

## Conference Report

### *4th CUTS-CIRC Biennial Competition, Regulation & Development Conference & CREW Project Final Conference*



## **Relevance of Competition & Regulatory Reforms in Pursuing Sustainable Development Goals (SDGs) in Developing Countries**

*12-13 December 2015  
Eka Hotel, Nairobi, Kenya*

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## Inaugural Session

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### **Pradeep S Mehta, Secretary General, CUTS International**

CUTS secretary General indicated that the conference was being held under the CREW Project ([www.cuts-ccier.org/crew](http://www.cuts-ccier.org/crew)), under the theme “Relevance of Competition and Regulatory Reforms in Pursuing Sustainable Development Goals (SDGs)” and is premised on the notion that Competition law can be an effective tool in achieving some of the SDGs. He thanked the development partners supporting the CREW project, viz. Department for International Development (DFID, UK) and Federal Ministry of Economic Development (BMZ, Germany) facilitated by the German Technical Cooperation (GIZ, Germany). He also thanked World Bank Group, Organisation for Economic Cooperation & Development (OECD) and G-77 Secretariat, United Nations for extending their support to this event.

He asserted that liberalisation of most economies in the 90’s led to the deregulation of many sectors across developing countries, and introduced discussions on regulatory reforms which included establishing sector regulators and competition authorities to deal with different market distortions. He highlighted values in having the right regulatory framework (including a national competition regime) to ensure that benefits of trade and economic liberalisation can be derived fully by citizens, especially in the developing world. He added that CUTS has been a leading civil society organisation (CSO) to work on competition policy and law across the developing world, especially through its efforts of linking the often complex and abstract subject of competition with tangible issues related to social and economic development. The CREW project of CUTS is the most recent effort of CUTS in this direction, aimed at making competition reforms understandable to key stakeholders and policymakers.

He pointed out some of the ‘emerging issues’ from the CREW project in his remarks as follows:

- i. There is value in having the right regulatory safeguards (mostly competition policy) in place to ensure that benefits of trade/economic liberalisation can be derived fully by the citizens/country.
- ii. Although subsidies are generally a departure from normal competition principles, they can assist farmers in remote areas where the private sector might generally not be willing to participate.
- iii. Government procurement institutions whose mandate is not to be the buyer of first resort but is to ensure that strategic grain reserve function, as in Ghana, will cause minimum competition distortions in the market.
- iv. Although keeping public sector run transport companies has helped in ensuring that cheaper transport exists, these are characterised by some inefficiencies, especially in Ghana and India.
- v. Fare regulation in public transport should be done in such a way that there is a balance between enhancing consumer and producer welfare.

He observed that application of competition policy and law could help achieve some of the SDGs through illustrations. The first three goals which deal with ending poverty in all spheres, ending hunger, achieving food security and improve nutrition and promote sustainable agriculture and ensuring healthy livelihoods for all are all areas that can be affected directly by application of competition laws. He added that Competition law and policy can also be seen to be relevant in the attainment of goal four to nine of the SDG’s as anti-competitive practices characterise education, energy, water and sanitation sectors which sectors are also crucial to the welfare of the general public. Therefore, any measures to address these issues need to be complemented by an effective competition regime.

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### **Tom Ratsakatika, Growth Adviser, DFID (UK)**

He thanked CUTS and the various stakeholders in the four project countries of the CREW project (Ghana, India, The Philippines & Zambia) for their participation and active engagement in making the project meaningful and the discussions on competition reforms, widespread. He also felt that the international Advisers of the CREW project played a very important role in the project activities.

He added that DFID, UK was happy with the achievements of the CREW project so far, especially since it has led to the achievement of one of its goals to ‘develop a simple but robust tool that will link competition reforms with implications on public welfare’. He added that going forward DFID hopes to see continued progress in project countries and would like the tools/experience of the CREW project to be replicated in other countries and sectors as well.

### **Fredric Jenny, Competition Policy Committee, OECD**

He began by saying that it is critical to dispel any doubt about the relevance of competition reforms in achieving sustainable development. It is evident both from experience and literature that competition leads to better allocation of resources and therefore to a higher level of GDP and growth, yet it is not obvious to policy makers, particularly in developing countries.

The reasons attributed to this include, first, what is referred to as the *conspiracy theory*. Somehow the lobbies which are not in favour of promoting competition have been able to influence public policy against competition reforms. This is the reason why there is a lot of scepticism about the benefits of competition across the developing world. The other reason is that the task of promoting greater visibility about the relevance of competition reforms has been assigned solely to national competition authorities – without the engagement of other arms of the government in most countries. But in doing so the competition community had not helped itself because competition law has been seen by a lot of non-specialists as a sealed defence for consumers against producers and against labour.

Further, the international competition community had done a poor job of recognising that the competitive process in a globalised world is more complex process than described in theory. There is interconnectedness between the domestic markets and essentially this entails that issues that are not subject to traditional macro-economic analysis. Influence of political economy factors in this process has been ignored. Competition results in collective benefits, which is better allocation of resources in the long term. But to get these benefits, competition imposes costs in the short-term. Such short-term costs have to deal with by politicians but for which competition community has not provided solutions. Lastly, the competition community has not done well to show that the adoption of empirical evidence has led to superior macro-economic performances. Very often ministers and the general public feel that a number of countries have developed without having recourse to competition therefore it is not so obvious that competition is necessary and sufficient for economic development.

Because of these factors, a lot remains to be done to convince the public and the policymakers that competition is development friendly. This is a gap that CUTS has tried to fill-up through its initiatives like the CREW project. The evidence produced from the project has been used for discussions with national stakeholders including high-level policymakers, who seem to be more open and amenable to these findings.

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### **Mukhisa Kituyi, Secretary General of UNCTAD**

He started off by saying that Competition Policy and Law is recognised as an extremely important subject in UNCTAD's work programme since long. He recognised the work CUTS has been doing on this issue across the developing world, and that UNCTAD considered CUTS as one its working partners on this issue. UNCTAD's association with competition policy and law issues dates back to the UNCTAD-V (Manila, 1979) – when a Resolution on 'restrictive business practices' was adopted.

He added that UNCTAD has had a number of successful programmes on the subject, one of them being expansion of a network of national competition authorities of Latin America (under its flagship COMPAL programme), which now covers 26 countries. Interestingly while building this network it was discovered that in many weak emerging countries, there are strong powerful trading houses who have for years entrenched themselves as controllers of capital and political capital. The creation of this network thus allowed for the general principles and regulations to be enforced without appearing to be attacking a specific individual group in the country. One of the agenda being pursued by UNCTAD now is to extend the COMPAL programme in Eastern Europe (specifically in the ex-CIS countries). More importantly, Dr Kituyi mentioned that one of the ultimate goals of competition is consumer protection. Often times many countries create separate entities to deal with Competition and with Consumer protection, without establishing the linkages between these legislations and/or authorities. The linkage between competition law and consumer protection is particularly important from the perspective of the Sustainable Development Agenda 2030, given its focus on inclusive growth.

Secondly, the technological progress gives us competences, increases our abilities to deal with competition issues but at the same time can create challenges. The question therefore is how regulation of technology especially in the context of a 'shared economy'. We have to grow the competences in terms of how we understand, comprehend and regulate as the economy gets more sophisticated, which was not included in discourse on competition policy/laws and regulation even a decade ago.

