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Roundtable on:

Communication strategies of Competition authorities as a tool for agency effectiveness

Contribution

by

Egypt

The Egyptian Competition Authority (ECA) was launched in 2006 at the beginning we were facing many challenges regarding the communication strategy. At the beginning of the authority we have been reluctant in communicating with the media due to several reasons, such as the lack of expertise and resources from one hand, and the media attacks on the other hand especially that questioning our role in affecting the prices of cement and steel.

First: Concerning The Media, The relationship with the media generally depends on the cases in hand especially the ones affecting the public opinion.

Afterwards, we started to be more open in communicating with the media mainly through some interviews with the chairperson. Three years after the beginning of our authority we won the first case against the cement companies. ECA, then, became more exposed to the media lights. Accordingly, we started to put forward a more open strategy to deal with the new stage.

After the cement case, ECA were pushed by the media to issue a case against the steel giant. But, the steel case was declared with no infringement. We made use of the steel case by communicated to the media the weak points of the law, which lead to the steel case being declared with no infringement. The media then started backing us in pushing toward serious amendments of the law.

The next case that drew the attention of the media was a vertical agreement involving some five stars hotels. However, the media attacked the authority because they were expecting us to tackle cases that touch more the consumers' welfare. Also, the media was useful by reporting a potential cartel in the poultry sector then investigated by ECA and now the case is in the prosecution phase.

Second: Concerning the Business community, The Egyptian competition Authority launched a narrow program to communicate with the businessmen associations and industrial unions with the cooperation of the USAID and EU that provided mainly the experts speakers. Not surprisingly, we found out that some of these unions confessed to be forming cartels for several years, and they could not figure out how to stop their mutual arrangements to comply with the new law. Consequently, we offered a general compliance kit that was communicated to tens of companies encouraging them to comply with the new

law with Q&As and general ideas on how to change the culture and the importance of the training in this new field.

Third other regulatory authorities: It was obvious that a kind of conflict between authorities will be raised especially in the telecom sector. So, ECA started to focus on communicating with the Telecom authority. However, there was a conflict between the competition authority and the Telecom regulator regarding the jurisdiction of the competition in the telecom sector.

ECA filed a case in the administrative court to rule in this conflict. Later, an attempt to settle with Telecom occurred and a Memorandum of Understanding was concluded and communicated to the media. However, unfortunately, the MOU was not implemented and we resumed the case at courts and received a primary court rule that the Egyptian Competition Authority has the full jurisdiction over the telecom companies. This primary court rule was in the framework of a cartel case between the three mobile operators that is now in the prosecution phase.

Three years after that the competition authority was established, we made a communication survey to measure how well known ECA is in the Egyptian society. The main question was what comes to your mind when the words Egyptian Competition Authority (ECA) are mentioned? 47% said nothing, 20% said controlling prices and quality while 33 % of the answers were between competition and monopoly. Monopoly in its strict term not market power off course.

In 2010 we started an ambitious communication program based on several pillars; the media, the press, the academia, the trade unions, The judges, other regulators and governmental authorities and the social awareness.

For the media the chairperson is hosted in many talk shows with famous presenters.

Regarding the press we have our spokesman that is ready to answer all questions and report our decisions transparently thus to avoid any misinterpretation followed by any board decision.

Regarding the Economic Court, a series of workshop was held to ensure the consistency in the Interpretation of the law.

Concerning the governmental authorities linked to economic activities like the general authority for public purchasing we organized a series of training that tackle mainly the preferential treatment for the state owned enterprises and the bid rigging.

Regarding the academia we have an annual competition authority simulation known as CAS and periodical seminars with the faculties of economics. We are working also in introducing the competition law and industrial economics in curriculums.

Finally the social media we have an interactive website updated and a Facebook account with 14000 followers.