



Australian
Competition &
Consumer
Commission

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Consumer Commission**

**Future work of the ICN:
Introduction to the 6th International Cartels
Workshop**

**3rd International Competition Network Annual Conference
Seoul**

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Graeme Samuel, Chairman

Thank you for inviting me to be a panellist on this session. I recognise the experience of my fellow panel members and I am honoured to be part of this discussion.

I place enormous value on the work of the ICN and consider its future work program with respect to combating both domestic and international cartels to be very exciting. The Australian Competition and Consumer Commission is very pleased to be involved in the Cartels Working Group and we will be committing experienced staff to providing input and assisting in developing and pursuing the work program of the Subgroup that we are co-chairing.

Cartels are a cancer on the economy, a silent extortion and that is why, as far as the Australian Competition and Consumer Commission is concerned, protecting the Australian public from the harmful effects of domestic and international cartels is amongst our highest priorities.

Currently, the Commission has 14 alleged cartels before Australian courts and more than 30 suspected cartels are being investigated.

But neither Australia, nor any other country, can fight cartels alone.

While some of the cartels we are investigating are small scale local price-fixing arrangements and some operate nationwide, a few are operating globally.

As Dr Böge pointed out in his introduction, globalisation goes hand in hand with the internationalisation of cartels. And the more we continue to expose our economies to the world, the greater will be the need for us to work together to fight those who would abuse the opening up of our economies to extort our citizens.

Technological developments also continually require us to develop new investigative strategies and techniques to stay one step ahead of the cartels.

The only way we can successfully fight cartels is to continue to develop best practices and effective tools to investigate and successfully prosecute cartels, and in that regard cooperation and the sharing of information between competition agencies is essential.

From the Australian perspective we believe that in order to effectively fight cartels it is important to have a penalty regime that reflects the damage that cartels do domestically and internationally. It is also important to have a leniency or co-operation policy that encourage informants and breaks down the secrecy that surrounds cartels.

The ICN Working Group on Cartels promises a forum in which members can share this sort of information and develop the techniques needed to further elevate and coordinate our enforcement efforts. In the past, the international cartels workshop served this purpose. This year, I am pleased to advise that the Australian Competition and Consumer Commission will be hosting the 6th International Cartels Workshop in Sydney from 21-23 November in conjunction with the ICN. By incorporating this workshop under the auspices of the ICN, members can be assured of a continued commitment to the strengths and success of the workshop.

Because it is a closed workshop, participants are able to openly discuss, in detail, the investigative tools and techniques they have used in cartel investigations. Participants are able to discuss investigative lessons and insights to colleagues from other agencies and contribute to developing closer relationships between agencies. In the past, the

workshop has typically been attended by operational level investigators and we would anticipate this trend continuing.

The final program for this year's workshop will be developed in conjunction with our ICN colleagues. However, for the purpose of today's discussion, I would like to suggest that the following topics may be of interest to a broad range of agencies:

- How small and developing economies might address the detection, investigation and prosecution of domestic cartels.
- How small or developing countries might fit into the world of international cartels.
- Some focussed snap shots covering investigative techniques and lessons learned from recent cases against international and domestic cartels.
and
- Civil vs criminal: cross jurisdictional issues and ways of working with each other in the face of different legal systems.

Over the coming months, most likely via conference calls, the ACCC will be encouraging Working Group members to voice their opinions on the agenda for the workshop. I would also be most interested in hearing your initial thoughts today on the workshop and the way we can build on the strengths of the earlier workshops. I welcome your comments.

Thank you.