DAY 3: SATURDAY, NOVEMBER 11, 2017

Plenary IV - Building Organisational Capacities for Tackling Policy and Regulatory Uncertainty

The key speakers were: Arun Maira, President, CUTS International & Former Member, Planning Commission of India; V. Ranganathan, Former Member, Telecom Regulatory Authority of India; Raju Parakkal, Associate Professor, Thomas Jefferson University – East Falls; Shankar Singham, Director, Legatum Institute; V K Mathur, Former Chairman, International Airports Authority of India; Shakti Sinha, Director, Nehru Memorial Museum and Pranav Kumar, Head – International Trade Policy, Confederation of Indian Industry. Parveer Singh Ghuman, Senior Research Associate, CUTS International and Thula Kaira, Competition and Regulatory Policy Consultant presented their research papers.

The session highlighted the growing policy uncertainty, need of data for effective policy formulation, its impacts and the need for improved mechanisms to redesign the existing regulations. The challenges due to lack of organisational capacities to tackle policy and regulatory uncertainty were also emphasised by the speakers.

The panel deliberated upon the need of relevant quality data in research, how disruptions are making the past data redundant, and the importance of more dialogue between the policy makers and researchers. It was emphasised that policy uncertainty deters investment and good policies outlive governments. The importance of greater interaction between researchers, policy makers, users and civil society in better policy making was stressed upon.

Plenary V (11:30 – 13:00): PPPs and Innovation for Sustainable Development

The key speakers were: Dr. Arvind Mayaram, Chairman, CUTS Institute for Regulation and Competition (CIRC), Dr. Sebastian Morris, Professor, Indian Institute of Management - Ahmedabad, Mrs. Sharmila Chavaly, Former Joint Secretary, Department of Economic Affairs, Government of India; and Mr. Prasanna Srinivas, Senior Consultant and Infrastructure Expert (PPP).

The plenary started with highlighting the need of Public Private Partnerships (PPP) in developing countries, especially in India. Paucity of funds and the inability of States to borrow more from financial institutions has prompted the Government to look aggressively towards private finance through innovative community sensitive PPP structures. The idea being to not only create physical assets, but also to improve service level delivery through design innovation.

The challenges faced by PPP projects were also deliberated. This included dearth of organisational capacity in States to handle PPP projects, poor policy and design loopholes etc. Despite such hurdles, PPPs are gaining momentum in India in terms of quantum of investments and number of projects, through innovations in technology, project structures and financing options, such as municipal bonds.

The Government has begun to address these challenges through optimal policy formulations, and designing suitable organizational structures. Developing pilot PPPs
which can be scaled up in various sectors such as waste to energy, health and education are being promoted by the Government. PPP projects needs to be weighed on the basis of innovation and sustainability to foster competition, thereby bringing efficiency. Substantial efforts are on-going to induce flexibility in long term contracts to build trust among private investors.

The session concluded with suggestions of opening up to innovations in PPP, designing more People First PPP contracts and aggressively creating PPP models through bundling of services to make it long term sustainable.

**Concluding Observations and Key Takeaways:**

Optimal Regulation and Competition for Innovation and Inclusive Growth: Building an actionable agenda for promoting an innovation ecosystem

The concluding session was chaired by Mr. Sebastian Saez, Senior Trade Economist, World Bank. Ms. Alice Pham, Centre Coordinator, CUTS Hanoi Resource Centre and Ms. Chenai Mukumba, Centre Coordinator, CUTS International, Lusaka were the rapporteurs of the three-day event, while the speakers were: Mr. Arun Maira, President, CUTS International and Former Member, Planning Commission of India; Mr. Rajat Kathuria, Director and Chief Executive, Indian Council for Research on International Economic Relations; Dr. Arvind Mayaram, Chairman, CUTS Institute for Regulation and Competition (CIRC).

The rapporteurs concluded the conference by discussing about the interface between competition and IPR and the need to strike the right balance amongst these two sets of seemingly conflicting policies at various levels. Developing countries should consider their levels of development as well as priorities while building their IP protection regime, at the same time using competition policy as a complementary instrument to promote and protect public interests. This should then be translated into appropriate policy formulation, implementation and enforcement to promote both innovation and consumer welfare.

The need for considering the merits of government interventions and regulations, for adapting and modernising existing regulations, and for building the institutional capacities of regulators were also brought forward. This is in response to the rapid changes of the markets and the emergence of new business models such as multisided platforms, fintech, and other disruptive technologies, as evidenced in sectors such as ICT, pharmaceuticals, agriculture, transport and e-commerce. Devising an optimal regulatory framework would bring clarity and certainty to stakeholders, promote investment and trade while also ensuring consumer interests are protected and promoted.