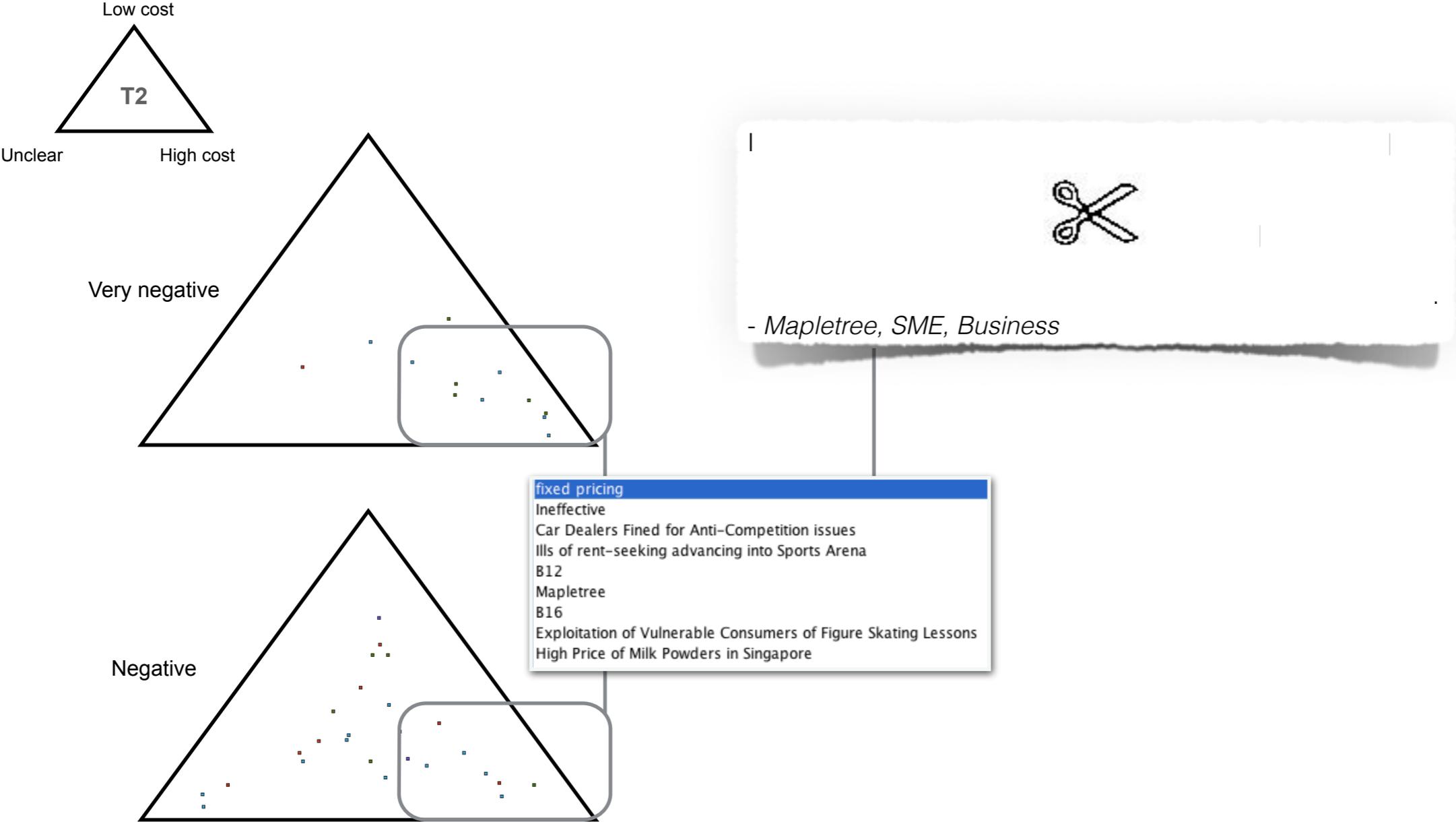
# Enlightened Legislation

Compared to 2012, a larger proportion of stakeholders felt that our competition legislation was **clear and effective in deterring anti-competitive behaviour**



# Enlightened Legislation

Competition law is seen as being generally **clear and effective** - but similar to 2012, where **stories are negative, the laws are seen as clear but not necessarily effective**. While the law may be clear, **stakeholders feel it does not necessarily help to improve competition in the market nor benefit the consumers or smaller local businesses**



# Effective Enforcement

The enforcement regime is robust, credible and business-friendly. The process of detection, investigation, decision and enforcement of decision is thorough, objective and timely

# Effective Enforcement

General perception is that **CCS is a professional organisation that embodies attributes like competence, commitment, integrity and excellence**

Perception of CCS's quality of enforcement is that **CCS is generally effective, rigorous in its analysis and makes decisions that are sound and objective** - ratings have significantly improved for **Business**, but have fallen for Consumers

Part 1:Q7-12 - **Perception of CCS' Quality of Enforcement**

|  | Consumers | Business | Practitioners | Government | Students |
|--|-----------|----------|---------------|------------|----------|
| Q7. CCS is professional (competent, commitment, integrity, excellence) | 4.15      | 4.49     | 5.04          | 4.52       | 4.89     |
| Q8. CCS is effective in taking action                                  | 3.79      | 4.11     | 4.76          | 4.27       | 4.42     |
| Q9. CCS is rigorous in its analysis and makes sound decisions          | 3.82      | 4.15     | 4.54          | 4.62       | 4.46     |
| Q10. CCS effectively considers feedback and are objective              | 3.80      | 4.19     | 4.46          | 4.60       | 4.54     |
| Q11. CCS actions have positive impact on market it intervenes          | 3.95      | 4.20     | 4.52          | 4.30       | 4.53     |
| Q12. CCS is effective in promoting strong competitive culture          | 3.86      | 4.00     | 4.67          | 3.86       | 4.49     |

