



Evolving a Roadmap for Competition Advocacy in West Africa



Participants at the NRG meeting in Ouagadougou (Burkina Faso)

CUTS has been implementing a project entitled, 'Strengthening Constituencies for Effective Competition Regimes in Select West African Countries' (also referred to as the 7Up4 project) in seven countries of West Africa: Burkina Faso, The Gambia, Ghana, Mali, Nigeria, Senegal and Togo since June 2008.

The project highlights the relevance and need for an effective competition regime for economic development and poverty reduction in these countries/region, and aims to set in motion the process of evolution and effective implementation of national competition regimes, and enable stakeholders to engage appropriately in the processes.

NRG Meetings

A second round of meetings of the National Reference Group (NRG) on competition policy and law issues was held in each project country over the period October-November 2009. These meetings were organised in cooperation with the project partner organisations. About 20-25 participants representing key stakeholder groups from the project countries attended each of these meetings, and engaged to evolve a roadmap for national competition reforms in their respective countries.

Specific interventions suggested by stakeholders form the basis of this roadmap to be implemented by CUTS,

the project partners and the NRG members. Discussion in these meetings was initiated by sharing 'key issues' (relevant for competition reforms) that had emerged from the research undertaken in each country. Subsequently, these 'key issues' were prioritised and specific interventions identified for addressing each of the prioritised key issues.

Regional Training Workshop (Francophone)

A three day regional training workshop on competition policy and law issues was organised in association with *Association Togolaise Des Consommateurs* (ATC) in Lome (Togo) on December 16-18, 2009. This training workshop was meant for various competition and regulatory authorities, government agencies and selected civil society organisations (CSOs), from select francophone countries of West Africa.



Participants at the Regional Training Workshop in Lome (Togo)

Around 30 participants from five francophone countries, namely Benin, Burkina Faso, Mali, Senegal, and Togo were present. The basic objective of this workshop was to enhance the knowledge of the participants on competition issues for better understanding as well as effective implementation of competition laws in the countries/region. Various experts and specialists on competition issues from Europe and other parts of Africa conducted the session.

Six different topics on competition policy and law were discussed over three days along with illustrations and case studies to provide the participants proper hands-on practical knowledge in addition to imparting conceptual clarity on the subject. Participants wished further continuation of such type of training workshops and articulated the importance and the necessity.

Regional Training Workshop (Anglophone)

A training workshop for Anglophone countries of this region is scheduled in Abuja (Nigeria) on January 13-15, 2010. It is expected that this training workshop will also enhance the capacity of professionals and agencies entrusted with the responsibility to implement national competition regimes in West Africa.

For more details please visit:
<http://www.cuts-ccier.org/7up4>

Promoting Consumer Participation in Electricity Reforms

CUTS with the support of Norwegian Agency for Development Cooperation (NORAD), and in association with project partners under the project entitled, 'Capacity Building on Electricity Reforms in Bangladesh, India and Nepal' (RESA) organised national advocacy seminar in Jaipur (India), on November 20, 2009.

The objective of the seminar was to disseminate and discuss key advocacy issues of electricity consumers of Rajasthan and West Bengal. The advocacy issues emerged from the research and grassroots interface meetings (GIMs) held under the project in both the states. While delivering the inaugural address, Sunil Mitra, Secretary to the Government of India, Department of Disinvestment said that ensuring accountability in the power sector reform process is the key to protect consumer interests and reforms could not take place without carrying people along.

Pradeep S Mehta, Secretary General, CUTS stressed on the need for making provisions of a dedicated fund for building capacity of electricity consumers to promote their participation in the ongoing regulatory reform process.

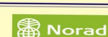
VS Dave, Former Justice and President, Rajasthan State Consumer Dispute Redressal Commission called for creating awareness among electricity consumers, which is presently lacking in India. RG Gupta, Chairman Discom (Rajasthan) opined that the main objective of the reform process is to provide better quality of services to the consumers and hence should not be confined to the financial turnaround of discoms.



Capacity Building on Electricity Reforms in Bangladesh, Nepal and India (RESA Project)

NATIONAL ADVOCACY SEMINAR

Friday, 20th November 2009, Jaipur, India



The seminar was attended by more than 50 delegates comprising representatives of regulatory commissions, discoms, civil society, media, government officials, academicians and subject experts.

