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## **Global Forum on Competition**

### **IMPROVING INTERNATIONAL CO-OPERATION IN CARTEL INVESTIGATIONS**

**Contribution from Ms. Thitapha Wattanapruttipaisan (ASEAN)**

-- Session II --

*This contribution is submitted by Ms. Thitapha Wattanapruttipaisan (ASEAN) under Session II of the Global Forum on Competition to be held on 16 and 17 February 2012.*

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## A NOTE ON INTERNATIONAL CO-OPERATION IN THE DEVELOPMENT OF COMPETITION POLICY IN ASEAN<sup>1</sup>

-- Ms. Thitapha Wattanapruttipaisan (ASEAN) --

### Introductory remarks

1. Competition policy is comparatively a new area in regional and international cooperation among the ten-member Association of Southeast Asian Nations (ASEAN). But cooperative initiatives and activities have progressed well so that a significant momentum has now been gained and sustained in the development of competition policy within ASEAN. This has combined with the implementation of region-wide commitments and initiatives in other sectoral policy areas to have helped underpin the scheduled formation of the ASEAN Economic Community (AEC) in 2015. ASEAN aims to be an open and highly competitive regional grouping with broad-based and people-centered development and transformation.

2. Progressive cooperation in competition policy owes much to the hard-work and goodwill of ASEAN Member States (AMSs) -- especially given the different levels of socio-economic advancement, needs, and resources availability in the region. Another equally important stimulus to such cooperation has been the generous support, both in funding and in-kind, from many of ASEAN's Dialogue Partners and donor organizations. Specifically, several integrated, multi-year programs on competition policy have been implemented regionally since mid-2008. These programs are driven directly by beneficiaries' needs and the detailed assessments of these needs.

3. Section A of the following note provides an overview of the impulses and imperatives in regional and international cooperation in the development of competition policy, and the specific approach toward such cooperation in the context of ASEAN. Section B contains details on the nature, patterns and outcomes in such cooperation, including the main sources of supportive technical and financial assistance for ASEAN. The medium-term agenda in regional and international cooperation in competition policy development is then briefly mapped out in the last section of this paper.

### 1. Overview

*Change is the only constant in this world.*  
*Heraclitus, Greek philosopher, c. 535-475 BC.*

4. Cooperation initiatives, programs and activities in competition policy are developed and implemented by the ASEAN Experts Group on Competition (AEGC). This inter-governmental body was established by the ASEAN Economic Ministers in August 2007. It comprises Heads of Offices or Agencies

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in charge of, or with responsibilities relating to, competition matters in AMSs.<sup>2</sup> The AEGC was inaugurated in March 2008 and has since met twice a year, excluding AEGC retreats or other special meetings.<sup>3</sup> The ASEAN Secretariat provides technical and administrative support to all the initiatives and work programs of the AEGC.<sup>4</sup>

### **1.1 Rationale**

5. Competition policy is a critical pillar of the market economic system.<sup>5</sup> It serves to foster a level playing field for businesses and industries, and to ensure open markets for entry and exit on the merits. There are significant short-term (static) gains in economic efficiency and consumer welfare, through the application of competition policy. Such gains will underpin, in an interactive and compounding manner, successively higher trajectories of dynamic growth in creativity and innovation, risk-taking entrepreneurship, productive employment, and living standards in the long term. Globalization then transmits and multiplies these positive achievements and outcomes to firms and consumers in markets, industries and communities across borders.

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<sup>2</sup> The Offices and Agencies in AMSs which constitute the AEGC are (a) Brunei Darussalam: Department of Economic Planning and Development, Prime Minister's Office; (b) Cambodia: Legal Affairs Department, Ministry of Commerce; (c) Indonesia: Commission for the Supervision of Business Competition (KPPU); (d) Lao PDR: Department of Domestic Trade, Ministry of Industry and Commerce; (e) Malaysia: Malaysian Competition Commission (MyCC); (f) Myanmar: Directorate of Investment and Company Administration, Ministry of National Planning and Economic Development; (g) Philippines: Office for Competition, Department of Justice; (h) Singapore: Competition Commission of Singapore (CCS); (i) Thailand: Department of Internal Trade, Ministry of Commerce; and (j) Viet Nam: Viet Nam Competition Authority (VCA).