← new question

↑ new group

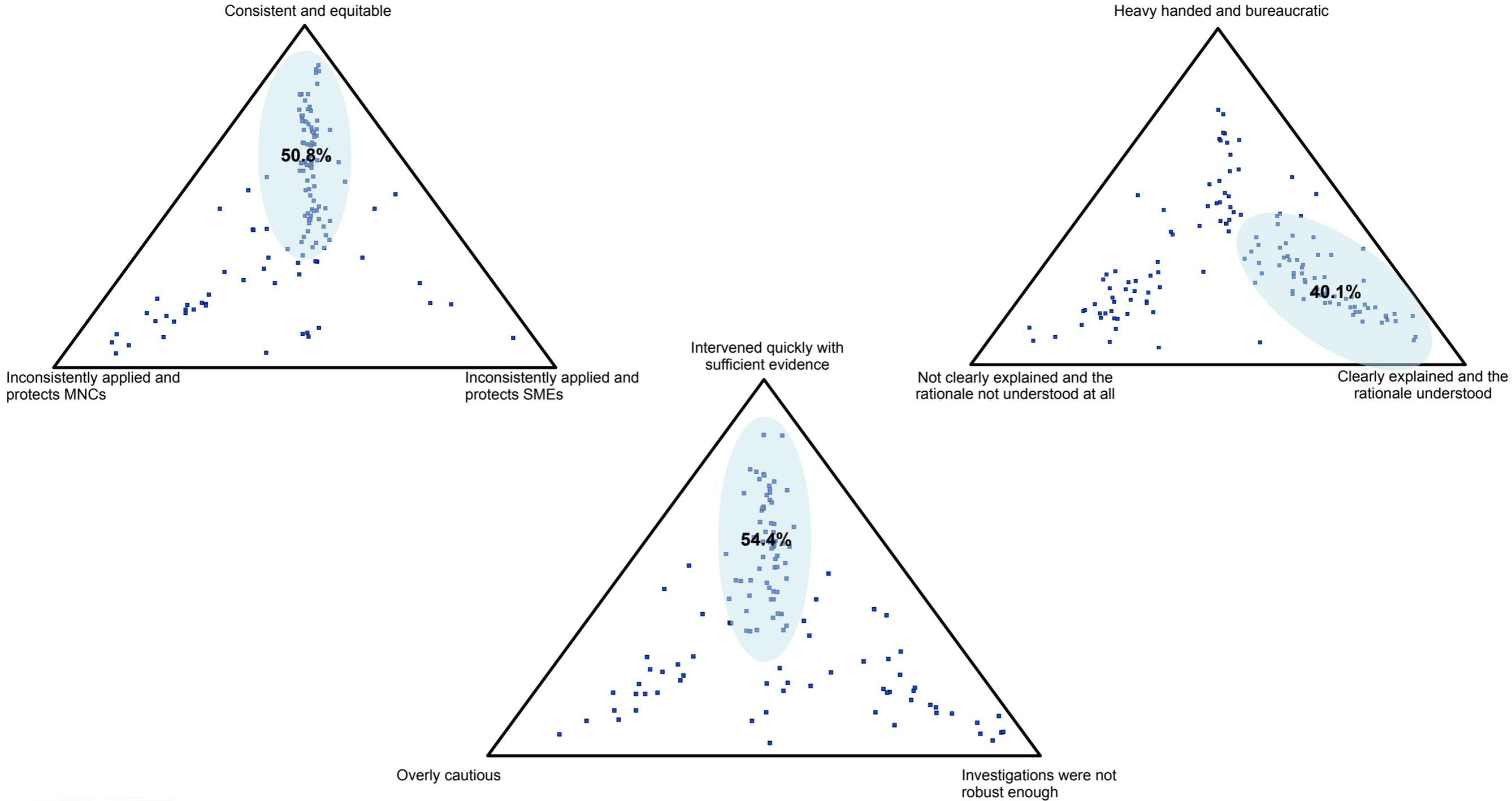
\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

significantly higher than 2012

significantly lower than 2012

# Effective Enforcement

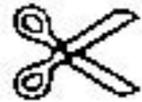
Stakeholders generally perceive that **CCS's interventions are clear, well-explained, consistent, equitable, timely and backed by sufficient evidence**



# Effective Enforcement

In instances where it was felt that CCS's interventions were **not clear and well understood**, there was confusion as to whether CCS was pursuing other **broader government policy objectives as opposed to enforcing competition law** and a sense that there was a **lack of clear explanation for CCS's decisions**

