

**Directorate for Financial and Enterprise Affairs  
COMPETITION COMMITTEE**

**Annual Report on Competition Policy Developments in Japan**

**-- 2017 --**

**27-28 November 2018**

This report is submitted by Japan to the Competition Committee FOR INFORMATION at its forthcoming meeting to be held on 27-28 November 2018.

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## 1. Introduction

1. Japan Fair Trade Commission (“JFTC”) marked 70 years of history as Japanese competition authority in July 2017. Also, 70 years has already passed since the AMA was put into force.
2. It is necessary for JFTC to properly respond to accelerating changes in the economic environment and further promote competition policy, which leads to innovation, consumer interests and economic growth, building on its 70-year history and experience.
3. One of the challenges competition authorities currently face is to ensure fair and free competition in the market where platform-type business has been developed in the rapid progress of digital economy.
4. Another challenge is to achieve global convergence of competition policies and promote cooperation with foreign competition authorities in enforcing competition law under the circumstances where supply chains have been becoming borderless and international mergers have been increasing driven by economic globalisation.
5. This report describes JFTC’s major efforts, including the response to the challenges above, in FY2017 (From April 2017 to March 2018).

## 2. Amendment of the AMA

### 2.1. Enactment of the Act for Partial Amendment of the Act on the Development of Related Legislation Following the Conclusion of the Trans-Pacific Partnership Agreement (Partial amendment of the AMA included)

6. The Trans-Pacific Partnership agreement (hereinafter referred to as “TPP”), which includes an article stipulating that “[e]ach Party shall authorise its national competition authorities to resolve alleged violations voluntarily by consent of the authority and the person subject to the enforcement action” (Chapter 16, Article 16.2, 5.), was signed on February 4th, 2016 by 12 countries including Japan.
7. Since there was no provision in the AMA which corresponds to the article above, JFTC decided to introduce the commitment procedure, which was a system to “resolve alleged violations voluntarily by consent”. The amendment bill to introduce the commitment procedure to the AMA, the Act on the Development of Related Legislation Following the Conclusion of the Trans-Pacific Partnership Agreement, was submitted to the 190th ordinary Diet session but carried over to the following session. Then the amendment bill was enacted on December 9th at the 192nd extraordinary Diet session and promulgated on December 16th the same year (Its effective date was set on the day when the TPP would come into effect in Japan.).
8. Due to the US withdrawal from the TPP, the Comprehensive and Progressive Agreement for TPP by 11 countries (“TPP11”) was concluded on March 8th, 2018, and thus the Act for Partial Amendment of the Act on the Development of Related Legislation Following the Conclusion of the Trans-Pacific Partnership Agreement was submitted to the 196th ordinary Diet session in order to do necessary amendment on March 27th. The Act was approved by the House of Representatives on May 24th and by the House of Councilors on June 29th. The Act was put into force on the day (July 6th, 2018) of the

promulgation (except partial provisions) (The effective date of the AMA amendment law was set on the day when the TPP11 would come into effect in Japan.).

## 2.2. Report by the Study Group on the AMA

9. Since the surcharge system was introduced into the AMA in 1977 as an administrative measure to deter violations by imposing the financial penalty on the violators, approximately 40 years have passed. During that period, the system has gone through several revisions. However, as economic activities of companies and their forms have become increasingly globalised, diversified and complicated in recent years, there are cases that current surcharge system, which is rigid and not flexible enough to reflect the companies' activities and forms above, is unable to work appropriately. For this reason, JFTC recognised the increasing necessity to discuss the better system which deals with constant economic and social change.

10. Based on this recognition, JFTC had invited experts from various circles and held the "Study Group on the Antimonopoly Act" to discuss how the surcharge system should be from the professional point of view since February 2016. The Study Group was held 15 times by the end of March 2017, and based on the discussion, the Study Group put together the report, which JFTC released on April 25th the same year. JFTC invited public comments on the Report from various interested parties and released the comments and responses on August 8th the same year.

## 3. Vigorous and appropriate law enforcement

### 3.1. Active prevention of violations of the AMA

11. Under the fundamental policy of prompt and effective law enforcement, JFTC takes a strict and appropriate action that responds to social needs against cases such as price-fixing cartels, bid rigging in public or private demand that have significant impact on the public, as well as unfair trade practices such as abuse of superior bargaining position or unjust low price sales that put unjust disadvantage on SMEs.

12. In FY2017, JFTC investigated 143 suspected violations of the AMA and completed investigations for 118 of them.

13. During the same period of time (FY2017), JFTC issued 13 cease and desist orders: one price-fixing cartel case, five market allocation cases ("bid rigging in public demand"), five market allocation cases ("bid rigging in private demand"), one unfair trade practice case, and one case of others (See Figure 1). In addition, JFTC issued surcharge payment orders to a total of 32 companies for a total of JPY 1,892.1 million.