<sup>3</sup> Earlier, the ASEAN Consultative Forum on Competition had served as an informal and non-official mechanism for competition-related discussions and exchanges of information and policy experiences within ASEAN, and between AMSs and non-ASEAN countries and international organizations. Formed in June 2004, this Forum originated from a multi-year technical assistance program on competition policy and law for ASEAN supported by the U.S. Federal Trade Commission and the U.S. Department of Justice.

<sup>4</sup> The rendered support ranges from developing collaborative linkages, especially with extra-regional competition regulatory bodies, to coordinating with external donors of financial and technical assistance. Such coordination extends from backstopping regional needs assessment to assisting in consensus building in the selection, prioritization, design and implementation of donors' programs and projects. The ASEAN Secretariat also monitors implementation of donors' programs and projects and takes part in the evaluation of their outcomes and impact.

<sup>5</sup> Competition policy includes laws, regulations, administrative procedures and (non-enforceable) guidelines and other soft-law measures as well as the related judicial institutions. It prohibits business conduct by persons, firms or groups of undertakings (whether private or statutory) which, by design or in effect, prevents, restricts or distorts competition in the relevant and/or related markets. Such a conduct may relate to (a) exploitative or exclusionary abuses of single or collective market dominance; (b) horizontal or vertical arrangements and concerted (formal or informal) practices as well as decisions of trade and industry associations, whether or not binding, so as to set prices and non-price elements, to share markets, and to limit production and entry involving competitors operating at the same, or at a different, stage of the value chain; and (c) proposed mergers and acquisitions and proposed agreements in dispute settlement, especially among competitors, to the detriment of open markets. In many countries, moreover, competition policy also covers consumer protection and, on strategic grounds, may provide for total or partial exclusions or exemptions (safe harbors) to specific business operators or transactions and/or to the whole markets or industries. These "natural monopolies" typically comprise public utilities or essential facilities such as multi-modal communications and transport services; the generation, transmission or distribution of water and energy; etc.

6. But a culture of healthy competition and business rivalries cannot be taken for granted. There is the typical presence of a variety of market and non-market failures and inadequacies both within and outside ASEAN. Besides, domestic and external factors and forces in development, globalization and integration are changing continually, often in a disruptive manner. Many of these factors and forces have a strong, and evolving, impact on competition policy and markets, directly by design or indirectly in their effect.

7. In particular, trade, investment and the movement of productive resources has been subject to widespread liberalization and deregulation at the global and regional levels. This contributed to, among other things, the rapid expansion and deepening of competition-related norms and obligations at the multilateral, plurilateral and bilateral levels.<sup>6</sup> Meanwhile, the self-reinforcing acceleration in knowledge generation and technological advances has induced a synergic evolution and innovation in industrial structures and organizations, and in business models and practices as well.<sup>7</sup>

8. But those positive development trends have also been accompanied by a significant increase in cross-cutting problems and sectoral collisions at the policy interface or intersection, e.g., the (more ambiguous) the boundary between a legal monopoly (such as an intellectual property right) and an economic monopoly (e.g., the refusal to deal, supply, license or transfer).<sup>8</sup> There have emerged, in addition, many cross-border issues relating to competition policy (e.g., mergers and acquisitions in relation to the diverse grounds for efficiency defenses as part of dominance and merger laws among different

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<sup>6</sup> A good illustration is the import tariffs on intra-ASEAN trade which was worth US\$ 519 billion in 2010. Through trade liberalization under the ASEAN Free Trade Area, the average tariff on such trade fell from 12.8 per cent in 1993 to less than 1 per cent as a whole in 2011. Globally, despite the absence of an international agreement on competition policy, competition-related obligations can be found multilaterally in the TRIPS Agreement, the GATS, the Agreements on Safeguards and on Anti-dumping, and the GATT itself. At the bilateral and plurilateral levels, competition disciplines are present in a large number of free trade agreements or free trade areas (FTAs) – especially those concluded between developed countries or developed-country groupings and their developing-country counterparts. Several AMSs are a contracting party to a large number of FTAs involving the developed countries and regions.

