

IN THE ACT

MAKING MARKETS WORK WELL

ISSUE 16 | JUNE 2023 - SEPTEMBER 2023

NAILED IN COURT

*NAIL PALACE
APPEALS DISMISSED
BY HIGH COURT*



THE BEAUTY SECTOR

*TIPS FOR
CONSUMERS
AND RETAILERS*



**WHAT IS THE WHISTLE-BLOWING/ REWARD
SCHEME AND LENIENCY PROGRAMME?**

WATCH OUR EDUCATIONAL VIDEOS TO FIND OUT



CE's NOTE

SIA AIK KOR
CHIEF EXECUTIVE
COMPETITION AND CONSUMER COMMISSION OF SINGAPORE

In this edition of In the Act, I would like to share CCCS's latest enforcement work and updates with you. In July, the High Court dismissed appeals from two Nail Palace entities against accompanying orders granted by a District Court in relation to unfair practices involving the sale of anti-fungal treatment packages to consumers. The accompanying orders required the Nail Palace entities to publish details of the orders against them in the major newspapers in Singapore and to obtain written acknowledgement of these orders from new customers before contracting with them.

On the competition front, CCCS cleared two mergers, one involving gas suppliers in the retail of liquefied petroleum gas and town gas and the other involving electronic chemicals businesses in the supply of cleaning solutions used principally in the semiconductor manufacturing process. CCCS also completed a public consultation exercise for the proposed Guidance Note on Business Collaborations Pursuing Environmental Sustainability Objectives, and is now reviewing the feedback received.

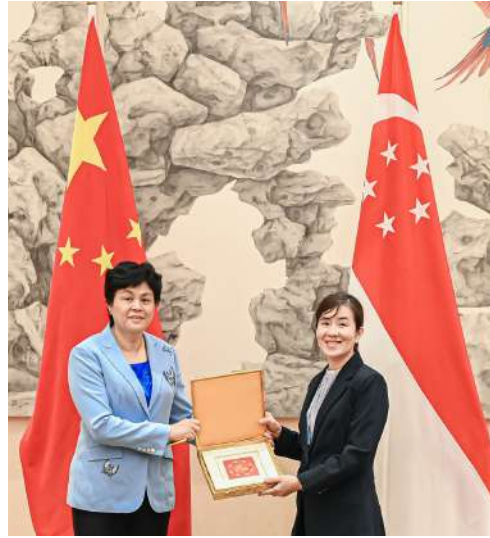
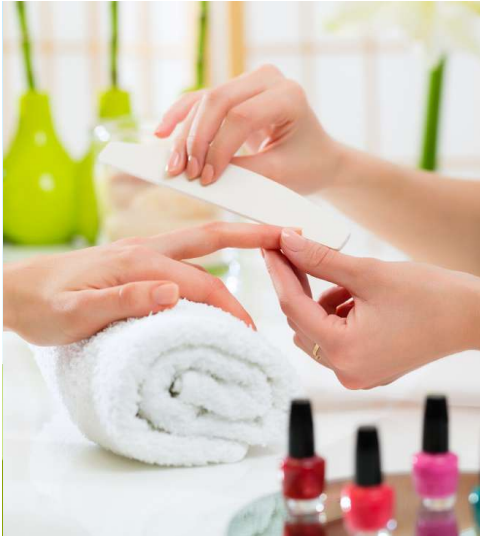
As part of our local outreach efforts, we participated in the 26th Annual SME Conference & Infocomm Commerce Conference & Expo 2023 organised by the Singapore Chinese Chamber of Commerce and Industry from 15 to 16 August, where we spoke on business compliance and shared CCCS's collaterals with conference attendees to raise awareness of our work.

Recognising the consistently high number of consumer complaints in the beauty industry, CCCS conducted a series of outreach activities to educate consumers and suppliers. These include a digital marketing campaign to share dos and don'ts for suppliers and tips for consumers when buying beauty products and services and the publication of educational infographics on the digital display panels located throughout HDB estates.

CCCS remained active on the global stage. In June, we took part in the OECD Competition Committee Meetings in Paris and had bilateral meetings with the Canadian Competition Bureau, New Zealand Commerce Commission and United Kingdom Competition Markets Authority. In July, we participated in the 18th East Asia Top Level Officials' Meeting on Competition Law and Policy and the 15th East Asia Conference in Bangkok. In September, we were invited by China's State Administration for Market Regulation to give a keynote speech at the 10th International Forum on Fair Competition Policy of China in Nanjing.

