

Main Features of the JFTC Proposal to Amend the Antimonopoly Act

Increase of surcharge rate

- Approximately doubling the rate of calculating the surcharges
- Imposing 50% higher rate of surcharges on those enterprises that have repeated violation.
- Enlarging conducts subject to surcharges.
- Introduction an adjustment clause (Half the amount of fines shall be deducted from the surcharges.).

Introduction of a leniency program

- Immunity from or reduction in surcharge payment shall be afforded to first and second informants
 - Before the start of investigation; 100% immunity to the first informant
50% reduction to the second informant
 - After the start of investigation; 30% reduction as to first and second informants

Introduction of compulsory measures for criminal investigations, etc.

- Compulsory measures for criminal investigations (e.g. search warrant) to be introduced.
- The exclusive jurisdiction of the Tokyo High Court as to criminal matters to be abolished.
- Double punishment to a corporation for violations of final and conclusive order to be introduced.
- Penalties against interference with inspection, etc. to be strengthened and double punishment to a corporation to be introduced.

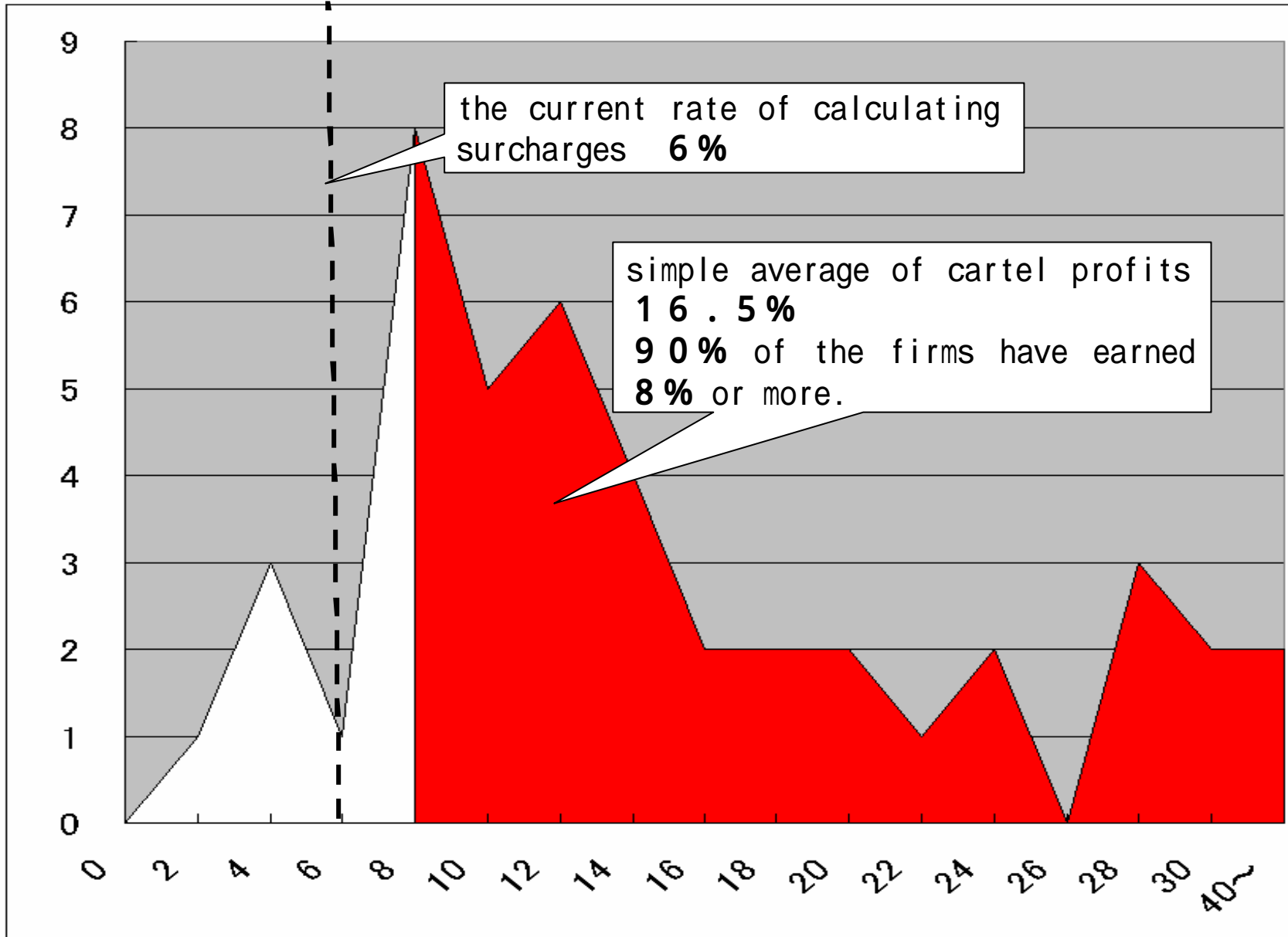
Change in procedures, etc.

- The JFTC can issue remedial order without having adjudicative hearing.
- Adjudicative hearing to be started upon objection to the remedial order (Recommendation system to be abolished.).
- Surcharge order not to be canceled even when hearing procedures are initiated (interest shall be added to the amount of surcharges when the order is authorized after hearing procedures.).

Figure 2

Estimate of Cartel Profits

number of cases



cartel profits / affected sales

Figure 3

Number of cases where firms have repeatedly violated in Japan and EU

	Japan	EU
Total number of cases (A)	205	94
Number of cases where firms have repeatedly violated (B)	21	3
(B)/(A)	10.2%	3.2%

Footnote: table covers the years form 1993 to 2002.

Number of firms that have repeatedly violated in the past 10 years in Japan

number of involvement

