

# Cartel Leniency Program in Korea

Korea Fair Trade Commission

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2. Cartel Leniency Program in Korea
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- A system of partial or total exemption from penalty to a cartel member which reports its cartel membership to a competition authority and cooperates with its investigation.
- An effective tool for cartel detection

## **1. What is Cartel Leniency Program?**

## ● Procedures

### Leniency application

- **Official application**
    - Submit evidential materials
  - **Simplified application**
    - Indicate identification information & cartel activities
    - Supplement information within 15 days\*
- \* The period can be extended by up to 60 days

### Issue receipt notice

If conditions satisfied

### Review

If conditions not satisfied

- **Notify status of the applicant**
    - Issue written notice on applicant status within 15 days\* after the receipt of application
    - continued cooperation, discontinuance from cartel acts and other requirements
- \* The period can be extended by up to 60 days

- **Notify non-satisfaction of conditions**
    - Serve written notice within 15 days\*
- \* The period can be extended by up to 60 days

comply with requirements

**Immunity from or reduction on Penalty**

Not comply with requirements

**Cancel applicant status**

## 2. Cartel Leniency Program in Korea

## • Requirements

- The **1<sup>st</sup> or 2<sup>nd</sup> applicants** who **provide evidence** which is needed to prove cartels for oneself
- Report cartels **when the KFTC has not obtained information** about cartels or enough evidence to prove cartels
- **Sincerely cooperate** until the end of an investigation
  - State all facts related to cartels
  - Submit related information promptly
- **Stop cartels** immediately or at least until the end of KFTC's investigation
- **Not a coercer**

## 2. Cartel Leniency Program in Korea

- Benefit

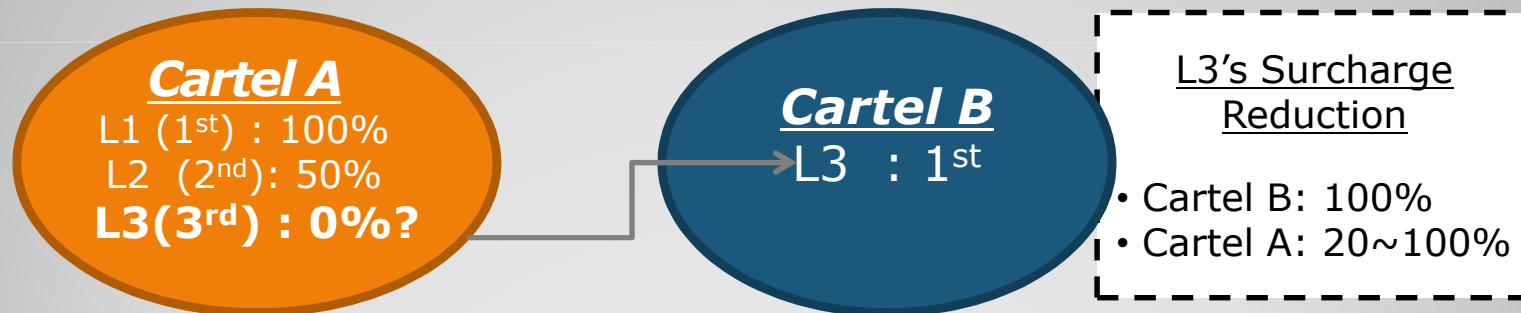
	Corrective Order	Surcharge	Criminal Accusation
1 <sup>st</sup> applicant	Immunity	Immunity(100%)	Immunity
2 <sup>nd</sup> applicant	Reduction	Reduction(50%)	Immunity

- Only 1<sup>st</sup> and 2<sup>nd</sup> applicants are eligible
  - Ranking is decided based on the acceptance time of application
- Speed matters!!