I would like to take this chance to welcome Mr Alvin Koh Meng Sing to CCCS, who will succeed me as Chief Executive from 1 April 2024. Mr Koh joins us from the Ministry of Manpower, where he was Chief Legal Officer and Divisional Director. He is familiar with CCCS, having served as Director (Legal & Enforcement) at the then-Competition Commission of Singapore from 2010 to 2012. I am confident he will continue to work closely with our stakeholders to steer CCCS to greater heights.

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ABOUT 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 2004 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 2003 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.

CONTACT US:

Email: cccs_corporate_communications@cccs.gov.sg

Hotline: 1800 325 8282





NAILED IN COURT

Nail Palace appeals dismissed by High Court

The High Court has, on 28 July 2023, dismissed the appeals by Nail Palace (BPP) Pte Ltd located at Bukit Panjang Plaza ("NP BPP") and Nail Palace (SM) Pte Ltd located at Simei East Point Mall ("NP SM") against accompanying orders granted by a District Court in relation to unfair practices committed involving the supply of anti-fungal treatment packages to consumers.

In December 2021, CCCS commenced legal proceedings in the State Courts seeking declarations and injunctions against NP BPP and NP SM under the Consumer Protection (Fair Trading) Act 2003 ("CPFTA"). Investigations revealed that NP BPP and NP SM had each made false or misleading representations to a consumer concerning the need for an anti-fungal treatment package, and NP SM had misled a consumer into taking several lipsticks and lip balms free of charge as part of the said package, but the consumer was in fact charged for them.

In August and September 2022, a District Court granted orders against NP BPP and NP SM which included declarations, injunctions and accompanying orders requiring NP BPP and NP SM to:

- i) publish details of the declarations and injunctions ordered against them in the major newspapers in Singapore ("Publication Orders");
- ii) inform and obtain the written acknowledgement of prospective customers of the declarations and injunctions before contracting with them ("Consumer Notification & Consent Orders"); and
- iii) inform CCCS of any changes to their business structures.

NP BPP and NP SM's subsequent appeals in September 2022 against the Publication Orders and the Consumer Notification & Consent Orders were dismissed by the High Court, requiring them to comply with immediate effect.

SPOTLIGHT

FAIR TRADING PRACTICES FOR BEAUTY INDUSTRY



✓ DO'S

Beauty retailers should:



Provide clear and accurate information on the prices, discounts and promotions to consumers before treatment/service is done.



Always obtain consumers' consent before proceeding with any treatment or service.



Exercise due diligence to ensure that representations made to consumers about their products or services are accurate.



Review business practices from time to time to ensure that such practices do not amount to unfair practices under the Consumer Protection (Fair Trading) Act 2003.

✗ DON'TS

Beauty retailers should not:



Make false or misleading representations concerning the need for any goods or services.



Exert undue pressure or influence on the consumer to make purchases.



Entice consumers with 'discounts/offers' which are not genuine, then persuade consumers to buy something more expensive.

CCCS will take action against persistently egregious suppliers, and persons who knowingly abet, aid, permit or procure such suppliers to engage in any unfair practice.

Scan or click to read more about the Nail Palace case



SPOTLIGHT



GAS ON DEMAND

Merger between two gas suppliers cleared

CCCS has cleared the proposed acquisition by City Energy Pte. Ltd. ("City Energy") of Tan Soon Huah Gas Supply Pte. Ltd.'s ("TSH") liquefied petroleum gas ("LPG") business (collectively, the "Parties") (the "Proposed Transaction").

CCCS focused its assessment on markets for retail of LPG and town gas in Singapore to residential customers, commercial customers, and industrial customers (collectively, the "Relevant Markets").

CCCS found that the Proposed Transaction is unlikely to lead to a substantial lessening of competition in the Relevant Markets as the Parties are not each other's closest competitor and other LPG competitors continue to constrain the merged entity. Coordination between competitors are unlikely to arise as the number of LPG retailers - which are TSH's closest competitors - are not reduced with the merger.

In addition, City Energy's price and terms of supply are transparent to all fuel retailers and customers and thus does not facilitate competitors to collude. The Parties are also unlikely to tie or bundle the supply of LPG and town gas as the different fuel types are not typically purchased in a bundle.