## Broader government policy objectives as opposed to enforcing competition law

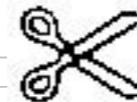


*F6: Policy Considerations, Professional, Local Business/Company (non SME)*

## Lack of clear explanation for CCS's decisions



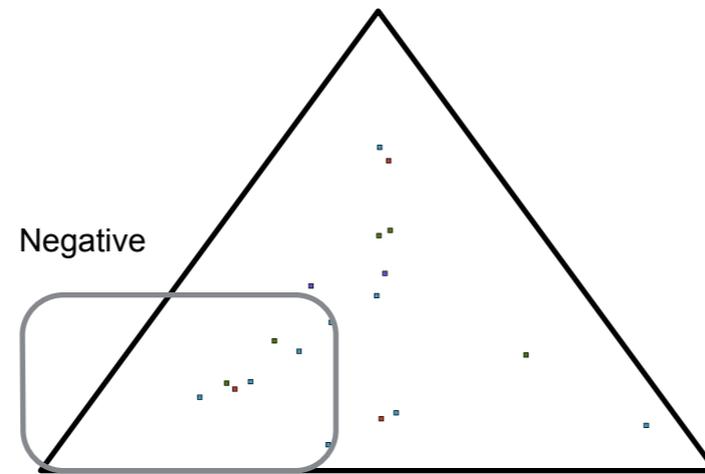
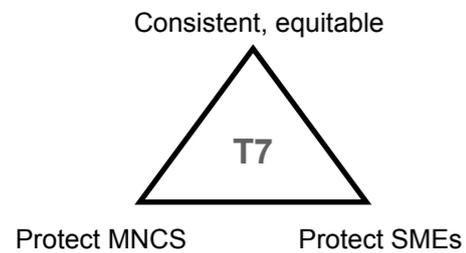
*High Price of Milk Powders in Singapore, Service & Sales Worker, MNC*



*Competition laws and regulations in Singapore ineffective in curbing or deterring anti-competitive practices, Legislator, MNC*

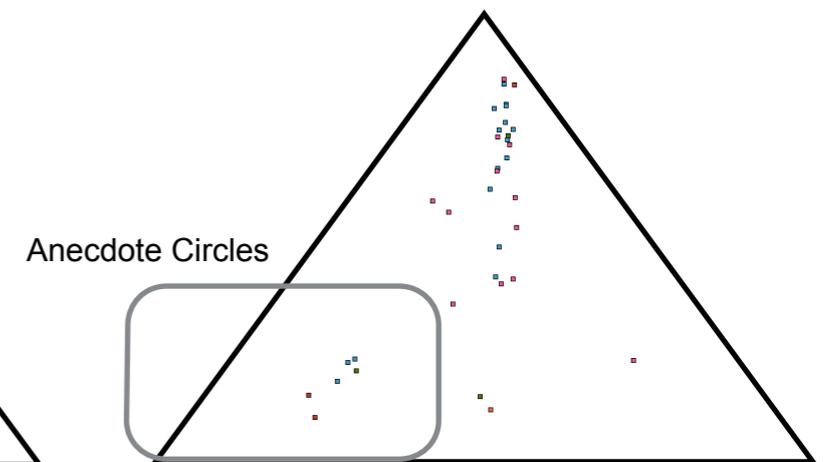
# Effective Enforcement

Where narrative data is concerned, the **Negative narrative entries** tended to reflect the perception that **competition law and regulations are applied against small businesses, while favouring/protecting MNCs and big players**



Where stories are negative in tone, they also tend to be indexed more toward Inconsistently applied and protects MNCs

Patterns of indexing are similar across all groups - with CCS being seen as largely Consistent and equitable. Anecdote Circle and Business entries display clustering toward Protect MNCs



# Educated Stakeholders

Stakeholders are informed about the competition regime and correctly understand CCS' rule and responsibilities

# Educated Stakeholders

**Businesses** perceive that the **quality of outreach and advocacy** have improved since 2012. **Consumers**, however, believe that the **CCS is less effective in reaching out to them**

Part 1:Q13-16 - Perception of CCS's Quality of Outreach & Advocacy

|  | Consumers | Business | Practitioners | Government | Students  |
|--|-----------|----------|---------------|------------|-----------|
| Q13. CCS is effective in reaching out to stakeholders                              | 3.52      | 3.86     | 4.50          | 3.74       | 4.17      |
| Q14. CCS provides sufficient public information                                    | 3.30      | 3.62     | 4.58          | 3.87       | 3.93      |
| Q15. Information on CCS' decisions is easily accessible                            | 3.58      | 3.78     | 5.04          | 4.26       | 4.34      |
| Q16. CCS' competition messages to its stakeholders are adequate, consistent, clear | 3.64      | 3.96     | 4.73          | 4.26       | 4.37      |
| Q17. (for Business only)<br>I find CCS' outreach sessions effective                |           | 3.73     |               |            | new group |

\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

significantly higher than 2012

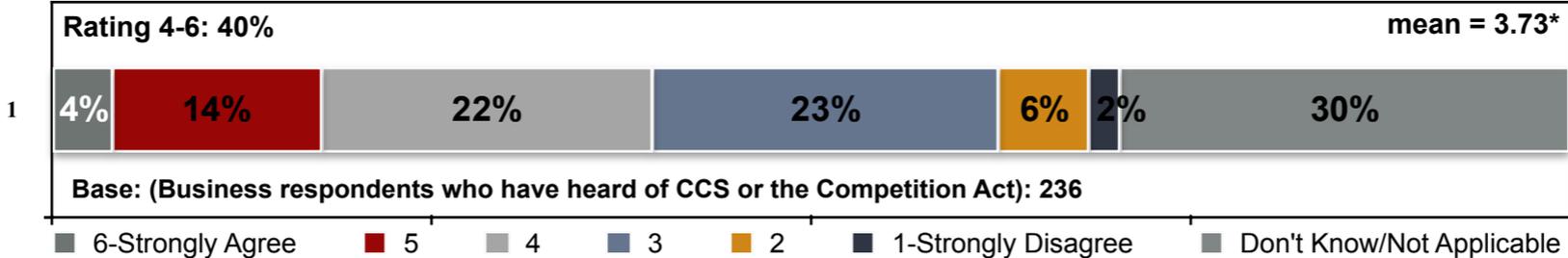
significantly lower than 2012

**Broadcast and print media** provide the greatest source of **awareness for consumers, businesses and students**. On the other hand, the main sources of information for **Practitioners** were the **roundtables** and the **CCS corporate website**

