



The International Competition Network

The 2004 Antitrust Conference

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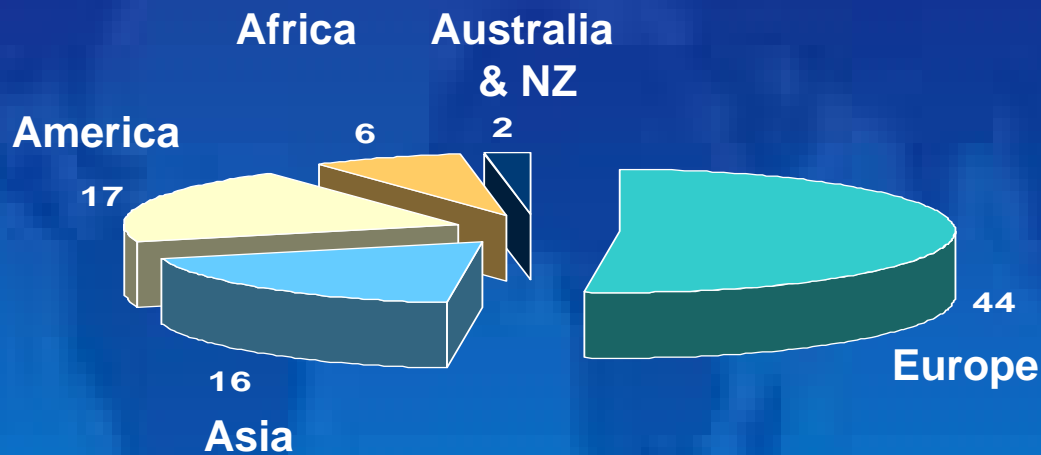
The International Competition Network is an advocacy forum of national or multinational competition authorities.

- It promotes international cooperation and convergence in competition policy.
- It has a results oriented agenda:
 - Project-oriented
 - Consensus-based
 - Virtual network
- It encourages and facilitates cooperation between its members and non-governmental advisors.



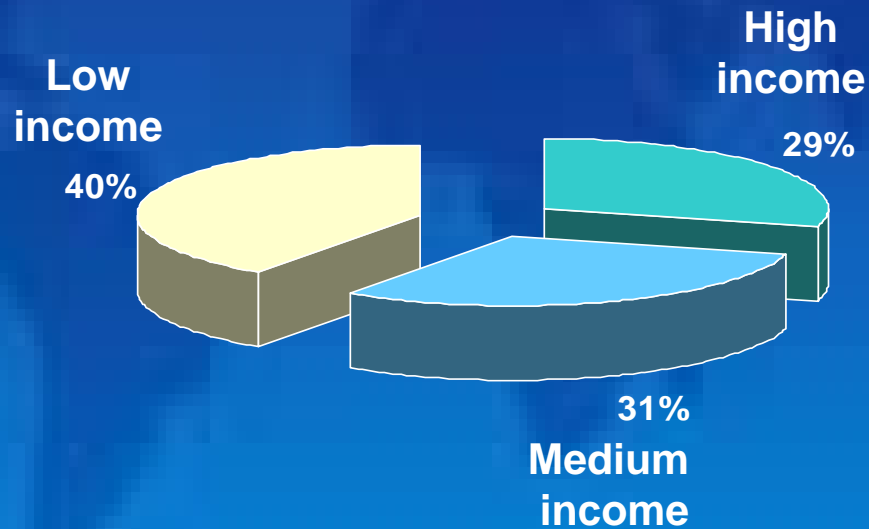
It has a membership of 85 competition authorities from 75 countries. It brings together competition authorities from all continents ...

Members by continent



... and from developed and developing countries

Members by Level of Income





First Annual Conference, Naples (September, 2002):

- Report on Competition Advocacy (45 jurisdictions).
- Endorsed eight Guiding Principles for Merger Notification and Review.
- Endorsed three Recommended Practices for Merger Notification Procedures.



Second Annual Conference, Merida (June, 2003):

- **Competition Advocacy:**
 - Studies on Special Sectors (telecom, air transportation, legal profession, energy)
 - Information Center
 - Model Provisions
 - Practical Techniques
- **Capacity Building:**
 - Report on Building Credible Competition Authorities in Developing and Transition Economies; it also addresses efficient technical assistance delivery.



- **Merger Notification and Procedures**

- Four additional Recommendations for Merger Notification Procedures.
- Reports and tools for more efficient merger review procedures: PriceWaterhouseCoopers report; Weblinks to merger laws; and Templates with answers to frequently asked questions.

- **Merger Investigative Techniques**

- Washington Workshop (November 2002)
- Reports on: 1) How to Develop Reliable Evidence; 2) The Role of the Economist & Economic Data; 3) Investigative Tools used by Agencies (35 jurisdictions).

- **Merger Analytical Framework:**

- Analysis of merger enforcement guidelines of 12 jurisdictions prepared by NGAs.