<sup>7</sup> Most notable in this context is the self-reinforcing technological progress in information processing, and in multi-modal communications and multi-modal transport and logistics. Such progress has made possible, and has induced further, (a) the flatter (horizontal) decentralization and greater (vertical) dispersion of sourcing, production and distribution of goods and services; (b) the multiplication of high-density regional and global supply chains and production networks whose component enterprises are interlinked on-line backward and forward across the value chain; and (c) the just-in-time management of supplies, shorter cycles of design and production, and quality assurance. The commoditization of manufactures (including the associated trade, investment and off-shoring of production and services) is an outstanding outcome of the innovative modalities in industrial organization and of innovative business models and operations.

<sup>8</sup> In theory, a legal monopoly may not equate to an economic monopoly. In practice, however, legal interpretations and rulings on this principle show considerable variations among different jurisdictions. They have often tested the limits of the interface between competition policy and intellectual property laws in many of these jurisdictions, the United States and the European Union included. Indeed, a broad consensus exists on the principles for pursuit by competition policy generally. But it is also well recognized that there is no universal regime on competition which would fit all economies across space and through time. Indeed, the diversity among jurisdictions is observable as regards, for instance, (a) the types of unilateral or collusive conduct for prohibition and regulation, (b) the market power thresholds for liability, (c) the relationships between conduct and dominance, and (c) the consequent need to minimize total harm from policy under-reach or over-deterrence. See Avishalom Tor, 2010, “Unilateral, Anticompetitive Acquisitions of Dominance or Monopoly Power”, *Antitrust Law Journal*, vol. 76, no.3, Fall/Autumn. This paper is available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1531745](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1531745).

jurisdictions).<sup>9</sup> Not infrequently, moreover, some of the strategies and practices responsively deployed by industries, businesses, and other vested or special interest groups may not be wholly pro-competition (e.g., those aimed at gaining or protecting market share, and at maintaining high profit margins through collusive, abusive and exclusionary conduct and measures).

## 1.2 Approach

9. All in all, the critical and positive contribution of competition policy to the outward-looking, market-driven and people-centered process of regional development and integration has been acknowledged at the highest political and other levels in the region. In adopting the AEC Blueprint in November 2007, ASEAN Leaders have committed to “*endeavour to introduce competition policy in all Member States by 2015.*”

10. To unlock cooperatively the rich and wide-ranging opportunities associated with competition policy development, ASEAN will also have to manage and resolve collectively the many related challenges and problems in development, globalization and integration noted earlier. A compounding factor in this context is the acute shortage of competition-related resources and experiences, and the uneven socialization and advocacy of competition policy among stakeholders. In varying degrees of seriousness, this has prevailed, virtually across ASEAN.

11. In addition, economy-wide competition policy and competition regulatory bodies are in place in most, but not all, AMSs. At present, there are national competition policy and competition regulatory bodies in Indonesia (since 1999), Singapore (since 2004), Thailand (since 1999) and Viet Nam (since 2005). Comprehensive legislation on nation-wide competition policy, approved by Malaysia’s Parliament in 2010, is expected to be in force in 2012. In the mean time, the Malaysian Competition Commission has been set up and its internal regulations and guidelines are being prepared. The Philippines established the Office for Competition under the Department of Justice in June 2011. Other AMSs are in the process of drafting their national competition laws and regulations or are planning to introduce national competition policy soon. They have in the meantime relied on sector-level policies and regulations to achieve competition policy objectives.

12. As such, AMSs have designed, introduced, and implemented collectively their own approach to move forward in regional cooperation and integration. Among other objectives, such an approach has served to build up a higher level of confidence among the regional economies in the integrity, capabilities in advocacy and implementation, and transparency of their institutions, processes and procedures in competition policy.

