

CHAPTER 14

COMPETITION AND RELATED MATTERS

Article 14.1

Principles

1. The Parties recognise the importance of free and undistorted competition in their trade relations. They acknowledge that anti-competitive business conduct or anti-competitive transactions have the potential to distort the proper functioning of their markets and undermine the benefits of trade liberalisation.
2. To promote free and undistorted competition in all sectors of their economy, each Party shall maintain in their respective territories comprehensive legislation which effectively address:
 - (a) horizontal agreements between undertakings, decisions by associations of undertakings and concerted practices which have as their object or effect the prevention, restriction or distortion of competition in their own territory as a whole or in a substantial part thereof;
 - (b) abuses by one or more undertakings of a dominant position in their own territory as a whole or in a substantial part thereof; and
 - (c) concentrations between undertakings which result in a substantial lessening of competition or which significantly impede effective competition, in particular as a result of the creation or strengthening of a dominant position in their own territory as a whole or in a substantial part thereof;

which affect trade between them.

Article 14.2

Implementation

1. Each Party shall maintain its autonomy in developing and enforcing its law. The Parties undertake, however, to maintain authorities responsible and appropriately equipped for the effective enforcement of the legislation referred to in paragraph 2 of Article 14.1 (Principles).
2. The Parties will apply their respective legislation referred to in paragraph 2 of Article 14.1 (Principles) in a transparent and non-discriminatory manner, respecting the principles of procedural fairness and rights of defence of the parties concerned, including the right of the parties concerned to be heard prior to deciding on a case.

Article 14.3
Cooperation and Coordination in Law Enforcement

The Parties recognise the importance of cooperation and coordination to further enhance effective law enforcement. Their respective authorities shall endeavour to coordinate and cooperate in the enforcement of their respective laws to fulfil the objective of this Agreement of free and undistorted competition in their trade relations.

Article 14.4
Confidentiality

1. Each Party shall endeavour to provide information, in accordance with its laws and regulations, to facilitate effective enforcement of their respective competition laws.
2. When a Party communicates information in confidence under this Agreement, the receiving Party shall, in accordance with its laws and regulations, maintain the confidentiality of the communicated information.

Article 14.5
Consultation

1. To foster mutual understanding between the Parties, or to address specific matters that arise under this Chapter, each Party shall, upon the request of the other Party, enter into consultations on issues raised by the other Party. The Party requesting consultations shall indicate, if relevant, how the matter affects trade between the Parties.
2. The Parties shall promptly discuss, upon the request of either Party, any questions arising from the interpretation or application of this Chapter.
3. To facilitate discussion of the matter that is the subject of the consultations, each Party shall endeavour to provide relevant non-confidential information to the other Party.

Article 14.6
Dispute Settlement

Neither Party shall have recourse to Chapter 17 (Dispute Settlement) for any matter arising from or relating to this Chapter.