Scan or
click to
read more



<https://go.gov.sg/cityenergytshclearance>

SPOTLIGHT



GUIDANCE ON SUSTAINABILITY COLLABORATIONS

CCCS consults on Guidance Note for Environmental Sustainability Collaborations

CCCS has sought public feedback on a proposed Guidance Note on Business Collaborations Pursuing Environmental Sustainability Objectives (“Environmental Sustainability Collaboration GN”).

As Singapore embarks on a sustainability movement under the Singapore Green Plan 2030, CCCS recognises that efforts to realise Singapore’s climate change goals may involve businesses, including competitors, engaging in collaborations in existing, emerging or even new markets. Such collaborations may be necessary under some circumstances, for example, where none of the parties could independently carry out the activity, or where collaboration may be required to overcome a “first mover disadvantage” in creating a new product or a new market.

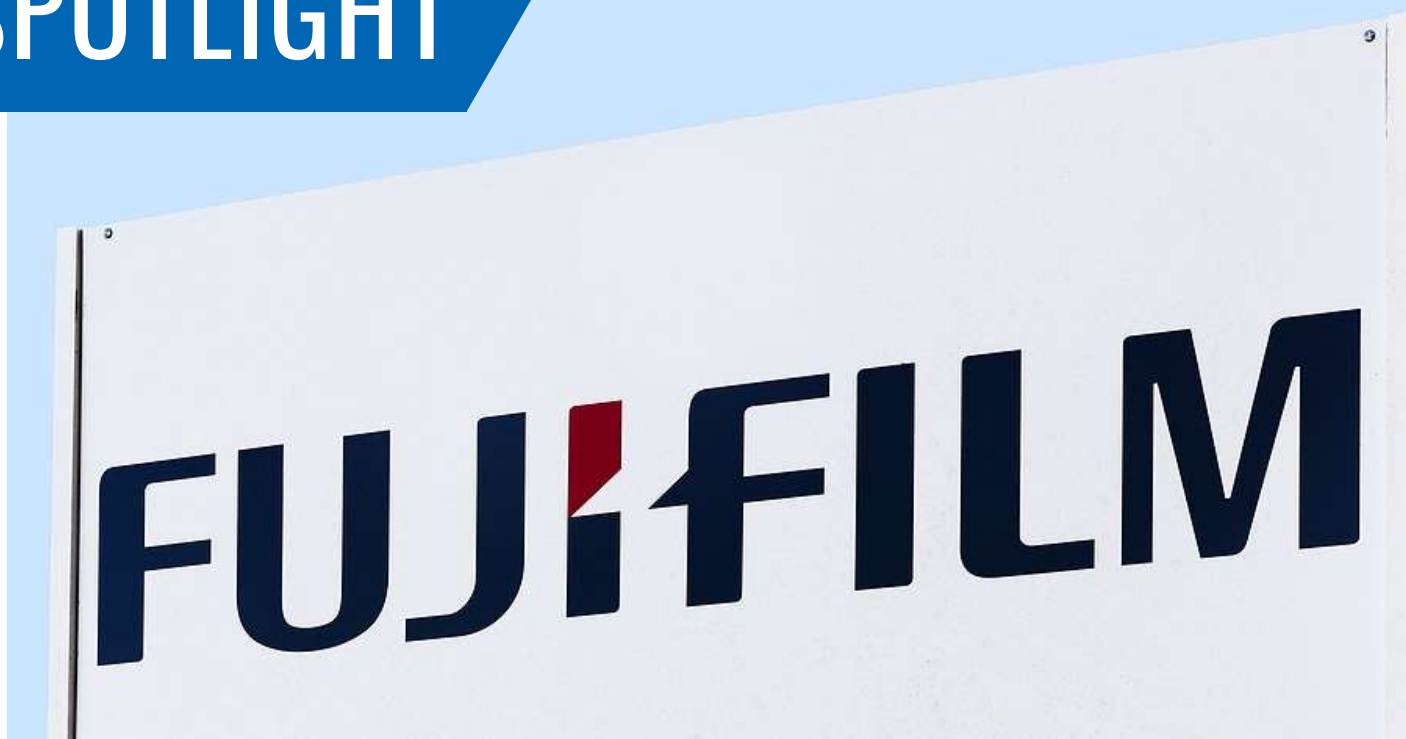
The Environmental Sustainability Collaboration GN aims to clarify how CCCS will assess such business collaborations in the context of Section 34 of the Competition Act 2004 (the “Competition Act”), to address any concerns of compliance with competition law.

Following the public consultation which ended on 4 September 2023, CCCS is reviewing the responses provided and the amendments, if any, to be made to the Environmental Sustainability Collaboration GN.