13. ASEAN will, therefore, move progressively towards the agreed goals and commitments in competition policy as a Community without compromising the varying levels of development in, and the specific conditions and circumstances of, its Member States. Over time, regional cooperation and the AEGC initiatives and work programs can be expected to evolve in parallel with the increasing maturity as well as with the wider and deeper development, acceptance and outreach at the intra- and extra-regional levels of competition policy in ASEAN.

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<sup>9</sup> Take market dominance, for example. American courts rarely find monopolization offenses by firms sharing less than 70 per cent of the properly defined market for five years preceding the complaint. Most recent cases dismiss claims as a matter of law involving firms with a market share of less than 50 percent. Comparatively in the European Union, 40 per cent is the lowest market share (maintained over a three-year period) for which a company could be judicially found to be dominant. Meanwhile, unilateral dominance by firms is judicially considered unlikely at market shares of up to 25 per cent, and actual dominance is judicially presumed for those with shares of 50 percent and higher. See Alison Jones and Brenda Sufirin, 2008, *EC Competition Law—Text, Cases and Materials*, third edition, Oxford, Oxford University Press; and Keith N. Hylton, 2010, “The Law and Economics of Monopolization Standards” in Keith N. Hylton and Paul J. Liacos, eds., *Antitrust Law and Economics*, Northampton, Massachusetts, Edward Elgar Publishing.

## 2. Direction and Focus in Cooperation

*The journey of a thousand miles begins with one step*  
*Lao Tzu, c. 6th century BC*

14. Subject to the capacity and readiness of individual AMSs, confidence building can be achieved in various ways. Among these are (a) the collaborative assessment and prioritization of various areas in regional needs; (b) the joint design and implementation of competition-related initiatives, programs and activities; (c) the collective determination of selected best approaches and practices which can be feasibly transposed or modified for regional adoption; and (d) the initiation and strengthening of multi-pronged linkages with each other as well as with extra-ASEAN stakeholders and other entities.

### 2.1 Development Cooperation

15. The above considerations and processes have combined to determine the nature, patterns and sequence of competition-related cooperation among AMSs as well as between ASEAN and its Dialogue Partners and donor organizations. In the latter context, the AEGC has benefited significantly from external assistance for its work. InWent (Capacity Building International, Germany) has been a key partner of ASEAN since mid-2008. InWent and GTZ (German Technical Cooperation), which merged together as GIZ (German International Cooperation) from 2010, have developed and are undertaking collaboratively with the AEGC several multi-year projects on competition policy.

16. Other important sources of technical and financial support to ASEAN include the Asian Development Bank Institute, ASEAN-Australia Development Cooperation Program-Regional Economic Policy Support Facility (AADCP-REPSF Phases I and II), ASEAN-Australia and New Zealand Free Trade Area—Economic Cooperation Work Program, the Directorate General—Competition (DG-Comp) of the European Commission, the Organization for Economic Cooperation and Development (OECD), the Fair Trade Commission of Japan, the Korea Fair Trade Commission, and the United States Department of Justice and Federal Trade Commission.

17. To lay the foundation and to gain a broad-based and comparative perspective for its work, the AEGC commissioned a comprehensive study on “Best Practices in the Introduction and Implementation of Competition Policy and Law in East Asia Summit Countries” (then comprising ASEAN plus Australia, China, India, Japan, New Zealand and Republic of Korea). Supported by AADCP-REPSF, this study was completed in June 2008. The 19-page executive summary of this piece of work is available at [www.asean.org/aadcp/repsf/docs/07-008-ExecutiveSummary.pdf](http://www.asean.org/aadcp/repsf/docs/07-008-ExecutiveSummary.pdf).

18. On the basis of this comprehensive study, among others, the focal areas for regional and international cooperation in during 2008-2010 were advocacy, outreach, and capacity and competencies building. In July 2008, the AEGC established three working groups with responsibilities for developing the *ASEAN Regional Guidelines on Competition Policy (Guidelines)*; the *Handbook on Competition Policy and Law in ASEAN for Business (Handbook)*; and the initiatives, programs and activities for capacity and competencies building. Indeed, the acute shortage of resources and expertise for the introduction and implementation of competition policy means that human and institutional development will be a regular feature in regional and international cooperation in the foreseeable future.

