

Purpose of Review

The system of exemption from the Antimonopoly Act should be limited to the minimum extent necessary by consistently reviewing.

The system of exemption from the Antimonopoly Act for international ocean shipping has been regarded as necessary on the following grounds:

- (1) International consistency of the exemption system
- (2) Protection of shippers' interests, etc.

Based on the results of a fact-finding survey, an examination was conducted to determine whether the reasons for maintaining the system of exemption from the Antimonopoly Act for international ocean shipping are still valid.

Overview of Agreements on Exemption from the Antimonopoly Act

Conferences

- Cooperation agreement between shipping companies that is accompanied by the arrangement of freight rates (formulation of binding tariffs)
- For liners (container ships) and trampers (pure car carriers)

Discussion Agreements

- Cooperation agreement between shipping companies that is accompanied by discussions between the shipping companies concerning the appropriate level of freight rates, etc. and unbinding freight rate guidelines
- For liners (container ships)

Consortia

- Cooperation agreement between shipping companies in their shipping services that is not accompanied by a decision on the freight rates and revenue pool
- Exchange or chartering of transportation space or slots on vessels, and adjustments, etc. are made to shipping service schedules, the number of shipping services, and ocean routes.
- For liners (container ships)

Car Carrier Agreements

- Cooperation agreement between shipping companies in their shipping service that is not accompanied by a decision on freight rates
- Adjustments, etc. are made to shipping service schedules (vessel operation in rotation).
- For trampers (pure car carriers)

International Consistency of the Exemption System

[Conferences for liners]

- They are regarded as partly exempt in the United States but not regarded as exempt in the EU.

[Discussion agreements]

- They are regarded as exempt in the United States but not regarded as exempt in the EU.

[Consortia]

- They are regarded as exempt in the United States, but they are only regarded as exempt in the EU if the combined market share does not exceed 30%.

=> Because the existence or the scope of exemption differ in the United State and the EU, it is not necessary to make these agreements exempt from the perspective of the international consistency of the exemption system.

[Conferences for trampers]

[Car Carrier Agreements]

- They are not regarded as exempt in the United States and the EU.

=> Because they are not regarded as exempt in both the United State and the EU, it is not necessary to make these agreements exempt from the perspective of the international consistency of the exemption system.

Protection of Shippers' Interests

- Few shippers consider conferences and discussion agreements to be necessary.
 - It is not essential to keep the stability of freight rates by conferences and discussion agreements for shippers and it is difficult to claim that conferences and discussion agreements work well to stabilize freight rates.
- => It is not necessary to make conferences and discussion agreements exempt from the perspective of protecting shippers' interests by stabilizing freight rates.

- Not a few shippers consider these agreements to be necessary.
 - Exchange or chartering of transportation space or slots on vessels is basically considered to pose no problem under the Antimonopoly Act. Therefore, it is possible to implement these agreements even if they are not made exempt.
 - The issue of whether other adjustments come into question under the Antimonopoly Act is assessed on a case-by-case basis. However, it is possible to secure legal stability by formulating guidelines, etc.
- => It is not necessary to make consortia and car carrier agreements exempt from the Antimonopoly Act.

Conclusion

- It is not necessary to make conferences, discussion agreements, consortia, and car carrier agreements exempt from the Antimonopoly Act.

=> There is no reason for maintaining the system of exemption from the Antimonopoly Act for international ocean shipping.