Similar kind of seminars were held Bangladesh, on November 20, 2009; and in Nepal, on November 13, 2009. In both the countries, seminars were attended by grassroots consumers, who attended GIMs – Phase I & II, local partners (CSOs), policy makers, Reference Group members, media persons and electricity authority officials. In Nepal, the Chairman, Tariff Fixation Commission shared his views on power sector reforms with various stakeholders.

For more details, please visit: www.cuts-ccier.org/RESA/index.htm

Advocacy

Power Sector Reforms in India: Issues and Challenges

CUTS organised the 8th Parliamentarians' Forum on Economic Policy Issues (PARFORE) meeting in New Delhi, on December 16, 2009. PARFORE has been an initiative of CUTS to bring Members of Parliament (MPs), cutting across party lines, on a single platform to mull over the core economic policy issues that come up for discussion in and outside of the Parliament.



Pradeep S Mehta and Bharatsinh Solanki at the PARFORE Meeting

Bharatsinh Solanki, Union Minister of State for Power opined that among others, open access and tariff rationalisation are the key issues in which states should take a lead following the guiding principles laid down under the Electricity Act 2003 as well as National Electricity Policy 2005. He further added that the Ministry of Power has been initiating various programmes to strengthen the distribution system and ensure power to all households.

Highlighting the key challenges facing the power sector, Pradeep S Mehta stated that because of poor policy initiatives, the country is not able to achieve capacity addition targets for the last couple of years. Sharad Joshi, MP, Rajya Sabha, while deliberating on the issue of power supply to the agriculture sector, stated that the present consumption pattern in agriculture is not sustainable.

In a presentation, highlighting the key outcomes of the RESA project, a capacity building initiative undertaken by CUTS, it was mentioned that consumers at large are still not aware of the electricity reform process. Most consumer complaints, especially in the rural areas, remain unattended. Nearly 12 participants including 8-9 MPs participated in the meeting.

For more details, please visit: www.parfore.in

Interface between Competition and Business Strategy

CUTS Institute for Regulation & Competition (CIRC) in association with CUTS International and NERA Economic Consulting organised an international conference entitled, 'Interface between Competition Policy & Law and Business Strategy' in New Delhi, on November 25-26, 2009.

Salman Khurshid, the Indian Minister for Corporate Affairs said as the enforcement of the Indian Competition Act has begun in full swing, voluntary corporate compliance and capacity building of stakeholders is critical step to build and develop a better competition culture in India.

On this occasion, he released a CUTS publication entitled, 'Competition Law in India: A Toolkit', which was prepared and published by CUTS International and CIRC. The toolkit is researched, compiled and customised in the Indian context, and is meant to provide a simple and concise handbook on various implementation issues surrounding the Competition Act 2002 and is available at: http://www.cuts-ccier.org/pdf/Competition_Law_India-Toolkit.pdf

Dhanendra Kumar, Chairman, CCI said that the Commission has started investigations into certain cases. He further said that there is a huge deficit in terms of skills not only at the Commission but also in companies which need to remain compliant to the competition law. Mukesh Kacker, Director General of CIRC announced the launch of a part-time certificate course on "competition law and business strategy" to cater to the needs of practicing lawyers, economists and business executives. Intense discussion on substantive issues such as abuse of dominance, anti-competitive agreements, cartels took place.

Nitin Desai, former Chief Economic Adviser to the Government of India, in his closing remarks, said that the time has come to combine economics and law while making policies; however, in doing that India is to travel a long road. He underlined that CIRC is envisioned to fill this gap. More than 50 participants from among the competition authority, legal community, corporate houses and academia attended the event.

For more details, please visit: www.circ.in



Dhanendra Kumar, Salman Khurshid, Pradeep S Mehta and Eduardo Perez Motta

Regulatory Governance in India

CUTS with the support of Organisation for Economic Cooperation and Development (OECD) organised a seminar entitled, 'Regulatory Reform and Building Governance Capacities in India' in New Delhi, on December 03, 2009.

Arun Maira, Member, Planning Commission said that there is an immense need for carrying out regulatory reviews and analysis of the impact of current regulations as well as regulatory alternatives in order to implement forward looking changes.

Richard Boucher, Deputy Secretary General of OECD, pointed to the need to fine tune regulation for improved economic growth as both over and under regulation are dangerous. He highlighted the long tradition of the OECD in undertaking work on regulatory issues with a view to improving welfare in various countries and informed the

gathering about OECD intentions to undertake such work in close cooperation with the Indian government.