## **Session I: Government Policy promoting Competition, Innovation & Jobs**

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**Martha Martinez Licetti, World Bank Group** Chaired the session. The presenters in this session included:

- Afolayan Gbenga Emmanuel, Murdoch University, Australia
- Umut Aydin, Universidad Catolica de Chile
- Wendy Ng, University of Adelaide, Australia
- Rijit Sengupta, CUTS International, India

### **Presenation 1: Impact of Choice and Competition Reforms on Secondary Schools in Nigeria, Afolayan Gbenga Emmanuel, School of Education, Murdoch University, Australia**

His paper attempted to make a description of the way education was delivered and funded in Nigeria. Taking account of the economic case for continued public intervention in the funding of education, he observed that the development has also provided a new set of insights, positions and identities in consideration of which the roles of parents and schools are expected to change. He explained that the main objective of using choice and competition in the education system was to enhance academic

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achievement of students from both wealthier and low-income groups. Further, he explained that the impact of choice policies on school performance and student achievement was hotly contested.

He explained that in Nigeria, access to secondary education continued to improve. At the same time, there were challenges encountered, not because of debates over the nature and role of secondary education but due to differences in perception of stakeholders and policy-makers about what constituted ‘access to education’. There are strong arguments in favour of continued public intervention in education especially for achieving equitable benefits from education, while at the same time there is also a growing need to strengthen the overall regulatory framework in the sector.

In view of these arguments, he made the following three recommendations:

- **Supply-side reforms:** Policymakers should focus on supply-side reforms that would entail assessment of availability of good quality of schools in the ‘marketplace’
- **Performance measures:** Concerned educational authorities should also develop indicators of ‘performance measures’ of schools, especially to ensure that there is some level of competition at the time of admission and schools don’t cream-skin candidates
- **Regulation of Choice:** Adopt control mechanisms to address choice and equity concerns at local level

**Presentation 2: Making Competition Policy Work in Mexico, Umut Aydin Instituto de Ciencia Política Pontificia Universidad Católica de Chile**

In her introduction, Ms Aydin indicated that Mexico struggled to effectively enforce its law on competition, before finally adopting a modern competition law in the year 1992. She explained that the Federal Commission of Economic Competition (FCC) encountered many problems impeding effective enforcement since its establishment, such as legislative loopholes, insufficient powers, insufficient financial resources, defeats at the district courts, etc. She explained that a series of reforms were initiated starting 2006 with technical assistance were received from ICN and OECD. This culminated in revamping of the agency and also in reforming the national competition law, resulting in adoption of a new legislation in 2014.

Alas, there have also been some controversial issues like the approach towards ‘monopolies’. Federal Law on Economic Competition (FLEC) prohibits barriers to competition. She explained that ‘barriers to competition’ as a concept has been criticized for being too vague and without foundation in mainstream competition law and economic theory. Furthermore, she noted that the FCC was given the power to conduct market studies and impose behavioural or structural remedies if barriers to competition were found to exist in a sector. She added that this was criticised as being an extreme intervention into the working of the markets and potentially a responsibility that could overburden the competition agency and undermine its independence. She also noted that the FCC was given the power to identify and regulate access to essential inputs (setting maximum prices for infrastructure services), which gave it sweeping authority. Finally she noted that the reforms gave jurisdiction over competition in the telecommunications. It was divulged that sectoral regulators tend to have regular and closer relations with the players in the sectors that they regulate, and this could undermine their independence.

She ended by indicating that her analysis of the reform process draws attention to the importance of encouraging competition policy to spread its roots in the domestic system and supporting those roots through international assistance.

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**Presenter 3: Competition and sustainable development in China, Wendy Ng, Lecturer, Adelaide Law School, The University of Adelaide.**

She started by appraising the participants about China's development trajectory. Recognising a need to change its mode of development, since the adoption of scientific development and socialist harmonious society by the Chinese Communist Party ('CCP') and especially since the implementation of the Twelfth Five-Year Plan (2011–2015), she explained that the Chinese government had to focus on achieving sustainable development rather than aggregate economic growth and the absolute living standards. She explained that China's sustainable development strategy encompassed economic, social, and environmental goals including enhancing scientific and technological development and innovation, improving people's wellbeing and livelihood, reducing poverty, improving the environment etc

One of the tools the Chinese government was using to promote and achieve sustained economic development was the 2008 Anti-Monopoly Law (AML). She added that the Chinese government and the competition agencies expressly linked competition law and policy with China's sustainable development goals. Hence much of competition law discourse in China was focused on the role of competition law in helping to improve people's wellbeing and livelihood, promote the pursuit of innovation by businesses, and regulate and supervise prices with a view to macroeconomic regulation and control. She further informed the participants that the Chinese competition agency appeared to have applied the AML with sustainable development objectives in mind. She justified this position by indicating that this was reflected in the enforcement investigations and outcomes that have been pursued by the competition agencies to date.

She further informed the participants of China's present focus which centred on one outcome of competition ie innovation. Innovation, she said, was part of the Chinese government's goal to shift its development model from focusing on economic growth to one that is sustainable, and to move China from traditional, low technology, and low value-add activities into more innovative, knowledge-intensive, high technology, and high value-add activities. In particular, it was mentioned that the Chinese government was focused on indigenous innovation and encouraged Chinese businesses to develop their own technology and products – a comment that was contested by Elena Fox, one of the discussants in the session.

She summed up her submission by further explaining that the Chinese government expressly relates competition law and policy to the improvement of people's wellbeing and livelihood. The National Development and Reform Commission ('NDRC') and the State Administration for Industry and Commerce ('SAIC'), cooperate to achieve this objective of the national competition regime.

**Pursuing Pro-Competitive Policies in States: experience from India (CREW Project), Rijit Sengupta, Director, CUTS International**

His presentation was based on the findings of the research undertaken in India, as part of the CREW project which focused on the staple food (wheat in India) and passenger transport. Before presenting the key findings of the diagnostic report, he gave a succinct account of the motivation behind the CREW project, which was to make benefits of competition reforms more visible in the public policy domain in developing countries.

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He explained that, wheat was chosen as the staple food in India due to its widespread cultivation and popularity in the Indian diet. The project involved, intensive analysis and field work in two top wheat-producing states – but with varying market characteristics and agricultural policies in India, Bihar and Rajasthan. The findings in his presentation on wheat focussed on: Seeds, Procurement and Agricultural marketing. He said agriculture was jointly governed by the central and state governments, and therefore the benefits of policy liberalization at the national level varied considerably across states due to differences in state-level policies as well as administrative efficiency.

From the evidence presented, it was revealed that private participation in the seeds sector was picking up in states like Bihar – and the benefits were gradually being felt by the farmers. One of the key issues here, was the need for the state government to closely monitor the process, especially in the interest of small farmers (to ensure that good quality seeds are available at low prices). He also indicated that organized agriculture markets were introduced under the Agriculture Produce Market Committees (APMCs) in the 1970s with the objective of protecting farmers from exploitation by intermediaries and traders. Instead of improving efficiency, the policy denied private investment, invited corruption, and artificially restricted the number of market players, he explained. Over time, these regulated markets degenerated into restrictive and monopolistic markets with high transaction costs.