# Educated Stakeholders

**Businesses** find CCS's business outreach sessions moderately effective

Part 1: Q17 - I find CCS's outreach sessions effective



\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

Although they could be better tailored to specific business contexts



E5:  
Awareness Building - Sectoral Focus/Outreach to IHLs, *Legislator, SME*

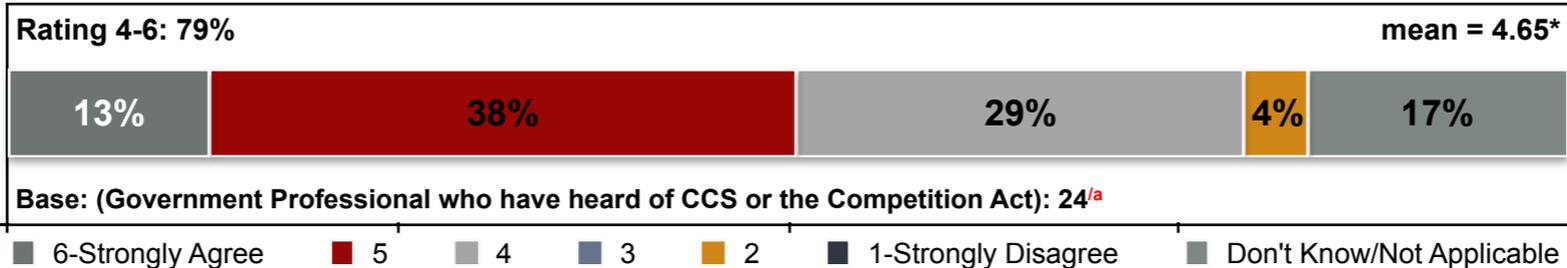


- Briefing session by CCS, Professional, MNC

# Educated Stakeholders

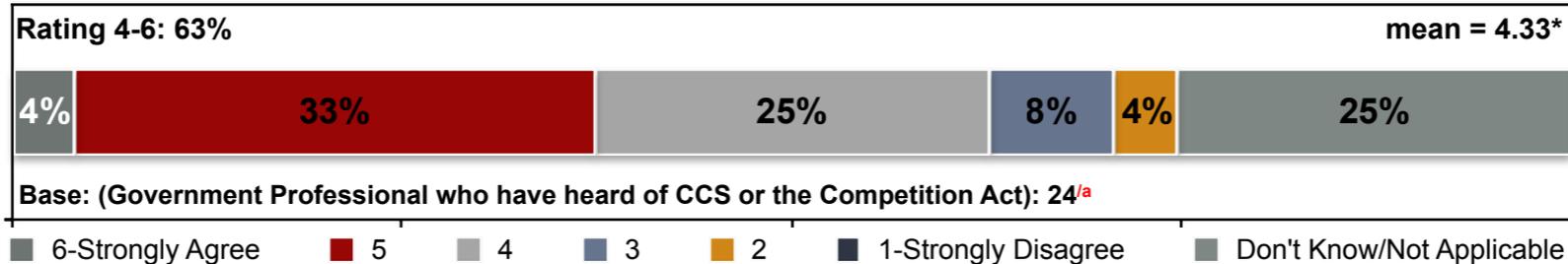
**Government** generally finds they can approach CCS for competition-related advice and that the advice provided is useful for decision making

Part 1: Q18 - I know I can approach CCS for advice on competition matters in general



\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

Part 1: Q19 - I find the competition advice provided by CCS useful for my decision-making



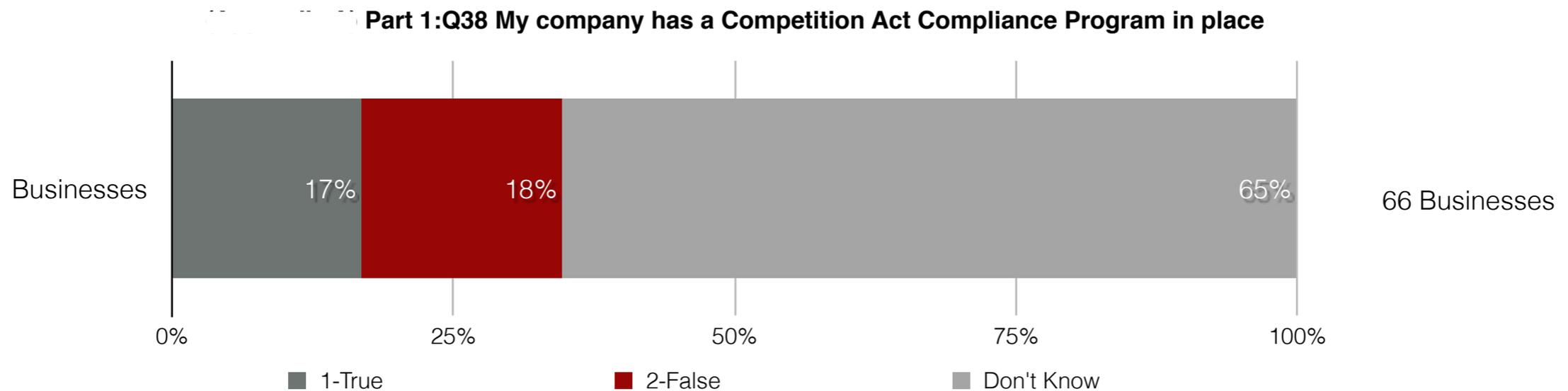
\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

