2021

ANNUAL REPORT OF ACTIVITIES

Regional Centre for Competition in Latin America
Summary

1. Introduction .............................................................................................................................................. 3

2. Overview of activities ................................................................................................................................. 3
   2.1. Workshops ........................................................................................................................................... 4
   2.2. Newsletters ......................................................................................................................................... 7

3. Key indicators ............................................................................................................................................ 8
   3.1. Beneficiary countries and attendees ................................................................................................. 8
   3.2. Number of speakers and contributions .............................................................................................. 8
   3.3. Evaluation of training activities ......................................................................................................... 10

4. RCC Staff .................................................................................................................................................. 11
1. Introduction

Launched in November 2019, the Regional Centre for Competition (RCC) in Latin America is a partnership between the Peruvian Competition Authority (INDECOPI – Instituto Nacional de Defensa de la Competencia y de la Protección de la Propiedad Intelectual) and the Organisation for Economic Co-operation and Development (OECD).

The objective of the RCC is to provide capacity building activities and policy advice, according to OECD recommendations and international best practices, through workshops, seminars, and training courses on competition law and policy for officials from competition enforcement agencies, government, regulators, and judges. The Regional Centre also works to connect different competition agencies and jurisdictions, promoting regional co-operation and enhancing their understanding of the importance of developing a sound competition policy.

The framework for co-operation between INDECOPI and the OECD, including the structure of the RCC, funding, and administrative issues, is established through a Memorandum of Understanding (MoU) signed in October 2019 and valid for five years. The beneficiary countries of the RCC include: Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Jamaica, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Uruguay, Venezuela, as well as the Andean Community and the Caribbean Community (CARICOM).

As a result, Peru through INDECOPI joins two other countries in hosting regional centres for competition: Korea and Hungary, which focus on Asia and Eastern Europe, respectively.
2. Overview of activities

In 2021, the RCC delivered four workshops and issued two newsletters. While the workshops provide capacity building to the beneficiary countries of the RCC, the newsletters offer updates on the developments of competition law and policy in Latin America and the Caribbean, including recent activities of the OECD in the region. During the year, these activities benefited 364 civil servants from 22 jurisdictions in the region.

A detailed report of these activities follows below. In addition, the final agendas of the workshops and the newsletters are available at the RCC’s website: www.oecd.org/competition/oecd-regional-centre-for-competition-in-latin-america.htm.

2.1. Workshops

The table below provides a summary of the workshops held in 2021 including dates, topics, jurisdictions represented, number of attendees, and evaluation results.

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Jurisdictions</th>
<th>Attendees</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>8-12 March 2021</td>
<td>Introduction to Competition Enforcement for Junior Staff</td>
<td>18 jurisdictions: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Curaçao, Dominican Republic, Ecuador, El Salvador, Mexico, Montserrat, Nicaragua, Panamá, Paraguay, Peru, Trinidad y Tobago and Uruguay.</td>
<td>85</td>
<td>4.9/5.0</td>
</tr>
<tr>
<td>5-7 May 2021</td>
<td>Competition in the Financial Sector</td>
<td>17 jurisdictions: Barbados, Bolivia, Brazil, Chile, Costa Rica, Curaçao, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Panama, Paraguay, Peru, Suriname, Trinidad Tobago.</td>
<td>73</td>
<td>4.8/5.0</td>
</tr>
<tr>
<td>15-17 September 2021</td>
<td>Merger Control in Times of Crisis</td>
<td>17 jurisdictions: Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Curaçao, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, and Trinidad Tobago.</td>
<td>100</td>
<td>4.6/5.0</td>
</tr>
<tr>
<td>11-12 November 2021</td>
<td>Fighting Bid Rigging</td>
<td>14 jurisdictions: Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Ecuador, Honduras, Mexico, Panama, Paraguay, Peru, Suriname, and Trinidad Tobago.</td>
<td>106</td>
<td>4.6/5.0</td>
</tr>
</tbody>
</table>

The Workshop “Introduction to Competition Enforcement for Junior Staff” (8-12 March 2021) focused on practical tips of competition enforcement for junior case handlers of competition authorities. In total, 85 case handlers from 18 jurisdictions attended the training, which was divided into 5 sessions: Session 1 on Cartel Enforcement, Session 2 on Merger Enforcement, Session 3 on...
Abuse of Dominance Enforcement, Session 4 on Procedural Fairness, and Session 5 of Case Exercises. Sessions 1 to 4 had the same format: one introductory presentation of the enforcement topic followed by practical tips with a couple of senior enforcers or former enforcers.

The Sessions on enforcement topics (Sessions 1-3) ended with a list of 5 top enforcement tips. Participants were then asked to vote on which of the enforcement tips were most useful for them. These were the winning topics: “have a plan including a timeline” (Session 1 on Cartels), “understand the business of the transaction and related markets (Session 2 on Mergers), and “focus first in assessing market power” tied with “match a consistent theory of harm with a comprehensive narrative” (Session 3 on Abuse).

