



ICN Cartel Workshop 2017

Cooperation with other domestic law enforcement agencies

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Background of HKCC

- New agency (Established in 2012 and Ordinance in full effect in Dec 15)
- A total of 50 staff
- Enforcement team - Operations: 15 investigators
Legal: 7
Economics and policy: 4
- Total number of enforcement contacts: around 2,500 (up to 30 Sept 17)
- 714 related to cartel conducts
- The Commission has made two applications to the Tribunal for decisions are related to bid rigging, market sharing and price fixing
- Compulsory powers to obtain document and information, conduct interviews and dawn raids
- Civil liability, but penal sanctions for failing to comply with compulsory powers (e.g. Notices to produce documents or interviews)



What a new agency needs from other agencies?

Expertise and experience

- ***By hiring***
- We hired staff from Independent Commission Against Corruption (ICAC), Hong Kong Police, Customs and Excise Department and Securities and Futures Commission (SFC)
- ***By training***
- ICAC – intensive two-day training, which covers wide range of operational topics for both 2015 and 2016
- SFC – trainings concerning court procedures and LPP
- Economics – economists from in-house, local and international scholars
- Legal – Department of Justice, local counsels and UK QC



What a new agency needs from other agencies?

Operational support

- During dawn raids
- Seeking information (e.g. background checks on individuals)
- Technical issues (e.g. computer forensics)



What a new agency needs from other agencies?

- Information and intelligence
- ***General information exchange***
- Formal – Memorandum of Understanding (*Communications Authority – also enforce Competition Ordinance in Hong Kong*)
- Exchange of information and intelligence regarding policies, market structure and investigative techniques
- ***Case specific***
- Referral of cases
- Joint forces
- Seek specific information from other LEAs, regulatory bodies or Government departments





Case study: Cartel conducts in Building Maintenance in Hong Kong



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- Long standing issues with possible bid-rigging and/or other criminal issues in building maintenance market
- Overall, Hong Kong has 40,400 private buildings
- 21,000 buildings are 30 years old and 6,900 are 50 years old
- The average cost for each household to spend on renovation is around US\$6,400



Case study: Cartel conducts in Building Maintenance in Hong Kong

- More than 300 enforcement contacts out of 2,500 related to this sector
- May involve different criminal offences
- Joint project – “Renosafe” with Hong Kong Police, ICAC, Buildings Department, Home Affairs Department, Hong Kong Housing Authority and Urban Renewal Authority
- A platform formed to:
 - build up an effective way to refer cases
 - facilitate information and intelligence exchange
 - promote and advocate to the public

