





Competition Policy and Law in ASEAN (CPL)

Fair business competition is a key element of a functioning market economy that ultimately helps attain consumer sovereignty. The project supports the ASEAN Experts Group on Competition (AEGC) and other relevant stakeholders in promoting effective competition policy and law.

Client

German Federal Ministry for Economic Cooperation and Development (BMZ)

Lead agency

Association of Southeast Asian Nations (ASEAN)

Current term

01/2015—12/2017 (start: 06/2011)

Background

Without clear rules on business competition, companies can concentrate their power, restrict market access and engage in price-fixing. This has negative consequences for other competitors in the same or related markets. It ultimately results in a limited range and quality of products and services for consumers to choose from. Competition Policy and Law (CPL) is therefore an important instrument to monitor business practices and ensure consumer welfare.

The ASEAN region is among the fastest growing regions in the world. As part of their integration efforts, the ASEAN Member States are committed to the nation-wide introduction and implementation of competition policy. The establishment of the ASEAN Economic Community in 2015 is expected to intensify trade and investment across borders. Cooperation and coordination on competition policy will be necessary to enhance economic efficiency as well as enforcement efforts.

Objective

The project aims at improving the legal and institutional prerequisites for promoting competition in the ASEAN Member States. It cooperates with the ASEAN Secretariat and the agencies responsible for competition policy at the country-level. With a view towards fostering a 'competition culture', the participation of civil society as well as public and private stakeholders is indispensable.

Approach

The project combines capacity development on technical issues with organizational advice and dialogue measures. The focus of the support lies on:

• Strengthening regional cooperation mechanisms on CPL within ASEAN.

- Institutional development and building enforcement capacities at the national level.
- Competition advocacy and awareness-raising.
- Promoting consumer protection in Lao PDR, the Philippines, and Vietnam.

The project builds on the experiences and networks gained through the long-standing cooperation with Indonesia, which was the first country in ASEAN to pass a comprehensive competition law. Aside from learning from international good practices, the project facilitates the transfer of knowledge from the more advanced agencies in the region to those starting the implementation ("ASEAN helps ASEAN" approach).

Furthermore, synergies are created through linking up with bilateral projects of German Development Cooperation in order to bridge the so-called "implementation gap" between regional commitments and national policy reforms. Other key partners are the United Nations Conference on Trade and Development (UNCTAD), the Organisation for Economic Co-operation and Development (OECD), Australia/New Zealand and the German Federal Cartel Office .

Results achieved so far

- A national competition law is in place in nine Member States (four laws enacted in 2015).
- ASEAN has formulated an ambitious Competition Action Plan (ACAP) 2016-2025, to guide strategic initiatives on CPL and promote deeper regional integration. The ACAP also serves as the basis for coordinating the assistance provided by external partners.

german cooperation DEUTSCHE ZUSAMMENARBEIT





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