14. Under the leniency programme to motivate companies to self-report their violations, JFTC received 103 applications in total in FY2017.

15. Besides, JFTC found that two foreign financial institutions exchanged information about a trade quote by a financial institution located in Japan (hereinafter referred to as "the customer") that intended to purchase US dollar-denominated supranational bonds which were newly issued by an international institution and to sell its own US dollar-denominated supranational bonds which had already been issued by the same international institution (hereinafter referred to as "outstanding bonds"), via chat function provided by an information vender. Then those two foreign financial institutions

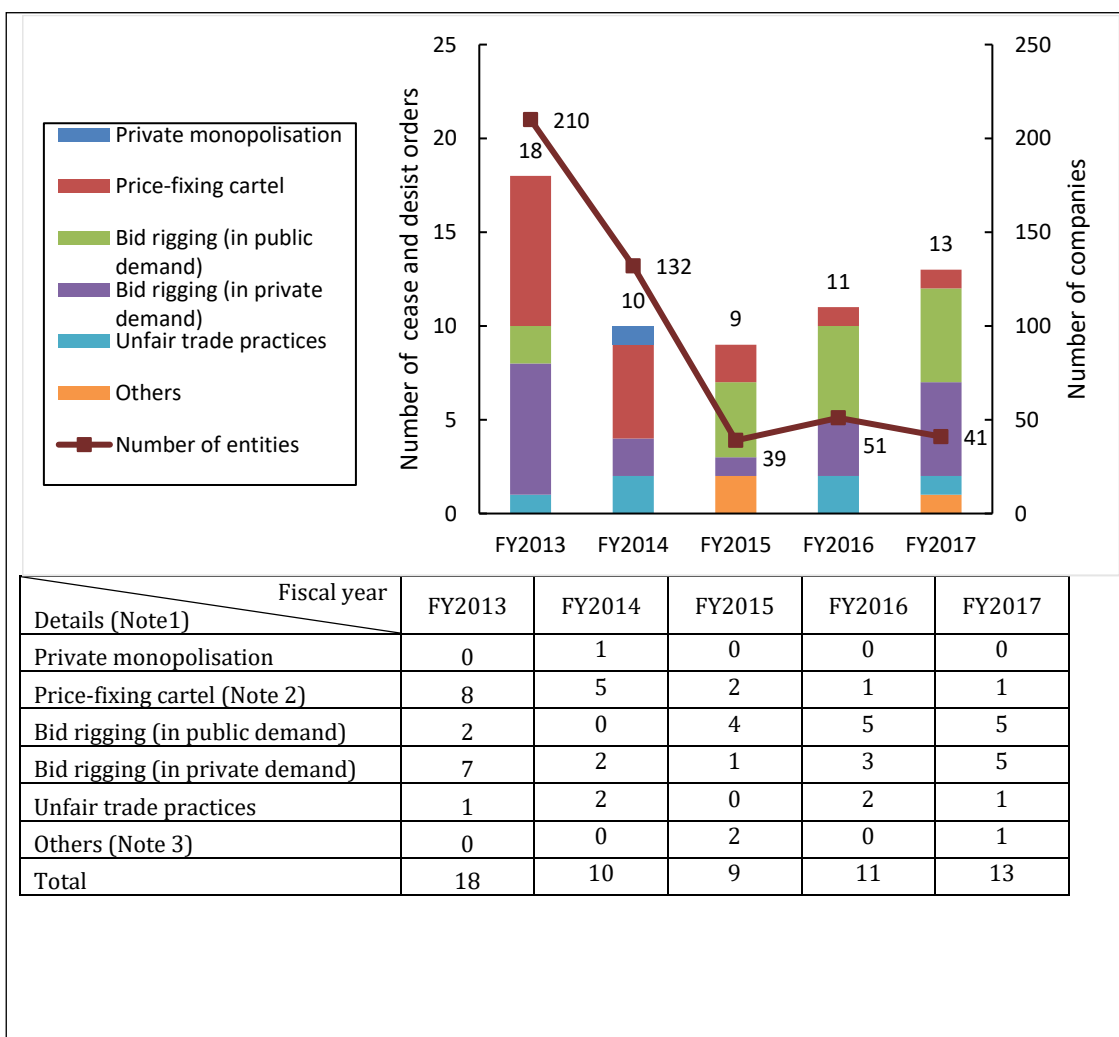
agreed concerning outstanding bonds that one of them was going to show the larger spread to the customer than the spread which the other showed to the customer, and by doing so, the other one would receive the trade, thereby violated the AMA.

