STATEMENT BY HONOURABLE ABDOU KOLLEY (MINISTER) OVERSEEING MINISTRY OF TRADE, INDUSTRY AND EMPLOYMENT ON THE MID-TERM REVIEW MEETING OF THE 7UP4 PROJECT ON STRENGTHENING CONSTITUENCIES FOR EFFECTIVE COMPETITION REGIMES IN SELECT WEST AFRICAN COUNTRIES

John Njie Acting Director of Pro-Poor Advocacy Group, The Gambia Chairman & Members of the Board of Pro-PAG Sec. Gen, Centre for Competition, Investment and Economic Regulation (CUTS) Chairman, Gambia Competition Commission & Other board members Frederic Jenny, Judge, French Supreme Court, France Distinguished Guests Ladies and Gentlemen

It is indeed a great pleasure and honour to be invited to deliver a statement at the opening ceremony of the mid-term review of the 7Up4 project that is being organized by the Centre for Competition, Investment and Economic Regulation, CUTS, in collaboration with Pro-PAG in The Gambia and The Gambia Competition Commission.

It would be recalled that in September 2008, CUTS held the First National Reference Group meeting to launch a two year Project for the purpose of "Strengthening the Constituencies for effective Competition regimes in select West African Countries". We are indeed delighted and happy to once again be in partnership with CUTS and all other collaborating partners whose work hinges on three important thematic areas such as research, capacity building and advocacy.

It may therefore be asserted that for any competition regime to be successful, particularly, in the developing countries these fundamental areas of concern must be addressed.

Allow me at this juncture to sincerely thank CUTS and all the development partners that made the project possible. I have no doubt that given the wealth of experience accumulated by CUTS over the years in prompting fair markets and enhancing consumer welfare, this project will achieve its desired goals in The Gambia and other participating member countries.

Indeed most of our economies are already liberalized following the Structural Adjustment Programmes of the 1980s and more recently from the outcomes of the WTO negotiations. The liberalization and competition that followed have been reflected in higher GDP growth, expansion of employment opportunities, and a dramatic rice in the availability and choice of goods and services for the consumer. In spite of these gains, market economies have a number of weaknesses and flaws, which have to be recognized and addressed. Market failures do occur, and unscrupulous players do undermine the benefits through anti-competitive practices. Such practices include formation of cartels and abuse of dominance through predatory pricing or erection of entry barriers. The prevalence or potential weaknesses have led most of our countries to enact competition laws and establish competition authorities to watch the market practices.

Mr. Chairman,

Distinguished Ladies and Gentlemen

The Gambia enacted its Competition policy and law in 2007 with the support of the Commonwealth Secretariat. The 2007 Competition Act of the Gambia prohibits all collusive agreements or practices, which have the effect of preventing, restricting or distorting

competition. All mergers and monopoly situations that result to, or are likely to result to a substantial lessening of competition are also subject to investigation under the Act. In November 2008, The Gambia Government established the Gambia Competition Commission with the appointment of the Executive Secretary and Commission Members.

The Gambian economy thrives on free market policies. The Government adopted a private sector-led growth development strategy as spelt out in our vision 2020 and the Poverty Resolution Strategy paper (PRSP II). It is therefore, imperative to ensure that businesses operate on a level playing field. Our role as government is to create employment, reduce poverty and provide the enabling environment for the private sector to operate. Competition Policy and Law is no doubt a key aspect of this right macroeconomic environment that the government endeavors to sustain.

Competition law and its effective enforcement play an important role in the wider advancement of our economies. By cracking down on exploitative or abusive market behavior, it can bring efficiency in the way markets operate, empower consumers as well as enhance their welfare. Firms or businesses will also benefit from the enforcement of the competition law as it improves the prospects of firms that were targeted by anticompetitive activities and those that carried out such practices as new pressures drive them to perform better and are bale to enter new markets.

Mr. Chairman,

Competition Policy is a relatively new area for most countries in the sub region, The Gambia being no exception. To achieve the objective of ensuring a fair trading environment, Competition Authorities, particularly the newly established Gambia Competition Commission face a number of challenges that should be given priority attention, if we are to succeed. Among the key issues are the needs to promote the competition culture and awareness in the country, enforcing the laws with limited resources, and dealing with cross-border enforcement problems.

Promoting competition culture and awareness in a country requires long and sustained programmes of advocacy and awareness campaign. It is also necessary to build a broad body to stake holders having adequate knowledge of competition issues and having a stake in promoting compliance. Some of these are quite daunting and will require the understanding and support of all the stakeholders including the business community and the NGOs. I therefore call on the business community and NGOs in the sector to undertake their own programmes of advocacy and awareness, which will help in better compliance and develop greater synergies with the Commission.

Lack of resources is another obstacle to successful implementation of competition law. The required resources are not just financial, but include institutional capacity, particularly skilled human resources, and wider societal capacity to engage with the reform process. In this regard, I also call on stakeholders, particularly consumer groups, and other non-governmental organizations (NGOs) to promote the issues of competition in our countries.

One of the greatest challenges facing enforcement agencies in developing countries is cross-border anticompetitive activity. International cartels stretch across national borders and are seemingly invulnerable to the laws of a single country. Thus, there is a strong need for cooperation among competition authorities as well as the need for effective networking among officials of these authorities. This is particularly important for young competition authorities like the Gambia's.

Mr. Chairman, Distinguished Ladies and Gentlemen

I therefore urge you to take the opportunity offered by this conference to build and strengthen your networks for effective sharing of best practices. I also look forward to constructive dialogue on your deliberations.

On that note, I now have the singular honour to declare this conference open and thank you for your kind attention