

# Implementing the PECC/APEC Competition Principles: How the OECD can help

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# Introduction

- PECC/APEC principles launched 3 years ago
- Four options for coordinating implementation efforts and promoting expeditious progress presented in May 2002
- Suggested to develop “more prudent” proposals

# Problem

- How to find a virtually costless way to establish a full time group to:
  - coordinate TA/CB activities
  - be repository for learning-by-doing
  - build network of experts

# Problem

- No existing institutional coordination mechanism
- Reliance still being placed on volunteer time
- Can only be part of the solution:
  - difficult to preserve learning-by-doing
  - reinvention of wheel problem
  - foregone synergies

# Potential Solution

- Partnership with Outreach Unit of Competition Division of OECD
  - Pioneer in competition TA/CB field s since collapse of Soviet Block in early 1990s
  - Current projects: Russia, China, Brazil, SADC, SEE, Baltics, LA and Asia
  - Reg. Reform Activities w/i OECD

# OECD Competition Outreach

- Extensive outreach experience in developing/transitioning world
- Positioned to draw on work of OECD's Competition Committee
- Global Forum on Competition
- Expansion of existing OECD/APEC partnership

# Proposal

- OECD's Competition Outreach Unit:
  - focal point for exchange/dissemination of TA/CB activities and related info
  - repository of info
  - build networks of experts
  - Doha paragraphs 24 & 25

# Benefits to APEC/PECC

- Catalyst for implementation of Competition Principles
- Realization of Synergies
- Preservation of base of know-how
- One-stop Shop
- Complementarity between APEC and WTO Agendas



# Cost

- General coordination/repository role performed at no cost
- Compensation for any role in specific TA/CB projects or events

# Areas where OECD could assist

- Helping to build a competition culture within APEC economies
- Helping to build public and political confidence in market reform initiatives
- Assisting those economies to conduct a competition policy “needs” assessment
- Helping key decision-makers to understand linkages:

# Competition Policy Linkages

- Poverty alleviation
- Education
- Health
- Market access
- Innovation
- Intellectual property
- SMEs/entrepreneurial class
- Attracting private risk capital
- Privatization
- Deregulation
- Agriculture

# Areas of Potential Assistance

- Promoting commitment to adopting a competition dimension to all economic and regulatory policymaking
- Helping to bring this dimension to specific proposed initiatives
- Helping to operationalize PECC's Competition Principles

# Areas of Potential Assistance

- Advising on how the Competition Principles could be incorporated into IAPs
- Assessment of IAPs from a competition perspective
- Advising on timing/sequencing issues
- Helping to build local/regional training centres

# Areas of Potential Assistance

- Training political/business elites, heads of agencies, senior mandarins, legislative drafters, junior agency staff, etc.
- Recruitment
- Advice re: optimal institutional design
- Assistance in establishing linkages with other institutions

# Areas of Potential Assistance

- Assistance in drafting economic laws and regulations
- Promoting a commitment to adequate funding of competition agency
- Helping to promote transparency, non-discrimination, accountability, due process and predictability/certainty

# Areas of Potential Assistance

- Helping to train staff re: investigatory techniques and analytical concepts
- Assisting to establish case screening criteria and alternative case resolution techniques
- Helping to develop communications tools
- Judicial training



# Conclusion

- Hope that proposed partnership will be received as a constructive proposal for moving forward with implementation of PECC/APEC Competition Principles
- Progress on implementing those principles has been slow
- 1999 Leaders' Declaration highlighted challenge of maintaining momentum and delivering on commitment

# Conclusion

- Partnership would simply be an extension of existing OECD/APEC partnership
- Partnership would be entirely consistent with Principle 7 of APEC Competition Principles
- Partnership would assist APEC economies to better understand, evaluate and prepare to negotiate subject matter of paragraph 25 of Doha Declaration
- Partnership consistent with Monterrey Consensus and UN Millenium Declaration