

Capability Statement

CUTS Centre for Competition, Investment & Economic Regulation (CUTS CCIER)

A. CUTS International

Introduction

Established in 1984, Consumer Unity & Trust Society (**CUTS International**) is a non-profit, non-governmental organisation working on public interest issues with the **Vision** of *Consumer sovereignty in the framework of social justice and equality, within and across borders*

- Consumer Protection
- International Trade & Development
- Competition, Investment & Economic Regulation
- Human Development
- Consumer Safety

Resources

- Five dedicated programme centres and seven resource centres in India. Three in Jaipur, one each in Calcutta, Chittorgarh and Delhi. Overseas centres in Lusaka (Zambia); Nairobi (Kenya); London (UK); Geneva (Switzerland) and Hanoi (Vietnam)
- About 140 staff with great diversity, experience and dedication
- A well-developed and reader-friendly web site: www.cuts-international.org, and others for respective programme/resource centres
- In-house editorial, desk top publishing and an extensive library with material collated from across the globe
- International experts (comprising Advisory Committees, Fellows, etc) guide each programme centre and its work agenda

Attributes & Values

- Adopting a *centrist approach* through research and advocacy
- Ensuring outcomes, rather than just outputs
- Focus on areas (subject areas and geographical areas) where a vacuum and need exists
- Carved a niche for itself in research, advocacy and networking on several issues of public interest (modeled on an evidence-based advocacy and capacity building approach)
- Provided capacity building support to various groups of stakeholders across Africa and Asia.

Outreach

- Publishing a wide spectrum of material for information dissemination for semi-literates to professionals in a reader-friendly format ranging from a wall newspaper to research reports
- Each programme centre has a flagship product: a periodic newsletter covering relevant issues
- Have created sustainable networks from villages in India to the state, national, regional and international levels
- Extremely adept at organising campaigns, meetings, workshops and seminars from the village level comprising 5-6 participants to the international level with over 500 participants

B. CUTS Centre for Competition, Investment & Economic Regulation

Introduction

CUTS Centre for Competition, Investment & Economic Regulation (CUTS CCIER) was established in 2003, as a programmatic centre of CUTS International, to focus on the areas of competition policy and law, investment, economic regulation and consumer protection. The Centre adopted a **mission statement** of: *Promoting Fair Markets to Enhance Consumer Welfare and Economic Development*, and has been pursuing the same through its extensive work in Africa and Asia.

Advisers

The Centre carries its activities forward under the guidance of an international advisory board, comprising of renowned experts and practitioners on competition issues, regulatory policy and investment from the North and South. The board is chaired by Frederic Jenny, Judge of French Supreme Court and includes experts like: George Lipimile former Executive Director of Zambian Competition Commission; David Lewis, Chairperson, Competition Tribunal of South Africa; Philippe Brusick, former head of Competition and Consumers Policy Branch of UNCTAD; Allan Fels, Former Chairperson of the Australian Competition and Consumers Council, etc.

Functional Areas

Competition Policy & Law

- Closely involved with developing the new competition regime in India, i.e., Indian Competition Act, 2002 as amended in 2007 and National Competition Policy of India.
- Assisted several developing world competition authorities (Ethiopia, India, Kenya, Vietnam and Zambia) in enhancing their capacities on competition administration.
- Developed a unique bottom up approach '7-Up Model' (<http://www.cuts-ccier.org/7Up-model.htm>) to work on competition issues in the developing world (recognised by OECD DAC)
- Established a Competition, Regulation and Development Research Forum (CDRF) for researcher from developing countries to showcase research on competition and regulatory policy.

Economic Regulation

- Undertaken research to understand regulatory processes and institutions in various developing and developed countries and draw 'good practices'.
- Modeled an approach to ensure consumer/citizens' participation in evolving and implementing regulatory reforms in utility sectors in Asia (Bangladesh, India and Nepal)
- Established a Parliamentarians Forum on Economic Policy Issues (PARFORE) in India..