### 2.2 The Guidelines and the Handbook

19. Both documents were to be completed by the end of 2010, as per the commitments made by AMSs in the AEC Blueprint. With donor support, from InWent in particular, a series of six regional workshops were convened for the preparations and fine-tuning of the *Guidelines* and the *Handbook*. These

two documents, published on schedule, were launched by the ASEAN Economic Ministers in Da Nang, Viet Nam, on 24 August 2010.

20. The *Guidelines* embody a pioneering and customs-made effort by the AEGC to provide a detailed, non-binding guide for reference by AMSs in the framing, introduction, improvement and implementation of competition policy, including the organization and management of their own competition regulatory bodies. This policy document was prepared on the basis of regional experiences and international best approaches and practices. In the process, it took fully into account the specific legal and economic contexts and circumstances of AMSs, such as the varying stages of development of competition policy within the region.

21. The *Guidelines* span the whole spectrum of competition policy with illustrations and explanations on its objectives and scope, guiding principles and benefits, and enforcement framework. This includes, notably, discussions and examples on a range of approaches and practices to promote compliance and mobilize support, and on the rules and regulations for the prevention of anti-competitive business conduct. The *Guidelines* also cover matters relating to the roles and the structure of competition regulatory bodies, to technical assistance, to capacity and competencies building, and to international cooperation.

22. There has been, meanwhile, a great need for systematic and comprehensive information on competition policy in ASEAN for the local, regional and transnational business firms with an investment project or a commercial presence in one or more regional economies. The *Handbook* represents, therefore, another pioneering and customs-made effort by the AEGC to disseminate the basics of competition policy so as to ensure a better understanding of competition rules and practices as currently applicable in all ten AMSs. It was authoritatively documented and conveniently presented in a non-technical, user-friendly way so as to be easily understandable to the non-experts and non-specialists.

23. The country chapters in the *Handbook* provide an overview of the national framework on competition policy in AMSs. They contain illustrations and explanations on the principles, the scope and the key areas in enforcement (including the related legal provisions, processes and procedures), and the enforcement mechanisms and their tools in individual AMSs. There are also concrete examples in competition law enforcement so as to highlight the application of competition policy in practice. References and contact points in AMSs are also given in the *Handbook* so as to facilitate follow-up efforts by the readers who may wish to seek and obtain further information.

24. As such, the *Handbook* and, for that matter, the *Guidelines* have an important advocacy and outreach dimension – particularly in fostering the development of a competition culture in the business community as well as the introduction and enforcement of competition policy in individual AMSs and regionally. In these connections, three socialization workshops were held on the *Guidelines* in Brunei Darussalam, Cambodia and Philippines during October-November 2010. In the same period, six business forums on the *Handbook* were also convened in Indonesia, Malaysia, Philippines, Singapore, Thailand and Viet Nam.

25. Some 80-100 participants were at each of these nine events. They came mainly from the public and business sectors (including civil society organizations), the media, the academia, and the legal and other professions. To ensure wider outreach, the *Guidelines and Handbook* have been uploaded on-line respectively at <[www.asean.org/publications/ASEANRegionalGuidelinesonCompetitionPolicy.pdf](http://www.asean.org/publications/ASEANRegionalGuidelinesonCompetitionPolicy.pdf)> and <[www.asean.org/publications/HandbookonCompetition.exe](http://www.asean.org/publications/HandbookonCompetition.exe)>. In addition, hard and soft copies of both documents have also been widely distributed inside and outside ASEAN.

