

Minutes of the 7Up3 Fringe Meeting

(On the sidelines of the International Conference, 'Moving the Competition Policy Agenda in India', New Delhi, Jan 31-Feb1, 2005)

Distribution: Within CUTS (Pradeep S Mehta, Rajeev D Mathur, Bipul Chatterjee, Nitya Nanda, Rijit Sengupta, Alice Pham, Manish Agarwal, Sajeev Nair, Clement Onyango, John Ochola and Tamara Lordkipanidze) + All the participants of this fringe meeting + Rest of the partners of the 7Up3 project + Karen Ellis, Vibeke Pedersen and Renu Wadehra.

Meeting:

Venue: Hall 255, Hotel Claridges

Date: January 31, 2005

Time: 1830 to 2000

Participants:

1. CUTS: Nitya Nanda, Prasad Ranade and Rijit Sengupta
2. DFID, UK: Roger Nellist and John Preston
3. Members of the proposed Project Advisory Committee (PAC):
 - a. David Lewis, Competition Tribunal, South Africa
 - b. Peter M Njoroge, Monopolies and Prices Commission, Kenya
 - c. Thula G Kaira, Zambia Competition Commission (representing George Lipimile, proposed PAC member)
4. Partners:
 - a. Monnane Monnane, BIDPA, Botswana: Research Partner
 - b. Gebremedine Birega, AHaECOPA, Ethiopia: Research and Advocacy Partner
 - c. Fernando Lichucha, University of Mozambique, Mozambique: Research Partner
 - d. Reshma Peerun, University of Mauritius, Mauritius: Research Partner
 - e. Kimera Henry Richard, CONSENT, Uganda: Research and Advocacy Partner

Suggested Agenda:

1. Implementation structure of the 7-Up3 Project, including the Project outputs
2. Partner's role: Provision of *Draft* Terms of Reference (Scope of Work) to the partners
3. Discussion about the proposed project time schedule of the 7Up3 project
4. Discussion on the methodology of the 7-Up3 project
5. Discussion on the Venue of the Launch Meeting

Background:

The following documents for the discussion were circulated before the meeting to the participants of the meeting:

1. Agenda of the meeting including a list of participants

2. Implementation Structure of the Project (including the Project Output)
3. Scope of Work (for Research Partner)
4. Scope of Work (for Advocacy Partner)
5. Time Schedule of the 7Up3 Project

Purpose of the discussion:

The objective of the meeting was to discuss the implementation structure of the project, and to clarify the role of the research and advocacy partners in the project. It was also meant to provide the participants an idea of the expected project outputs, and discuss the timeline of the project so that these outputs could be delivered in time. The last issue that needed to be discussed was the venue of the *Launch Meeting*.

The following paragraphs summarise the discussion:

1. The meeting started with a brief introduction of the participants. Introducing himself, Roger Nellist informed that the 7Up3 project would be the fifth project that DFID (UK) would have been associated with CUTS in.
2. While introducing themselves, all of the partners expressed that they keenly looked forward to implementing the project, as competition law was an important yet a relatively new economic issue in their countries. They also hoped that the 7Up3 project would help the organisations associated with the project in developing their work profile in the area of competition policy and consumer protection.
3. The members (and the representative) of the proposed Project Advisory Committee (PAC) present in the meeting expressed their support for the project, and were happy to be associated with it.
4. After the introductory session, Nitya Nanda presented a brief idea about the 'Implementation Structure' of the project, starting with the preparation of the 'Preliminary Country Paper' that was expected to be presented in the Launch Meeting by the Research Partner of the project in all of the project countries. He also clarified the composition of the National Reference Group (NRG) of the project that would have to be prepared in each country, comprising of representatives from all relevant stakeholder groups operating at the regional or national levels. It was elucidated that members of the NRG were supposed to provide inputs over the process of preparing the research documents and the advocacy programme.
5. Nitya Nanda added that the 1st NRG meeting would be a sort of a *focus group discussion* to prepare the inventory of policies/laws/rules related to competition and regulation in each of the project countries. However, before the meeting, the partner would already have a draft inventory ready with him, prepared through desk research.

