Status of Measures Taken by Cooperatives, Etc. Regarding Compliance with the Antimonopoly Act

June 25, 2020 Japan Fair Trade Commission

1. Purpose of Survey

The Japan Fair Trade Commission (hereinafter referred to as the "JFTC") endeavors to prevent violations of the Antimonopoly Act (hereinafter referred to as the "AMA") by formulating several guidelines, responding to consultations on specific activities from cooperatives and publishing outlines of those that may be helpful to other cooperatives as references.

The JFTC conducted the survey, upon recognizing that violations of the AMA and other cases by cooperatives have occurred in the past. The purpose of the survey was to promote compliance with the AMA in cooperatives by identifying and analyzing the status of measures for compliance taken by the cooperatives and the situation of their understandings of the AMA and its exemption systems. The JFTC aims at clarifying the actual circumstances and issues, and at presenting measures for improvement.

2. Survey Targets, Etc.

(1) Survey Targets

The survey targets were (a) Business Cooperatives and Federations of Cooperatives, (b) Commercial and Industrial Associations and Federations of Commercial and Industrial Associations, (c) Fisheries Cooperatives and Federations of Fisheries Cooperatives, (d) Agricultural Cooperatives and Federations of Agricultural Cooperatives. They were selected by random sampling from these four groups.

(2) Survey Method

(a) Questionnaire Survey

Questionnaires were sent to the 1,781 cooperatives selected in November 2019, and 1,248 cooperatives responded as of the end of October, 2019 (collection rate: 70.1%).

(**b**) Hearing Survey

Interviews were conducted for 22 cooperatives, etc., which provided measures that might be good references to other cooperatives.

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3. Survey Results

- (1) Over 40% of the cooperatives have taken some measures to comply with the AMA.
- (2) As for the violations of the AMA by cooperatives, many cases are related to sales business. Given that over 60% of respondents to the survey are engaged in sales business among others, it is considered to be necessary to promote compliance with the AMA.
- (3) On the other hand, in terms of reasons for not taking any measures, many cooperatives cited that due to the circumstances of personnel and budgets, there is a lack of a system to carry out the measures, etc. and there is also a lack of expertise. However, it is desirable for cooperatives to endeavor in a sequential and easy-to-start manner, referring to the examples of measures presented in the report.

4. Responses of the JFTC

The JFTC continues to grasp the status of measures to comply with the AMA, to make recommendations to prevent violations of the AMA and to improve the competitive environment. The JFTC also endeavors to disseminate the entire contents of the AMA by publishing guidelines, responding to consultation cases, publishing consultation examples and explaining the latest revised contents of the AMA, etc.