## 2. Cartel Leniency Program in Korea

- **Amnesty Plus**

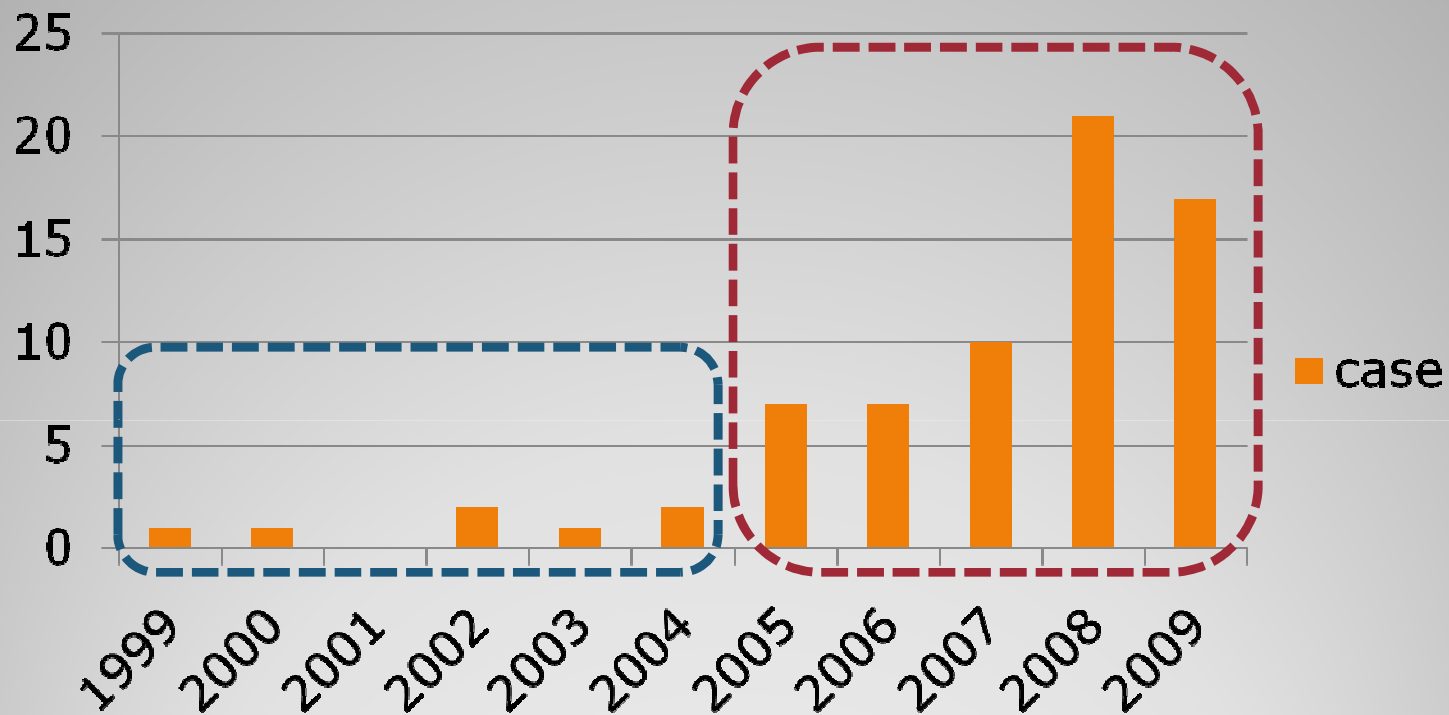
- If a company that is under investigation and will be punished for A cartels discloses B cartels first, it will get leniency for not only B cartels but also A cartels.



## 2. Cartel Leniency Program in Korea

(since 1997.4.)

## Cartel cases with Leniency



## 2. Cartel Leniency Program in Korea



- Written Application: Send by post, fax or email, In-person application possible
- ✓ Application Form : Download from “application form” of KFTC website ([www.ftc.go.kr/minwon/minwon/formList.jsp](http://www.ftc.go.kr/minwon/minwon/formList.jsp))
- ✓ Postal Address : Cartel Policy Division, Korea Fair Trade Commission, 648, Banpo-ro, Seocho-gu, Seoul, Korea
- ✓ Fax : 02-2023-4437
- ✓ Email: [leniency@korea.kr](mailto:leniency@korea.kr)
  - ※ Telephone : 02-2023-4439( For information request only, leniency application by phone call not accepted)
- Oral Application: In-person application possible, in this case the statements recorded or videotaped

☞ **For more information, refer to 「Notification on Implementation of Cartel Leniency program\_2009」**

## 3. How to Apply for Leniency