8 Guiding Principles

1. Sovereignty
2. Transparency
3. Non-discrimination on the basis of nationality
4. Procedural Fairness
5. Efficient, timely, and effective review
6. Coordination
7. Convergence
8. Protection of confidential information

7 Recommended Practices

1. Nexus to Reviewing Jurisdiction
2. Notification Thresholds
3. Timing of Notification
4. Review periods
5. Requirements for Initial Notification
6. Transparency
7. Review of Merger Control Provisions

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- Convergence of merger standards.
 - More effective merger review.
 - Lower burdens for competition agencies and businesses.



Studies, tools and activities on:

- Advocacy
- Capacity Building
- Competition Policy Implementation.



- More effective competition advocacy activities.
- Enhanced exchange of experience and expertise between traditional and young agencies.
- Building a global framework for co-operation in the long run.
- More successful technical assistance programs.

Heading for Seoul Annual Conference: Developments after Merida Expected work product



Merger Notification & Procedures

- **Further Recommended practices on :**
 1. Conduct of Merger Investigations
 2. Procedural Fairness
 3. Confidentiality
 4. Interagency Coordination
- **Members are making important progress in implementing the Guiding Principles and Recommended Practices.**
- **Completion of Merger Template by jurisdictions and Weblinks to merger laws.**

Report on Implementation by Notification & Procedures Subgroup



- 1. Nexus to Reviewing Jurisdiction.** 87 per cent of members with merger laws have a local nexus requirement for notification.
- 2. Notification Thresholds** 65 per cent of members with mandatory notification requirements have thresholds based only on turnover or assets.
- 3. Timing of Notification.** 56 per cent of members that prohibit closing pending review have no filing deadline.
- 4. Review periods.** 75 per cent of jurisdictions have a six months deadline.
- 5. Requirements for Initial Notification.** Most members have expedited review or reduced information burdens. Mexico and Ireland made modifications to conform.
- 6. Transparency** Most members publish the scope of their merger law, decision-making procedures, enforcement principles and criteria.
- 7. Review of Merger Control Provisions** 8 members revised their merger laws in 2003.



Key findings (related to 46 ICN jurisdictions with mandatory notification regimes):

- Nearly 90% are at least partially consistent with all 3 initial recommended practices.
- No jurisdiction is completely inconsistent with all three

Opportunities for positive change.

1. Nexus to Reviewing Jurisdiction.

Almost half of jurisdictions require local presence of the acquirer only.

2. Notification Thresholds.

One third of jurisdictions rely on non-objective notification criteria.

3. Timing of Notification.

50% suspensive jurisdictions and 60% of non – suspensive jurisdictions have filing deadlines.



Merger Investigative Techniques

- Brussels Workshop, October 19-20, 2004
- Two additional chapters to the Manual on:
 - How to develop an investigation plan
 - Private sector perspectives

Merger Analytical Framework

- Completion of Merger Guidelines project



Reports on Antitrust Enforcement in Regulated Sectors:

- Limits and constraints of antitrust authorities when intervening in regulated sectors
- Stocktaking exercise on the enforcement experience in regulated sectors
- A typology of the interrelations between antitrust and regulatory authorities



Capacity Building & Competition Policy Implementation:

Manual of practical tools to design effective assistance projects

- Report on Workshop on Strengthening Co-operation with Donor Bodies (Paris, February 11, 2004).
- Preparation of survey for a stocktaking exercise of technical assistance programs.
- Interactive presentation on effective communication (Seoul Competition Forum).
- Update on work on enhancing the standing of competition authorities with consumers.
- Update on improving the effectiveness of advocacy in regulated sectors in developing and transition economies.



Report on Workshop on Strengthening Co-operation with Donor Bodies (Paris, February 11, 2004)..

- 65 participants representing recipient agencies, experienced agencies and donors.
- The workshop identified typical recipients' needs of assistance during different phases of capacity building.
- It revealed key challenges in delivering technical assistance.
- The workshop developed suggestions to improve the effectiveness of future technical assistance programs, but it also recognized that there was not a single recipe to remedy all shortcomings.

Heading for Germany Annual Conference: Proposed Future Work



- **Recommended Practices for Merging Parties**
- **Working Group on Cartels:**
 - General Framework
 - Necessity and benefits of the fight against cartels.
 - Aimed at delivering Guiding Principles and/or Recommended Practices.
 - Enforcement
 - Focused on investigative techniques.
 - Will supersede the International Cartels Workshops.
 - Aimed at improving the enforcement techniques of all competition agencies



- **Capacity Building and Competition Policy Implementation**
 - Completion of Manual of practical tools to design effective assistance projects.
 - Criteria for measuring the impact of technical assistance programs.
 - Checklist of issues for technical assistance (core course)
 - Compilation of technical assistance granted in recent years
 - Results of survey on measuring the effectiveness of technical assistance.



- The ICN has become a unique forum for competition authorities around the world to exchange experiences and knowledge, and to promote international cooperation and convergence on competition policy.
- The participation of NGA's has enriched the quality of ICN work and products: a feature of the Seoul Conference is the inclusion of NGAs in breakout sessions.
- Since its creation in 2001, the ICN has delivered substantial and practical results to strengthen competition law enforcement and policy in the global marketplace.
- The ICN agenda will continue to focus on developing projects related to the most relevant matters of competition policy worldwide.

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