



BUILDING FOUNDATIONS FOR SUSTAINABLE INSTITUTIONS

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FEDERAL TRADE COMMISSION

A Short History of Technical Assistance

- Trial and Error
- Initial Focus on Substantive Norms
- Procedural Norms
- Investigative and Analytical Skills
- Supporting Institutions
 - Courts, Regulators, Civil Society
- Building Institutional Strength

Building Institutional Capacity

- An effective institutions should be able to:
 - Establish goals that fulfill the law's purpose;
 - Set realistic priorities to achieve the goals;
 - Align its workflow with those priorities;
 - Find the right people to do the job;
 - Make use of available knowledge; and
 - Build alliances with potential supporters --
 - All while ensuring appropriate transparency and procedural fairness

Establishing Goals

- Requires understanding of the conditions affecting markets and competition
 - Conditions differ across economies;
 - Market structure, history, regulatory barriers, and scale affect conditions;
 - Other economies may offer lessons, but one size does not fit all
- Impediments to competition will be better understood
- Informs agencies about goals

Prioritization

- What can the agency do that will make a difference?
- What is the potential impact compared to the achievability of the goal, considering:
 - Political support,
 - Adequacy of law and institutions,
 - Human resources,
 - Budget.

Knowledge Management Challenges

- “Knowledge management:” A new term to organize some old ideas
- International Competition Network
 - “Knowledge is the combination of data and information, to which is added expert opinion, skills, and experience, to result in a valuable asset, which can be used to aid decision-making process.”

Knowledge Management Restated

- What does your organization already know, what can it learn, and what can it retain and share, about:
 - Economic principles;
 - The markets involved;
 - Relevant prior experience
 - Particular firms, individuals, and conduct;
 - Investigational and analytical “know-how”

A New World for Technical Assistance

- Technical assistance has only recently begun to focus on building institutional capacity
- Economic principles and investigational approaches are cross-jurisdictional
- Institutional issues are more jurisdiction-specific
 - Status of agency
 - Agency priorities
 - Legal principles
- What has worked in other contexts?

ICN and Agency Effectiveness

- Recent ICN focus on agency effectiveness
 - Agency survey
 - Agency effectiveness manual and workshop
 - Curriculum Project
- Key issues identified include:
 - Knowledge storage and collection sharing
 - Knowledge retrieval
 - Sharing knowledge within the agency
 - Disseminating knowledge outside the agency
- Building a culture of knowledge sharing

Knowledge Management: the old way

- Old technologies
 - Libraries
 - Filing systems
 - Training programs
 - Still valid, but not enough
- Risks
 - Forget it
 - Lose or misfile it
 - People move on
 - Inconsistent knowledge
 - Reinventing the wheel



Knowledge Management: Newer Ways

- Newer approaches include
 - Shared electronic files
 - Networking
 - Online learning



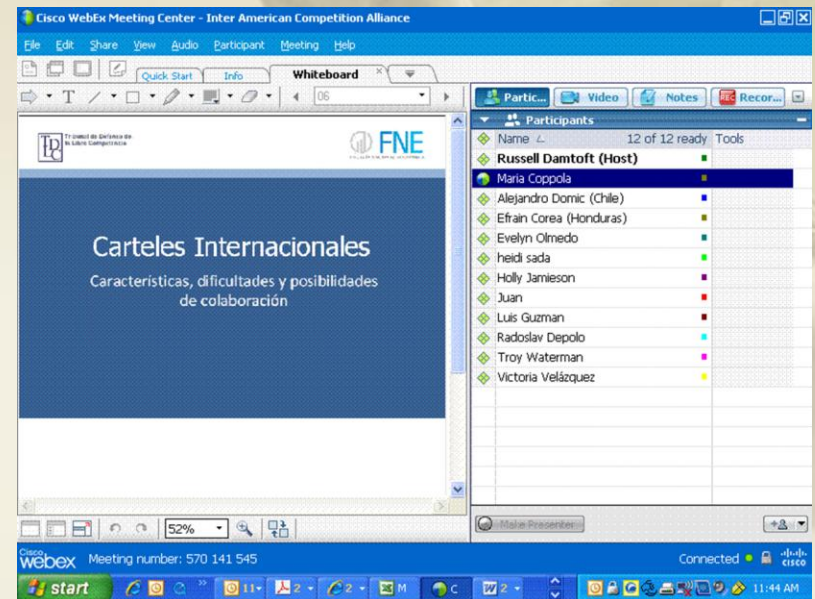
Networking: an Example

- A simple idea: bring together enforcers who share geography, common issues, and language to build an enforcement network
- Consensus developed among competition agencies in the Americas that a network was needed
- Inter American Competition Alliance includes agencies in the Americas, with focus on Latin America



Inter American Competition Alliance

- Monthly conference calls in Spanish supplemented with Webinar technology
- Typical Agenda:
 - Presentation on a topic of interest
 - Questions and Answers
 - Roundtable discussion of current activities
- Confidentiality Issues
- Website



Shared Online Learning

- ICN is developing a series of practically-oriented on-line training modules
- Cooperation and assistance from agencies, private sector, academics, UNCTAD and other international organizations
- Eight modules unveiled to date
 - Origins and Purposes (2)
 - Market Power
 - Market Definition
 - Competitive Effects
 - Mergers
 - Predatory Pricing
 - Leniency



International
Competition
Network
Curriculum
Project

The ICN Curriculum Project

Module 2: Major Characteristics of Competition Policy (05:47 / 53:31)



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Search Outline Thumbnails CC

- 1. Module 2 Introduction
- 2. Overview
- 3. General Themes
- 4. Improvement Over Time
- 5. Common Substantive Elements
- 6. Thula Kaira

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Conclusions

- Institution building is as important as building technical skills
- Institution-building is jurisdiction specific
- Knowledge management is a component of building institutional strength
- New approaches such as online training and regional networking can help supplement traditional technical assistance