In a nutshell, the workshop provided an introduction to competition enforcement for junior case handlers working in competition authorities. It included practical tips on the everyday of case handlers and it covered anti-cartel enforcement, merger control, and abuse of dominance. Practical exercises illustrated hands-on issues and enabled participants to meet and discuss common challenges. The workshop targeted the junior staff of competition authorities from Latin America and the Caribbean (meaning staff with less than 3 years working in the competition authority).

The Workshop “Competition in the Financial Sector” (5-7 May 2021) gathered 73 participants from 17 jurisdictions. The workshop covered competition issues in the Financial Sector, which has specific features including extensive regulation and concerns about financial stability and systemic effects.

These specificities were highlighted during the first day of the workshop by both Jesús Espinoza (INDECOPI) and Patricia Bascunana-Ambros (OECD). Amongst other reasons, banks are special because of their vulnerability to instability and because they hold a significant share of wealth in bank deposits. There is also a contagion risk since the failure of one bank may lead to the failure of other financial institutions, which explains why central banks have sometimes a final work over merger control procedures. Different institutional setup models were discussed including presentations by Costa Rica and Trinidad and Tobago that have different models – whereas the first have a system of co-existence of analysis by the competition authority and financial regulator in merger review, the second does not apply its competition provisions to the financial sector.

The topic of FinTechs was also addressed during the workshop including the impact of digital disruption and how the finance industry is facing a deep restructuring. The current pandemic context has accelerated this process. In addition to the OECD work developed by Ania Thiemann, both the Portuguese Competition Authority and the European DG-Competition presented their recent initiatives in this field.

Case experiences from the region were shared during the second day of the event. After a panorama provided by the OECD, El Salvador (Imperia-Scotiabank transaction), US (Visa-Plaid transaction), Brazil (foreign currency exchange cartel), Mexico (ongoing inquiry in the payment sector) and Chile (mortgage-related insurance abuse investigation) presented recent cases in all enforcement fronts, namely merger review, fight against cartels and abuse of dominance cases.
On the last day of the workshop, the discussions focused on advocacy issues with heads of competition authorities from Mexico, Brazil, Portugal, and Spain. In addition, a practical exercise with the participants closed the workshop and enabled further interactions amongst the attendees.

The Workshop “Merger Control in Times of Crisis” (15-17 September 2021) gathered 100 competition officials from 17 jurisdictions in Latin America and the Caribbean. The Workshop covered the main challenges related to the enforcement of merger control in times of Crisis. The pandemic raised several substantive issues that competition authorities have been needing to deal with, including how to (re)define relevant markets, assess market power, analyse competitive effects, imposition of remedies, in addition to the role of failing firm defense during a time of uncertainty.

On the first day, after welcoming remarks of Hania Perez (INDECOPI) and Paulo Burnier (OECD), Ruben Maximiano (OECD) discussed the challenges that competition authorities face given the uncertainty in times of crisis, especially in failing firm cases. Professor Maximo Motta (Universitat Pompeu Fabra) shared an academic approach to issues related to merger control in times of Crisis, inciting a discussion on how COVID affected many sectors differently. Motta emphasized the OECD's key role in providing guidelines to competition authorities in these times. Different national experiences on dealing with the topic were illustrated by Carolina Liévano, (SIC Colombia), Lizeth Nagore (COFECE Mexico) and Carlos Beraún, (INDECOPI Peru).

The failing firm defense was the topic of the Workshop’s second day. Paulo Burnier (OECD) introduced the concept of such defense, by indicating that it is invoked by merging parties in some exceptional situations of economic difficulties. Alexandre Cordeiro (President of CADE Brazil) highlighted that there was a fear at the beginning of the COVID-19 pandemic that the analysis of such defense should be less strict than before since there was an expectation of a high number of companies declaring bankruptcy. However, such a scenario did not happen and CADE is experiencing more mergers during COVID times than before. The panel also had the participation of two other participants, Sangwon Stuart Lee (Comp Bureau Canada) and Francisca Levin (FNE Chile), sharing the experiences of their national competition authorities on examining the failing firm defense.

On the last day of the Workshop, the OECD conducted a hypothetical case exercise involving a merger case in the education sector. The participants had to think on strategies to examine such merger from the perspective of the merging parties and of the competition authority, enabling further interactions amongst the attendees. In the end, the event counted with closing remarks from Vania Cruz (INDECOPI Peru) and Paulo Burnier (OECD).

The Workshop “Fighting Bid Rigging” (11-12 November 2021) gathered 106 participants from 14 jurisdictions. The workshop covered recent developments related to the fight against bid riggings in Latin America and the Caribbean. It brought discussion of cases and advocacy issues, such as OECD projects related to public procurement in the region.