# Enhanced Compliance

General culture of competition compliance, and businesses voluntarily comply with competition law and regulations

# Enhanced Compliance

Most respondents are either not aware or report that their companies do not have a competition compliance programme in place - only 17% of businesses reported having such a program in place



# Enhanced Compliance

Of those **Businesses** which indicated that they have a competition compliance program in place, a high percentage of them also indicated the strong commitment of the company leaders/management towards the programme, in particular, through conducting regular training for its employees on competition compliance and constantly reviewing its programme to ensure effectiveness

Of those **Businesses** which indicated that they have a competition compliance program in place, a high percentage of them also indicated that the company has a whistle-blowing programme for internal reporting of anti-competitive practices

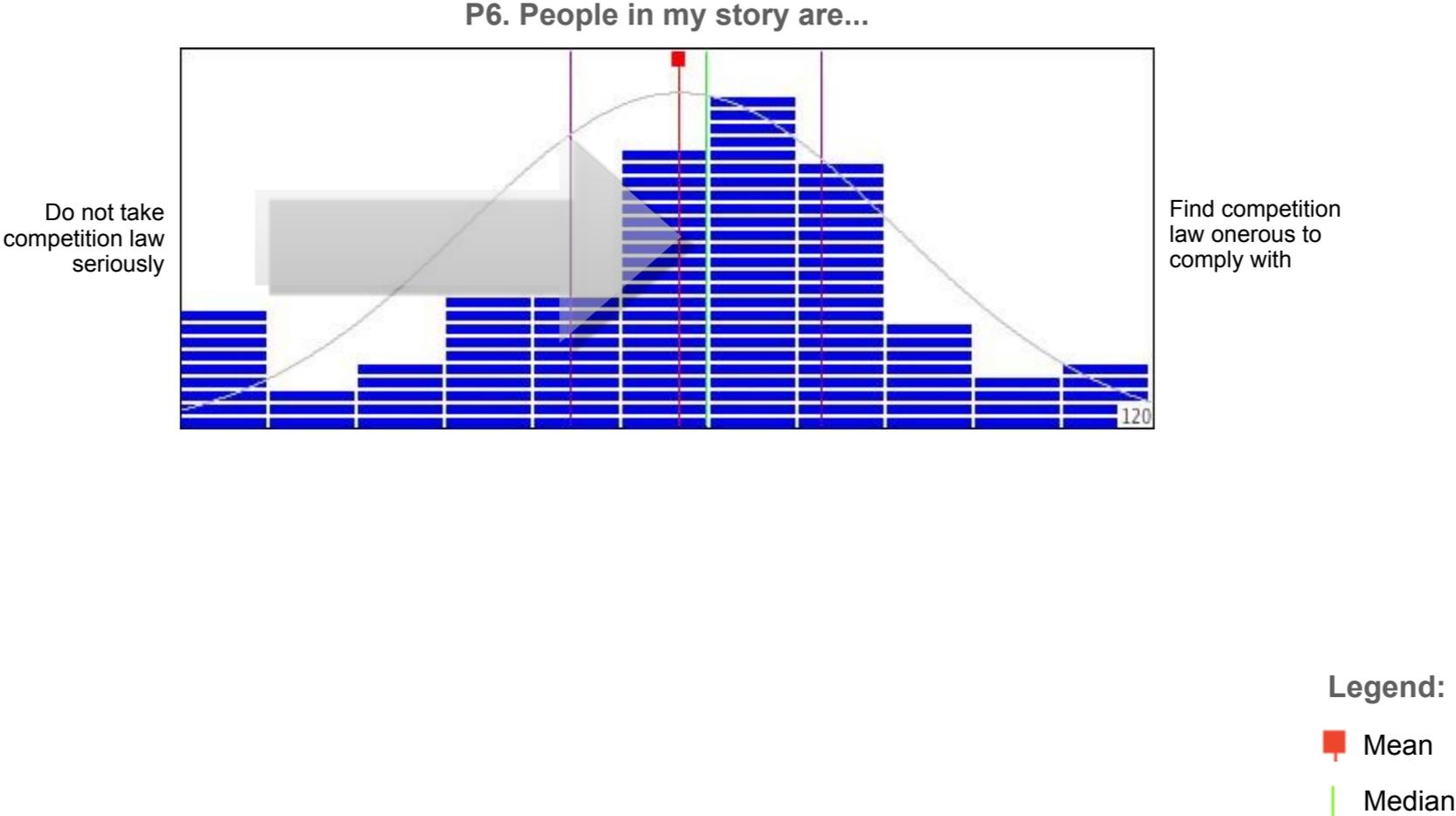
Figure 10: Part 1:Q39-42 - **Company Practices and Attitudes on Compliance to Competition Act**  
(Only for those who answered “True” to above)

|  | Business |
|--|----------|
| Q39. The company’s leaders/management is strongly committed to compliance        | 5.22     |
| Q40. My company regularly conducts trainings for its employees on compliance     | 4.59     |
| Q41. My company regularly reviews its compliance program to ensure its effective | 4.89     |
| Q42. My company has an effective whistle-blowing program                         | 4.90     |