### **2.3 Capacity and competencies building**

26. Cooperative initiatives, programs and activities in the above area have been mainly operationalized by means of training workshops, with eminent regional and international professionals and practitioners serving as resources persons. In addition, there were two high-level policy dialogues, and a study visit to competition regulatory bodies in Europe (France, Germany and the United Kingdom). The visit was also instrumental in building up contacts and linkages which have subsequently proved very helpful in the implementation of training workshops and policy dialogues in ASEAN, currently and in the future

27. Between mid-2008 and end-2010, some 600 ASEAN professionals participated in 17 capacity building activities, with 14 being training workshops. These aimed to broaden and deepen participants' understanding of the approaches, methodologies and techniques (including international best practices and lessons learnt) as well as the associated challenges to be addressed and managed by competition policy and its regulatory bodies. The main target groups were high-level managers and senior technical staff of competition regulatory bodies and other competition-related sectoral agencies and authorities in AMSs, plus ASEC staff members.

28. Notably, the number of ASEAN professionals taking part in these training activities was quite sizable, relative to the pool of human resources available in the region. Their suggestions and other feedback, which were obtained on-site at the end of every training workshop, have proved very helpful for the identification of future needs and emphases in follow-up capacity and competencies building. Moreover, participants' suggestions and feedback as regards the design of programs and presentations from resources persons, and the associated distribution of training materials, have served to minimize capacity and/or information overloads as well as to ensure better and more effective absorption and dissemination.

29. Some focal areas in training activities were region-specific. They related to (a) the impact of competition policy on economic development generally and with special reference to ASEAN; (b) major aspects of competition policy in the context of AEC formation; (c) key elements in the regional guidelines on competition policy in ASEAN; (d) the needs for regional cooperation in competition-related enforcement, including information exchange in ASEAN; and (d) the interface among competition, industrial, and consumer protection policies and the related options in policy coordination to maximize policy synergies and minimize tensions, generally and in AMSs' context.

30. Other focal areas in training activities were more policy- or institution-specific. These included (a) the design and framing of appropriate competition rules and regulations in general, and in the context of small developing economies; (b) the costs and benefits of competition policy and competition regulatory bodies; (c) the setting up and reform of competition regulatory bodies; (d) investigation and enforcement (including leniency, sanctions and private action options); (e) analysis and investigation of anti-competitive business conduct (including case studies on monopolies, cartels and dominance, and on horizontal agreements such as price fixing, bid rigging, market division and customer allocation); and (f) the strategic use of outreach and advocacy to promote compliance and mobilize support from various groups of stakeholders.

31. In addition to the 14 training workshops, two policy dialogues were held with high-level representatives from competition regulatory bodies from the European Union, and a study visit by high-level ASEAN representatives was made to these bodies in France, Germany and the United Kingdom. The dialogues and the visit aimed to facilitate the development of region-to-region linkages and the exchange of policy experiences and insights. These related to best and replicable practices in the design and

application of competition policy and law, and in the establishment and operation competition regulatory bodies, those for small and developing economies especially.

32. Indeed, several institutional issues, implications and options associated with competition regulatory bodies received considerable emphasis in the policy dialogues and study visit. They covered (a) the functional or sectoral approaches feasible for adoption toward case work by regulatory bodies, and the systems and arrangements of check and balance to be in place; (b) the independent vs. autonomous status of such bodies which were recently established or yet to be formed; and (c) the recruitment, incubation and retention of skilled and experienced staff, and the needs for on-going enlargement of the internal skills base in these bodies.

### 3. The Medium-term agenda in cooperation

33. In moving forward, the AEGC is examining ways and means to lend support in a holistic manner to AEC formation in 2015. Despite the recent achievements, clusters of skills and experiences remain to be incubated, widened and deepened virtually across the spectrum of policy and institutional development and management as well as virtually across ASEAN. Moreover, the required core competencies currently in existence will have to be adapted and new core competencies gained in response to the upward trends in economic liberalization and policy deregulation, and knowledge generation and technological progress in a multi-polar global economy. Thus, the agenda for attention and action in capacity and competencies building will continue to be extensive in ASEAN in the years ahead.

34. Meanwhile, there are plans to revise and update the *Handbook* to incorporate recent changes and developments in ASEAN as well as in international best approaches and practices relating to competition policy. In addition, the translation and publication of the *Guidelines* and *Handbook* into other languages of several regional economies is currently under consideration. This is to better meet the demand for information from local industry clubs, consumer associations, suppliers of business development services, and last but not least, small and medium-sized enterprises intending to expand their business regionally or to enter into the regional and global supply chains to take full advantage of the forthcoming establishment of the AEC.