Investment Climate

- Undertaken extensive research on FDI and development.
- UNCTAD identified CUTS as a strategic partner on Investment Issues.
- Conducted research and advocacy on the UN Code of Conduct for TNCs, the OECD Guidelines for MNEs and the OECD Policy Framework for Investment

Consumer Policy

- Drafted a Consumer Protection Regime for Royal Government of Bhutan on request
- Advised the Government of South Africa in drafting a consumer protection framework.
- Prepared 'State of Consumers' for Government of India in 1999; a sequel expected soon.
- Consumer Impact Assessment (CIA): for impact of sectoral policies on consumers.
- Supporting the Government of Vietnam in drafting a consumer protection law, and helping to strengthen the consumer movement of the country.

Major Activities

- Research (Evidence-Based Advocacy)
- Outreach and Dissemination
- Networking
- Capacity Building (Training)

A. Research (Evidence-Based Advocacy)

CUTS is a research, advocacy, networking and capacity building organisation. These elements of the organisation's functions are most of the times integrated while developing the methodology for implementing socio-economic policy projects. CUTS CCIER has been undertaking outcome-oriented research on policy issues that is 'need based' and almost always with an inbuilt-element of advocacy; consistent with the organisation's approach to producing and using research/evidence. There is a constant effort to link research outcomes with policy processes, thereby contributing to the approach of 'evidence-based policy advocacy', which many organisations like CUTS have embraced as a course to policy related activities.

National

- i. Need for a Competition Policy in India – this was established as an outcome of a project entitled 'Towards a Functional Competition Policy for India', which was implemented through research based advocacy approach in the country (<http://www.cuts-ccier.org/funcomp-overview.htm>);
- ii. Competition policy and its interrelationship with regulatory policy issue – through various initiatives, CUTS has been looking at the interface between competition and regulatory policy issues in specific sectors (a recent project referred to as the 'India Competition and Regulation Report' <http://www.cuts-ccier.org/icrr/icrr.htm>, has been developed to produce first-hand information and knowledge on this aspect;
- ii. Structural and Functional elements of regulatory institutions – through a review of regulatory institutions across developing countries (as was done under a couple of projects: <http://www.cuts-international.org/sectoral-regulation.htm> and <http://www.cuts-international.org/regFrame2.htm>;
- iii. Investment environment (policy and practice) in India – An assessment of the investment policy and investment promotion was done by CUTS, especially from the perspectives of FDI on the request of the OECD in 2008.
- iv. Consumer Protection policy – In year 2001, a report 'State of the Indian Consumer' was also published that examined the plight of Indian consumers in the light of the UN Guidelines on Consumer Protection.

International

As a part of the various projects that the Centre has undertaken in over 30 countries, mostly in Asia and Africa, it has covered (very broadly) the following research themes:

- i. Interface between competition policy and sectoral regulation;
- ii. Competition policy and consumer protection policy;
- iii. International cartels and its impacts
- iv. Competition policy and development
- v. Political Economic constraints in regulatory policy implementation in developing countries
- vi. Investment policy and development linkages
- vii. Responsible business conduct in developing countries

viii. Analysing weaknesses in Competition and Consumer legislations and recommending amendments/new legislations

B. Outreach and Dissemination

- i. Briefings – The centre prepares various types of documented outputs like briefings report, briefing papers, policy briefs, discussion papers, etc. These are either connected to a specific project or are non-project documents that are pro-actively developed by the Centre in response to a critical contemporary issue.
- ii. Newsletters – CUTS CCIER produces two newsletters: *Reguletter* (flagship international newsletter) and *PolicyWatch* (a newsletter that cover national policy issues of India), on a quarterly basis and is disseminated to over 2500 recipients by post.
- iii. E-discussion groups – CUTS CCIER manages a couple of e-discussion groups FunComp Forum (with a focus on covering national issues, with over 800 members) and Competition Online Fom or COLF (a unique and extremely active e-discussion group dedicated to international competition issues, with over 1500 members)
- iv. Mailing List - over 20,000 contacts in our database with who we correspond on a regular basis
- v. Media outreach - regular articles, press releases, newsclips, etc. are shared with the Indian and international press.
- vi. Parliamentary Outreach – The Centre facilitated formation of Parliamentarians’ Forum on Economic Policy Issues (PARFORE, http://www.cuts-international.org/parliamentary_forum.htm), which has membership cutting across various political parties. Periodical discussions over specific issues hosted under PARFORE have helped Indian parliamentarians to comprehend complex economic policy issues, thereby facilitating an informed debate inside the Parliament.
- vii. Representations – Various staff members of the organization are invited to participate and/or speak at national and international events on issues that are germane to the Centre.

