



Digital Economy: Addressing Novel Anticompetitive Conduct & Conducting Advocacy Work

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Growth of e-commerce and data in Singapore

- E-commerce a key growth area in Singapore's economy
 - » Benefits the economy and businesses through creation of new growth channels
 - » E-commerce market has huge potential for growth in ASEAN
 - Combined retail value of online sales in Singapore, Malaysia, Indonesia, Thailand and Vietnam was estimated to be US\$7 billion in 2013
 - Online shopping is set to grow from US\$37.7 billion in 2017 to US\$64.8 billion in 2021 in the 6 biggest SEA economies, due to increasing purchasing power, growing internet penetration and improved online offerings in the region
- Data becoming increasingly ubiquitous in recent years
 - » Singapore has identified the adoption of data analytics and data sharing as part of the strategy for its next stage of growth and development
 - » The Committee on the Future Economy (CFE) highlighted data as a recurring theme in its report to stay ahead in a challenging global climate

Conducting market studies and researches

- The digital economy has motivated a shift in market dynamics
 - » proliferation of multi-sided platforms
 - » strong network effects
 - » explosion of data generated through the use these platforms
 - » multi-homing by suppliers/users
 - » strategies to increase stickiness of platforms
 - » rise of the algorithms
- Urgent need to monitor and understand developments in the digital economy in a comprehensive way
 - » relevant government agencies
 - » businesses and associations
 - » academics and economic consultants
- CCCS disseminates findings widely to educate as well as gather feedback from stakeholders

E-commerce in Singapore

Study on E-commerce and its impact on competition policy and law in Singapore (2015)

- In 2015, CCCS commissioned a consultancy study on competition issues in the E-commerce market and to engage businesses for inputs
 - » Scope of study
 - Developments and characteristics of E-commerce, the specific competition issues that E-commerce activities can give rise to and the implications for competition policy and law in Singapore
 - » E-commerce businesses were interviewed for their views
 - » The study identified several features and issues prevalent in online markets
 - Online price information could facilitate collusion
 - Customer data may become an important source of market power
 - The market may 'tip' in favour of a small number of large e-commerce platforms
- With the findings, CCCS produced a paper which sets out the key insights from the research conducted
- CCCS also created an internal reference guide for case officers that will work on E-commerce related cases

E-commerce in Singapore

E-commerce Seminar (2015)

- Seminar organised by CCCS, and supported by IE Singapore and SPRING
 - » CCCS is the first in the ASEAN region to look into the role of competition law in the booming e-commerce sector
 - » It was attended by businesses, associations, law and consultancy firms, government agencies and other organisations
- Key findings from research report presented at the seminar
 - » Alert companies of anti-competitive conduct that they should not engage in
 - » Highlight to companies which may be subject to anti-competitive conduct the recourse available to them

E-commerce in Singapore

Collaboration with Institute of Southeast Asian Studies (ISEAS)

- ASEAN Economic Community 2025 Blueprint
 - » E-commerce strengthens regional economic integration
- Collaboration with ISEAS
 - » In 2016, CCCS signed a Memorandum of Understanding (MOU) with ISEAS to deepen research on competition policy and law in ASEAN
 - » In 2017, CCCS and ISEAS organised a symposium on “E-Commerce, ASEAN Economic Integration, and Competition Policy and Law”
 - Representatives by academia, competition law practitioners, competition authorities and government agencies of Thailand, Indonesia, Malaysia, The Philippines, Australia, Japan and Singapore
- Handbook on E-Commerce and Competition in ASEAN was published by CCCS, together with inputs from ASEAN Member States in 2017

Big Data

- Emergence of “Big Data” – characterised by the 4Vs (volume, variety, velocity and value)
- Joint study between CCCS, the Personal Data Protection Commission (PDPC), and the Intellectual Property Office of Singapore (IPOS) in 2017
 - » Understand the current industry landscape for the use of data analytics in Singapore
 - » Explore the opportunities and challenges for businesses arising from data sharing and monetisation, as well as the adoption of data analytics
 - » Assess the implications on competition policy and law, personal data protection and intellectual property rights

Joint study on Big Data

- As part of the research, CCCS commissioned a consultant to map out the data landscape in Singapore and to help CCCS gather inputs from companies
 - » Six sectors (digital media, finance, healthcare, consumer retail, land transport and logistics) were selected, based on their potential to reap significant benefits from the adoption of data analytics
 - » Interviews with companies within these six sectors to understand their data adoption, sharing and monetisation practices
- Publication of a joint position paper by CCCS, PDPC and IPOS based on the results from the consultant study
 - » Accumulation, sharing and analysis of data can bring about benefits
 - Provides a new avenue to promote economic growth through innovation and improvement in productivity
 - » However, the benefits may not be fully realised if businesses engage in anti-competitive conduct or misuse personal data

Joint study on Big Data

Key points in joint position paper

- Existing analytical frameworks are sufficiently flexible and robust to deal with competition issues that may arise in data-driven industries
 - » Section 34 prohibition (agst anticompetitive agreements):
 - Sharing of commercially sensitive data with competitors likely to be anti-competitive
 - Algorithms that facilitate anti-competitive agreements, or used in classic “hub-and-spoke” scenarios, would also be anti-competitive
 - » Section 47 prohibition (agst abuse of dominant position):
 - Exclusionary conduct (e.g., discriminatory access of data, exclusive dealing by dominant data aggregators, and refusal to supply in situations where data cannot be replicated and no alternative solution is available) can be abusive
 - » Section 54 prohibition (agst anticompetitive mergers):
 - Mergers that lead to concentration of data could substantially lessen competition in affected markets

Joint study on Big Data

Launch of joint position paper

- The joint paper was launched at the then CCS-SAL conference in August 2017
 - » Panel discussion on issues surrounding Big Data
- Launch of the joint paper provided insights and generated discussions
 - » How big data can be used as an asset for innovation
 - » Possible issues arising from big data that are faced by private firms and regulators
 - » Impact of big data needs to be factored in by enforcement authorities

Joint study on Big Data

- The joint study was presented at the following platforms in 2018
 - » 29th Singapore Economic Roundtable
 - Collaborated with Institute of Policy Studies (IPS)
 - Presented during the Special Session, which featured the topic of “The Implication of Data on Businesses”
 - Attended by senior economists, business leaders and policymakers
 - » Asian Law and Economics Association (AsLEA) Forum
 - Presented at the session which focused on big data and new economy issues at the intersection of law and economics
 - » Japan-ASEAN Integration Fund (JAIF) Sub Regional Workshop
 - Presented at the session “Defining Big Data and Key Issues Relating to Big Data” to provide an understanding on the scope and definition of (big) data, along with its surrounding issues and challenges

Key challenges

- Scoping of study
 - » Issues surrounding Big Data are complex and diverse
 - Data analytics, data sharing, algorithms, automated decision making
- Collaborations with other government agencies
 - » Different mandates
 - » Collaboration with agencies with similar interests
 - » Generation of synergies
- Striking the right balance between enforcement of competition law and enabling innovation
 - » Enforcement of competition law should not stifle innovation

ASEAN Virtual Research Centre

- Limited research on competition matters in ASEAN
- To stimulate research in this area, CCCS proposed to establish a virtual ASEAN Competition Research Centre
 - » Launched in Nov 2018
 - » Hosted on AEGC web portal: www.asean-competition.org/research
- Key functions of the virtual centre
 - » Serve as a repository of relevant research articles for the competition community in ASEAN
 - » Maintain a current list of researchers with interests on competition policy and law in ASEAN as well as their contact details
 - » Publicise research collaboration opportunities in relation to competition issues in the region



Thank you