

Action Taken Report

CUTS CCIER International Advisory Board Meeting

1. Background

The last meeting of the members of the International Advisory Board (IAB) of the CUTS Centre for Competition, Investment & Economic Regulation (CUTS CCIER) was held on 20th February 2009 in Paris (France), on the sidelines of the OECD Global Competition Forum 2009. A number of the members of CUTS CCIER IAB had participated in that meeting.

This document is an *Action Taken Report (ATR)* providing an idea of actions that has been taken (or not) in response to comments that were received from the advisers in the Paris meeting (2009). This ATR also contains certain earlier suggestions from the advisers on which not much progress has been achieved; and it is expected that the advisers would help us in kick-starting some of these activities/initiatives.

2. Actions on suggestions

The following table provides an idea of the actions that have been taken on the suggestions received from the advisers. It is expected that the advisers would go through this table and provide suggestions on how to move forward on some of these suggested items.

S.No.	Suggestion received	Specific Issues raised	Actions taken/planned
1.	Interface between competition and sector regulation	(i) Empirical research on the interface between competition and sector regulation (ii) An important research question would be ‘What kind of Sectoral decisions impinges on Competition Commissions?’ (iii) Assess the compatibility between competition and sectoral legislations (iv) Drawing lessons on this issue from the work of OECD and UNCTAD.	i. CUTS has developed a Viewpoint paper on the same and has this as an issue to be covered in a future project, may be a multi-country research and advocacy project. ii. There has been some internal discussions to develop a project exploring the possible approach(es) for cooperation between ‘young’ competition agencies and sector regulators (in utilities) in some countries like Malawi, Mauritius and Namibia. iii. A suggestion had been made to study the day-to-day activities, etc. of Competition Authorities. CUTS

S.No.	Suggestion received	Specific Issues raised	Actions taken/planned
			believes that by undertaking the planned project, one of the aspects of day-to-day activities of competition authorities would be addressed
2	Competition Policy and Consumer Welfare	<p>Research on the interface between competition policy and consumer protection policy – culling out experience of CUTS activities (starting from COMESA countries)</p> <p>CUTS should focus on the plight of poor consumers while planning such research</p>	An idea is to develop a multi-country project in select E&S African countries that aims at ' <i>promoting a healthy competition culture in select countries to achieve consumer welfare</i> ' (CUTS can implement this project in cooperation with select Consumer Organisations)
3	Regulatory Impact Assessment (RIA)	<p>Undertaking RIAs in some of the developing countries</p> <p>Refer work done by World Bank, etc.</p> <p>RIA should have an objective in mind such as influencing regulatory change. Need to keep the various stakeholders involved in the process and hold both awareness building and consultation workshops.</p>	<p>i. CUTS have submitted a proposal to the Planning Commission of India, "Preparing a draft policy on Regulatory Impact Assessment for India".</p> <p>ii. CUTS has developed a proposal on Consumer Impact Analysis (CIA) in select sectors and planning to submit it to the Ministry of Corporate Affairs, Government of India. The methodology of the CIA study does take into consideration the need for influencing regulatory change</p>
4	Governance of Regulation	<p>Is there enough clarity about the mandates among regulatory agencies?</p> <p>Develop understanding about the concept of 'Regulatory Failures'. Also, to persuade agencies like the World Bank to assess 'Regulatory Failures' caused as fallout of their advice/policies.</p>	<p>Regulatory Governance and Management in India: research project done in India with the support of OECD, Regulatory Policy Division</p> <p>CUTS is presently undertaking a project on Quality of Regulation in select countries – India, Brazil and Kenya – and the issue of 'regulatory failure' is addressed (to a certain extent) in the research methodology</p>
5	Competition Toolkits	To be prepared for countries where CUTS is active and there is a need for equipping practitioners with some guidance on competition enforcement.	<p>i. Competition Toolkit for India, Namibia, Malawi, Botswana and Uganda have been prepared.</p> <p>ii. Toolkit for Mauritius is being revised, and would soon be finalised. The Competition Commission of Mauritius is</p>

S.No.	Suggestion received	Specific Issues raised	Actions taken/planned
			quite excited about the Mauritius TK.
6	Competition Regulation and Development Research Forum – II (CDRF-2)	To stimulate research and deliberations on competition and regulatory implementation issues in developing countries.	<p>i. The project proposal for CDRF was submitted but was not approved by GDN.</p> <p>ii. CUTS has initiated a project on ‘Quality of Regulation’ (as that was one of the issues to be addressed in CDRF-2). This project would cover India, Brazil and Kenya. The Country Papers would be presented in an international conference to be held on 27th March 2010 in New Delhi (India)</p>
7.	Competition and Informal Sector/SMEs	<p>To define the informal sector, with due acknowledgement of the various ways in which it has been defined in the past. The relationship between informality and growth to be studied</p> <p>Work on the relationship between informality and growth should be undertaken by CUTS</p>	<p>i. A discussion paper and a viewpoint paper have prepared and uploaded on the CUTS website.</p> <p>ii. CUTS is trying to persuade DFID, UK to support research on ‘Competition, Informality and Growth’</p>
8.	Competition and Corruption	<p>Explore the nexus between big business and government. Programmes which actively sought the cooperation of the corporate sector in this regard had to be carefully structured so as to ensure a positive response.</p> <p>An issue that has not been studied much, CUTS holds an advantageous position as far as undertaking research and advocacy in this area is concerned</p>	<p>i. This is an area of work which CUTS want to undertake in near future.</p> <p>ii. CUTS is planning to explore the interface between competition and corruption in the utility sector; and also in case of public procurement.</p>
9.	Competition Policy and Private Sector Development	Too broad an area – should be narrowed down to specific issues	i. CUTS has published a monograph, “Competition Policy: Essential Element for Private Sector Development in Eastern and Southern Africa”

S.No.	Suggestion received	Specific Issues raised	Actions taken/planned
			ii. CUTS responded to a call for proposals by TRADEMARK EAST AFRICA (Nairobi) by submitting a project proposal to assess the contribution of competition regime in Kenya as a component of the enabling business environment in the country. Waiting for response.
10.	Investment Promotion and Competition policy	To study the link between investment (domestic and FDI) policy and competition policy.	i. A viewpoint paper has been published and this is an active research agenda for CUTS. ii. IAB members to suggest ideas for the way forward – as many IAB members are keen on CUTS pushing this ahead.

3. Suggested New Areas/Ideas

Some new areas have emerged over recent times especially after the last Retreat of CUTS CCIER. CUTS CCIER intends undertake certain activities (research/advocacy), and would therefore need to get some suggestions/clarifications from the IAB members of how to move ahead, on:

- a) Climate Change and Regulatory/Competition Reforms – is there a common thread?
- b) Corporate Social Responsibility and Investment Policy – can they co-exist?
- c) Corporate Governance – what role can civil society play?
- d) Financial sector regulation – challenges & opportunities?