C. Networking

One of the functions that CUTS has mastered is its networking skill, something that has indeed been imbibed and institutionalised by CUTS CCIER. The following points portend this element of the organisation’s abilities:

- i. Institutional partnerships – A database of over 20,000 contacts provides CUTS CCIER an institutional memory that is extremely useful in establishing partnerships/associations, etc. Further the organization and indeed the centre enters into institutional partnerships for implementing projects in the over 30 countries that the Centre is actively engaged. Some of these partners are long-term partners, while others are project-based.
- ii. INCSOC - International Network of Civil Society Organisation on Competition (INCSOC, www.incsoc.net) is a one-of-its-kind network of CSOs on competition issues. The network currently has over 120 members from over 55 countries.

D. Capacity Building (Training)

Eastern and Southern Africa

I. Training for staff of the Trade Practice Investigation Commission (Ethiopia)

Responding to a request from the Ministry of Trade and Industry, Ethiopia CUTS organised two rounds of hands on trainings on competition policy and law issues for the staff of the TPIC (competition agency of Ethiopia) and other government department/agencies. The first round of trainings focused on basic competition issues (2-day orientation training held in March 2006), while the second round (5-day competition training held in May 2008) focused on specific aspects of competition from the perspective of competition enforcement. Trainees were provided a theoretical background and then equipped with hands-on training of how to handle specific cases through case work and subsequent discussions. In total more than 40 people have been trained in all, and CUTS expects to be requested again by the Ministry soon for another follow up round.

Details of the presentations and case studies are available at: <http://www.circ.in/CPS06.htm>

II. National Training Workshops on Competition Policy and Law (Botswana, Ethiopia, Malawi, Mauritius, Mozambique, Namibia and Uganda)

Over the period between July to October, 2007 CUTS in association with its country partners in the above mentioned seven countries organised a series of 3-day long Training Workshops to familiarize key national stakeholders with competition policy issues. These training workshops were organised under the auspices of the 7Up3 project (Capacity Building on Competition Policy in Select Countries of Eastern and Southern Africa). An average number of 25-30 trainees participated in each of these training workshops representing various government departments/agencies, regulatory bodies, research institutions/university, media, consumer organizations/NGOs, lawyers business chambers, etc. The need for the workshops had been revealed over the period of implementation of the 7Up3 project.

Refer details of these workshops at: <http://www.cuts-ccier.org/NTW/index.htm>

III. Africa Regional Training Workshop on Competition Policy and Law Administration (South Africa)

CUTS organised a training workshop on competition policy and law administration at Pretoria, South Africa in February 2007 to share experience of international experts and practitioners on competition policy with competition practitioners from over 15 Sub-Saharan African countries. This event was organised in partnership with Institute for Global Dialogue (IGD), South Africa and was part of the 7Up3 project.

Papers and presentations are available at: <http://www.cuts-ccier.org/Pretoria/index.htm>

IV. Assistance to Competition Agencies in Kenya and Zambia

The Competition agencies of Kenya and Zambia have been long-time allies and supporters of CUTS work, not only in their respective countries, but also in the continent. They have thanked CUTS for its assistance particularly in complementing their role by fostering a competition culture in these countries through continuous public education, discourse and advocacy.

- Zambia Competition Commission (ZCC) has benefited from its association with ZCC, which began in 2000; and has commended CUTS for providing assistance to other countries on the subject of competition policy and law
- The Monopolies and Prices Commission (MPC) of Kenya acknowledged the significant contribution of CUTS in fostering competition culture in Kenya through its advocacy, training and networking activities.

