

Free trade needs competition policy and law

□ KEOXOMPHOU SAKDAVONG

LAOS should have business competition law to prepare the country for membership of the ASEAN Free Trade Area in 2008, said a senior official of the National Economic Research Institute yesterday.

The institute's Deputy Director General, Dr Leeber Leebouapao, said that a business competition law is needed for Laos to help promote innovation, increase factor productivity, and create more employment and

income earning business opportunities.

He was speaking at the second workshop on business competition policies and laws in Laos held on Monday, which was organised by the institute, supported by Consumer Unity and Trust Society, India.

Dr Leeber said "Joining AFTA means free trade and free competition, so it's necessary to have a law to ensure the implementation of free trade."

He said that many ASEAN countries have their own

business competition laws.

Laos has a Prime Ministerial decree on trade competition, which was issued last year, and other laws and regulations such as business laws.

"We also should have the business competitive law to ensure the implementation of the free trade and fair competition," he added.

Dr Leeber said that a feasibility study was being done on business competition policies and laws.

"We can not say whether Laos will have such a law. However, I think we should

have this law," he added.

He explained that competition would help businesses compete fairly. "It will benefit to businesses and also customers with lower prices, better quality and freedom of choice to customers."

He cited the example of the telecom sector in Laos. With greater competition, more mobile customers were benefiting from the competition.

"A competition law will ensure fairness and freedom in the market place."