

SOUTH KOREA			
COMPETITION FRAMEWORK			
Competition Law	The Monopoly Regulation and Fair Trade Act (“Act”) was enacted on June 5, 1980.		
Competition Authority	The Fair Trade Commission (“KFTC”) started functioning in 1981. Website: http://eng.ftc.go.kr/		
STATUS OF THE COMPETITION AUTHORITY			
Accountability			
Does the Competition Authority have obligations before the executive?	Yes	√	Obligations to report to the executive on on-going investigations upon request.
		X	The decisions of the Competition Authority may be vetoed by a ministry or by the executive branch.
		X	The Competition Authority has to report on an annual basis to the executive.
Does the Competition Authority have obligations before the legislature?	Yes	√	Obligation to publish an annual report on its activities.
		X	Obligation to stand before parliament and to respond to congressmen on an annual basis.
		X	Its activities are monitored by an independent auditor or by oversight committees.
Does the Competition Authority have obligations before the judiciary?	Yes	√	Decisions of the Competition Authority are subject to judicial review.
		Other obligations/comments: According to article 54 of the Act, any person wishing to file a lawsuit in response to any decisions made by the KFTC may do so.	
Independence			
Are the criteria for appointment and removal of the head/board members clear and transparent?	Yes		
Does the executive have powers to decide on specific cases based on public interest?	No		
Does the executive retain decision-making powers over the Competition Authority?	No		
Is the Competition Authority obliged to publish its reasoned decisions to ensure transparency?	No		
Is there a provision of the national budget allocated by law to the Competition Authority to ensure its proper functioning?	Yes		Current fiscal year budget for 2012: Approximately USD 76 million.
Can the Competition Authority be financed by its own means (notification fees, fines, etc.)?	No		
GOVERNANCE OF THE COMPETITION AUTHORITY			
Is the Competition Authority governed by a single chairman or by a collegiate body?	Collegiate body	The KFTC consists of a committee (decision-making body) and a secretariat (working body). Committee consists of nine commissioners who deliberate and make decisions.	
Are the heads appointed by a minister?	Yes	The chairman and the vice chairman are recommended by the prime minister and appointed by the president. The other remaining commissioners are recommended by the chairman and appointed by the President.	
Are the heads appointed by representatives of more than one government branch?	No		
Is there a fixed period during which removal is prohibited?	No		
Is the tenure of the heads renewable?	Yes	Three years renewable only once.	
Are the heads required to have certain minimum qualifications (degree in law or economics, age, experience)?	Yes		
ARCHITECTURE			
Is the Competition Authority a stand-alone agency with an independent physical location or is it part of a bigger entity such as a minister?	Stand-alone agency.		
POLICY-MAKING AGENTS -DIVERSIFICATION-			
How many agencies are responsible for competition enforcement?	One agency.		
Have the Competition Authority and other	No		

agencies signed protocols or memoranda of understanding?			
POLICY DUTIES			
Does the Competition Authority have exclusive mandate on competition or multiple mandates?	Multiple mandates	√	Concurrent consumer protection mandate.
		√	Concurrent IP mandate.
		Other mandates: None.	
PORTFOLIO INSTRUMENTS			
Law Enforcement			
Does the Competition Authority have powers to investigate cartels?	Yes		
Does the Competition Authority have powers to conduct dawn raids at premises?	Yes		
Can the Competition Authority investigate <i>ex officio</i> cases?	Yes		
Does the Competition Authority have powers to accept leniency applications?	Yes		
Does the Competition Authority have powers to accept seek criminal punishment?	Yes		
Advocacy			
Can the Competition Authority issue opinions on draft legislation?	Yes	The opinions are not binding.	
Is the executive and/or the legislature obliged to request the opinion of the Competition Authority when drafting legislation that may impact competition?	No		
Rulemaking			
Can the Competition Authority issue guidelines or other type of secondary legislation?	Yes	√	Guidelines on the calculation of fines.
		√	Guidelines on merger control.
		√	Guidelines on the economic analysis of abuse of dominance cases.
Research & Reporting			
Can the Competition Authority carry out market studies?	Yes		
Can the Competition Authority report to the legislature on the results of market studies?	Yes		
DECISION-MAKING FUNCTIONS			
Aggregated Functions			
Does the Competition Authority make the decision to investigate and to prosecute cases?	Yes		
Does the Competition Authority make guilty findings?	Yes		
Does the Competition Authority impose punishments?	Yes		
Is there a single body that carries out the investigation and the guilty findings within the Competition Authority?	No		
Can the Competition Authority's decisions be appealed to a court?	Yes		
Disaggregated Functions—Prosecutorial Model			
Are there different authorities that make the decision to investigate and to prosecute cases?	No		
Are disputes presented for decision to a separate entity/tribunal?	No		