

“Promoting a Healthy Competition Culture – How to Move Ahead in Africa”

The above issue was discussed in one of the sessions during a regional conference of CUTS project entitled “Capacity Building on Competition Policy in Select Countries of Eastern and Southern Africa”, popularly referred as the 7Up3 project, held on 27-28 March 2006, in Addis Ababa, Ethiopia. Participants from over 10 Sub-Saharan African countries participated in this conference.

The following are some of the outcomes of the discussions, which include submission by a panel comprising of various stakeholder representatives drawn from these countries.

This note presents the perspectives of certain stakeholder groups on the subject, and has been developed to sensitise the international community and key opinion leaders of various ways and means by which a healthy competition culture could be promoted in Africa. It should be borne in mind at the outset, that this note is the ‘starting point’ for the discussions on the issue and therefore is expected to get added on and amended. Critical Issues identified in this note have been raised by representatives of various African organisations/institutions, and by others with long experience of working in the continent.

This note would be circulated among relevant quarters in various corners of the continent, before being finalised. At this point what is being presented is a first draft developed on the basis of the discussions held among participants representing various stakeholder groups during the CUTS 7Up3 conference in Ethiopia (March 2006).

I. Academician

- A pre-requisition for developing a healthy competition regime is for countries to develop infrastructure, institutional and human capacities.
- Attempts should also be made to ensure ‘access to information’.
- ‘Independent Regulation’ needs to be promoted, where the regulators could function independent of their respective line Ministries.
- Evolution and development of ‘enabling legislation’.

II. Competition Authorities

- Developing a Competition Law that has stakeholders’ support.
- Competition Authorities need to have a comprehensive ‘Public Relations/Communications Strategy’
- Competition Authorities require dynamic CEOs.
- Embracing ‘Bottom-Up’ approach (to take care of the poor/under-privileged sections of the society) while undertaking policy sequencing. This is particularly important for Africa.
- Government has to take a big share of the responsibility to achieve the target for promoting a competition culture, and ensure participation of other stakeholder groups in the process.

- Ensure protection of the large ‘Informal Sector’ that exists in most of the African countries.

III. Development Partner

- Competition Policy and Law should not be viewed in isolation, and has to be considered as a part of the overall economic construct (enabling environment).
- ‘Political Will’ is necessary to support the process for developing and implementing competition regimes.
- A process of dialogue has to be established between the 3 important stakeholder groups:
Civil Society – Business - Government
- Urgent need for raising awareness of all concerned about benefits (to consumers and the economy) from a functional competition regime.
- Demonstrate the need for an appropriate regulatory framework as a measure to ensure meeting objectives of competition and consumer protection.
- There is an urgent need for ‘Capacity Building’ on competition policy and consumer protection issues in Africa. This needs to be addressed by the governments.
- Competitiveness, Competition Policy and Consumer Protection are closely inter-related and one cannot be independent of the other.

IV. Civil Society

- Consumer Organisations in Africa lack capacity, and there is a need for enhancing their abilities to work on competition policy and consumer protection issues.
- Need for development partners to support civil society/consumer organisations’ activities on competition policy and consumer protection issues.
- Competition Authorities should ensure participation of civil society/consumer organisations in undertaking competition outreach and advocacy activities.
- Networking is extremely crucial. Efforts made by networks like INCSOC (International Network of Civil Society Organisations on Competition) need to be further consolidated.
- Articulate the ‘views and aspirations’ of layman consumers into the national policy-making process.
- Enhance ‘Access to Information’.
- Establish ‘Right to Complain’.

Other emergent issues

- Need to develop a “Competition Fund” under a Competition Law (as has been done in India) to support consumer awareness building activities on competition issues.
- Develop a strong body of information (database).
- Develop the capacity of the media – especially to undertake ‘investigative reporting’. Media should play a proactive role in the process of competition administration.
- Have a process of rewarding journalists for reporting anti-competitive conduct (have a contest for journalists on reporting competition cases, and reward the best ones)
- Develop sectoral ‘Action Plans’ to foster competition in specific sectors and make politicians accountable for implementation of these action plans.

- Government needs to have proper sequencing of its privatisation/liberalisation processes/strategies:
Develop Regulatory Framework —————▶ *Undertake Privatisation/Liberalisation*
- Networking with key policymakers – for sensitising and awareness building.

The Brainstorming Begins...