He informed the participants that Bihar in 2006 completely repealed the APMC Act, which freed the market for private participation but with little success. Alas, due to the absence of government support in infrastructure development, private markets contract farming or direct marketing has not increased significantly. In contrast to abolishment of APMC by Bihar, Rajasthan ushered in reforms in 2005 in line with the Model APMC Act to enable private engagement in developing agriculture markets, direct marketing and contract farming. However, despite the contrasting approach, Rajasthan also failed to see any noticeable ground-level progress. One of the reasons cited for this was absence of parallel policy reforms in related areas like public investment in infrastructure, credit policy and land policy.

On procurement, he explained the structure and function of the Primary Agriculture Credit Societies (PACS) in Bihar. PACS have a very strong network in Bihar, with over 8500 of them present in the states and are actively engaged in procurement of grains from farmers. However, the PACS suffer from certain institutional and administrative weaknesses that deflect small farmers to the local, private aggregators, for selling their produce at much less than the Minimum Support Price (MSP) set by the State government.

A common observation from the two states was that the impact on competition and welfare was a joint culmination of the various policy measures and factors influencing their implementation including government actions and institutional factors. He added that while strong state involvement in procurement activity to support food security or stabilise prices may not be abolished at the present stage of economic development, overall welfare may be enhanced by doing away with the public monopoly in procurement.

In the transport sector, he presented findings from two states: Gujarat and Madhya Pradesh. He explained that the two states presented two contrasting pictures of private sector engagement. While in Gujarat it was largely the State Owned Enterprise which dominated the sector, passenger transport was provided only by private operators in the state of Madhya Pradesh.

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A common (key) finding in both states was the absence of a robust regulatory system in this sector – in order to protect the interest of both consumers and producers. This meant the need for the government to review its role in this sector and work towards developing a level-playing field. There is some buy-in on this idea (generated as part of the CREW project) especially given the development of the national-level Road Safety & Transport Authority Bill (2014) – which has created this opportunity.

### Discussants

**Elenor Fox, Professor, New York University:** She concentrated her comments on the paper on Mexico and China. She commended the authors for the depth and coverage of issues in the papers and that they together showed what can be done with a competition law system.

On the Mexico paper, she said the paper was an excellent case book example. She affirmed that the Mexican agency did not have sufficient tools to enforce its law, viz. absence of a leniency programme, lack of sufficient fines and a sluggish judiciary. Therefore, whilst agreeing with the presenter about improvements in the competition law, she felt that some of the challenges still remain to be tackled comprehensively. She added that competition law does not do a good job in breaking concentration. She suggested that there was need to think of excessive economic concentration in other ways and this should hinge on whether major players were manipulating prices and keeping others out from certain markets.

She mentioned that the paper was able to show how China’s competition regime was consistent with the country’s national development priorities She raised concerns about Intellectual Property Rights infringements by Chinese firms.

She ended her submission by giving her views that the discourse on Sustainable Development seem to be aligned with how the rich world (OECD countries) should contribute in kind or in money for food, education, healthcare in the developing world. She was also of a view that a discussion should also be integrated on how SDGs were also about ‘making markets work for people’ – and felt that competition reforms is a very powerful tool in achieving this.

**Francis W Kariuki, Director General, Competition Authority of Kenya:** He brought the Kenyan experience to this session. He framed his presentation on three pillars of Sustainable Development – (i) Economic (ii) Social and (iii) Environmental implications of competition reforms.

Adding to Fox’s views on competition policy, he added that competition policy was there to enhance efficiency and therefore increase innovation and ensuring continued supply of goods and services leading to increased choice and better quality and therefore improving consumer welfare. He observed that competition policy ensures competitive market processes. He said if markets were dominated by monopolies and cartels, this resulted in high prices and low quality of goods and concentration of wealth was in few hands – a situation that hurts the poor mostly. Citing a recent example, he indicated how opening up of the tea sector in Kenya has resulted in increased employment and incomes for the poor.

He further said that competition law also had potential to improve governance in public procurement if competition authorities dealt with bid rigging in public procurement. This can lead to considerable savings, which can be re-invested into programmes aimed at social and economic development, akin to the SDGs. Enforcement of competition, in key sectors such as staple food can result in reducing costs (increasing affordability and access) to food products.

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**Owen Gabbitas, Manager, Australian Productivity Commission:** He focused more on the role of government in reforms and particularly focusing on what works and don't. In discussing this, he drew on ideas that had been raised within the CREW project, the papers presented, and some of the earlier talks on the subject.

He said government will have to be champions for reforms and reforms have winners and losers. The latter tend to be smaller in number and were mostly concentrated in nature. He said reforms were complicated and nobody gets it right the first time. Citing Australia as an example, he mentioned that when a decision to have one part of the economy reformed was made, other parts of the economy were affected.

He said reforms should have clear objectives, a well-defined framework and realistic timelines. He explained that the government needs to play various roles in the reforms process. Quite often, government was responsible for creating an environment within which reforms and economic activity would broadly occur. This entailed setting up a legal system and institutional framework that underpin the operations of markets. Further, he advised that competition policy reforms do not mean promoting narrow regulation. It, according to him, meant competition is allowed to flourish in both functional and non-functional markets. Lastly, he also emphasised on the need to get incentives right. In qualifying this position, he mentioned that government's key role was not to tell markets on how to do the markets job but was to make sure that the markets operates in the broader national interest.

**Points from the Floor:**

- In addition to national level policies, sub-national level policies and legislation need to promote competition in markets – especially in large countries like India
- From the perspective of the SDGs, it is also crucial to assess how competition reforms can help achieve environmental improvement
- In order to sell competition reforms to a larger group of ‘un-initiated’ people, it is important to think of achieving goals like ‘women’s empowerment’ through competition reforms
- It is critical to assess who are ‘left out’ from participating in key markets, and how can policies be developed to create opportunities for those ‘left out’ – to promote competition in sectors
- In the context of sustainable development, ‘inclusiveness’ can be defined in terms of the following three elements: competitiveness, prosperity and quality of life.

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## Session II: Competition For Inclusive Economic Growth

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This session was Chaired by **Mia Mikic**, Trade & Investment Division, UN Economic & Social Commission for Asia and Pacific (**UNESCAP**).

### **Paul Kinyua, Stellenbosch University, South Africa**

He gave a history of the colonial Kenya and South Africa which he found to be very similar in nature and were characterized with monopoly in multiple sectors. He argued that, Africans need to relook the argument on efficiency given that level of development amongst African nations. He highlighted examples of nations that developed by having government interventions as opposed to having a free market state.

### **Vivek Ghosal, Georgia Institute of Technology, USA**

He presented literature that found that perfectly competitive markets have been found to have a restriction to innovation, given that innovation is spurred by resources rather than number of market players. He emphasized that IPR protection is critical for achieving domestic innovation, sighting the example of China that came to this realisation given that their innovators were losing out. He concluded that the promotion of start-ups in an economy by promoting innovation support programmes provides more options for future market players and thus increasing competition in markets.

### **Cornelius Dube, CUTS International**

He did a presentation of his paper on implications of pro-competitive reforms in the Zambian maize sector on small scale farmers. He gave an overview of the maize sector, specifically touching on post-liberalisation reforms made in the spirit of improving livelihoods. He highlighted the maize floor price reforms, the farmer input subsidy programme (FISP) and maize subsidies to millers that were undertaken by the Zambian government, as actions that have had implications on competition in various segments of the maize market. He concluded that improperly targeted subsidies generally distort competition with little benefits to farmers, the floor pricing regime also affects farmers' welfare negatively than intended, the public procurement systems in government programs are often subject to cartelisation, which also limits private sector participation.

