



WELCOME ADDRESS

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Ladies and Gentlemen,

1. Welcome

I am delighted to have the opportunity to deliver an opening address to all of you gathered here from around the world. On behalf of the Japan Fair Trade Commission, I would like to welcome all participants to the Seventh Annual Conference of the International Competition Network.

Today, more than 500 people have gathered for this conference, including officials from 76 competition authorities and representatives of international organizations, as well as practitioners in antitrust law and members of the academic and business communities.

It is a great honor for the JFTC to host the 7th annual conference. Today, the ICN has become an influential network of competition authorities throughout the world, forging ahead towards the real convergence of competition law enforcement and policy through the achievement of the ICN and our efforts at identifying and obtaining consensus on recommended practices.

2. About Kyoto

I am also delighted that you have come all the way to Kyoto, an ancient Japanese capital.

About 1,200 years ago, when the city was founded as the capital of Japan, the people of that time named it Heiankyo, which means a safe and peaceful capital. From that time on, Kyoto has been the guardian of a rich historical and cultural heritage, including many shrines and temples.

Here in Kyoto, Murasaki Shikibu, one of the most noted writers in Japanese history, wrote “The Tale of Genji”, which features a dazzling array of characters, imaginative plots, an elegantly expressed narrative, and some of the most beautiful and eloquent use ever seen of the Japanese language. According to existing records, this year of 2008 marks the one thousandth anniversary of “The Tale of Genji.”

Furthermore, this deeply historical city is, at the same time, one of Japan's major modern centers. With a population of approximately 1.5 million, leading universities,

and numerous traditional and new industries, Kyoto is today ranked as the sixth largest city in Japan.

Geographically, Kyoto is located in a valley, part of the Yamashiro (or Kyoto) Basin. This location results in hot summers and cold winters. However, spring is one of the best seasons to visit Kyoto. The reason is, of course, the beautiful cherry blossoms, which you may have seen. These blossoms are synonymous with the word “flower” in Japanese.

Although there may be little time for you to go sightseeing due to our intensive conference schedule, I still hope that you will have an opportunity to enjoy a very special and memorable experiences here in Kyoto.

3. Significance of Japan hosting the 7th ICN Annual Conference

Now let me turn to recent developments in competition law and policy in Japan.

The JFTC has striven to enhance compliance with Japan’s Antimonopoly Act to deter anticompetitive activities, advocating that there can be no economic growth without competition. In the course of this endeavor, the JFTC has engaged in vigorous enforcement against hard-core cartels, including bid rigging and international cartels, and has been actively involved in discussions at various international fora, including the ICN, to establish cooperative and effective relationships with foreign competition authorities.

In April 2005, we amended the Antimonopoly Act and realized the significant increases in surcharge rates, the imposition of 50% higher rates on repeat offenders, the provision of criminal investigative powers to the JFTC, and the introduction of a leniency program.

The JFTC has been utilizing those new measures effectively. For example, based on information from leniency applicants, we took legal measures in 14 cases, including an international cartel case where dawn raids were coordinated with several foreign competition authorities. The number of leniency applications has grown to approximately 180 applications since the start of the leniency program in January 2006.

Moreover, with a view to pursuing more effective and rigorous enforcement, in March

2008 the JFTC submitted to the Diet a bill for further amendments to the Antimonopoly Act, which include the imposition of 50% higher rates on ring-leaders of illegal anticompetitive activity, the enlargement of the scope of anticompetitive activities subject to surcharge, and the extension of the current three-year statute of limitations for administrative orders to five years in order to further facilitate coordination with foreign competition authorities in the investigation of international cartels.

In light of these recent developments, public awareness of competition law and policy has been growing in Japan. Therefore, I believe that it is very timely and significant for us to host the ICN Annual Conference this year. I am very pleased to see that there are quite a number of Japanese lawyers, scholars, businesspeople and media representatives attending this conference. After participating in and witnessing candid, open and earnest discussion between the competition agencies and NGAs here at this conference, I am hopeful and confident that people in Japan will further support the ongoing development of competition law and policy, to secure the benefits of free and fair competition in today's global economy.

4. Achievements and Future Contributions

On this occasion, I would like to renew the JFTC's commitment to contributing to the work of the ICN. Since the ICN was established in 2001, the JFTC has actively participated in discussions of the various working groups and the Steering Group. Furthermore, last year, Chair Scott of the ICN Steering Group asked me to assume the role of Vice Chair for Advocacy and Implementation, and Chairman Collins of the UK Office of Fair Trading to be a resource person. In that capacity, we are responsible for promoting and advocating the adoption of ICN benchmarks and the use of ICN work products by competition authorities throughout the world.

Over the course of the last seven years, the ICN has produced a significant number of high quality work products, including Recommended Practices and various reports. I believe that now is the time for the ICN to more focus on assisting our members to effectively implement those work products wherever possible. Wednesday morning session, I will touch briefly upon what we have done so far and what we are planning to do in the year ahead to advance our advocacy and implementation objectives.

In concluding, let me ask all of you here to help make this Kyoto meeting another successful ICN Annual Conference through active participation in discussions. The

views and experiences that each of you will share during the conference for the next two and a half days will be valuable inputs to the development of future work of the ICN and assist us to address the enormous challenges facing competition agencies.

Thank you very much.