The above and other testimonials are available at: <http://www.cuts-ccier.org/ccier-testimonials.htm>

South East Asia

CUTS has been actively engaged with developing the capacity of South East Asian countries (Cambodia, Lao PDR and Vietnam) on competition issues, mainly through the Southeast Asia component of a project entitled, 'Advocacy and Capacity on Competition Policy and Law issues in Asia' (referred to as the 7Up2 project); and an ongoing follow-up being implemented currently in Vietnam by CUTS. CUTS has also being identified as a strategic long-term partner by the Vietnam Competition Administration Department (competition agency of Vietnam) for providing capacity building support on competition issues to their staff.

Over the period 2005-6, the following training activities were undertaken by CUTS in the region.

- Cartel training workshop on Skills for Cartel Investigation in Vietnam;, May 2006
- Workshop On Competition Policy & Law (For Economics Journalists; April 2006
- National Seminar On Competition & Consumer Protection, Vietnam; March 2006
- Workshop On Competition Policy And Law For Cambodia, Cambodia; March 2006
- Training Workshop On Competition Policy And Law, Lao PDR; March 2006
- Training Workshop on Abuse Of Dominance For CLV Competition Authority staff, Vietnam; January 2006
- Training workshop on M&As investigative skills for CLV countries, Vietnam; August 2005
- Training on Competition Policy & Law For Consumer Representatives; August 2005

South Asia

In South Asia, CUTS has undertaken trainings on competition policy and law issues in Bangladesh and India under the 7Up2 project., and also as a standalone event. The following is a list of these training events:

- Workshop on Competition Policy & Consumer Rights (For Consumer Leaders) of Bangladesh, April 2006
- Training on Competition Policy & Law (For Journalists) in Bangladesh, April 2006

Details of the capacity building activities of CUTS in various parts of Asia undertaken as a part of the 7Up2 project is available at: <http://www.cuts-international.org/7up2-capacity.htm>

Further, CUTS is expected to provide training support to the Bangladesh government on competition policy and law issues with support from the International Financial Corporation (of the World Bank) over the period 2008-2010.



In India CUTS has organised academic lectures and training workshops to enhance the understanding of national stakeholders on competition issues since 2006. Some of the Training events organised thus far include:

- Seminar on Experiences of Competition Law from Around the World, March 2007
- Training Seminar (5-day) on Competition Policy and Law, March 2006
- Interactive Seminar on Competition Law, May 2006

For Academic Lectures and Training Workshops undertaken in India please visit:
<http://www.circ.in/event-archivesCS.htm>

E. Dedicated Capacity Building Centre established by CUTS CUTS Institute of Regulation & Competition (CIRC)

CUTS incepted CIRC (www.circ.in) in September 2005 at Jaipur, India. It is an initiative towards creating an intellectual and knowledge base on the core activity areas of competition policy & law and economic and infrastructure regulation. The slogan ‘enhancing knowledge, strengthening capacity’ explicitly defines the work area of the institute. The Centre’s activities are divided into two programme areas: Economic and Infrastructure Regulation, and Competition Policy & Law.

Lectures, case analysis, interaction with experts are used as tools to provide strategic understanding, developing core skills and encouraging in-depth knowledge of the issues involved. The unique feature of CIRC is that the quality of educational and training programmes is at par with the developed countries. This is achieved through association with renowned universities/institutions in the identified subjects. The course curriculum is designed jointly by CIRC and the respective university/institute.

CIRC is governed by 20-member Governing Council, chaired by Dr. C. Rangarajan, Member of Parliament and until recently Chairman, Economic Advisory Council to the Prime Minister of India. It also includes several eminent persons: economists, judges and former civil servants as its members.

CIRC works on a customer-focused approach and aims to:

- i. offer educational and training programmes on the referred subjects, while maintaining international standards;
- ii. facilitate research to enhance understanding and explore inter-disciplinary linkages among the identified subjects;
- iii. create and maintain a knowledge database; and
- iv. offer consultancy services to governments, regulators and business.

An archive of CIRC’s training events on competition policy and law is available at:
<http://www.circ.in/event-archivesCS.htm>