Country experiences from the region were shared during the first day of the event. After a panorama provided by Paulo Burnier (OECD), Juan Correa (head at FNE Chile), Francisco Tellez (General Director of Cartels at COFECE Mexico), Diego Reyna (head of Legal at INDECOPI Peru) and Taimoon Stewart (Senior Fellow at University of West Indies) presented their country experiences in the fight against bid rigging.
On the last day of the workshop, the discussions focused on OECD in-country work on fighting bid rigging. Despina Pachnou (OECD) introduced some background on how these projects are conducted. After, Esteban Greco (Argentina), Diogo Thomson de Andrade (Brazil), Juan Pablo Herrera (Colombia), Maria José Contreras (Mexico) and Rodolfo Tupayachi (Peru) provided comments on their experiences regarding the OECD work related to fighting bid rigging in their respective countries.

2.2. Newsletters

Published twice a year, the RCC Newsletters intend to update the beneficiary countries with developments on competition law and policy in Latin America and the Caribbean, including recent activities of the OECD in the region. It also shares regional experiences through expert contributions and puts faces into names. A section of an interview with the head of competition authority offers an opportunity for countries to present achievements and further exchange on policy and enforcement issues.

Released in June and December 2021, the RCC Newsletters shared updates on the workshops delivered during the prior months and provided exclusive interviews with Mr. Guillermo Rojas Guzmán (head of COPROCOM in Costa Rica) and Mr. Rolando Diaz (head of CONACOM in Paraguay). The Newsletters also presented contributions from competition experts from Brazil, Chile, El Salvador, Mexico, Peru and Trinidad and Tobago. Last, these publications also highlighted the main activities of the RCC, in addition to updates related to the OECD activities and projects in the region including the Latin American and Caribbean Competition Forum (LACCF) and ongoing in-country projects with OECD.

The RCC Newsletters are available here: [https://www.oecd.org/fr/pays/argentine/rcc-lima-newsletter.htm](https://www.oecd.org/fr/pays/argentine/rcc-lima-newsletter.htm).
3. Key indicators

This section provides a summary of key indicators of the RCC’s activities during the year of this report. This includes the number of beneficiary countries and attendees, the profile of speakers in the workshops and authors in the newsletters, and the evaluation ratings given by participants in the RCC workshops.

3.1. Beneficiary countries and number of attendees

In 2021, the RCC workshops benefited **364 civil attendees** from **22 jurisdictions**. The table below provides the summary of these indicators.

![RCC Workshops Total of attendees by country in 2021](image)

3.2. Number of speakers and contributions

The OECD promotes diversity in both geographic and gender dimensions, and the RCC makes an effort to implement this diversity in its activities including in the speaking slots of the RCC Workshops and the expert contributions of the RCC Newsletters.

The table below indicates the number and the origin of speakers in the RCC workshops:
The table below indicates the number of speakers by gender in the RCC workshops:

**RCC Workshops**

**Number of speakers per gender in 2021**

<table>
<thead>
<tr>
<th>Workshop</th>
<th>Female speakers</th>
<th>Male speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshop on Introduction to Competition</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Workshop on Financial Sector</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Workshop on Merger Control in Times of Crisis</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Workshop on Fighting Bid Rigging</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>TOTAL</td>
<td>22</td>
<td>29</td>
</tr>
</tbody>
</table>

The table below indicates the number and the origin of contributions to the RCC Newsletters:

**RCC Newsletters**

**Number of contributions per country in 2021**

<table>
<thead>
<tr>
<th>Country</th>
<th>Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>1</td>
</tr>
<tr>
<td>Chile</td>
<td>2</td>
</tr>
<tr>
<td>El Salvador</td>
<td>1</td>
</tr>
<tr>
<td>Mexico</td>
<td>1</td>
</tr>
<tr>
<td>Peru</td>
<td>1</td>
</tr>
<tr>
<td>Trinidad and Tobago</td>
<td>1</td>
</tr>
<tr>
<td>TOTAL</td>
<td>7</td>
</tr>
</tbody>
</table>
The table below indicates the number of authors and the gender balance in the written contributions published by the RCC Newsletters (the total number of authors is larger than the total number of contributions because some contributions have two or more authors):

<table>
<thead>
<tr>
<th>Issue 1 (June)</th>
<th>Issue 2 (December)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female authors</td>
<td>Male authors</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>100</td>
<td>106</td>
<td></td>
</tr>
</tbody>
</table>

3.3. Evaluation of training activities

The evaluation of the RCC training activities is measured by an evaluation survey sent to attendees after the workshops. The evaluation ratings follow the OECD standard, namely a satisfaction score from 1 to 5 (being 1. very unsatisfied, 2. unsatisfied, 3. indifferent, 4. satisfied, and 5. very satisfied). The table below shows the results, which also considers the representation of the replies based on the number of attendees who effectively replied to the evaluation request.
4. RCC Staff

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