

Minutes of the Meeting of CUTS CCIER International Advisory Board (IAB)

Date: 28th February 2014, Paris (France)

Present: Allan Fels (AF), Bill Kovacic (BK) and Pradeep S Mehta (PSM).

Special Invitees: Phil Evans (PE), Joseph Wilson (JW) and Anna Muller¹ (AM)

In attendance: Rijit Sengupta (RSG) and Julien Grollier (JG).



(L to R: Joseph Wilson, Anna Muller, Phil Evansa, Bill Kovacic, Allan Asher, Pradeep S Mehta & Rijit Sengupta)

1. Introduction

1.1 This meeting was organised over breakfast (from 0800hrs) on 28th February at the Café L'Expresso in the OECD Conference Centre (ground level) on the side-lines of the OECD Global Forum on Competition (OECD GFC), held on 27th - 28th February, 2014 in Paris, France. CUTS CCIER had shared the report of the previous meeting of the IAB (Feb, 2013) and an 'Action Taken Report' (ATR) to all the members of the IAB by email.

1.2 Fred Jenny (Chair, CUTS CCIER IAB) was unable to join this meeting as he was held up in a meeting of the Latin American Competition Network. However, he did share his views that he did not have any specific comments on the 'minutes of the last meeting'. Dave Lewis could not participate in the meeting in spite of being present in

¹ Anna was representing Robert Anderson (member, CUTS CCIER IAB) in this meeting

Paris, as he was unwell and did not even participate in the second day of the OECD GFC. PSM welcomed all the participants to the meeting and handed over the proceedings to Allan Fels to Chair the meeting.

2. Proceedings

2.1 At the outset, AF thanked the participants for making it to the meeting. He asked if anybody had any comments/views on the 2013 IAB meeting minutes. Given there were no comments, the 2013 IAB meeting minutes were adopted as it is.

2.2 AF enquired, given the looming national elections in India (April-May 2014), was there any possibility of the National Competition Policy of India to be picked up in the manifesto of any of the political parties. PSM submitted that CUTS is preparing a 'Memorandum' based on our work on various social and economic issues to be submitted to the main national political parties before the elections, so that some of these issues could be included in their manifestos. He indicated that the need for a National Competition Policy for India is one of the items in this 'Memorandum'.

2.3 PSM further reported that CUTS advocacy on the National Competition Policy for India - was based on evidence gathered from a series of 'rapid sectoral assessment' of policies undertaken in 13 key sectors of the economy. This exercise was undertaken together with the Indian Institute of Corporate Affairs (IICA), to ascertain changes which were required in these policies to help promote competition in these markets. He added that the Ministry of Civil Aviation has already started considering options for it to adopt some of the recommendations. PSM indicated that from his discussions with senior government officials and policymakers, it seems that the adoption of the National Competition Policy should happen this year.

2.4 The ATR was used as the basis for the discussions about the current state of the ongoing programmes and the future agenda of CUTS CCIER, especially on certain key issues. The following paras summarise the discussions.

- **Competition policy and Consumer Welfare**: RSG informed the meeting about the CREW project (*Competition Regimes in Key Markets for Enhancing Social and Economic Welfare in Developing Countries*), which is being implemented by CUTS with support from DFID (UK) and BMZ/GIZ (Germany). The project is being implemented in four countries: The Philippines, India, Ghana & Zambia. PSM informed the IAB that Fred Jenny and R S Khemani (two members of the IAB) are formally involved in this project as 'Advisers', and are receiving honorarium for their role. The aim of this project is to develop a methodology that can help assess the impact of competition reforms on consumers and producers. Evidence from two specific sectors (bus transport and staple food) is being used for developing this methodology. PE added that it would be interesting to do cross-country comparison

in this project to assess the impact of pro-consumer policies and regulations in the bus transport sector. RSG indicated this would be done as part of this project research.

- **Competition, Informality & Growth**: BK was interested to know about CUTS work in this area. PSM informed that CUTS has produced some research outputs related to the subject already, as presented in the ATR. RSG added that we have developed a project idea that explores the possibility for engaging Micro and Small Enterprises (MSEs) with the competition enforcement process in Zambia, and are hoping to get support for the same soon. However, we have not been able to develop something that can stretch the boundaries further to include the informal sector. AF reminded that ICRIER (India) has done a detailed project on the impact of organised retailing on the unorganised sector (2008), which could be useful as a reference.
- **Regulatory Impact Assessment (RIA)**: PSM informed the members that CUTS is likely to start implementing a couple of projects soon on RIA in India in a few sectors like: electricity, financial sector, etc. He sought the suggestions from the members about a RIA expert who could be involved in these projects as 'Adviser'. The names of David Cousins (Australia) and David Parker (UK) were suggested. PSM assured the members that CUTS will engage with them and try to rope them in, once these projects are initiated.
- **Competition & Corruption**: PSM reminded the members that Dave Lewis had suggested at the last meeting that this is an area that *CUTS* and *Corruption Watch* (where Dave is the Executive Director) could work together. He had suggested that the 'background paper' developed by him for the OECD GFC 2014 can be used as the basis for initiating some discussions with the IAB members, to take this forward.

2.4 There was also some discussion on a few 'other issues', and the following emerged from the discussions:

- **4th CUTS/CIRC Biennial Competition & Development Conference, 2015**: PSM informed the meeting that CUTS has envisaged organising this conference in Nairobi (Kenya). The choice of the venue of this conference was liked by the participants. PSM added that a 'background note' of this conference has already been drafted and shall be shared with the IAB members for their comments/inputs, etc. He also mentioned that the OECD Competition Division has expressed interest in exploring the possibility for jointly organising this event. CUTS would also explore possible partnership with other organisations, especially African Development Bank, UN Economic Commission for Africa, etc.

- **INCSOC**: Responding to PSM enquiry about suggestions to upscale INCSOC's visibility, PE suggested that CUTS should plan a strategy to 'reach out' to the international consumer movement with a message that conveys how competition reforms can help consumers in developing and least developed countries. An opportunity for this, he suggested, was the World Consumer Congress, 2015 (Montreal) – and that CUTS should figure out the best way forward. PSM reminded the participants that the World Competition Day (5th December) is a campaign being undertaken by INCSOC, and has gained considerable popularity now across many countries, including support from a number of Competition Authorities.
- **7Up projects**: PSM indicated that the 7Up-approach for implementing multi-country research based advocacy projects on competition issues is something that CUTS is committed to keep pursuing and one possible region for its implementation in the near future could be MENA or Central/Latin America. CUTS is in the process of exploring interest among development partners, and will start working on an idea once there is some interest.

2.5 **New IAB Members**: It was decided at the meeting to appoint Phil Evans and Joseph Wilson as members of the IAB. They will be formally invited to the IAB by CUTS CCIER.

2.6 AF thought it was time to conclude the meeting as it was getting to the time for the OECD GFC sessions to start. He thanked all the participants for their active participation in ensuring that all issues on the table are discussed. He added that the date of the next meeting would be communicated well in advance by CUTS CCIER, as has always been done. It would be difficult to fix the date now, but will most likely happen on the side-lines of a big international conference, like the OECD GFC, etc. where a number of Advisers are present.