Scan or
click to
read more



<https://go.gov.sg/sustainability-collaborations>



CHEMICAL COMPANIES COMBINED

Fujifilm and KMG Proposed Acquisition cleared

CCCS has cleared the proposed acquisition by FUJIFILM Holdings America Corporation (“Fujifilm”) of CMC Materials KMG Corporation (“KMG”) and certain of its direct and indirect subsidiaries (the “Proposed Transaction”). The Proposed Transaction will involve Fujifilm acquiring the electronic chemicals business of Entegris, Inc., which is operated by KMG.

CCCS assessed the impact of the Proposed Transaction on competition in the supply of cleaning solutions used principally in the semiconductor manufacturing process (“Cleans”) on a global scale, a narrower nationwide sale as well as within narrower segments by molecular level.

CCCS concluded that the Proposed Transaction will not infringe section 54 of the Competition Act 2004 as the combined market share of the

merged entity generally does not cross the indicative thresholds set by CCCS, Fujifilm and KMG are not each other’s closest competitor in the relevant markets, and the merged entity will continue to face significant competition from existing strong competitors post-merger. In addition, customers generally multi-source and can easily switch between suppliers. The low price transparency of high-purity process chemicals and the qualification process also reduce the risk of collusion between market players.

Scan or
click to
read more



<https://go.gov.sg/fujifilmkmgclearan>

HIGHLIGHT

CCCS PARTICIPATES IN SMEICC 2023

This year marks CCCS's participation as a government partner for the third year in a row in the Annual SME Conference & Infocomm Commerce Conference & Expo ("SMEICC 2023"), organised by the Singapore Chinese Chamber of Commerce and Industry. Themed "Leadership Next: Rising Above Adversity", the SMEICC 2023 was held from 15 to 16 August 2023. The event was graced by Guest of Honour DPM Heng Swee Keat, and attended by over 4,500 participants. Featuring both local and international experts, SMEICC 2023 aimed to inspire local SMEs in their journey to fortify their companies in tackling unprecedented issues.



DPM Heng Swee Keat giving the Opening Address at SMEICC 2023.

CCCS spoke at the Government Sharing Session to an audience of 65 SME representatives from various industries. Alongside presentations by five other agencies on policies and SME support programmes, CCCS spoke on business compliance and cartel conduct, focusing on the Leniency Scheme and Whistle-blowing Programme, as well as avenues for businesses to seek guidance and decisions especially relating to the Section 34 Prohibition on anti-competitive agreements.



Ms Cindy Chang, Deputy Director (Legal), represented CCCS to speak at the Government Sharing Session.



HIGHLIGHT

CCCS BOOTH AT THE EXPO'S GOVERNMENT PAVILION



CCCS aimed to raise awareness among SME visitors through its range of digital bilingual publications

Representatives from SMEs and members of the public also visited the CCCS booth at the Expo's Government Pavilion to learn more about competition and consumer protection. CCCS officers engaged visitors to introduce areas of business compliance, distributed informative collaterals in English and Chinese and encouraged visitors to follow CCCS's social media pages to keep abreast with our latest developments.



CCCS's booth introduced educational collaterals and videos for businesses on Competition and Consumer Protection laws.

HIGHLIGHT

17TH ANNUAL IBA COMPETITION MID-YEAR CONFERENCE

Organised by the International Bar Association (IBA) Antitrust Section, the 17th Annual IBA Competition Mid-Year Conference was held in Singapore from 8 to 9 June 2023. The annual Conference brings together competition practitioners, in-house counsels and regulators from around the world to discuss issues relating to developments in competition policy and law.



Mr Max Loh together with senior global competition practitioners.



Mr Max Loh gave the Keynote Address at the Conference.

Topics covered at the Conference include “Challenges of regulating the digital economy”, “Sustainability agreements and competition law”, “Abusive behaviour beyond dominance” and “Trends in global merger review”.

CCCS Chairman Mr Max Loh gave a keynote address at the Conference opening. He spoke on the importance of regulators ensuring that markets are competitive and that consumers continue to have choices. He also highlighted CCCS’s continued enforcement work during the pandemic and other work initiatives on the nexus between competition law and sustainability as well as the digital economy, and shared CCCS’s priorities for the coming years.