\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

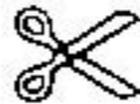
# Enhanced Compliance

Respondents in general felt that competition law is taken seriously in Singapore, although there are still many people who do not fully understand the complexities of it

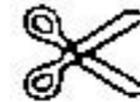


# Enhanced Compliance

Practitioners express concerns that competition law is complex and can be difficult for laymen to understand

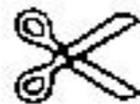


*B10, Competition Economist, MNCs, Anecdote Circles*



*- E3*

*Awareness Building - Competition Act, Legislator, SMEs, Anecdote Circles*



*B4 Raided by the CCS, Lawyer, Local business (non-SME), Anecdote Circles*



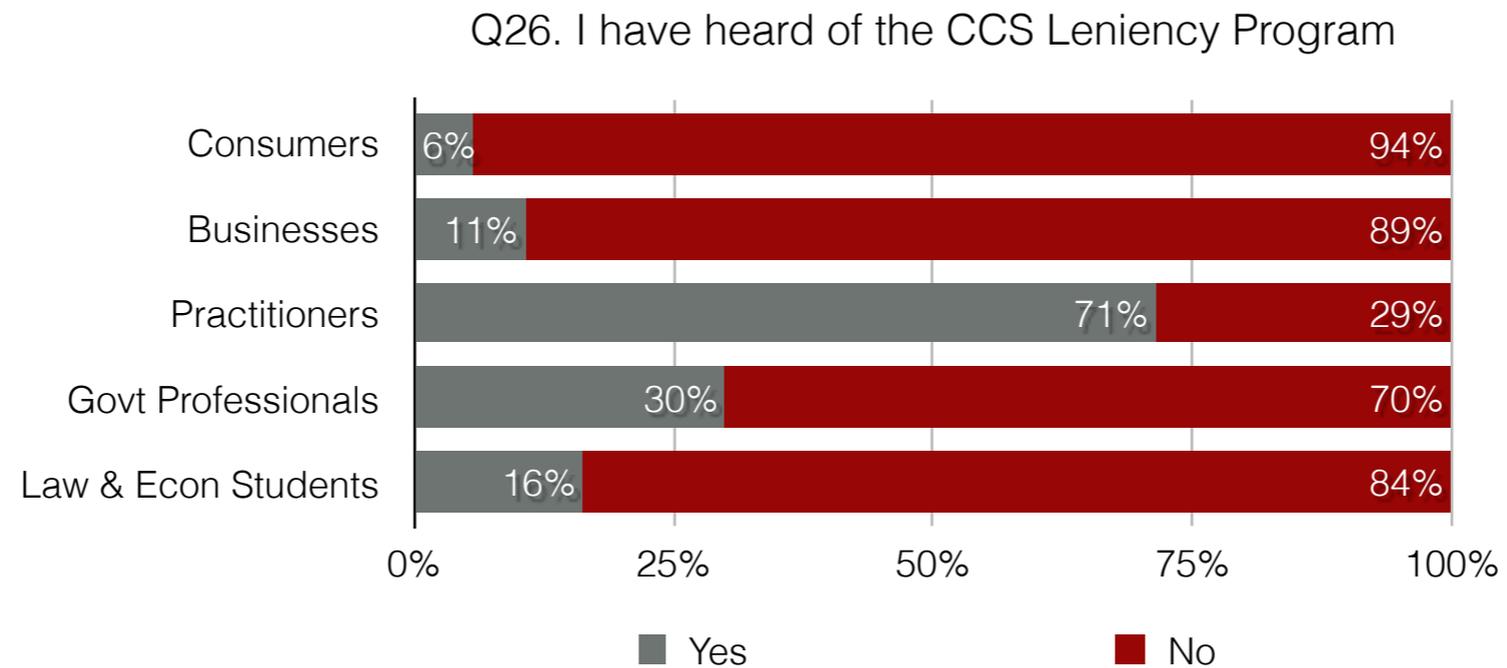
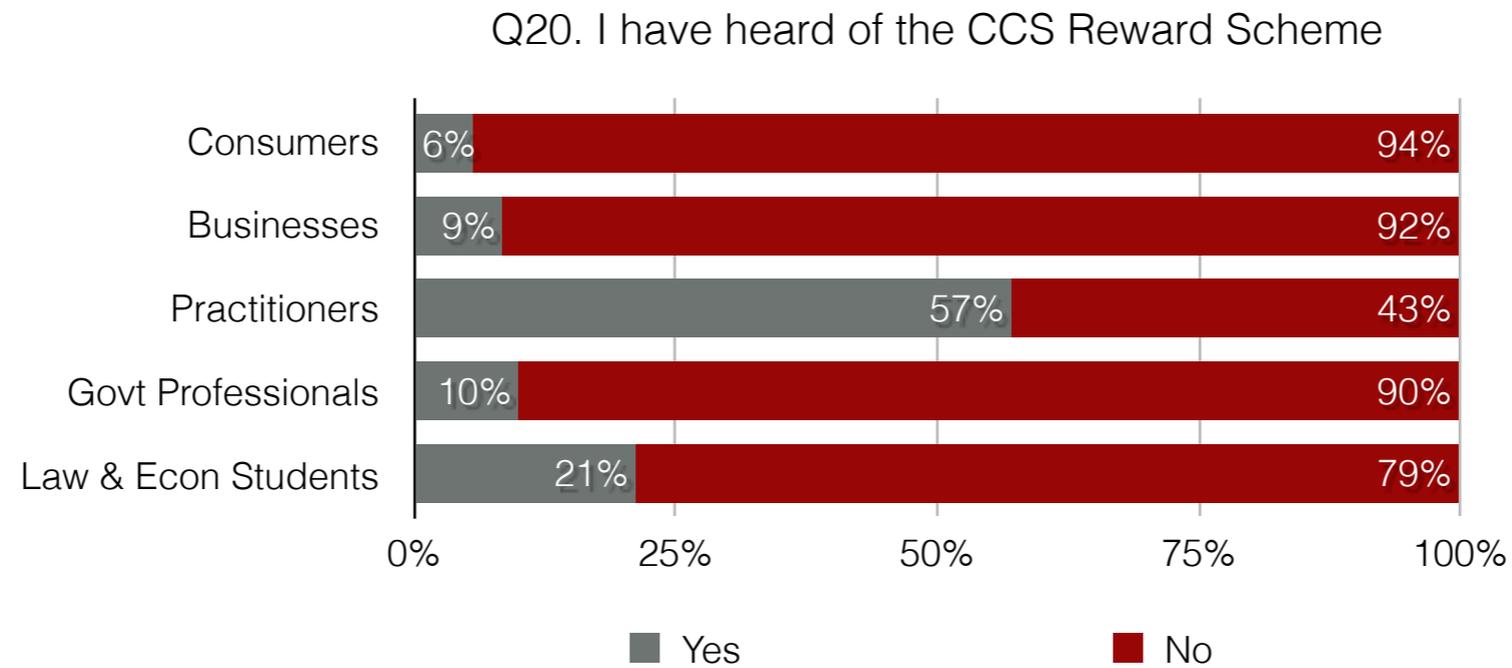
*B15 Educating business owners, Lawyer, Local business (non-SME), Anecdote Circles*

