

MY ROADMAP AS ICN CHAIR

A statement by Eduardo Pérez Motta

The ICN is on the right track for sustained success

By all measures, the International Competition Network has been an incredible success. I know of no other international institution that, in its first decade, has achieved so much and has reached such maturity.

The ICN has been instrumental not only in fostering a sense of community and shared challenges and goals among members, but in translating that sense into, as our *Statement of Achievements 2001-2012* puts it, “informal working methods, consisting of open discussion and mutual trust that leads to broad-based consensus”. We have been successful in extending that dynamic to NGAs from all across the competition community, thus gleaning their crucial input and support. And, of course, thanks to all of this we have produced an impressive amount of high-quality work across all areas of ICN activity.

It should not surprise us that the ICN has grown from its original 15 members (and I have the honor of heading the Mexican CFC, one of the founders) to 123 agencies spanning the globe: quite simply, the ICN provides real value to all of us.

Becoming the Chair of the Steering Group of such a vibrant and successful organization is not only a great honor; it entails the very significant responsibility of stewarding the organization, of fostering its growth and development without tampering with what has so patently been done right by so many people over the past decade.

I am greatly aided in this task by the very comprehensive and inclusive work, under the wise leadership of John Fingleton, to craft a vision for the ICN’s second decade. This document will guide not only my tenure, but also -I am sure- that of my successors.

The Working Groups are the powerful engine propelling the ICN forward. I am most grateful for their commitment to produce concrete, solid and widely relevant work products, and I will rely on these groups to continue their excellent work.

I have the good fortune of being able to rely on a Steering Group composed of people with such a high degree of leadership experience, in-depth knowledge and commitment to our organization. If the Working Groups are the ICN’s engine and

impulse, the Steering Group is the navigation system ensuring the thrust is used to maximum effectiveness.

I am especially honored to count on Vice Chairs of the very high caliber of Kazuhiko Takeshima, Bruno Lasserre and Andreas Mundt. As explained more fully below, I hope to channel as much of their time and attention as possible to ICN matters, to tackle crucial tasks for our network.

Three areas of emphasis

As I said, we have already agreed on a strong vision for what the ICN will aim for in its second decade. My every effort will be directed towards helping realize that vision. But it would obviously be unrealistic to strive for everything at once – there is a reason we labeled the document the vision for the second *decade*.

Within this framework, there are three areas on which I intend to place particular emphasis during my time as ICN Chair. These are issues where I perceive large benefits from short-term action by ICN members and where I feel I can contribute the experience accumulated during eight years of chairing a competition agency that, in the challenging circumstances common to many of us, is progressing towards maturity – in no small measure thanks to the support of the ICN.

1. Enhanced member engagement

The ICN's enormous success in attracting new members engenders the challenge of making sure our ever-expanding network is as useful to all of us as it can be. We work hard to address issues and develop tools that are relevant to a wide variety of needs; but in the CFC's work with fellow Latin American agencies, I have seen that, in this particular instance, markets do not automatically clear: obvious matches between an agency's needs, on the one hand, and an ICN product, workshop or available expertise, on the other, frequently are not made due to lack of information, tenuous personal contacts, a divergence between needs and means or other barriers.

This is a concern which our 2nd decade vision statement clearly recognizes by setting the goal of "Encouraging the dissemination of competition experience and best practices". Indeed, the ICN is already taking concrete steps to address it, for example through the Work Product Catalogue, the ICNblog, the NGA Liaison's newsletter, the new member teleseminars, and the Curriculum Project brilliantly led by Bill Kovacic.

But we need to redouble our efforts, recognizing that the usefulness of ICN work to all members is intimately linked to their level of engagement. We need to pave the way as much as possible for every member agency, young or mature, big or small, to fruitfully participate in ICN work, certainly to increase their familiarity with the ICN, but also to ensure that the result of the work is as relevant as it can be to each and every one of us. One of the tasks I envision for my period as Chair is finding ways to do so without unduly meddling with the work that is already being done so successfully by all ICN groups.

Of course, I recognize that all we can do is open the doors for enhanced engagement; in the end, it depends on each and every one of us to cross the threshold and contribute. Market clearing is as much about demand as about supply.

2. Improved hands-on assistance to members

Competition agencies throughout the world frequently face a very basic collective action problem: our constituencies –in essence, the whole economy- are scattered, while the interest groups resisting competition policy tend to be concentrated and quite powerful politically. This means –as we at the CFC know from first-hand experience- that allies tend to be scarce and less than fully committed.