16. JFTC, however, closed the investigation without issuing cease and desist order because the five-year period, which JFTC can issue the order, had passed. JFTC made the case closure public on March 29th, 2018.

**Table 1. Major cases involving legal measures in FY2017**

Price-fixing cartel	Price-fixing cartel by the manufactures of suspension for hard disk drives (HDDs) (cease and desist order, February 2018)
	The manufactures of suspension for HDDs agreed to maintain sales price of suspension for Japanese manufactures and sellers of HDDs. (The total amount of the surcharge is JPY 1.07 billion (approximately USD 9.78 million).)
Bid rigging	Bid rigging by the participants in bidding for paving works ordered by Narita International Airport Corporation (cease and desist order, March 2018)
	The participants in the bidding designated successful bidders and enabled those bidders to win the biddings. (The total amount of the surcharge is JPY 253.8 million (approximately USD 2.3 million).) • Bid rigging by the participants in bidding for uniform (working wear) ordered by Nippon Telegraph and Telephone East Corporation (cease and desist order, February, 2018) The participants in the bidding designated successful bidders and enabled those bidders to win the biddings.
Discriminatory treatment on trade terms	Discriminatory treatment on trade terms by JA Oita Agricultural Cooperative (cease and desist order, February 2018)
	JA Oita Agricultural Cooperative (hereinafter referred to as "JA Oita") prevents five members from selling their small green onions under its brand name and using its facilities to arrange and pack their onions for shipments, on the ground that the members sold their onions to other distributors than JA Oita without a consent from the group of farmers for the onions in JA Oita..
Limiting the present or future number of companies in any particular field of business	Limiting the present or future number of companies in a particular field of business by Association of Kanagawa LP Gas (cease and desist order, March 2018)
	Association of Kanagawa LP Gas rejected applications for membership from the companies which persuaded consumers to switch from other companies to them and made them unable to take out a group insurance, thereby limiting the present or future number of companies in LP Gas business in Kanagawa Prefecture.

Figure 1. Number of Cases Involving Legal Measures



*Note 1:* Cases which constitute multiple types of violation are categorised accordingly to their major elements.

*Note 1:* Cases which fall into both a price-fixing cartel and other types of cartels are categorised as “Price-fixing cartel”.

*Note 1:* “Others” refer to cases of unjustly restricting the functions or activities of a constituent companies by a trade association.

17. In addition, JFTC’s efforts for prompt and appropriate law enforcement include 3 warnings on practices likely to violate the AMA, 545 warnings on practices likely to lead to violations (including 457 warnings under the expedited investigation process applicable to cases of unjust low price sale (predatory pricing)).

18. In the course of investigation into violations of the AMA, JFTC requests authorities or business associations concerned to take appropriate measure when JFTC considers it is necessary from the view point of competition policy.

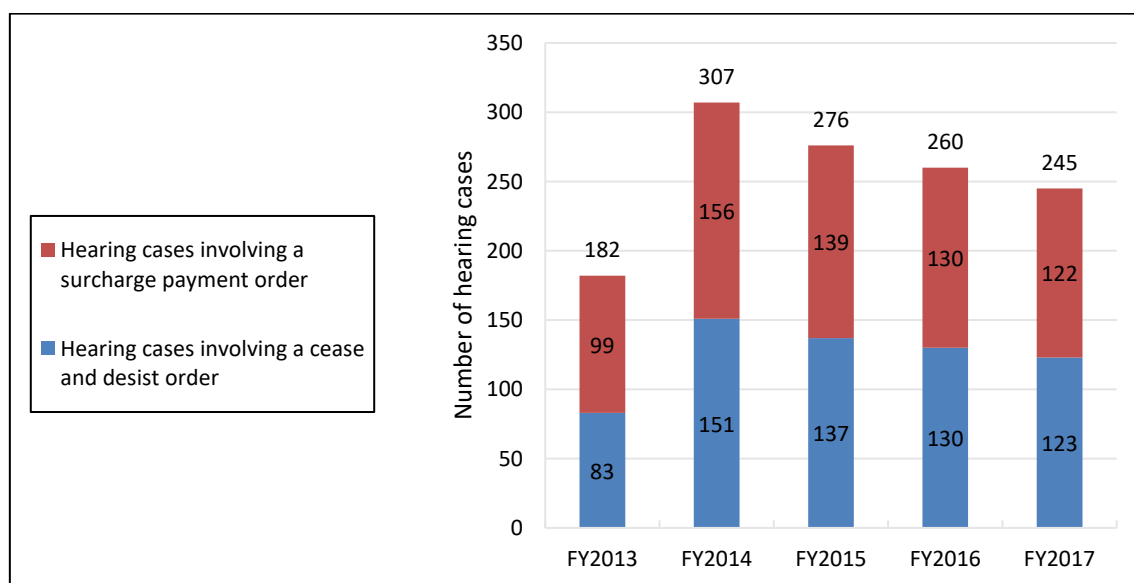
19. In FY2017, in a bid rigging case by the participants in bidding for uniform (working wear) ordered by Nippon Telegraph and Telephone East Corporation (see the

