

CHAPTER 8

COMPETITION

ARTICLE 72

Rules of Competition Concerning Undertakings

1. Each Party understands that proscribing anticompetitive business conduct and implementing competition policies contribute to preventing the benefits of trade and investment liberalization from being undermined and to promoting economic efficiencies, fair competition and consumer welfare.

The Parties agree that **anti-competitive business practices** means business conduct or transactions that adversely affect competition in the territory of a Party, such as:

- (a) all 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;
- (b) abuse by one or more undertakings of a dominant position in the territory of a Party as a whole or in a part thereof; and
- (c) concentrations between undertakings, which significantly restrict, distort or prevent competition in the territory of a Party, and especially if that restriction, distortion or prevention is the result of creating or strengthening of a dominant position.

2. The provisions of paragraph 1 shall apply to the activities of public undertakings and undertakings for which the Parties grant special or exclusive rights, in so far as the application of these provisions does not prevent the performance, in law or in fact, of the particular public tasks assigned to them.

3. The provisions of paragraphs 1 and 2 shall not be construed to create any direct obligations for undertakings.

4. No Party shall have recourse to dispute settlement under Chapter 9 (Dispute Settlement) for any matter arising under this Article.

5. All the terms and definitions used in this Article, as well as any references to procedure, shall be construed in accordance with the relevant national laws and regulations of the Parties.