6. Describing the structure of the questionnaires, Nitya Nanda informed that the purpose of administering the surveys would be to take stock of the nature and status of competition in the market, and evaluate ways in which consumers are affected by it. The Research Report would incorporate all this micro-information generated from the questionnaire. The questionnaire would be administered on consumers, government/regulatory authority officials and the business community. The ultimate aim while interpreting the responses received during the questionnaire survey would be to arrive at a convergence, so that the framework of a national competition policy that optimally addresses the aspirations of all the stakeholders could be developed.
7. The business community has often been apprehensive of competition legislation. But, Nitya Nanda clarified that an effective competition law could also be useful for the business. Therefore, a deliberate effort should be made through this project to sensitise the business community in all the partner countries.
8. Rijit Sengupta requested the partners, the proposed project advisory committee members and the donors to go through the *Draft* 'Scope of Work' that had been drawn up for the research and advocacy partners, and to provide feedback on them, either in the course of the meeting or else after having given it a thorough look later. It was also mentioned that copies of all these documents would be sent to the partners and the members of the proposed Project Advisory Committee who were not present in this meeting.
9. After the presentation on project implementation structure of the 7Up3 project, responses were invited from participants. In addition, the project implementation staff of CUTS also offered to clarify any point that remained unclear for the participants.
10. Roger Nellist raised the following points:
 - a. He said that in view of the fact that the project involved a complicated and elaborate process of coordination with the various partners, NRG members and the other stakeholders, it was imperative to follow the time line of the project.
 - b. He also informed that it was absolutely critical for DFID, UK to ensure that the project Launch Meeting takes place before the end of the current financial year, i.e. before end of March 2005.
 - c. Roger Nellist suggested that in order to prepare the research documents for the project, the research partners could refer the following:
 1. 'Investment Climate Analysis of the World Bank': in which the World Bank has analysed both domestic and foreign investment regime in about 51 countries.
 2. UNCTAD: *Investment Policy Reviews* presenting detail investment regime of foreign investment in various countries

3. Commonwealth Business Council: *Business Environment Survey*, in which the business environment of a country is evaluated on the basis of 9 indicators. Competition Law being one of them.
 - d. Roger Nellist remarked that the quarterly progress report that the partners are expected to send to CUTS, were crucial elements that would help CUTS and the donors in evaluating the progress of the project.
 - e. The last point that he raised was that while organising the Launch Meeting of the 7Up3 project, two aspect would have to be borne in mind: cost efficiency and the impact of the meeting.
11. John Preston suggested that the articles that the research partners are expected to prepare and send to CUTS once every quarter for publication either in the local media and/or the project newsletter should be listed as a Project Output.
12. Thula G Kaira suggested that the researchers could also consult ‘Country Reports’ on competition laws prepared under COMESA.
13. On the issue of the proposed Project Advisory Committee members, Peter Njoroge suggested to invite Alexander J Kububa, Director, Industry and Trade Competition Commission of Zimbabwe as a member of the PAC.
14. Emphasising on the research activities involved with the project, Nitya Nanda cautioned that not a lot of information would be available ‘readymade’ on competition related issues. Which would involve thorough scrutiny of the national and regional newspapers for astute interpretations, and regular interactions of the researcher with stakeholders and key persons.
15. Owing to the privatization and globalisation climate prevailing in the project countries, the research would also involve developing an understanding about the regulatory regime in the various sectors of the market. While assessing the interface between regulation and competition in the various sectors of the economy, Nitya Nanda reiterated that the researchers would have to assess if the government regulations have been: i. Competition reducing, ii. Competition distorting and/or iii. Competition enhancing in order to portray the prevailing situation.
16. Rijit Sengupta informed that all the project partners have already made some kind of a start on the project by contributing short essays (5-6 page) on the status of competition in their home country for the ‘Citizen’s report on the state of competition law in the world (CirComp)’, a project initiated by CUTS through the International Network of Civil Society Organisations on Competition’ (INCSOC). INCSOC is a network that has been developed and maintained by CUTS over the last three years. For the purpose of developing the more detailed Preliminary

Country Paper incorporated in the 7Up3 project, the researchers could use these essays as a ‘stepping stone’ and upgrade the same with more details.

17. Rijit Sengupta also elucidated that the Operational Strategy Note (OSN), a detailed project implementation guideline would be presented in the Launch Meeting of the 7Up3 project, and subsequently finalised after responses from the partner organisations. Apart from the OSN, the detailed Terms of Reference for both the ‘Research and Advocacy’ partners would also be finalised then. Discussions in the Launch Meeting would also involve presentation of the methodology of the questionnaires surveys and outline of the Research Report (Country Report).
18. There was a lot of discussion regarding the venue of the launch meeting. Nitya Nanda informed that the choice of the venue for the Launch Meeting was between either Kampala (Uganda) or Addis Ababa (Ethiopia), however the balance was in favour of Kampala, after having considered the cost of the airfare to and from both of these cities. Gebremedhine Birega, the 7Up3 project partner for Ethiopia was very keen that the Launch Meeting takes place in Addis Ababa. Kimera Henry Richard (CONSENT, Uganda) opined that the launch meeting should be organised at a place that offered the *conducive environment* for such a meeting. It was decided through a consensus after discussions with all partners that the venue of the Launch Meeting would be decided by CUTS, from either Addis Ababa or Kampala, after duly considering all the issues involved and the points raised in this discussion. The dates for the launch meeting were decided to be 22nd-23rd March 2005.

Ends.....

Your comments and suggestions on the minutes are most welcome and would be suitably assimilated.

Prepared by

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