Mr Loke Shiu Meng, CCCS Assistant Chief Executive (Legal, Enforcement and Consumer Protection) spoke at the Enforcers’ Roundtable



Mr Herbert Fung, CCCS Senior Director (Data and Digital) spoke at a session discussing sustainability agreements and competition law

THE CCCS WHISTLE-BLOWING/REWARD SCHEME AND LENIENCY PROGRAMME

Cartel agreements are the most serious type of anti-competitive agreements. Cartels are by nature secretive and challenging to detect. In addition to its own surveillance efforts, CCCS offers the Whistle-Blowing/Reward Scheme and Leniency Programme to identify and stop cartel activities more effectively.



Whistle-Blowing/Reward Scheme

Under the Whistle-Blowing/Reward Scheme, a monetary reward may be paid to informants with information that leads to infringement decisions against cartel members. CCCS also ensures that the whistle-blower's identity is kept strictly confidential.



Leniency Programme

Under the Leniency Programme, the first business that is part of a cartel agreement that comes forward and provides evidence of cartel activities before CCCS starts a formal investigation could be given immunity from financial penalties.

To raise awareness of the two initiatives and encourage reporting on cartel activity, CCCS produced an animated video to illustrate how they apply in a fictional case of price fixing. Click the thumbnail below or scan the QR code to view the video.



For more details about approaching CCCS for leniency or rewards, click [here](#).

You can also contact CCCS directly through the channels below:

- To report anti-competitive conduct: [CCCS Online Form](#)
- Apply for leniency: [CCCS Leniency Application Form](#)

SHOWCASE

OUTREACH TO BEAUTY AND WELLNESS SECTOR

CCCS has conducted a series of outreach efforts, to educate consumers and suppliers in the beauty and wellness sector.

From 19 May to 15 June 2023, CCCS ran a digital marketing campaign which highlighted the Dos and Don'ts for suppliers as well as tips for consumers when purchasing beauty products and services. The visuals were also shared on CCCS's Facebook and Instagram channels.



CCCS also published educational infographics on the digital display panels ("DDP") located throughout HDB estates nationwide for a week in August 2023. The infographics were converted into physical posters that were displayed on selected Residents' Committee ("RC") and Community Centres ("CC") noticeboards.

To close the campaign, CCCS will be sending an advisory letter and an Information pack containing Dos and Don'ts to beauty businesses in the fourth quarter of the year to educate and remind them to adopt fair trading practices and steer clear of engaging in unfair practices.

CCCS's tips for consumers displayed on the DPPs



SHOWCASE

CCCS ANNUAL REPORT 2022/2023

A clock requires both the minute and hour hands to work in tandem. Similarly, competition policy and consumer protection are complementary and mutually reinforcing. As competition levels the playing field and promotes innovation, consumers are empowered with more choices. Ultimately, this contributes to the creation of a more vibrant economy. The clock design for the Annual Report represents the timelessness of CCCS's mandate. CCCS continuously reviews its regulatory and enforcement roles to remain relevant and robust in a fast-changing environment.



[Scan or click to read more](https://go.gov.sg/cccsarty22)



OECD COMPETITION COMMITTEE MEETINGS AND VISIT TO THE DUTCH AUTHORITY FOR CONSUMERS AND MARKETS (ACM)

The Organisation for Economic Co-operation and Development (“OECD”) Competition Committee Meetings took place in Paris from 12 to 16 June 2023. CCCS submitted a written contribution for the discussion on “Assessment and Communication of the Benefits of Competition Interventions”, and CCCS Chief Executive Ms Sia Aik Kor made an intervention on this submission at the meeting. Ms. Winnie Ching, Senior Director (Legal & Enforcement) also shared CCCS’s experiences on reviewing Singapore’s Merger Review Framework during the session on the topic “Country Experience with Reassessing Merger Review Frameworks”. The CCCS delegation also had bilateral meetings with senior representatives from the national competition agencies of Canada, New Zealand and UK.

Following the OECD meetings, Ms Sia led the delegation for a visit to the Netherlands Authority for Consumers and Markets (ACM) on 19 June 2023. The CCCS delegation had open and insightful conversations with the senior management of the ACM on the latest competition and consumer protection developments, and obtained a better understanding of the ACM’s approach in the enforcement of competition law and consumer protection, especially in the areas of sustainability and the digital economy.



CE with ACM Chair Mr Martijn Snoep

CCCS TAKES ON ROLE AS INTERNATIONAL COMPETITION NETWORK (ICN) VICE CHAIR

At the ICN Steering Group meeting on 14 June 2023, CCCS’s Chief Executive Ms Sia Aik Kor was confirmed as ICN Vice Chair. In this role, Ms Sia will focus on strengthening engagement between the ICN and its member competition agencies from more than 140 jurisdictions worldwide.

