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PRESS RELEASE

(FOR IMMEDIATE RELEASE)

Competition Law Experts share their experiences in UIA "Competition Law Seminar" in Hong Kong

The proposed Competition Bill recently submitted to legislative council for approval has sparked hot debates over its pros and cons. There has been concern on whether or not the proposed legislation could truly promote fair competition and how effective it would be.

To facilitate and encourage constructive discussion on legal issues related to Competition Law, The Law Society of Hong Kong ("The Law Society") is hosting a seminar on Competition Law from 17 to 18 March 2011 for The Union Internationale des Avocats (UIA) at Empire Hotel. The seminar brings together Competition Law experts from Europe, the P.R. China and Hong Kong to examine and develop an understanding of the latest development of competition law.

The Seminar covers legal issues on competition law through a series of panel sessions. Mr. Gregory So Kam-leung, Under Secretary for Economic and Trade Development of Hong Kong and Mr. Huen Wong, President, the Law Society of Hong Kong also attended the seminar.

Mr. Gregory So, as one of the keynote speakers, gave an overview on Hong Kong competition law, particularly on general prohibitions in three major areas namely first conduct rule, second conduct rule and merger rule. He also highlighted exemptions and exclusions provided under the law.

In addition, Mr. So discussed the role and function of the institutional framework for enforcing the competition law. "The government will establish an independent statutory Competition Commission to investigate and bring enforcement proceedings, and a Competition Tribunal to hear and adjudicate competition cases," Mr. So said.

Addressing business sectors concerns, Mr. So said: a transitional period will be allowed for businesses to make any necessary adjustments. Besides, person with expertise or experience in industry, commerce or SMEs will be appointed as Commission member. The Commission will issue guidelines and conduct promotional and educational work, and the guidelines will cover "de minimis" arrangements. The Commission may refuse to investigate a complaint that is trivial, frivolous or vexatious.

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The Law Society agrees that Hong Kong needs a competition law. "It had been anticipated that the Government would introduce the Competition Bill in 2009 but after a journey spanning nearly two decades, the Competition Bill was finally tabled before LegCo just before the end of the legislative session last summer," said Mr. Wong.

Huen Wong also discussed the merger rule. Mr. Wong said: if there will not be a general merger regime, then it is imperative that it be made clear that the conduct rules will not apply to agreements and other conduct undertaken in anticipation of, or to give effect to, a merger.

In February 2011, the Law Society has made submission to the HKSAR government giving its views on the proposed new competition law.

The UIA seminar involved panel sessions which cover the following topics:

- Overview of Competition Law in Europe, P.R. China and Hong Kong
- Introduction and Current Development in Antitrust Enforcement, Experiences from Europe, P.R. China and Hong Kong
- Abuse of Dominance & Market Power Regulation and Enforcement in Europe
- Regulation of Market Dominance in the NEW Hong Kong Competition Bill and P.R. China's point of View Comments from Practitioners
- Merger Control and Joint Ventures Impact on international Business and Co-operations Lessons to learn from the European Merger Regulation
- New rules for Hong Kong What is the impact on daily business Comments from China and Europe

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About the Law Society of Hong Kong

The Law Society of Hong Kong is a professional body of solicitors in Hong Kong vested with the statutory powers to regulate the professional conduct of solicitors. It establishes and promotes professional standards and the solicitors' code of conduct and practice and ensures its compliance. The Law Society assists its members to promote Hong Kong legal services and offers its views from time to time on legal issues that are of public concern. For more information, please visit: www.hklawsoc.org.hk