The **Discussants** included the following people:

- David Ong'olo, Embassy of The Netherlands, Kenya
- Joe Tackie, Private Sector Development Strategy, Ghana
- Adanma Abalunam, Adam Smith International, UK
- Chilufya Sampa, Competition & Consumer Protection Commission, Zambia

Comments received from Discussants vis-à-vis each of the three presentations are provided below:

### Paul Kinyua's paper

- Needs to focus on issues that compare the two institutions in Kenya and South Africa and see how they drive competition, and how this impacts on small enterprises and additionally, how the large enterprises affect the smaller ones and their interaction.
- The case studies to be focused on are cement and telecom in Kenya and South Africa respectively. He recommended the focus on Telecom in Kenya and Cement in South Africa because of how South Africa's sectoral regulator has handled competition in south Africa and how Kenya has dealt with

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competition in the communications sector is very interesting and there can be many lessons learnt from these two sectors by these countries.

#### Vivek Ghosal's Paper

- It was highlighted that the two broad based issues that can catalyze innovation are very important lessons on the transmission mechanisms that drive competition through innovation.
- At the national level there has to be prioritization of specific sectors and are categorize them as target sectors for innovation given the resources in the country. The process of zeroing in on the areas and sectors of focus is very important and requires the participation of the private sector. There is need to involve the private sectors in the categorization of priority areas for targeted innovation programmes that can be used to be drivers of competition.
- Institutional set up of the regulatory agencies that deal with IPR and those that deal with competition needs to look at their interface. This is important to inform how innovation can be used to catalyze competition in developing countries.
- He was advised to investigate why most start-ups with innovative ideas do not go to register their innovation with the IPR national agencies that protect their innovation, it was additionally emphasised that the value of the IPR needs to be made known to the innovators.
- The paper needs to look at the causes of low levels of commercialization of the innovations developments in incubators that are created in the developing countries.
- It was proposed that Tax breaks to innovators in developing countries need to be considered more. This is opposed to the practice of giving tax breaks to multinational companies based on FDIs, but they do not bring any innovation in the country. It was therefore proposed that there is need to promote FDI in areas where we can have new products as opposed to areas that the country has a comparative advantage.

#### Cornelius Dube's Paper

- He was commended for clearly bringing out the fact that good intentions can go wrong particularly when it comes to subsidies given that the paper showed that the inputs in the maize sector as well as the floor pricing for the farmers wasn't benefiting the targeted audience.
- He was advised that the paper needs to cover the role of transport in the maize sector, which has an effect on the whole value chain. The inputs used in the maize sector are affected by transport costs which in turn have an impact on the pricing on maize. He was also urged the presenter to look into the role played by the maize marketing board in sharing information to the farmers on prices at the output level as well as the prices of inputs, in relation to this there is also need to look into how farmers respond to this information.

The following points were raised from the floor:

- Depending on the execution of government interventions such as farm input subsidies, it can be effective and achieve the desired outcomes. This is made evident by the example of Ethiopia where the government took up the role of importing, and distributing farm inputs to farmers making it less costly for the farmers to produce.
- There is need to analyze the maize sector value chain in Zambia to have a holistic overview of the sector to understand the competition bottle necks in the value chain that have made the government interventions not result in the expected benefits.
- There is need to have holistic approaches to the proposed interventions. Taking keen interest in promoting innovation amongst the MSEs in the country, who tend to be mostly informal. This can

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be effectively done by having institutional collaborations between the national Industrial research institutions and the private sector to promote innovation in developing countries which is a great contributor to advancing competition. Such institutional collaboration have been seen to work in Ghana. Competition is important in helping us achieve the SDG.

## Session III: Competition Reforms as a Tool for Public Welfare

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### **Presentation 1: “Regulations and private sector development in the grain market operations of India” by Dr. Surajit Deb, University of Delhi, India**

The section below summarises the highlights from his presentation:

- Indian Grain market operates with government involvements in the areas of Marketing, Procurement, Distribution, and Buffer Stock (storage of the grains).
- Over the years, reform policies introduced by the Indian Government were based on scarcity conditions and the aim to contain speculative activities in agriculture, thereby safeguarding the interest of both farmers and consumers have prevented the development of a competitive private sector and free market in the grain market.
- From 2000s onwards, policy measures to promote competitive grain trading were introduced, thus enabling private participation. However, there have been road-blocks in private participation due to administrative instruments and also interventionist measures.
- Some of the government introduced agencies/ instruments that regulate the gain sector are: Department of Food and Public Distribution, which formulates grain policy, the Commission for Agricultural Costs and Price (CACP), which regulates price policy, the Minimum Support Prices (MSP), procurement, issue price, levy system and then the Food Corporation of India (FCI) involved in the procurement, handling, transport, storage, distribution, buffer stocks, open market sale.
- The introduction of certain government agencies, as explained earlier has inhibited private involvement in the grain sector.
- Moving forward, the government should consider recommendations on how best to include private sector engagement in the procurement, storage, reforms of legislature and restructuring of key institutions.

### **Presentation 2: Role of Government in promoting sustainable economic growth through competition reforms, Frederick Ringo, Fair competition Commission, Tanzania**

Salient points from his presentation are as under:

- Tanzanian economy from the 1961s to 2000’s shifted from a capitalist to a socialist then to a liberal market led economy with a focus mainly on competition policy.
- The changes in market economy was accompanied with introduction of key regulatory reforms with the aims to: relinquish state’s economic monopoly, create suitable enabling environment for private sector and attract Foreign Direct Investments (FDIs)
- During this process, the government worked as a facilitator by ensuring that the necessary services and frameworks needed for a market economy were in place, which included establishment of sectoral regulatory agencies and the competition enforcement agency
- Some of the challenges faced in the current system are: (i) lack of coordination between competition and sector regulatory agencies; (ii) lack of financial and human resource; (iii) risks of regulatory

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capture; and (iv) alignment of functioning with the (soon to be operational) East African Community Competition Authority

**Presentation 3: Two-sided market and their impact on economy, Vardharajan Sridhar, International Institute of Information Technology Bangalore, India**

The highlights of his presentation were:

- The presentation sets the stage by pointing out the characteristics of a 2SMP (Two Sided Markets & Platform). From the presentation it becomes clear that in a 2SMP there is asymmetric pricing, i.e. one side of the market pays and the other side doesn't. There are low barriers to entry in the market, creating competition issues leading to winner-take all.
- Some of the 'competition issues' in a 2SMP include: (i) Increasing economies of scale due to network effects; (ii) Predatory pricing; (iii) Regulatory arbitrage
- Recommendations given emphasized that while setting regulations for e-commerce, policy makers should not rely only on setting up traditional 'brick and mortar' regime.

