

TCCT shows 2020 work in the creation of commercial standards and competitive fairness.

Aims to Make Credit Guideline for SMEs in 2021

The Office of Trade Competition Commission (TCCT) assessed its performance in 2020, the second year of operation under the Trade Competition Act B.E. 2560. Overall, performance met the goals and directions in terms of law compliance works, creation of fair-trade standards, and driving the organization to the world standard.

Mr. Santichai Santhawanpaet, a commissioner and spokesperson of commissions. revealed that the previous year was highly challenging for the TCCT, due to changes in consumer behavior from the COVID-19 pandemic, along with newer technologies that resulted in clearly-visible changes in business, marketing activities and forms. For example, food delivery platforms have become more popular by leaps and bounds, thus the TCCT has to pay extra attention to those platforms. The TCCT has made an unfair trade practice guideline or called "Guideline" in short as a preventive measure and to create a good commercial practice and standards. Two guidelines have already been in effect: Guideline for Fruit Purchase Business that aims to assist the farmers who have less bargaining power in selling produce at fair price, and another is the Guideline Food Delivery for food delivery and restaurant entrepreneurs, with the goal to protect restaurants that join food delivery platforms. Mr. Santichai added that regarding compliance works, in 2020 there were 41 complaints, four of which were leftover complaints from 2018 and eight were leftover complaints from 2019. Of this, 23 complaints were already ruled and the TCCT have judged the guilty party and applied administrative penalties in three cases. The first is one that a shopping mall operator forbids a real estate developer from participating in the exhibition, the second involves a port operator applying harmful terms and conditions to a shipping company. The third is about a tractor sale entrepreneur having unfair commercial practices on dealers. 20 remaining complaints were submitted to the prosecutor for termination and 18 were pending additional investigation. All the cases are expected to be ruled this year. The top two businesses with the highest number of complaints are retail and shipping, followed by beverage and agriculture.

Furthermore, the TCCT have considered mergers that might result in monopoly or market domination, which requires TCCT permission. The TCCT has permitted three mergers. One is the merging of the Charoen Pokphand Group and Tesco Stores (Thailand) Co., Ltd., of which the majority of the TCCT permitted with condition. Other two mergers were permitted without conditions: auto-parts businesses and medium- and large-sized truck businesses.

Regarding cooperation with other relevant authorities, the TCCT has built cooperative ties with domestic and international agencies. In Thailand, there is a Memorandum of Understanding with the Office of the National Broadcasting and Telecommunications Commission (NTBC) in administering commercial competition in broadcasting, television and telecommunications businesses. There are also trade competition MoUs with 13 education institutes to build cooperation in education and development of trade competition knowledge in younger generations of people. Regarding international cooperation, in 2020 there were cooperative international trade competition laws and policies projects such as OECD and ASEAN cooperative projects about trade competition assessment with support from the British government, that aim to reform logistics regulations and policies to promote competition. There is also a technical cooperative project with The Asia Foundation and Australia Competition and

Consumer Commission (ACCC) to provide technical assistance in administration of trade competition, and make indicators for province-level competition.

Mr. Santichai said that the TCCT is currently working on drafting the fair commercial trade guideline covering credit terms for SMEs to promote the latter's cash flow and business fairness, under assignment from the Center for Economic Situation Administration and the Trade Competition Act B.E. 2560.

Regarding the progress, the SME credit term subcommittee had discussed with relevant authorities such as the Bank of Thailand, the Office of Small and Medium Enterprise Promotion (OSMEP), the Board of Trade of Thailand, the Federation of Thai Industries, Thai Retailers Association, and the Federation of Thai SME. It is expected that the draft would be submitted to the TCCT for approval before being brought to public hearings on various channels in February 2021 before eventual enactment.