# CCS Schemes & Programs

Awareness and knowledge levels of CCS Reward Scheme and Leniency Program

# CCS Schemes & Programs

Apart from practitioners, all other stakeholder groups displayed a low level of awareness of the CCS Reward Scheme or Leniency Program



# CCS Schemes & Programs : CCS Reward Scheme

Among those who have heard of the **CCS Reward Scheme**, all 5 stakeholder groups display a **higher motivation to report anti-competitive practices** under the scheme **but a comparatively lower tendency to actually act on it** (However, sample sizes are small for these sub-groups)

Part 1:Q23-24 - **If you have heard of the CCS Reward Scheme**

|   | Consumers | Business | Practitioners | Government | Students |
|---|-----------|----------|---------------|------------|----------|
| Q23. With this scheme, I am more likely to report any possible anti-competitive practices in my company | 4.00      | 4.42     | 4.91          | 4.50       | 5.00     |
| Q24. With this scheme, I will report any possible anti-competitive practices in my company              | 3.91      | 4.34     | 4.10          | 4.00       | 4.78     |

\* Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree

Base: (Those who have heard of the CCS Reward Scheme) : 11<sup>/a</sup>, 33, 15<sup>/a</sup>, 3<sup>/a</sup>, 19<sup>/a</sup>

# CCS Schemes & Programs : CCS Reward Scheme

**Confidentiality of identity** and **Sense of righteousness** were the main factors identified as motivations for reporting; Quantum of reward was ranked 3rd

Part 1: Q25 - In order of importance, rank the following factors that will affect your willingness to report any possible anti-competitive business practices to CCS under this scheme

| Factors                             | Consumers | Businesses | Practitioners | Govt Professionals | Students |
|-------------------------------------|-----------|------------|---------------|--------------------|----------|
| Confidentiality of your identity    | 27.6      | 30.5       | 31.5          | 34.1               | 32.1     |
| Sense of righteousness              | 24.7      | 25.8       | 25.3          | 27.3               | 31.3     |
| Amount of financial reward          | 20.0      | 18.7       | 15.2          | 20.5               | 10.7     |
| Uncertainty of receiving the reward | 17.1      | 11.3       | 16.3          | 9.1                | 15.3     |
| Uncertainty on the amount of reward | 10.6      | 13.7       | 11.8          | 9.1                | 10.7     |

\* Ranked from 1- most important to 5- least important

Base: (Those who have heard of the CCS Reward Scheme) : 11/a, 32, 12/a, 3/a, 7/a

Legend:

Highest Sum of Rank Index  
 2nd Highest Sum of Rank Index  
 3rd Highest Sum of Rank Index  
 Lowest Sum of Rank Index



# CCS Schemes & Programs : CCS Leniency Program

In general, **Businesses, Practitioners and Government** find CCS Leniency Programme effective in encouraging cartel participants to report anti-competitive activities.