table in 3.1), JFTC requested the Nippon Uniform Center (public interest incorporated foundation) (hereinafter referred to as “NUC”) to take recurrence preventive measures finding that the NUC’s employee facilitated the violation by informing that no company, except the violators, submitted swatches necessary for participation in bidding. Also, in a case of Association of Kanagawa LP Gas (see the table in 3.1), JFTC demanded Ministry of Economy, Trade and Industry, to create an environment where companies starting LP Gas sales business can easily take out the LP Gas liability insurance.

20. JFTC has been actively making criminal accusations seeking criminal penalties on malicious and critical cases that are likely to have widespread influence on the national economy. In FY2017, JFTC filed a criminal accusation with the Prosecutor-General against four companies and two individuals over coordination of bids for construction of new terminal stations for maglev railway ordered by Central Japan Railway Company.

21. In FY2017, 245 cases in total were referred to hearing procedures (123 of them were concerning cease and desist orders and another 122 were concerning surcharge payment orders) (See Figure 2). Among them, decisions were rendered in 66 cases under the AMA prior to the 2013 revision (33 of them were concerning cease and desist orders and 33 of them were concerning surcharge payment orders). In addition, one hearing request was withdrawn by a respondent. As a result, 178 cases were under hearing as of the end of FY2017 (to carry over to FY2018).

**Figure 2. Number of hearings**



*Note:* The number of hearing cases represents the number of cases identified by case numbers assigned to hearing requests filed against administrative orders.

## 3.2. Promotion of fair trade practices

### 3.2.1. Efforts against abuse of superior bargaining position

22. JFTC has long conducted surveillance to prevent abuse of superior bargaining position that constitutes unfair trade practices under the AMA and has tackled these violations.



23. For the purpose of investigating abuse of superior bargaining position cases and taking necessary measures effectively and efficiently, the “Abuse of Superior Bargaining Position Task Force” has been established within JFTC.

24. JFTC issued 49 warnings due to suspected abuse of superior bargaining position in FY2017.

25. JFTC conducts fact-finding surveys in markets to promote fair trade practices for small-and-medium sized business, and makes efforts to further raise their awareness of Abuse of Superior Bargaining Position.

26. In FY2017, JFTC published the Report on survey on trades between large-scale retailers and suppliers on January 31st, 2018.

27. JFTC organises training sessions to further promote compliance awareness for business in specific industries with specific examples in an easy-to-understand manner. The training sessions focus on markets such as where antitrust violations, particularly abuse of superior bargaining position, had been found or various fact-finding survey discovered other concerns.

28. In FY2017, JFTC provided 10 training seminars for shippers and logistics companies.

29. JFTC holds regional outreach sessions intended for SMEs, including subcontractors. In these sessions, JFTC officials clearly explain the key points of the Subcontract Act and provide consultation.

30. In FY2017, JFTC held such consultation sessions at 60 locations throughout Japan, and also dispatched officials to provide instruction at 29 training seminars concerning abuse of superior bargaining position organised by business associations.

### ***3.2.2. Efforts against unjust low price sales (predatory pricing)***

31. JFTC takes prompt action against unjust low price sales in the retail industry. When repeated unjust low price sales or unjust low price sales by large-scale retailers are considered to significantly affect other retailers operating in neighbouring areas, JFTC investigates the impacts on their respective business activities. If JFTC found them anticompetitive, it implements legal measures vigorously.

32. In FY2017, JFTC issued warnings on 457 cases in the retail sector, including the liquor, petroleum products and home appliance categories, on the grounds of suspected unjust low price sales (96 cases for liquor, 352 for petroleum products, four for home appliances, and five for products in other categories).

## **3.3. Improvement in merger review**

33. The AMA prohibits acquisition of shares, shareholdings, mergers, and other transactions (hereinafter collectively referred to as “merger”) that would substantially restrain competition in a particular field of trade. JFTC operates merger regulations in an appropriate way in order to ensure competitive market structure in Japan. JFTC also actively utilises economic analysis if necessary, depending on each cases.

34. In FY2017, based on Articles 9 to 16 of the AMA, JFTC approved one case of acquiring and holding of voting interests by banks or insurance companies, received 105

reports from holding companies on their business, and received 306 prior notifications in connection with mergers and conducted necessary reviews on those cases.

