

This is the final installment of an insightful four-part series on competition, prepared by the Competition Commission of Brunei Darussalam, which is a quasi-judicial body that is mandated to promote and sustain a fair competitive in the economic landscape of Brunei Darussalam, through the enforcement of the Competition Act. For more information, please visit www.ccbd.gov.bn or contact them through exec.secretariat@ccbd.gov.bn (E-mail) or +673 2383100 (Telephone)

Fostering Competition in Brunei Darussalam: Addressing Abuse of Dominant Position and Anti-Competitive Mergers

In Brunei Darussalam, as in many other nations, promoting fair competition is essential for driving economic growth, encouraging innovation, and safeguarding consumer welfare. This is particularly important as Brunei aspires to achieve a dynamic and sustainable economy, which is one of the key elements of the country’s vision, Wawasan 2035.



In the context of competition law in Brunei Darussalam, the Competition Commission Brunei Darussalam (CCBD) has already started enforcing Section 11 (Anti-Competitive Agreements) since 2020. As we look ahead to 2025, the CCBD is committed to enhancing efforts to address and subsequently enforce two additional key prohibitions under the Competition Act, namely Section 21 (Abuse of Dominant Position) and Section 23 (Anti-Competitive Mergers).

Abuse of Dominant Position

The CCBD recognizes the importance of preventing the abuse of dominant market positions to maintain a competitive marketplace, particularly in the context of Brunei Darussalam. Whether in sectors such as telecommunications, banking, or retail, unfair exercise of market power can harm consumers and stifle innovation.

Abuse of dominant position occurs when a company with a dominant position in the market engages in practices that restrict competition. A firm is considered dominant if it holds a significant share of the market in a particular industry and has the power to act independently of its competitors, customers, or consumers. The significance of preventing this lies in ensuring that dominant firms do not distort the competitive landscape to the detriment of consumer welfare, innovation, and efficiency.



Some examples of abusive practices are as follows:

1. **Predatory pricing:** This occurs when a firm sets their prices unreasonably low with the intent of driving competitors out of the market which would then enable the firm to set a higher price in the long run.
2. **Exclusionary dealings:** This occurs when a dominant firm trades with another firm and restricts with whom the other firm trades with.
3. **Refusal to or restricting supply:** This occurs when a firm intentionally refuse to or limit its supply so that prices would increase and so will its profits.

Anti-Competitive Mergers

Anti-competitive mergers are mergers or acquisitions that significantly reduce competition in a market. They can lead to higher prices, lower quality, reduced innovation, or less choice for consumers. A merger occurs when two previously independent entities join together, as a result of lasting joint venture or acquisitions. It is important to note that not all mergers will give rise to competition issues as it may be pro-competitive or competitively neutral to the relevant market. Section 23 of the Competition Act only covers mergers which have resulted, or expected to result, in a substantial lessening of competition within any market in Brunei Darussalam for goods and services.



In the Competition Act, notification of mergers is voluntary, as there is no statutory requirement to notify mergers or anticipated mergers to the CCBD. However, parties may notify their agreements if they have concerns on whether their mergers or anticipated mergers, have, or may have, infringed the Act.

As Brunei Darussalam strives to promote economic diversification and sustainable development, the enforcement of competition law plays a crucial role in creating a level playing field for businesses and protecting consumer interests. In 2025, the CCBD's commitment to addressing abuse of dominant position and anti-competitive mergers underscores its dedication to fostering a competitive market environment that benefits all stakeholders. By promoting fair competition and innovation, Brunei Darussalam is poised to enhance the well-being of its citizens and realise its economic aspirations of achieving a dynamic and sustainable economy, on the way towards achieving Wawasan 2035.