**Presentation 4: Pro-competitive reforms in Ghana's public transport sector and implications on commuters and operators, Paulina Agyekum, Ablin Consult, Ghana**

The salient points of her presentation are summarized hereunder:

- The first reform discussed was the Metro Mass Transit (MMT). This was introduced by the government 2003 to provide mass transit. The objective of the MMT to provide cheap transport option for ordinary and poor commuters in the country has not been realized, mainly since the Ghanaian Government regulates price. Hence, the MMT is not able to breakeven, thus limiting the number of operational fleet.
- The MMT has failed to offer any barriers to its private competitors due to low operation threshold. It emerges from the study that MMT services have potential but need to improve on its efficiency and accessibility.
- The second reform was a policy reform on routing (route rationalisation). This policy reform aimed to promote route registration for commercial bus transit. However, Policy Reform was never implemented. It is expected to be one of the priorities of the impending National Transport Authority (NTA) to be established by the Ministry of transport.
- Another policy introduced was the Road Safety Reform. The new regulations for road safety management introduced in the sector have not created the level of competitive efficiency of bus service safety as was anticipated.
- Some of the emerging recommendations were: (i) finding sustainable avenues of PPP engagement to develop infrastructure as well as services; (ii) strategies to enable easier access to financial resources; (iii) encouraging civil society organisations/research institutions specialising on passenger transport to be established.

**Discussants**

**John Davies, Head of Competition Division, OECD:** Mr. John Davies made the following comments mainly on the presentations by Surajit Deb (India) and Paulina Agyekum (Ghana):

- There is the need for evidence and economics in trying to advocate for competition interventions at the governmental level.
- Economists need to be able to draw a distinction between market failures and markets working in ways that are different from those a government might prefer.

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- Sometimes a market just demonstrates that things can work in a way that is quite different from what governments want or expect.
- Market based solutions to problems can be very powerful but they are also quite indirect.
- We need to construct systems of regulation that work effectively with markets and we need to challenge regulations that do not do so.

**Anthony Abad, Trade Advisors, The Philippines:** The highlights of his presentation are as under:

- It is important to note that competition is not the panacea for public welfare, it is a very important component but it's not the solution to all welfare issues.
- Regulations, reforms and their effectiveness need to be taken into account in the competition agenda.
- Public-Private-Partnership (PPPs) could be explored in the public welfare promotion discourse. With such an approach, both governments and the private sector will be able to make public welfare their business.
- The government plays important role in the competition discourse, but there is much regulation preventing this, so there is the need for a comprehensive approach in policies and reforms in order to ensure that the welfare of citizens are well catered for.

**George Lipimile, Executive Director, COMESA Competition Commission:**

- He set the stage by asking the audience if they understand the meaning of competition reforms and its benefits to the consumer and public welfare.
- He further asked how are policy makers able to ensure that consumers do indeed derive benefits from the competition policy. He asserted, that is it only the responsibility of the Competition Commission to ensure competition in the market or should there be other players
- He raised the concern that most policy analysts fail to consult and engage Competition Commissions when making decisions on public welfare.
- He explained that the whole government is responsible for promoting government reforms and in presenting this competition advocates must be 'smart', since public interest policies can overshadow competition
- Political sectors like the transport and grain tend to overshadow policy issues and as such should be approached smartly, as has been attempted by CUTS

### Floor Discussions

- The discussions for this session touched on diverse issues all focusing on how competition reforms could be used as a tool to promote public welfare.
- Pradeep Mehta set the stage for the discussions by drawing a distinction between public welfare and consumer welfare. He explained that public welfare is all encompassing as against consumer welfare, and that competition reforms aim to enhance both consumer and producer welfare
- Two participants suggested that in Ghana PPP should be explored as a method in solving the challenges being faced in the transport sector, but care should be taken not to oversell PPP as a 'solution' for all kind of challenges
- It was advised that the Ethiopian Commodity Exchange should be closely studied, as it provides important lessons for the 'grain sectors' in other developing countries (including those covered under the CREW project).

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## Roundtable Discussion: Shaping Competition Policy for Achieving SDGs Shaping the agenda for promoting Competition

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**Address by the Chair, Fredric Jenny, OECD Competition Policy Committee, France**

- Session moving from the concept of consumer welfare to a much broader societal goal
- Highlighted three views: (i) competition policy conflicts with societal goals and there is need for exclusions/exemptions to favour societal goals more than efficiency; (ii) Competition policy is fully compatible with societal goals, which is a more traditional view; and (iii) Competition policy may not be the best possible way but it can be made to serve societal goals and be made compatible with these goals.

**Presentation by Pradeep S. Mehta, CUTS International India**

- Importance of competition policy and sustainable development linkage came about due to CUTS' experience as an advocate; the need to make the whole issue less abstract; and increasing greater attention by donors and policy makers.
- Application of Competition policy should be done in a broad, flexible framework
- Linkage of SDGs and competition policy
  - SDG 1: No poverty: Competition policy can help achieve capability, accountability and responsiveness in ending poverty in all forms everywhere
  - SDG 2: Zero hunger: Competition policy help to achieve food security and improved nutrition and promote sustainable agriculture in relation to input markets, procurement, healthy markets; monopolies.
  - SDG 3: Good health and wellbeing: Ensure healthy lives and promote wellbeing for all at all ages in relation to loose and complex regulatory framework in healthcare services and pharmaceutical markets.
  - SDG 4: Quality Education: Ensure inclusive and equitable quality education and promote life-long learning opportunities for all in terms of quality of education.
  - SDG 5: Gender Equality: Competition policy can be used to achieve gender equality and empowerment of all women and girls, in relation to, for instance, women safety and comfort in transport sector.
  - SDGs 6 and 7: Clean Water & Sanitation; and Decent Work & Economic Growth: Ensure access to quality services by dealing with natural monopolies/dominant positions.
  - SDG 8: Decent Work & Economic Growth: Competition policy to focus on SMEs business openness;
  - SDG 9: Industry, Innovation & Infrastructure: competition policy to promote industrialisation
- Evidence from CUTS' Crew Project showed competition policy reform could lead to less spending in rice market; increased youth employment in the transport sector.
- Strengthen obvious links with economic growth, industrialisation and job creation; and consider the less obvious links as well.
- There is a need to support stakeholders working on Competition to meet SDGs. Resources are shrinking even in local competition authorities.

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### Chair's further points:

- Concludes from Pradeep's Competition policy can be made to service societal goals.
- The challenge, however, is Competition policy can lead to displacement of labour from industries. Although aggregate employment may be taken care, one needs to consider sectoral employment as well.

### Panel Discussion

#### **Kwame Owino, Institute of Economic Affairs, Kenya**

- Some of the linkages are tenuous, such as peace and competition policy and sometimes we will have to leave some issues for policy makers and politicians.
- In terms of SDG in Kenya and linkage to Kenya's consumption profile, average income spent on food is 40-45% and buying and purchasing food is an important part of household expenditure, if competition is to be a tool, then ask how to use competition to make food less expensive and have broader choice.
- Consider the deep political economic elements of SDG. For instance, 70% subsidised fertilisers in Kenya end in one certain area, which later is sold to neighbouring counties and countries at a higher price. Therefore, domestic contest has to be won first before we move to SDGs. Don't overstate the role of competition on employment as the latter should be the incidental result of competition and not the main goal of competition policy.

#### **Lynn Robertson, Competition Division, OECD Secretariat**

- Presenter gave a briefing about OECD, which is in 122 countries and economies. It gives evidence and tools for competition authorities
- OECD has developed a competition toolkit to diagnose regulations' impact
- Evidence from Greece and Mexico on agricultural market and bid rigging. She gave two assessments- over the counter drugs, opening trade on Sunday.
- The question is how to make competition policy more compatible with the SDGs.

