



## **INTERNATIONAL SUPPORT VESSEL OWNERS ASSOCIATION**

### **COMPETITION LAW COMPLIANCE POLICY**

**(approved at ISOA General Meeting, Oslo, 2 September 2011)**

#### **1. Policy**

Compliance with competition law is of primary importance to The International Support Vessel Owners' Association (ISOA). It is the policy of ISOA to comply fully with all applicable competition laws, including, but not limited to laws and regulations enacted in the United States of America, the European Union, the United Kingdom, and other countries in which ISOA is active.

ISOA aims to foster a culture of competition law compliance and it is in this spirit that ISOA adopts this Compliance Policy, with which it is essential that ISOA and its Members comply not only in form but also in substance.

ISOA therefore recognises that any failure in such compliance is a serious matter, and any Member's conduct contributing to non compliance may result in the expulsion of that Member.

#### **2. Trade Associations and Competition Law**

Competition law treats the activities of trade associations similarly to any other form of co-operation between competitors; there is no special competition law regime for trade associations. So while trade associations perform legitimate and valuable functions, their activities, like any form of co-operation between competitors, are capable of breaching competition law. Competition law may be breached even when the decisions or recommendations of a trade association are not binding on the members.

However, by conducting its business openly and avoiding even the appearance that it is engaging in activity which might be perceived to have an effect on prices or competition, the association and its members can protect themselves from any possible charges of violation of competition law.

### **3. Prohibited Agreements and Understandings**

It is recognised that the following would represent serious breaches of competition law:

- Agreements with the object or effect of fixing prices, restricting discounts or rebates
- Agreements limiting output or production, allocating markets or customers
- Agreements to exchange current and specific information on price, capacity, costs and other commercially sensitive information (see guidance in clause 4 below)
- Collective boycotts or other co-ordinated measures intended to eliminate competitors
- Co-ordinated measures that slow technical development or otherwise exploit markets

Accordingly, ISOA must not serve as a means for Members to co-ordinate on any of these matters, nor must ISOA be used as a forum for discussions that would facilitate the arrival at or enforcement of such anti-competitive agreements or understandings.

### **4. Information Exchange**

General discussions and expressions of opinion concerning market outlook or conditions affecting suppliers or customers generally are usually unobjectionable, provided they do not have the purpose, and would not be materially influential in, determining the future conduct of the other participants to the discussions. The more specific the information revealed, the more likely it is to be regarded as unlawful.

Exchange of data that is aggregated so as to combine a sufficient number of independent undertakings so that recognition of individual competitors is impossible does not in principle infringe competition law. Even so, ISOA must not be used for the exchange of capacity forecasts not based on publicly available information, even in aggregated form.

Similarly exchange of historic data does not in principle breach competition law. Although much will depend on the individual circumstances – the key being whether the information exchanged is still relevant to a Member's current or future business strategy – individualised commercial data that is less than a year old is not usually considered as historic. The more frequently data is exchanged the more likely it is to breach competition law.

In addition to the exchange of historical and/or sufficiently aggregated data, the exchange of information which is already in the public domain or that does not relate

to the parameters of competition such as technical or environmental standards is unlikely to cause competition law problems. Discussions on health & safety issues, potential future legislation and the like are almost invariably unobjectionable.

## **5. Terms of Membership**

Rules on admission of Members to ISOA and terms of membership must be transparent, proportionate, non-discriminatory and based on objective standards. Procedures for expelling members from ISOA should be based on reasonable and objective standards.

## **6. Conduct of Meetings**

- Agendas of all meetings will be reviewed for compliance with competition law, and additional agenda items not allowed if they raise issues which violate competition law
- Participants will be reminded of the requirement to comply with competition law, both via the agenda/meeting papers, and at the start of any meeting
- Participants have a right to question any topic or discussion that might violate competition law. Any participant has the right to state their objection and leave a meeting if they feel that any topic or discussion violates competition law.
- Minutes of all meetings will be accurate and complete. They will be reviewed for compliance with competition law
- All meetings will be scheduled, and no informal, ad hoc, or side sessions held as a means to engage in anti-competitive behaviour

## **7. Risk Management**

The ISOA Secretariat will make every effort to ensure that the activities of ISOA comply fully with competition law.

Any actual or suspected breach of competition law should be reported immediately to the Secretary or the President.

Periodic audits will take place to ensure compliance and to identify and address any areas of concern.