Geeta Gouri, Member, CCI focused on the need to

strengthen the culture of competition in the Indian economy. Vijay Mathur, former Chairman, Airport Authority of India emphasised the need to build public awareness on regulatory and competition issues. Mukesh Kacker, Director General, CIRC highlighted the need for regulatory simplification, clarity and transparency. Payal Malik, Associate

Professor of Economics, Delhi University stressed on the need for regulatory coherence and coordination.

The conference was attended by a representative set of stakeholders drawn from government officials, regulators, academia and lawyers among others.



Publications

Competition Law in India: A Toolkit

This Toolkit is researched, compiled and customised in the Indian context, and is meant to provide a simple and concise handbook on various implementation issues surrounding the Competition Act 2002. It provides the definitions, characteristics of and ways to deal with the trade practices which are forbidden by the Competition Act 2002, which are relevant in the Indian market currently, with practical case studies which can help the readers understand the issues relating to competition in India.

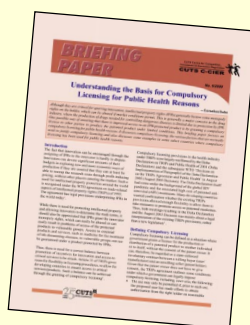
Suggested Contribution: Price: Rs 195/US\$40



Understanding the Basis for Compulsory Licensing for Public Health Reasons

One possible way of ensuring improved access to an IPR-protected product is by granting a compulsory license to other parties to produce the patented product under limited conditions. This briefing discusses compulsory licensing, the various factors that are normally used to justify compulsory licensing and also discusses some examples in some select countries where compulsory licensing has been used for public health reasons.

http://www.cuts-ccier.org/pdf/Briefing_Paper09-Understanding_the_Basis_for_Compulsory_Licensing.pdf



Representations

Rajesh Kumar participated in a Public Hearing on Trading Margin organised by Central Electricity Regulatory Commission (CERC), in New Delhi, on December 02, 2009.

Vijay Vir Singh made a presentation on 'Overview of the Current World Economic Situation, Prospects for Inward and Outward FDI and the Role of Sovereign Wealth Funds' in an event on Indian Outward Investment in New Delhi, on December 09-10, 2009.

Udai S Mehta participated in the 5th Annual Conference of the Asian Competition Forum (ACF) organised by the Hong Kong Polytechnic University, in Hong Kong, on December 06-07, 2009.

Pradeep S Mehta attended the conference on 'Competition, Public Policy and Common Man' organised by the CCI and Confederation of Indian Industry (CII) in New Delhi, on November 16, 2009.

Advocacy through the Press

Competition Act Silent on Penalising Trade Bodies

Financial Chronicle, New Delhi, November 27, 2009

The Competition Commission of India (CCI) does not know what penalty it can impose on industry and trade associations which are found guilty of indulging in anti-competitive practices. Under the Act, CCI is empowered to notify its rules and procedures. Pradeep S Mehta, Secretary General, CUTS said the competition law in India is still at its nascent stage and it would take time before these loopholes are plugged.

http://www.cuts-ccier.org/MediaNov09_Competition_Act_silent_on_penalising_trade_bodies.htm

Draft Competition Law Before Cabinet Soon

Financial Express Bangladesh, November 01, 2009

The draft competition law will be placed before the Cabinet Committee on Economic Affairs in November to get it enacted by January 2010, Commerce Minister Faruk Khan said. He said the draft competition has been prepared after consulting with all stakeholders including international experts and is expected to perform well to establish fair competition in business.

http://www.cuts-ccier.org/MediaNov09_Draft_competition_law_will_be_placed_before_cabinet_body_soon.htm

Ensuring Competitive Neutrality of Networks

Financial Express, December 01, 2009

By Rajesh Kumar

An objective of electricity reforms is to promote fair competition in the market. Drawing a lesson from the reform experiences of network utilities like telecom, gas and water globally, the Electricity Act, 2003 and National Electricity Policy, 2005 envisaged independent infrastructure companies in the power sector to promote competition in both wholesale and retail markets. But in the absence of regulatory initiatives, the working of infrastructure companies, like transmission utilities and load dispatch centres, was not independent and transparent.

http://www.cuts-ccier.org/ArticlesDec09-Ensuring_competitive_neutrality_of_networks.htm