One should not underestimate the potential influence of 123 agencies speaking with one voice to support one of their own, on the basis of well-founded and time-tested best practices. It could go a long way towards restoring balance to otherwise lopsided domestic debates.

It is time for the ICN to take on a more active role in supporting members, whenever they ask for assistance, in the complicated and politically charged debates they often face at home, for example when advocating improvements to their legislation –or indeed, when resisting regressions to their regimes.

The ICN's mission statement's first precept is “to advocate the adoption of superior standards and procedures in competition enforcement and policy around the world”. Taking on a more active role when asked by members for assistance on specific policy initiatives not only supports competition advocacy; it also helps crystallize procedural and substantive convergence on those topics where the ICN has agreed on recommended practices, and thus helps us on our way to achieving our vision for the 2nd decade.

In the Advocacy and Implementation Network Support Program (AISUP) we already have a solid platform for this kind of initiative. Of course, launching it will entail a non-trivial time commitment from many of us, and we will have to sort through the pitfalls of moving beyond proposals and recommendations to assistance in actual implementation of our products. But I am sure we are ready to do it –and it could be extremely useful to each one of us, when the need arises.

3. Greater visibility for competition policy and principles

Anticompetitive government restraints continue to stifle economic growth, slow innovation, and reduce the economic welfare of millions across ICN member economies. In Mexico, as in other developing and newly industrialized economies, these costs are often borne disproportionately by the poor. For these individuals, sound competition policy can translate into the availability of basic food stuffs, communications, and infrastructure.

The recent global financial crisis showcased (not always in a positive way) the importance of embedding competition principles in the broader policy debate at the national and international level. The ICN did important work in supporting its members' advocacy efforts with products as the *Competition in times of crisis* document, but there is no question competition concerns still have –if at all- a rather precarious hold on the minds of most policy makers, locally and globally.

The ICN, in line with the goal of “Supporting competition advocacy” we have set ourselves, is uniquely placed to supplement local efforts by its members with initiatives to place competition issues on the agenda of national and international (regional or global) organizations and fora. If I am allowed to speak of the Mexican experience, we have found that it is often a matter of reminding policy makers over and over again, linking competition concerns with existing policy goals and providing concrete, easily comprehensible and implementable guidance.

Of course, this is not something that can be achieved easily or fast. But it will not happen spontaneously, nor will somebody else do it for us. I believe it is time for us to start making a concerted effort to push competition as an item on the global policy agenda, by using every opportunity to pitch the idea to anyone with potential impact on that agenda –whether it is members of national administrations with a say in international initiatives or international officials of all levels- and by providing guidance on (fairly) general principles for competition-friendly policy formulation. We do have the manpower to do it – each and every one of us-, and we either have or are developing many of the tools of persuasion –for example the Benefits Project on which the Advocacy Working Group is currently working. Perhaps we

need to devote more attention to crafting concrete advice for policy makers, but with coordination and persistence, we could have significant impact.

How to do it

Moving forward on the areas of emphasis I have outlined is no small task. But it is even more important not to lose sight of the ICN's core business: crafting the kind of high-quality products that have been the foundation of our success in the past. This means providing the best possible environment for productive work throughout the Working Groups that are the powerful engine of the ICN, and making sure that the whole organization profits as much as possible from every Working Group's efforts. This is why I have asked Vice Chair Andreas Mundt to take on the responsibility of assisting Working Groups in assessing their accomplishments and setting out a course for the future that will help us reach our vision for the 2nd decade, while fully respecting the bottom-up philosophy that has been a cornerstone of ICN work. This role is complementary to that of Horizontal Coordinator, which the ACCC is fulfilling admirably.

As for the three areas of emphasis, I will be delighted to work with Vice Chair Kazuhiko Takeshima to broaden the scope of the AISUP, to provide hands-on assistance to members requesting ICN support in specific advocacy initiatives.

Vice Chair Bruno Lasserre will surely excel in coordinating efforts in all corners of the ICN to foster enhanced member and NGA engagement, since the continued health of our institution depends on successfully absorbing the spectacular growth we have experienced in our first decade.

In the last area, securing higher priority for competition issues in the domestic and international agenda, I look forward to working with each of you. Be warned that it will require the sustained effort of each one of us over a long time: such is the nature of proselytism.

The ICN is unique in that it depends solely on the voluntary input of each one of us. Without the time and effort of every participant in every ICN initiative, the network would be inconceivable. It has been literally hundreds of competition agency officials and NGAs who, by working together, have succeeded in building the world's premier forum for competition issues. I thank all of you for this commitment, I trust I can continue to count on it during my time as Chair, and I hope to be worthy of your trust.