

競爭政策諮詢委員會工作報告

COMPAG

Competition Policy Advisory Group Report

2025

(English version)

1. Introduction

Background

The Competition Policy Advisory Group (“COMPAG”) was established in December 1997 to provide a dedicated forum for examining, reviewing and advising on competition-related issues. COMPAG aimed to promote the Government’s policy on enhancing economic efficiency and the free flow of trade through sustainable competition in Hong Kong, thereby bringing benefits to both consumers and the business sector.

2. In 2005, COMPAG appointed the Competition Policy Review Committee (“CPRC”) to review and make recommendations on the future direction for competition policy in Hong Kong. In its report submitted to COMPAG in June 2006, CPRC recommended that a new cross-sector competition law be introduced.

3. Backed by wide public support received in two public consultation exercises conducted in 2006 and 2008, the Government introduced the Competition Bill into the Legislative Council in July 2010. The Bill was passed in June 2012 and became the Competition Ordinance (Cap. 619) (“the Ordinance”), which fully commenced operation on 14 December 2015.

Interface between Competition Authorities and COMPAG upon Commencement of the Competition Ordinance

4. The Ordinance provides a legal framework that prohibits and deters undertakings¹ in different sectors from engaging in conduct which has the object or effect of preventing, restricting or distorting competition in Hong Kong.

5. The Ordinance is enforced by two independent statutory authorities, i.e. the Competition Commission (“the Commission”), and the Communications Authority which has concurrent jurisdiction with the Commission where the broadcasting and telecommunications sectors are concerned. Complaints on anti-competitive conduct relating to the Ordinance are handled by the two authorities.

6. COMPAG, on the other hand, handles complaints on –

- (a) anti-competitive conduct against government entities and bodies or persons that are not subject to the competition rules and enforcement provisions of the Ordinance; and
- (b) non-compliance with conditions and limitations imposed by the Chief Executive in Council (“CE-in-C”) on agreements, conduct and mergers exempted by CE-in-C under the Ordinance².

¹ An ‘undertaking’ is defined as any entity, regardless of its legal status or the way in which it is financed, engaged in economic activity and includes a natural person engaged in economic activity.

² Under the Ordinance, CE-in-C may exempt agreements, conduct and mergers from the application of certain provisions of the Ordinance on public policy grounds or to avoid conflict with international obligations, subject to conditions or limitations that CE-in-C considers appropriate.

2. Work of COMPAG in 2025

7. In 2025, COMPAG handled two cases with details as follows –

Case 1: Complaint about the Hong Kong Tourism Board's subsidies to the Travel Industry Council of Hong Kong (case closed)

8. The complainant alleged that the Hong Kong Tourism Board (“HKTB”) had given subsidies or an unfair advantage to the Travel Industry Council of Hong Kong (“TICHK”), but not other organisations such as that of the complainant’s, for organising training courses for tourist guides. The complainant opined that TICHK was no longer a “public body” since 1 September 2022 when its regulatory functions were taken over by the Travel Industry Authority, an independent statutory body, and thus should no longer receive HKTB’s subsidies for organising training courses for tourist guides.

9. The Culture, Sports and Tourism Bureau provided information about the case. COMPAG noted that as the tourism industry was still struggling to survive under the COVID-19 pandemic at that time, HKTB’s one-off funding to TICHK was granted under exceptional circumstances to stimulate the supply of culture and heritage training courses for the implementation of the “Cultural and Heritage Sites Local Tour Incentive Scheme” to assist the recovery of Hong Kong’s tourism industry, and the partnership between HKTB and TICHK had already ended.

10. As the matters under complaint had been overtaken by subsequent developments, no further follow-up by COMPAG was necessary.

Case 2: Complaint about the Hospital Authority's drug ordering mechanism under the General Outpatient Clinic Public-Private Partnership Programme (under processing)

11. The complainant alleged that the Hospital Authority (“HA”) allowed private doctors participating in the General Outpatient Clinic Public-Private Partnership Programme (“Programme”) to order drugs on a list of specified drugs at a preferential price but there were no measures to prevent doctors from providing those drugs to non-subsidised patients outside of the Programme, and the mechanism of administering quota for drugs to be ordered also did not take into account the number and conditions of subsidised patients to be seen by doctors under the Programme. The complainant opined that as the markets for the HA and private doctors were different (viz. the HA could enjoy much lower unit price given its bulk purchase as the largest public hospital service provider), the drug ordering arrangements under the Programme would distort competition in the market.

12. The Health Bureau has provided information about the case, which will be considered by COMPAG in due course.

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