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Broad Competition Policies for Least Developed Countries



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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

Background

- **192** Member States of the United Nations.
- **122** Member States have enacted some form of Competition Act, regulating anti-competitive business practices.
- **118** Member States have established some form of Competition Authority

Around 40 percent of Member States have neither a competition law nor authority.

Background



Why?

- Lack of professional resources
- Lack of economic resources
- Lack of political will
- Lack of suitable support environment

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What is Competition Policy?

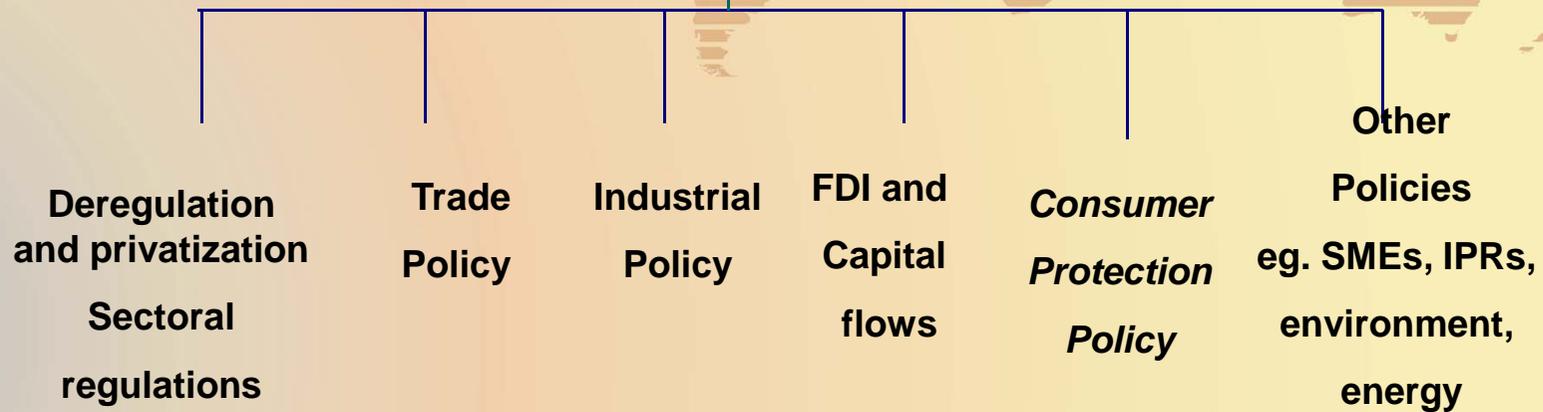
Broad sense

All policies relevant to competition in the market, i.e. trade policy, regulatory policy and government policies aimed at addressing anti-competitive policies of enterprises, public or private

Narrow sense

Laws and policies governing the anti-competitive behaviour of enterprises

Government Policies



Link with:

Competition Law and Policy

Why is Competition Policy important?

Competition policy can:

- play a vital role in assisting developing countries in strengthening market-supporting institutions and implementing inclusive development strategies.
- ensure that free markets provide opportunities that both businesses and the poor can to benefit from.
- play a key role in any market-oriented economic reform and pro-poor development strategy; especially in relation to UNCTAD's Post-2015 development agenda.

Broad competition policy can ultimately feed into narrow competition policy; provides a foundation.

What this project proposes to do

Focus on a number of key areas:

- Public Procurement
- Privatization
- Sectoral Regulations
- Corporatisation of State Owned Enterprises
- The effects of broad competition policy on governance

Survey of

- International framework of rules and guidelines
- National rules, guidelines and practices, including case studies

Public Procurement

Public procurement accounts for up to 30 per cent of GDP in developing countries

Often higher for countries lower down the development scale

In practice, ideal level of competition is not always realized due to: (i) the regulatory framework; (ii) market characteristics; (iii) collusive behaviour of bidders, (iv) corruption and (v) further factors.

Public Procurement

International Framework

- (i) Model law on procurement of goods, construction and services of the United Nations Commission on International Trade Law;
- (ii) The Plurilateral Agreement on Government Procurement (GPA) of the World Trade Organization;
- (iii) Procurement Procedures under World Bank



Thank you for your attention

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