35. One of the major merger cases in FY2017 is joint share transfer by the Daishi bank, Ltd. and the Hokuetsu Bank, Ltd. JFTC reviewed the transaction and reached the conclusion that competition in any particular field of trade is unlikely to be substantially restrained.

## **4. Improvement of competitive environment**

### **4.1. Revision of the “Guidelines Concerning Distribution Systems and Business Practices under the Antimonopoly Act”**

36. Around 25 years has passed since the “Guidelines Concerning Distribution Systems and Business Practices under the Antimonopoly Act” (“hereinafter referred as to “DSBP Guidelines”) were released, and distribution and business practices in Japan have gone through a huge change. In response to the circumstances, JFTC organised the “Study Group on Distribution Systems and Business Practices and Competition Policy” by inviting experts from various circles from February 2016 to March 2017 for the purpose of conducting a review necessary for revision of the DSBP Guidelines.

37. Based on the Report put together by the Study Group (published on December 16th in 2016), which stated “the DSBP Guidelines should be updated to today’s circumstances and made easier to understand, more versatile, and highly useful for companies and trade associations”, JFTC revised the DSBP Guidelines and published them on June 16th, 2017.

### **4.2. Survey on LNG trades**

38. In recent years, significant changes in the demand and supply of liquefied natural gas (hereinafter referred to as “LNG”) including the following have been pointed out: [1] tendency to ease supply-demand balance along with restart of nuclear power plants and along with future diversification on energy mix, [2] more uncertain prospects Japanese users have in forecasting domestic demand and supply because of full liberalization of electricity and gas retail markets, [3] worldwide increase in demand including Asia, [4] worldwide increase in supply along with development of unconventional natural gas.

39. Japanese users currently predict excess supply of LNG based on the above [1] and [2], however, they are concerned that destination restrictions by LNG suppliers will prevent them from reselling excess LNG inside or outside Japan in future.

40. Meanwhile, the Japanese government also has decided to promote abolishment of destination restrictions at the Cabinet meeting.

41. Given the situation, JFTC has initiated a survey in order to clarify competition issues on business practices or contract conditions in LNG trades and published the report, “Survey on LNG Trades” on June 28th, 2017.

### **4.3. Survey on trades of school uniforms at public junior high schools**

42. Public junior high students generally wear school-specified uniforms which are one of the items that the students need to purchase upon enrolment, and the prices of them have been increasing in recent years.

43. With an aim of determining if there are any trade practices which might cause problems from the viewpoints of the AMA or competition policy, JFTC carried out a survey on [1] conducts of schools specifying their uniforms against school uniform manufacturers, [2] conducts of schools specifying their uniforms against distributors and [3] conducts of manufacturers and distributors of school uniforms. Then JFTC published the report, “Survey on Trades of School Uniforms at Public Junior High Schools”, on November 29th, 2017.

### **4.4. Survey on trades between large-scale retailers and suppliers**

44. JFTC has been taking stringent actions against any practices that create unjust disadvantages for suppliers based on the regulation of abuse of superior bargaining position of the AMA and the Subcontract Act. Also, JFTC has engaged in efforts to prevent those practices. As a part of this preventing efforts, JFTC has carried out surveys on businesses prone to those conducts.

45. Whereas large-scale retailers compete vigorously with each other to meet consumer needs, JFTC issued around 20 warnings against abuse of superior bargaining position by those retailers per year from FY2013 to FY2016. Given the situation, JFTC conducted a fact-finding survey to suppliers on trades with large-scale retailers and released the report of survey on trades between large-scale retailers and suppliers on January 31st, 2018.

### **4.5. Statement on competition policy in wholesale electricity market**

46. In order to secure fair and effective competition in wholesale electricity market, which was fully liberalized on April 2016, JFTC has been addressing and preventing the AMA violations in the market. Also, JFTC has been monitoring the electricity market in order to secure fair and effective competition and, as necessary, considering ideal competition in the market.

47. In the fourth competitive electric and gas market study group held on February 20th, 2018 by Electricity and Gas Market Surveillance Commission, JFTC expressed its view on the current situation in wholesale electricity market and thought from the viewpoint of competition policy on that situation, introducing JFTC’s activities in the market.

### **4.6. Follow-up survey on mobile phone market**

48. JFTC published the result of the survey on trade practices in mobile phone market, “Issues Concerning Competition Policy in the Mobile Phone Market”, on August 2nd in 2016. However, considering that the ratio of communication cost amongst consumer expenditure has been increasing, and that competition in the mobile phone market was not adequately working, JFTC conducted a follow-up survey and published the report, “Issues Concerning Competition Policy in the Mobile Phone Market (FY2018)”, on June 28th, 2018.

