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Priority setting and resource allocation as a tool for agency effectiveness: *Experience and Challenges facing young competition agencies*



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1. Introduction: Agency Effectiveness
2. Priority-setting and resource allocation
3. Specificities faced by young competition agencies
4. Conclusions



Introduction: Agency Effectiveness

- Goals/mission/purpose
- Legal tools at hand (investigation and enforcement powers, advocacy, research and promotion)
- Resources available (money and time)
- Activities and perception (selling & communication)
- Socio-economic environment where it operates

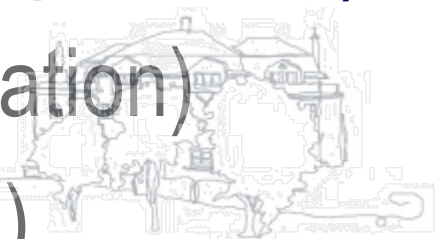
Overall Framework



Priority-setting and resource allocation (I)

It's all about **tasks & resources organization**

- **Strategic planning** (different factors to be weighted; nor too rigid neither too improvised, not some flexibility)
- **Discretion** may be limited in some jurisdictions: legal constraints/judicial review ('must-do' tasks, limited investigation & *ex officio* powers)
- Relevant implications (Legitimacy & reputation)
 - ✓ Internally (team building & staff motivation)
 - ✓ Externally (leadership for competition)

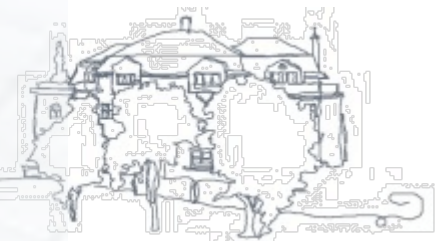


Strategic planning: *What we do & How we do it?*

- ✓ **Design of Work portfolio/project choice:** Balance importance and impact of actions (strategic, legal & economic significance) with costs and risks
- ✓ **Law indirectly drives prioritization:** enforcement and cartel prosecution are main agency tasks and deliver highest pay-off (deterrence)



- ✓ **Start-up process heavily constrains initial projects of agency:**
 - Lack of competition awareness: market and competition culture building
 - Initial resources very limited
- ✓ **Overcoming constraints as a retro-feeding process**



Conclusions

- ✓ **More room for informal prioritization**
- ✓ **Preference should be given to highest pay-off projects (enforcement):** start with most obvious anti-competitive cases (industries prone to be cartelized; most clear cases of abuse of dominance)
- ✓ **Don't be paralyzed with planning and priority-setting!**