They also generally understand that the **Leniency Program applies to cartel participants**. However, the **knowledge levels surrounding the penalties and incentives are still fairly low, except in the Practitioner group**

Part 1:Q27-29 - **If you have heard of the CCS Leniency Program**  
(Captures accurate %tages of responses)

|  | Business | Practitioners | Government |
|--|----------|---------------|------------|
| Q27. The CCS Leniency program applies to cartel participants   | 96%      | 100%          | 89%        |
| Q28. A cartel participant can be exempted from financial penalties if it is the first to provide relevant evidence before CCS commences investigations | 88%      | 100%          | 89%        |
| Q29. An applicant cannot enjoy reduced penalties once another party has successfully applied for leniency  | 45%      | 94%           | 44%        |

Part 1:Q30 - **If you have heard of the CCS Leniency Program**  
(Based on mean score of Rating Scale from 1-Strongly Disagree to 6- Strongly Agree)

|   | Business | Practitioners | Government |
|---|----------|---------------|------------|
| Q30. I find the CCS Leniency Program effective in encouraging cartel participants to report such activities | 4.58     | 5.33          | 4.11       |

Base: (Those who have heard of the CCS Leniency Programme) : 11/a, 43, 20/a, 9/a, 17/a

## B. Next Steps

In reviewing the data, and after conducting a sense-making session with the CCS project team (17th July 2014), the following areas were identified as most important in terms of helping to guide CCS's Next Steps :

Competition Legislation  
Competition Enforcement  
Outreach Advocacy  
Voluntary Competition Compliance

# Next Steps

| Area                           | Recommendations   |
|--------------------------------|---|
| <b>Competition Legislation</b> | <ul style="list-style-type: none"> <li>○ Explore ways to simplify procedures/processes to make legislation more business-friendly and reduce uncertainty and business compliance costs - <b>SME business owners and competition lawyers alike have expressed that competition regulation is more challenging for smaller businesses that may not have in-house legal departments, or the ability to hire the necessary legal counsel</b></li> <li>○ <b>Legal clinics could be held with SMEs as part of the CCS business outreach sessions</b> to allow for SMEs to receive basic competition law consultation</li> <li>○ <b>Review current threshold for dominance</b> (for the purposes of s47 prohibition)</li> <li>○ <b>Consider the inclusion of certain sectors or parts of the value chain of an industry</b> into the Competition Act</li> <li>○ Greater powers for CCS to improve competition in markets (<b>direct/influence market players' behaviour</b> or <b>trying out business models that allow markets to be more competitive</b>)</li> </ul> |
| <b>Competition Enforcement</b> | <ul style="list-style-type: none"> <li>○ More <b>diagnostic self-check type materials</b> could be <b>disseminated to businesses</b> so they understand how to identify anti-competitive behaviour in their industry, or among their vendors</li> <li>○ Where decisions are made to close cases or issue decisions, more <b>deliberate efforts can be made to communicate analysis and rationale in a more accessible manner to the public/complainant</b>. Explain CCS's decisions using <b>simple, clear and concise language</b></li> <li>○ Reach out more to small businesses to help prevent any violations of the Competition Act. <b>Greater use of warnings, commitments/undertakings, or cease or desist order instead of infringement decisions for cases involving SMEs/small businesses</b>; Need to <b>build a track record of enforcement against big companies</b></li> </ul>  |

# Next Steps

| Area                 | Recommendations  |
|----------------------|--|
| Outreach<br>Advocacy | <ul style="list-style-type: none"><li>Government ratings have dropped significantly from 2012 – A need for <b>CCS to cultivate or engage other Ministries/ government agencies beyond COPCOMER</b>. Have more <b>cross-ministry partnerships, collaborations or sharing sessions to improve engagement of Government</b></li><li><b>Creative communications</b> could be implemented to <b>inform the public about industries that are under CCS’s purview, and those which are not</b>. Outreach materials could also <b>focus on the actual benefits of competition law and post-enforcement benefits to help explain the value</b>, or impact of CCS’s interventions</li><li>Consumer ratings have also dropped since 2012 - <b>more consumer education in the form of print and broadcast media</b> could be consumer-directed</li><li>Professionals have also indicated that the <b>legal or technical jargon used in the competition act might be difficult for laymen to understand</b>. Having a <b>glossary of simple explanations for competition law jargon</b> could improve <b>lay understanding</b> by making competition law <b>more accessible through language</b>. Could consider a <b>simpler re-write of the law using simple language, akin to what the AGC has done in this respect</b></li><li>Business ratings have improved significantly from 2012 to 2014 - <b>businesses indicated that they find CCS’s outreach sessions effective, and that these should continue</b>. Business outreach sessions <b>could be improved by tailoring it to specific business contexts</b></li></ul> |

# Next Steps

| Area                                    | Recommendations   |
|---|---|
| <b>Voluntary Competition Compliance</b> | <ul style="list-style-type: none"><li>○ <b>Student ratings score fairly high across the indicators even though CCS's outreach efforts to them are fairly new.</b> These outreach efforts appear to be achieving the <b>right impact by instilling awareness and knowledge of CCS, and of competition law and regulations in future Law and Economic practitioners at a young age.</b> These should be continued, and could possibly be <b>extended to students in other areas of concentration</b> (who will make up the future of the Consumer, Business and Government stakeholder groups)</li><li>○ Although only 17% of Businesses report having a <b>Compliance Program</b> in place, the <b>businesses with a program in place indicate very high levels of commitment from Management.</b> More businesses should be persuaded to implement a Compliance program- CCS offering legal clinics or targeted outreach in this area could also facilitate its adoption and implementation</li><li>○ <b>CCS could also adopt practices by other competition authorities to encourage the adoption of compliance programs</b> e.g. compliance program checklist/templates or even certification</li><li>○ <b>Play on sense of righteousness</b> to encourage reporting of anti competitive behaviour for CCS Reward Scheme</li><li>○ <b>Implement more publicity initiatives</b> to generate greater awareness of <b>CCS Reward Scheme and Leniency Program</b></li></ul> |

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**end**