

Going after Bid-Rigging Cartels

Ulaan Baatar, 13 - 15 September 2017



The OECD/KPC teamed up with the Authority for Fair Competition and Consumer Protection of Mongolia (AFCCP) to host a meeting in Ulaan Baatar in September 2017 on the topic of “Going after Bid-Rigging Cartels”.

In total, 25 delegates from Mongolia’s AFCCP, the country’s judiciary and its legislature participated in the event along with another 25 delegates drawn from the staff and commissioners of competition authorities across Asia.

In opening the event, Chairman Byambasuren (AFCCP) and Ms. Yanjinsuren (Advisor to the Deputy Prime Minister of Mongolia) and Director General Yoon (OECD/KPC) spoke of the importance of cooperation between competition authorities in fighting cartels and bid rigging.

This is the first time that the OECD/KPC has held a meeting in Ulaan Baatar and, with a proposed law reform currently in the pipeline, it was an important time for Mongolia to host such an event.

The AFCCP and its predecessor have already been actively enforcing competition laws for approximately two decades. However, the initial law had very low maximum fines and, even when a revised law significantly increased the penalties, it did not provide the authority with the full “tool-box” of detection and investigatory powers such as a leniency policy. Hence, there is now a need for a further law reform to enable a fully effective system.

The event commenced with scene setting presentations by Mr. Antonio Capobianco (OECD) and Mr. Nick Taylor (Consultant to



the OECD) on the importance of fighting cartels and bid rigging and on detecting such practices.

Mr. Jinseok Park (KFTC) gave a presentation on Korea's experience with detecting and prosecuting bid rigging in a range of tenders for major public works projects. Mr. Masakazu Okumura (JFTC) and Ms. Sara Rodrigues (Portuguese Competition Authority) gave presentations on investigation techniques building a case.

On the final day, Ms. Rodrigues also presented on her agency's strategic plan for fighting bid rigging, Mr. Taylor presented on fines and sanctions and Mr. Capobianco gave a presentation

about the OECD's work concerning international cooperation between competition authorities.

Presentations on particular enforcement experiences from in their home countries were provided by Mr. Hong Wei Fu (CTFTC), Ms. Anudari Nyamdarj (AFCCP), Mr. Alok Tripathi (CCI), Mr. Abdul Hakim Pasaribu (KPPU), Mr. Shahzad Hussain (CCP).

In two hypothetical exercises, the delegates variously role-played cartelists seeking to conceal illegal behaviour, government procurement officials redesigning their procurement processes to avoid and detect bid rigging and competition authority investigators.