#### 4.7. Implementation of competition assessment

49. Since October 2007, all of the government ministries and agencies are in principle mandated to conduct an Ex-ante Regulatory Impact Assessment (hereinafter referred to as “RIA”) in establishing, revising or abolishing regulations. The Ex-ante RIA includes an analysis of the impacts of the regulations on competition, i.e. competition assessment. The competition assessment system started in April 2010 on a trial basis, and fully implemented on October 1st, 2017 with the amendment of “[Implementation Guidelines for Policy Evaluation of Regulations](#)”. The Ex-ante RIA requires the relevant ministries or agencies to fill out “competition assessment checklist” and then submit the completed checklist together with an Ex-ante RIA report to Ministry of Internal Affairs and Communications (hereinafter referred to as “MIC”). MIC then forwards the checklist to JFTC.

50. In FY2017, JFTC received 19 competition assessment checklists on a trial basis and 125 competition assessment checklists on a fully implemented basis from MIC and conducted a full examination of each.

#### 4.8. Efforts to prevent bid rigging

51. Since procurer’s efforts are extremely important for the thorough elimination of bid rigging, JFTC has been holding training seminars on the AMA and the Act on Elimination and Prevention of Involvement in Bid Rigging, etc. for officials such as procurement officers at local governments, in order to provide them with practical knowledge about competition law and policy. JFTC has also been cooperating with government ministries, local governments and publicly owned companies by dispatching its officials as lecturers or providing materials.

52. In FY2017, JFTC held 32 training seminars and dispatched lecturers to 275 training seminars hosted by government ministries, local governments and publicly owned companies.

53. In addition, given that a number of bid rigging cases at the initiative of procurement officials are still happening, JFTC conducted a survey of 2,018 procurement agencies concerning their compliance activity to prevent bid rigging involving procurement officials, with the purpose of contributing to improve their compliance. JFTC published the survey report, “Report on a fact finding survey on initiatives by procuring agencies toward preventing collusive bidding initiated by government agencies”, on June 13th, 2018.

#### 4.9. Efforts to improve companies’ compliance with the AMA

54. JFTC has conducted surveys on compliance activities of companies and published survey reports with suggestions for their improvement. JFTC has actively disseminated these suggestions widely among companies in order to encourage their efforts to improve compliance with the AMA.

55. JFTC released the latest survey report titled “Compliance Efforts of Trade Associations to Achieve Antimonopoly Act” on December 21st, 2016, which summarised effective measures and important elements for promoting companies’ compliance activities. In FY2017, based on the report, JFTC held ten compliance lectures in response to the requests by economic associations and hosted eight compliance seminars.

## 5. Reinforcement of foundations for operation of competition policy

### 5.1. Development of theoretical and empirical foundations for competition policy

56. Since its establishment in June 2003, the Competition Policy Research Centre (“CPRC”) has been strengthening theoretical and empirical foundations for the enforcement of the AMA and for planning, policymaking and evaluation of competition policy. In FY2017, the CPRC organised two international symposiums and three public seminars as well as Study Groups on the following two topics, and put together and published a report for each event.

#### 5.1.1. “Study Group on Data and Competition Policy”

57. As IoT (“Internet of Things”) has been widely spread and artificial-intelligence-related technologies have advanced, it is becoming increasingly important to utilise data in business activities. Against such a backdrop, it has become essential to consider competition policy issues in order to promote data utilization. Based on such circumstances, the CPRC held discussions to organise points at issue related to data collection and utilisation in terms of competition policy and the AMA, and published the “Report of Study Group on Data and Competition Policy” on June 6th, 2017.

#### 5.1.2. “Study Group on Human Resource and Competition Policy”

58. Competition for human resources in Japan is expected to be increased due to the diversification of work styles and labour shortages associated with the decline in labour population. On the other hand, there is a possibility of any conduct restricting the competition in the human resource market. Based on these circumstances, the CPRC held discussions to sort out the issues related to competition for human resources in order to facilitate pleasant environment for individual workers, and released the “Report of Study Group on Human Resource and Competition Policy” on February 15th, 2018.

### 5.2. Response to globalising economy

59. In recent years, an increasing number of cases have emerged involving violations of competition laws of multiple countries or jurisdictions or requiring concurrent investigations by competition authorities of multiple countries or jurisdictions. As this trend becomes more pronounced, the reinforcement of cross-border cooperation and coordination among competition authorities becomes more necessary. In light of these circumstances, JFTC cooperates closely with foreign competition authorities to conduct joint enforcement activities in accordance with the relevant international agreements including bilateral competition cooperation chapters and economic partnership agreements.

60. JFTC is actively involved in multilateral frameworks such as the International Competition Network (hereinafter referred to as “ICN”), the Organisation for Economic Co-operation and Development (hereinafter referred to as “OECD”), the Asia-Pacific Economic Cooperation (“APEC”) and the United Nations Conference on Trade and Development (“UNCTAD”).