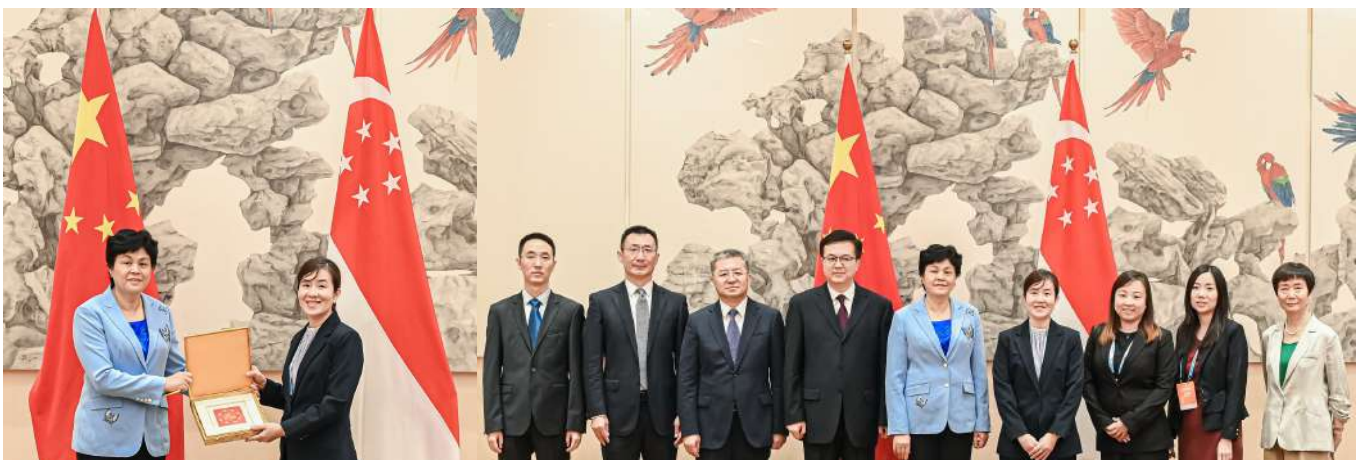
18TH EAST ASIA TOP LEVEL OFFICIALS’ MEETING ON COMPETITION LAW AND POLICY (“EATOP”) AND THE 15TH EAST ASIA CONFERENCE (“EAC”), BANGKOK 26-27 JULY 2023

During the EATOP session on “The Role of Competition Policy in Promoting Environmental Sustainability”, CCCS’s Chief Executive Ms Sia Aik Kor presented an overview of CCCS’s efforts in supporting Singapore’s Green Plan 2030. These include the comprehensive review of the competition regime to ensure that it is relevant to deal with sustainability-related anti-competitive conduct and providing businesses with clarity through the proposed Guidance Notes for Businesses and Government Agencies on Environmental Sustainability Collaborations.

10TH INTERNATIONAL FORUM ON FAIR COMPETITION POLICY OF CHINA



CCCS's Chief Executive Ms Sia Aik Kor was invited by China's State Administration for Market Regulation ("SAMR") to deliver a keynote speech at the 10th International Forum on Fair Competition Policy of China in Nanjing on 11 to 12 Sep 2023. The theme was "Unified National Market, Fair Competition for the Future". The Forum aims to advance the culture of fair competition, facilitate discussion on emerging challenges in competition governance and foster greater international cooperation in the area of competition policy.



At the sidelines of the Forum, Ms Sia met with SAMR Vice Minister Gan Lin and the Chief Inspector of Monopoly, Xu Xinjian as well as the Director-Generals under the State Anti-Monopoly Bureau. Both agencies shared and discussed the latest developments in competition law enforcement, and reinforced the commitment to deepen exchanges and cooperation with one another.




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THINK TWICE BEFORE YOU BUY!



⚡ TIPS WHEN BUYING BEAUTY PRODUCTS AND SERVICES:

-  It's ok to stop a sales pitch and just say "no" if you are not interested.
-  Be wary of exaggerated, dubious or unsubstantiated claims.
-  Be wary of any claims or offers that seem too good to be true.

SCAN TO WATCH VIDEOS:



"Think Twice Before You Buy"



"Auntie Rosie Learns Fair Trading Law"



"罗茜阿姨学习消费者公平交易法"

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