#### **Babajide Sodipo, African Union Commission, Ethiopia**

- Interaction of competition policy and structural transformation: African Union focuses on structural transformation of economies that would result in moving away from primary producers to industrialised. Questions that might arise relevant to Africa then, are: if the point is structural transformation, how does competition policy hinder or facilitate industrialisation? Would there be industrialisation if competition was to be put first?
- Need to balance protecting producers and consumer welfare: Giving an example of the cement industry in Nigeria, speaker pointed out the government engages the 5-6 producers to determine importation quota, which has resulted higher cement prices.
- The discussion should not only about pricing but also about income

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### Ratnakar Adhikari, Enhanced Integrated Framework (EIF) Secretariat, Switzerland

- SDG linkage: the economic growth channel is very important to provide resources (linkages)
- Trade liberalisation and competition: the benefits of trade liberalisation may not trickle down in the case of cartels.
- Policies are as good as they are implemented. In terms of implementation challenges, one needs to consider the social dimension in terms of SMEs policies, natural monopolies, political economy angle. Other challenges include, lack of good governance, resource limitation and lack of independence competition authority
- In terms of the role of national government and competition authority: independence of the latter is questionable; financial, human and technological resources are limited.
- The need to mainstream competition policy in other policy areas just like gender, trade and environment. CUTS and others stakeholders to help mainstreaming competition in LDCs.
- Development partners' role should be more on capacity building to improve the business environment and as well as providing resources.
- For South-South cooperation, there needs to be an opportunity to (i) share experience in balancing societal goals and efficiency; (ii) build capacity through training modules and events; and (iii) adopt technologies used in some countries' competition authorities.
- Explore and strengthen channels of intervention, at national and international level.

### Thulasoni Kaira, Chief Executive Officer, Competition Authority of Botswana

- Competition policy can be linked to all the SDGs, even to peace as most crises are a result of economic inequalities.
- Competition policy is at the core to reduce inequality and ensuring sustainable development
- The contribution of competition policy to SDGs should be emphasised to policy makers, especially in relation to poverty, hunger and responsible consumption & production.
- CUTS, OECD and others should strengthen competition authorities to contribute to the SDGs, thereby legitimising the latter's existence

### Kofi Amenyah, Ministry of Trade and Industry, Ghana

- Robust competition policy regime can help address the SDGs but needs to be complemented by government for example the latter putting in place safety nets.
- The role of development partners could be handy in availing funds for subsidies
- SDGs are inter-related and therefore should be addressed simultaneously and a robust competition policy can help.

### Summary by the Chair:

- Competition policy is very difficult to sell to policy makers as *one does not sell competition because it ultimately leads to economic efficiency, because this is too abstract, but one sells competition by showing that it can be useful in a concrete way.*
- Linking competition policy to SDGs may create a huge opportunity for LDCs to formulate a communication strategy.

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- Relevance of competition policy could also be highlighted by documenting exploitative practices and abusively high prices on behalf of the voiceless poor.
- Competition disrupts livelihoods. This effect could be reduced if labour were more mobile. Therefore, governments should put in place mobility programmes helping labour migrate from one occupation to another. This would reduce the transitional cost of competition and the reaction against competition.

## Brief presentation on 'Framework for Competition Reforms' (CUTS)

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The brief presentation on the Framework for Competition Reforms (FCR, [http://www.cuts-ccier.org/CREW/pdf/FCR\\_Practitioners\\_Guidebook.pdf](http://www.cuts-ccier.org/CREW/pdf/FCR_Practitioners_Guidebook.pdf)) was given by Rijit Sengupta, Director, CUTS International.

At the outset, Sengupta explained that the FCR was an output of the project, Competition Reforms in Key Markets for Enhancing Social and Economic Welfare in Developing Countries (CREW) being implemented by CUTS with support from DFID UK and BMZ, Germany through GIZ, Germany. The highlights of the presentation were as:

- The FCR is a forward looking toolkit to aid state and/or non-state actors empirically undertake competition reforms in markets
- The approach adopted by the FCR is that it links competition reforms to consumer and producer welfare
- The definitions used are as:
  - **Competition Reforms:** Aggregate of – (i) enabling government policies (ii) well designed regulatory framework (iii) well defined competition legislation and effective enforcement mechanisms
  - **Producer Welfare:** Aggregate of – (i) access to inputs (ii) entry (iii) level playing field (iv) growth (v) investments (vi) cost savings
  - **Consumer Welfare:** Aggregate of – (i) price (ii) access (iii) quality (iv) choice (v) time
- The FCR uses the definition above and provides seven steps to undertake competition reforms. Sengupta mentioned that the definition, however, is not inclusive and further variables may be added or removed as per the case
- In brief the seven steps encapsulated by the FCR are as:
  - Step 1: Understand the Sector/Market
  - Step 2: Identify Components of Competition Reforms in the Sector/ Market (Policy, Legislation, Administrative processes)
  - Step 3: Link the components of Competition Reforms with indicators of Producer and/or Consumer welfare
  - Step 4: Develop Methodology & Gather Evidence on this 'link'
  - Step 5: Assess Impact of Competition Reforms on C/P Welfare
  - Step 6: Prepare the Diagnostic Report (Sector/Market specific)
  - Step 7: Share 'Evidence' with key SHs & PMs for a way forward

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## Session IV: Trade, Regional integration & Competition Reforms

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The Session was chaired by **Eleanor Fox, New York University, USA**. In introducing the session, she observed that some issues are beyond national boundaries. Since international frameworks may be far-fetched, regional frameworks are can do better in bridging the gap between international trade and competition issues. She further noted that developing countries can show how to bridge the gap between trade restraints and competition issues by taking these issues within the same framework in regional integration arrangements.

### 1. Facilitating Equitable Regional Integration through Competition Policy and Regulatory Reforms, Clayton Hazvinci Vhumburu, Southern African Research & Documentation Centre, Zimbabwe

Some of the salient points in his presentation included the following:

- Different levels of development and capacities among member states to RIAs means that small economies and small firms are usually vulnerable to market dominance by larger firms from larger economies, therefore, competition law and a sound regulatory environment can play important role in preventing market distortions and ensuring consumer welfare.
- Where RIAs give rise to market dominance or market distortion, it results in perpetuation of inequality among and within the integrating countries. Introducing competition law and effective regulatory enforcement, therefore, is important is curbing “inequality among and within countries” as stated in SDG number 10.
- Key implementation challenges for competition regimes in regional integration arrangements include: absence of competition regime in some RIAs; limited funding and technical capacity; overlapping jurisdiction between regional and national laws; weak institutional mechanism; and political interference with competition law implementation and the national level.

### 2. Implications of Trade policy on domestic competition and consumer welfare in The Philippine’s rice market, Roelhano Briones, Philippine Institute of Development Studies

- He highlighted the market distorting effect of government’s import monopoly and quantitative restriction in the rice market in Philippine.
- He also highlighted the complex political economy surrounding government’s monopoly of rice imports. Hence any advocacy for reforms would have to contend with opposition from various interest groups such as organized farmer groups, the Employees Association of the government agency responsible for rice importation (National Food Authority, NFA), service providers to the NFA (such as financial institutions that lend to the NFA, trucking, logistics and warehouse providers, etc.
- There is also a “network of corruption” within the NFA that derives rent from exploiting the difference between NFA retail price and market price, and between domestic price and world market price.
- He recommended a properly set tariff level under a liberalized import regime, with mechanisms to help rice farmers absorb the dislocation.

