

## Regulations of Fair Trade Law on Petroleum Market

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### Abstract

Petroleum is an essential material for trade and living. Since 1987, liberalization of petroleum products has been gradually promoted. Until October 2001, as the Petroleum Administration Law was promulgated, liberalization of Taiwan petroleum market had formally entered a new era. The Petroleum Administration Law introduced the ideology of free competition and divided industries into different categories for differentiated management. In addition, petroleum market encountered structural changes as well. There were inducements and chances everywhere in petroleum market whether for horizontal competition or vertical trade, for suppliers or product distribution routes. Thus, the authority should be active in establishing fair game rules. From the time the Fair Trade Law came into effect, it has encountered many complicated petroleum liberalization problems. The Fair Trade Law aimed at preventing all kinds of business behaviors relating unfair and Restrains of competition. Major subjects of debate on petroleum market include those relating to : conditions in contracts (such as contracts of disputable petroleum supply, franchise organization, joint venture, joint petroleum purchase, and exclusive trade); price behaviors (such as behaviors of disputable price cartel, limiting resale price, improper luring, deceptive pricing, and improper pricing due to abusing market power); promotion (such as deceptive promotion advertisements, distributing of overbalanced promotion gifts, and unfair promotion relating to market failure); labeling and surface features of petroleum products (such as copying trademarks of other people's, deceptive labeling, and other deception

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behaviors). More, since the market of aerial use fuel has its specialties regionally and administratively, it is differentiated from the market of vehicle use fuel and could be considered as an independent market. Related subjects of debates include obstructing other enterprises from entering market, differential treatment behaviors, and utilization of essential facilities. Above subjects are all worthy discussion in terms of law enforcement. The basis of administrative punishment of the Fair Trade Commission, for example, should be reviewed to see if it is appropriate.

**Keywords:** liberalization of petroleum products, petroleum Market, Petroleum Administration Law, Fair Trade Law, Restrains of competition, unfair competition, GWB, UWG