61. In light of accelerated moves to strengthen existing competition laws or introduce new competition legislation in developing countries, JFTC engages in technical assistance

for competition authorities in those countries such as dispatching JFTC staff and offering personnel training.

62. In addition, JFTC aims to strengthen its international presence by disseminating Japan's competition policy worldwide. To this end, JFTC endeavours to enhance its public relations by providing English-language versions of its press releases and other public announcements on its website and dispatches speakers to seminars organised by overseas bar associations and other organisations.

63. In FY2017, JFTC mainly worked on the following items:

#### *5.2.1. Reinforcement of cooperation with other competition authorities*

64. JFTC concluded the "Cooperation Arrangement between the Fair Trade Commission of Japan and the Commissioner of Competition, Competition Bureau of the Government of Canada in relation to the Communication of Information in Enforcement Activities" with the Canadian competition authority on May 11th, 2017. This is a so-called "second generation arrangement" which allows both authorities to exchange information obtained from alleged violators through enforcement activities. Also, JFTC signed the "Memorandum of Cooperation between the Fair Trade Commission of Japan and the Competition Commission of Singapore" with the Competition Commission of Singapore on June 22nd, 2017.

#### *5.2.2. Bilateral meetings between competition authorities*

65. JFTC regularly holds bilateral meetings with competition authorities in countries or areas where Japan has particularly active economic exchange, such as the US and EU.

#### *5.2.3. Economic Partnership Agreements*

66. Japan is currently negotiating for conclusion of an Economic Partnership Agreement (hereinafter referred to as "EPA") and other cooperation agreements with China/South Korea, Turkey and other countries respectively, and also working on conclusion of Regional Comprehensive Economic Partnership ("RCEP").

#### *5.2.4. Participation to the multi-national conferences*

67. JFTC has been a member of the ICN Steering Group since its establishment, co-chaired the Cartel Working Group from May 2011 to April 2014, and also co-chaired Subgroup 1 ("SG1") of the Cartel Working Group from April 2014 to May 2017. Since May 2017, JFTC has been a co-chair of the Merger Working Group. Moreover, JFTC maintains the "Framework for the Promotion of the Sharing of Non-confidential Information" and the "Framework for Merger Review Cooperation", both of which were established under the initiative of JFTC.

68. With regard to the OECD, JFTC participated in meetings of the Competition Committee and contributed to the discussion by sharing JFTC's past experiences and efforts in accordance with the topics on round tables.

69. In addition, JFTC co-hosted the East Asia Top Level Officials' Meeting on Competition Policy ("EATOP") and East Asia Conference on Competition Law and Policy in Bali, Indonesia in September 2017.

### 5.2.5. *Technical assistance*

70. JFTC has conducted technical assistance regarding competition policy such as dispatching its officials or providing training courses to officials from competition authorities in other jurisdictions. In FY2017, JFTC carried out technical assistance projects to Indonesia and Mongolia in cooperation with JICA, and also invited officials from younger jurisdictions newly introducing or strengthening their competition laws to Japan and provided training courses on competition law and policy.

71. In addition, by using Japan-ASEAN Integration Fund (“JAIF”), JFTC invited 24 officials from ASEAN countries to Japan and provided them with training courses on competition law and policy, and dispatched its officials and academic experts to workshop held in Malaysia, Indonesia and [Brunei Darussalam](#).

## 5.3. Raising public awareness of competition policy

72. JFTC has solicited voluntary opinions, requests and suggestions from members of the “Antimonopoly Policy Cooperation Committee” for the purpose of utilising them in implementing competition policy and promoting better understanding of it.

73. To ensure a timely response to socioeconomic changes and advance competition policy in an effective and appropriate manner, JFTC organises the “Council on Antimonopoly Policy” with the aim of promoting broad-based opinion exchange with experts and greater public understanding of competition policy. In FY2017, three council sessions were called.

74. Discussions between JFTC commissioners and locally based experts were held in eight cities in Japan. JFTC also arranged meetings between directors of regional offices and locally based experts. Furthermore, JFTC commissioners and executives made presentations in seven cities for members of bar associations and other organisations.

75. In addition to the foregoing activities, JFTC hosted events called “One Day JFTC” in cities with no regional office, in order to increase people’s awareness of the AMA and other related laws and offer more enhanced consultation services. It also held “Consumer Seminars” to illustrate an overview of the AMA and JFTC’s activities.

76. JFTC’s efforts also included activities for raising awareness of competition policy in the context of school-based education. JFTC dispatched its officials to junior high schools, high schools and universities (including junior colleges) and taught classes on the roles of competition in economic activities (called “Antimonopoly Act Class” or “Delivery Lecture”).