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### 3. Broadening the Discourse of Regional Trade Agreements and Competition Rules, Derek Ireland, Arthur Kroeger College Fellow, Carleton University, Canada

He advanced two arguments in his presentation:

- One, incorporating competition rules and related regulatory reforms into RTAs can strengthen economic growth, market integration and competition policies, laws and regimes in member countries. Two, a variety of regional competition models are available to developing economies.
- He stated the benefits of incorporating competition rules in RTAs as follows: the need to address barriers within member states borders, as well as cross- border anticompetitive business practices that cannot be remedied by trade policy instruments.
- Other benefits include: addressing the potential negative interactions between trade liberalization and competition e.g. “importing” cartels and other anticompetitive conduct; as well as addressing anti-competitive effects of trade remedy laws through using competition rules and/or advocacy

#### Discussants

##### **Robert Anderson, WTO Secretariat:**

- He emphasized the importance of competition discipline for economic growth. Trade reforms and government procurement reforms would not succeed except countries have competition rules which are reinforced at the international and regional levels. Competition rules in public procurement helps to addresses the issue of corruption.
- According to him, efficiency of competition regime depends on institutional and human capacity development. There is need to train a broad spectrum of shareholders.
- One of the usefulness of regional or multilateral rules on competition policy is galvanizing political and bureaucratic support for competition policy at the national level. Though the work done at the multilateral level cannot substitute for regional or national levels, but only complimentary.
- He challenged the participants to keep in mind the possibility of resuming work on the multilateral rules on competition policy, especially in the present state of the multilateral trading system where people are already angling got the injection of new issues as a way ‘of galvanizing the system.

##### **Sarah Nyman, World Bank Group:**

- She harped on the need to address the issues of jurisdictional overlap in regional competition regimes.
- On Clayton’s reference to the possibility of bigger firms or economies dominating smaller ones and the need for equity consideration design and enforcement of competition policy in regional integration agreements, Ms Nyman opined that consumer policy often works better when it follows a consumer angle – seeking to deliver value to consumers and protecting the competitive process rather than the competitors.
- Using cement as an example, she highlighted the difficulty for small firms to operate or compete in capital intensive, scale industries with vertical integration. This makes it difficult for small firms to operate in the market. However, small firms can operate at other segments of the value chain such as transportation, etc. That is why it is important to adopt a value chain approach in looking at competition in particular sectors/industries.
- She also highlighted the importance of competition in promoting flow of capital and skill among member states in a regional integration arrangement.

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- Commenting on Roelhana’s paper, she highlighted the need to understand what would be the overall impact of a protected agricultural sector on the farmers from a consumption perspective, considering that small holder farmers are often harmed by policies put in place to help them because they are often net consumers of the products they produce.

**Bipul Chatterjee, Executive Director, CUTS International**

- He opined that it is obvious that for trade policy to work better, we must look carefully at the relationship between trade and competition policy. In practice, trade always takes place under imperfect conditions, hence the need for competition policy and other market regulations.
- He submitted that a regime that properly integrates trade and competition policy works better. Using the example of ASEAN countries, he pointed out that the success of integration in that region can be traced to the fact that all member states have domestic competition regimes. Conversely, in South Asia, many domestic anti-competitive practices have negative effect on cross-border trade, thereby affecting the success of regional integration.
- He also pointed out the importance of understanding the competition policy provisions of recent mega regional trade agreements such as the TPP and TTIP
- In reaction to the comments by discussant and participants the Chair stressed the need the need to bring state actions within the purview of competition regimes in RTAs.
- On his own part, Robert Anderson pointed out that advocates need to be aware that competition policy are present in chapters of FTAs dealing with SOE’s, designated monopolies, services, public procurement, etc hence the need to look at all these chapters holistically when analyzing these agreements from a competition policy perspective.
- Derek decried the dearth of secondary evidence on the benefits of competition regimes in RTAs.
- On addressing jurisdictional overlap, Clayton opined that the laws must be clear as to scope. COMESA is a good example. Secondly, there must be alignment between national and regional laws. And thirdly, there is need for cooperation between national and regional authority on the one hand and among national authorities on the other hand through MOUs, exchange of notes and information.

## Concluding Session

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**Dr. Ekwow Spio-Garbrah, Hon’ble Minister of Trade, Ghana**

- Competition policy advocates should in their advocacy show demonstrable benefits of competition to SMES and private sectors to avoid their message been resisted.
- The objective function for any business is to make profit where the “p” stands for the right policy, “r” for regulation, the “o” stands for business operating environment , “f” stands for finance or funding whilst “I” stands for infrastructure, innovation and information, and the “t” for technology.
- The presence of many banks in Ghana has not necessarily led brought about competition and it is important for us to explore what might be causing this.
- Interest rates in Ghana are between 30-100% yet the country has about 40 banks excluding rural banks and micro finance. The country has 123 rural banks and over 200 micro finance institutions.
- The business is likely support any policy reform which can be seen to have a positive impact on profit, which is the main motive for business.

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- Business is interested in availability of goods and services as well as the extent to which the general operating environment is good for business.
- Competition reforms also mean different things to different people, which is why some stakeholders might fail to support them.
- There should be more awareness about what competition is within the context of competition policy and how the benefits are expected to materialise.

**Pradeep S Mehta, CUTS International**

- The CREW Project looks at two sectors which affect people the most. The project took place in four countries in which Ghana was among.
- The project sought to show the competition reforms can bring about growth which increases the welfare of the poor and the vulnerable. There is a linkage between fair market and attaining the sustainable development goals.

**Frederic Jenny, Chair, OECD Competition Policy Committee, France**

- We should not over sell competition even though we are specialist in competition and we should manage our expectations as what competition policy and law can do. As practitioners we should know that CPL is not the end in itself.
- Competition cannot work in isolation. We should relate what we do other areas of policy.
- One way to see competition policy is to facilitate and overcome barriers in the market. We must make holistic goals to policies.
- Competition facilitates fluidity in the economy. We need consistency in competition policy and the wider goal of society.

**Tania Begazo Gomez, World Bank Group, USA**

- Honourable Minister, thank you for being with us. After speaking to ourselves in the competition fraternity, it is important to have the honourable minister here and now we can now speak to the policy makers and the implementers. In the end, government is the one to make the decisions.
- We also want to thank CUTS for given us the opportunity to contribute to this conference.
- From the discussion, everybody has agreed that competition is important.
- There are things that I want to add. We need a body of evidence to show competition can work for the poor. Second, we need to be smart in promoting competition in smart way in developing countries to avoid market the possibility of market failures.
- Finally given what needs to be done, it is important to focus on some areas where change needs to happen regardless of how small the change is.

**Eiko Kauffman, GIZ, Germany**

- Minister we thank you for being here. It is good to know that the project has attracted attention to the extent that we have a Ghanaian Minister of Trade and Industry coming over to Nairobi.
- I am not a competition policy expert. I have been working the past two years on industrial policy and competition policy. I am pleased to know that these two are not complete different things.
- I have a brief quote from Joe Tackie from Ghana that competition policy is great but not sufficient. The link between competition policy and SDG has clearly been spelt out.