35. Moreover, the AEGC established in 2011 two additional working groups with one being responsible for the development of a manual, and the related action plans, on regional core competencies in competition policy, including those pertaining to the specialist judiciary system. As currently planned, the manual aims to set the basic standards of competencies required in the three focal areas: institutional building, enforcement and advocacy. The action plans would recommend practical approaches and steps to develop those core competencies, including the relevant training curricula.<sup>10</sup>

36. The other additional working group is responsible for the development of a strategy and the related tools for regional advocacy of competition policy. Its work would be in synergy with that of the core competencies working group, one of whose focus areas is on advocacy, as well as with the capacity building working group. The related activities as currently planned include the development of tools for customized advocacy strategies, compiling case studies on advocacy, conducting advocacy campaigns, and developing and maintaining an interactive AEGC Platform (Website).

<sup>10</sup> Provisionally, work on the focal area of institutional building may involve the core competencies required in the drafting and reviewing draft laws and regulations; in the development of objectives-based structures, leadership and managerial skills in human resources functions, etc. Work on enforcement may examine and recommend the core competencies required in investigation, case analysis, and adjudication, etc., while work on advocacy may relate to the core competencies for public outreach and the promotion of basic understanding and awareness on the benefits of competition policy and law and the related multi-media communications techniques.

37. Equally notable is the AEGC decision to convene a series of ASEAN Competition Conferences whose main objective is to foster the wider and deeper acceptance of competition policy in ASEAN. The first Conference was hosted by the Commission for the Supervision of Business Competition of Indonesia and supported by several international donors. It was held in Bali, Indonesia, during 15-16 November 2011 to ensure a higher profile. This period coincided with the ASEAN Summit and other important Summit-related meetings, such as the ASEAN Business and Investment Summit, taking place in Bali at the same time.

38. The Bali Conference's theme was "Fostering the Promotion of Competition Policy for Regional Development". It examined (a) the benefits of competition policy and law to consumers, economic growth and development; (b) competition policy in support of small and medium-sized enterprises and employment creation; (c) AMSs' experiences with competition policy; and (d) the role of competition policy and law in promoting the AEC and international competitiveness. Some 200 regional and international participants were present at this Conference, many of whom are high-level executives from a wide spectrum of public- and private-sector entities and stakeholder groups. Conference speakers and resource persons were eminent professionals and practitioners from within and outside ASEAN.

#### **4. Conclusion**

39. A solid foundation has been built and a good momentum, achieved by the AEGC since regional and international cooperation in the development of competition policy in ASEAN was initiated in 2008. The process has been greatly facilitated by the persistent hard work and good will of AMSs as well as by the sustained support, both technical and financial, from a large number of ASEAN's Dialogue Partners and donor organizations.

40. The significant diversity in development conditions and circumstances within the region, among other reasons, has led to ASEAN's own approach toward cooperative confidence building and the formation of collaborative linkages within and outside the region. Advocacy, outreach, and capacity and competencies building were the focal areas in regional and international cooperation in during 2008-2010. Among other outputs, the *Guidelines* and the *Handbook*, completed on schedule, have been extensively socialized across the region and disseminated within and outside ASEAN. Meanwhile, the number of ASEAN professionals participating in activities for capacity and competencies building (some 600 persons) was quite sizable, relative to the human resources pool available in the region.

41. The extensive agenda in regional and international cooperation in competition policy remains equally challenging, and equally exciting, in ASEAN over the medium term ahead. The AEGC will focus on identifying the range of basic competencies required in such functional areas as institutional building, enforcement and advocacy. Action plans would then be prepared and implemented to help develop those core competencies, including through the needed training activities. In these connections, the AEGC and ASEAN Secretariat stand ready to collaborate with all stakeholders and organizations in designing, and in sourcing from the global and regional reservoir of specialist expertise to support and implement demand-driven initiatives, programs and activities in competition policy in ASEAN in the years ahead.