### Box 1. Major public awareness activities in FY2017

- Gathered opinions from 150 members of the “Antimonopoly Policy Cooperation Committee”
- Held three sessions of the “Council on Antimonopoly Policy”
- Held eight meetings with locally based experts
- Held 89 meetings with other local experts
- Held nine lecture meetings for legal and business communities

- Held eight “One Day JFTC” events in regional cities
- Held 92 “Consumer Seminars”
- Held 214 “Antimonopoly Act Class” (58 for junior high school students, 46 for high school students and 110 for university level students)

## 6. Resources

### 6.1. Budget (FY2017 (2017.4~2018.3))

77. The budget of JFTC is as follows:

**Table 2.**

Fiscal Year (From April to March)	2013	2014	2015	2016	2017
Budget amount (JPY billion)	8.80	11.3	10.7	11.0	11.2
Change over previous year (%)	0.7	28.6	Δ5.1	2.4	2.1
General Expenditures Budget: change over previous year (%)	4.2	4.6	1.6	0.8	0.9

*Note 1:* Based on the USD-JPY exchange rate as of December 30th, 2017.

*Note 2:* “General Expenditures Budget” refers to the total budget of the Japanese government and is the amount of General Account Budget Expenditures less National Debt Service and Local Allocation Tax Grants.

### 6.2. Number of officials (FY2017 (2017.4~2018.3))

78. The number of officials in the General Secretariat of JFTC is as follows (unit: persons):

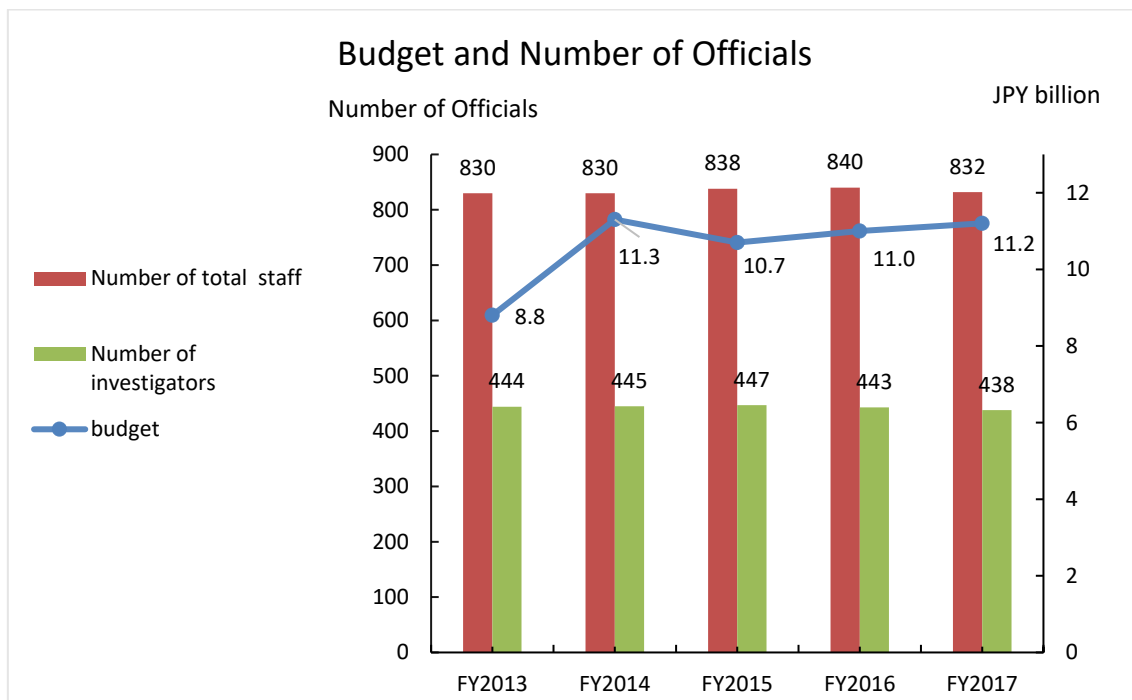
**Table 3.**

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Fiscal Year (from April to March)	2013	2014	2015	2016	2017
Number of officials	830	830	838	840	832
Enforcement against anti-competitive practices	444	445	447	443	438
Merger review enforcement	40	43	41	41	39
Advocacy efforts	33	33	33	33	33



Figure 3.



## 7. Chairman's remarks for the 70th anniversary of the AMA

79. In July 2017, JFTC released “Remarks as we celebrate the 70th anniversary of the Antimonopoly Act -Realization of economic growth through promoting innovation-” by chairman, which looked back JFTC’s 70-year history and experience and summarised the role of competition policy in the modern economy.