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**Clement Onynago, CUTS International, Kenya**

He gave a short valedictory address and thanked all the participants, the donor representatives, the speakers, all Chairs, members of the press, the hotel staff and others for a successful conference.

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## Annexure 1

### Conference Agenda

#### Day One: 12<sup>th</sup> December 2015

#### 0900 to 1000hrs: Inaugural Session

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- Pradeep S Mehta, Secretary General, CUTS International, India (**Chair**)
- **Thomas Ratsakatika, DfID, UK**
- Frederic Jenny, Chair, OECD Competition Policy Committee, France
- **Mukhisa Kituyi, Secretary General, UNCTAD, Switzerland**

Vote of Thanks: Bipul Chatterjee, Executive Director, CUTS International, India

#### 1000 to 1030hrs: Tea/Coffee Break (& Group Photo)

#### 1030 to 1300hrs (Session I): Government Policy promoting Competition, Innovation & Jobs

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**Role of Government in promoting sustainable economic growth through competition reforms (exploring how competition can help promote healthy markets, create employment, promotes innovation and industrialisation)**

**Chair: Martha Martinez Licetti, World Bank Group, USA**

- Impact of Choice and Competition Reforms on Secondary Schools in Nigeria: **Afolayan Gbenga Emmanuel, Murdoch University, Australia**
- Making Competition Policy Work in Mexico: **Umut Aydin, Universidad Catolica de Chile**
- Competition Law and Sustainable Development in China: **Wendy Ng, University of Adelaide, Australia**
- Pursuing Pro-competitive Policies in States - Experience from India: **Rijit Sengupta, CUTS International, India**

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### Discussants (7 mins each)

- Eleanor Fox, New York University, USA
- Francis W Kariuki, Competition Authority of Kenya
- Owen Gabbittas, Productivity Commission, Australia

### Floor Discussions (45 mins)

## 1300 to 1430hrs: LUNCH BREAK

### 1430 to 1715hrs (Session II): Competition for Inclusive Economic Growth

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How can competition reforms in developing and least developed countries be designed to better contribute to inclusive economic growth, especially by creating greater scope for Micro, Small & Medium Enterprises (MSME) in the economy?

Chair: Mia Mikic, UN Economic & Social Commission for Asia and the Pacific (UNESCAP), Thailand

- The Theory of Competition and ‘the Development State’ in Africa: A Case Study of Kenya and South Africa: **Paul Kinyua, Stellenbosch University, South Africa**
- Promoting Competition and Innovation: **Vivek Ghosal, Georgia Institute of Technology, USA**
- Implications of Pro-competitive Reforms in the Zambian Maize Sector on Small Scale Farmers: **Cornelius Dube, CUTS International**

## 1530 to 1545hrs: TEA/COFFEE BREAK

### 1545 to 1715hrs (Session II contd.)

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Chair: Mia Mikic, UN Economic & Social Commission for Asia and the Pacific (UNESCAP), Thailand

### Discussants (7 mins each)

- David Ong’olo, Embassy of The Netherlands, Kenya
- Joe Tackie, Private Sector Development Strategy, Ghana
- Adanma Abalunam, Adam Smith International, UK
- Chilufya Sampa, Competition & Consumer Protection Commission, Zambia

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Floor Discussions (45 mins)

## 1800hrs onwards

Delegates Dinner at Carnivore Restaurant (<https://www.tamarind.co.ke/carnivore/>)

[Buses will depart from Eka Hotel at 1800hrs and expected to return at 2200hrs, Dress Code: Smart Casual]

## Day Two: 13<sup>th</sup> December 2015

### 0900 to 1130hrs (Session III): Competition Reforms as a Tool for Public Welfare

**Keynote Speech:** Hon'ble Ekwow Spio-Garbrah, Minister of Trade & Industry, Government of Ghana

Competition reforms as a component of sectoral/economic reforms to enable DC consumers and producers derive benefits from key sectors

**Chair:** Dupe C Atoki, Consumer Protection Council, Nigeria

- Regulations and Private Sector Development in the Grain Market Operations of India: **Surajit Deb, University of Delhi, India**
- Role of Government in Promoting Sustainable Economic Growth through Competition Reforms: **Frederick Ringo, Fair Competition Commission, Tanzania**
- Two-sided Market and their Impact on Economy: **Vardharajan Sridhar, International Institute of Information Technology Bangalore, India**
- Pro-competitive Reforms in Ghana's Transport Sector and Implications on Operators and Users: **Paulina Agyekum, Ablin Consult, Ghana**

**Discussants (7 mins each)**

- John Davies, OECD, France
- Anthony Abad, TradeAdvisors, The Philippines
- George Lipimile, COMESA Competition Commission, Malawi

Floor Discussions (45 mins)

**1130 to 1145hrs: Tea/Coffee Break**

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## 1145 to 1315hrs (Roundtable Discussion): Shaping Competition Policy for Achieving SDGs

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Shaping the agenda for promoting Competition and Regulatory Reforms in the post-2015 Regime (Sustainable Development Goals)

Chair: Frederic Jenny, OECD Competition Policy Committee, France

Presentation: Pradeep S Mehta, CUTS International, India

### Panellists (7mins each):

- Kwame Owino, Institute of Economic Affairs, Kenya
- Ratnakar Adhikari, Enhanced Integrated Framework (EIF) Secretariat, Switzerland
- Lynn Robertson, OECD Secretariat, France
- Babajide Sodipo, African Union Commission, Ethiopia
- Thulasoni Kaira, Competition Authority, Botswana
- Kofi Amenyah, Ministry of Trade and Industry, Ghana

Q&A (20 mins)

### 1315 to 1445hrs: LUNCH

1315 to 1335hrs: Brief presentation at Lunch on **Framework for Competition Reforms**, (produced under the **CREW project**) by **CUTS International**

## 1445 to 1715hrs (Session IV): Trade, Regional integration & Competition Reforms

Infusing competition and promoting regulatory reforms to make trade agreements and regional integration impactful in developing countries

Chair: Eleanor Fox, New York University, USA

- Facilitating equitable regional integration through competition policy and regulatory reforms: **Clayton Hazvinei Vhumbunu, Southern African Research & Documentation Centre, Zimbabwe**
- Broadening the discourse on Regional Trade Agreements and Competition Rules, Compliance and Performance in Developing Countries: **Derek Ireland, Carleton University, Canada**

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- Implications of trade policy on domestic competition and consumer welfare in The Philippine's rice market, **Roehlano M Briones, Philippine Institute for Development Studies, The Philippines**

## 1545 to 1600hrs: Tea/Coffee Break

### 1600 to 1715hrs (Session IV contd.)

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#### Discussants (7 mins each)

- Robert Anderson, World Trade Organisation, Switzerland
- Sara Nyman, World Bank, USA
- Bipul Chatterjee, CUTS International, India

#### Floor Discussions (45 mins)

### 1715 to 1800hrs: Concluding Session

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#### Rapporteurs' Report

- Anthony Abad, TradeAdvisors, The Philippines
- Chenai Mukumba, CUTS International, India

#### Closing Remarks

- Pradeep S Mehta, CUTS International, India
- Frederic Jenny, Chair, OECD Competition Policy Committee, France
- Tania Begazo Gomez, World Bank Group, USA
- Eiko Kauffman, GIZ, Germany

----- *End of Conference* -----

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