



ADVOCACY WORKING GROUP
MARKET STUDIES PROJECT

MARKET STUDIES INFORMATION STORE

JURISDICTION

HONG KONG – Hong Kong Competition Commission

UPDATED: MARCH 2020

Information Store

Jurisdiction:	Hong Kong											
Sector:	Auto-fuel											
Market:	Auto-fuel	Range of Possible Outcomes										
End Date:	May 2017											
Duration:	2 years											
Source of idea for study:	Engagement with the public	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome: (check all relevant boxes)		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the underlying problems?):	<p>Given the vital role that auto-fuels play in day-to-day life, it is important for the markets in which they are supplied to be functioning well. News reports highlighting that petrol prices in Hong Kong are the highest in the world have brought the state of competition in the local auto-fuel market into even sharper focus.</p> <p>This report identifies a number of issues which the Commission believes to be responsible for hindering competition and which would likely have contributed to high auto-fuel prices in Hong Kong. The report then goes on to make recommendations on how to address these issues.</p>											
Link to report:	<p>Full report: https://www.compcomm.hk/en/media/press/files/Full_Report_Auto_fuel_Market_Study_Report_Eng.pdf</p> <p>Executive summary: https://www.compcomm.hk/en/media/press/files/Auto_fuel_Market_Study_Report_ExSummary_Eng.pdf</p>											
Remarks (if any):	<p>It is important to take note that this market study is not conducted as part of an investigation, and therefore the Commission does not have compulsory information gathering powers at its disposal. The Commission had to rely heavily on stakeholders' willingness to provide information and materials gathered from the public domain for this study.</p>											

Information Store

Jurisdiction:	Hong Kong											
Sector:	Construction and renovation											
Market:	Building maintenance and renovation	Range of Possible Outcomes										
End Date:	May 2016											
Duration:	1 Year	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Source of idea for study:	Engagement with the public											
Outcome: (check all relevant boxes)		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reason for study (what were the underlying problems?):	<p>The market for residential building renovation and maintenance is an important market for the people of Hong Kong. Building renovation and maintenance costs are a major source of expense for ordinary home owners. A wide variety of sources have expressed deep concern that there is widespread collusive activity in tenders for renovation and maintenance projects to the detriment of home owners.</p> <p>In view of these concerns, and to enable the Competition Commission to understand how this market operates so as to inform its future enforcement and advocacy efforts, the Commission undertook a study of the market for residential building renovation and maintenance since the spring of 2015. Specifically, the Commission applied screening techniques to analyse the tender records of past actual renovation and maintenance projects in private buildings subsidised under the Operation Building Bright scheme, a government subsidy scheme launched in 2009.</p> <p>On the overall, based on the results of the Commission’s screening analyses, it cannot be excluded that there may have been bid-manipulation in some tenders for residential building renovation and maintenance contracts in Hong Kong.</p>											
Link to report:	Full report: https://www.compcomm.hk/en/media/reports_publications/files/Report_on_market_study.pdf											

Remarks (if any):	<p>The Commission does not have any compulsory information gathering powers in conducting market studies unlike in the case of investigations of possible contraventions of the Competition Ordinance.</p> <p>Also, this market study relates to activities that occurred before the full commencement of the Competition Ordinance. Thus, the conduct studied would not likely constitute a contravention of the competition rules because they were not yet in force.</p>
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