

INTERNATIONAL COOPERATION AND COMPETITION POLICY

5th BRICS International Competition Conference

Plenary Session 2, Thursday 9 November 2017

Brasilia, Brazil

Mr. Hardin Ratshisusu, Deputy Commissioner

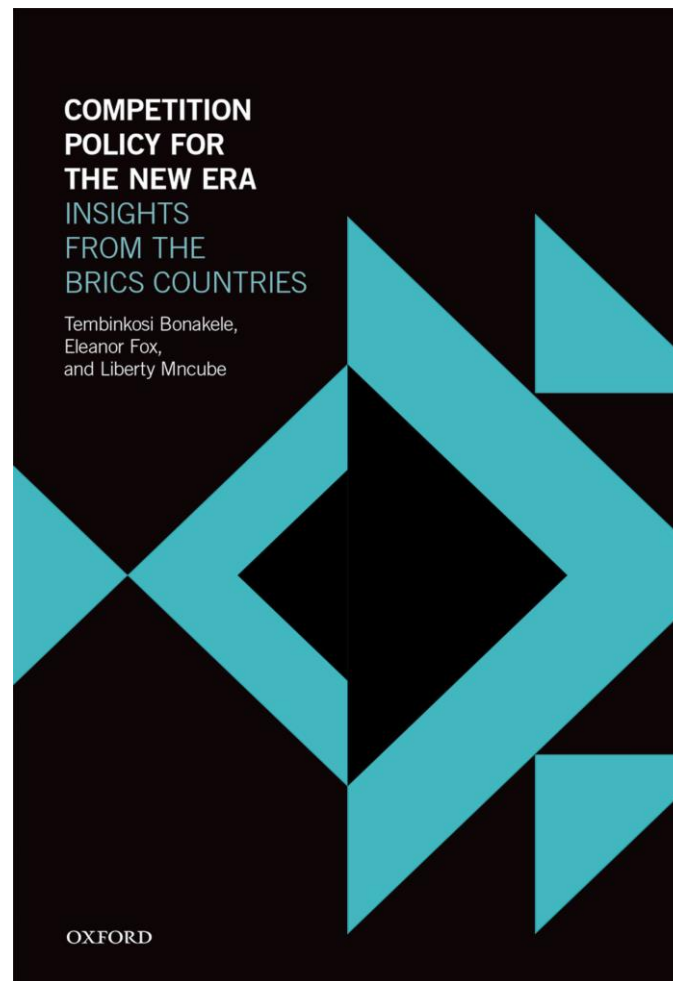


competition regulation for a growing and inclusive economy



competition commission
south africa

COMPETITION POLICY FOR THE NEW ERA



BACKGROUND

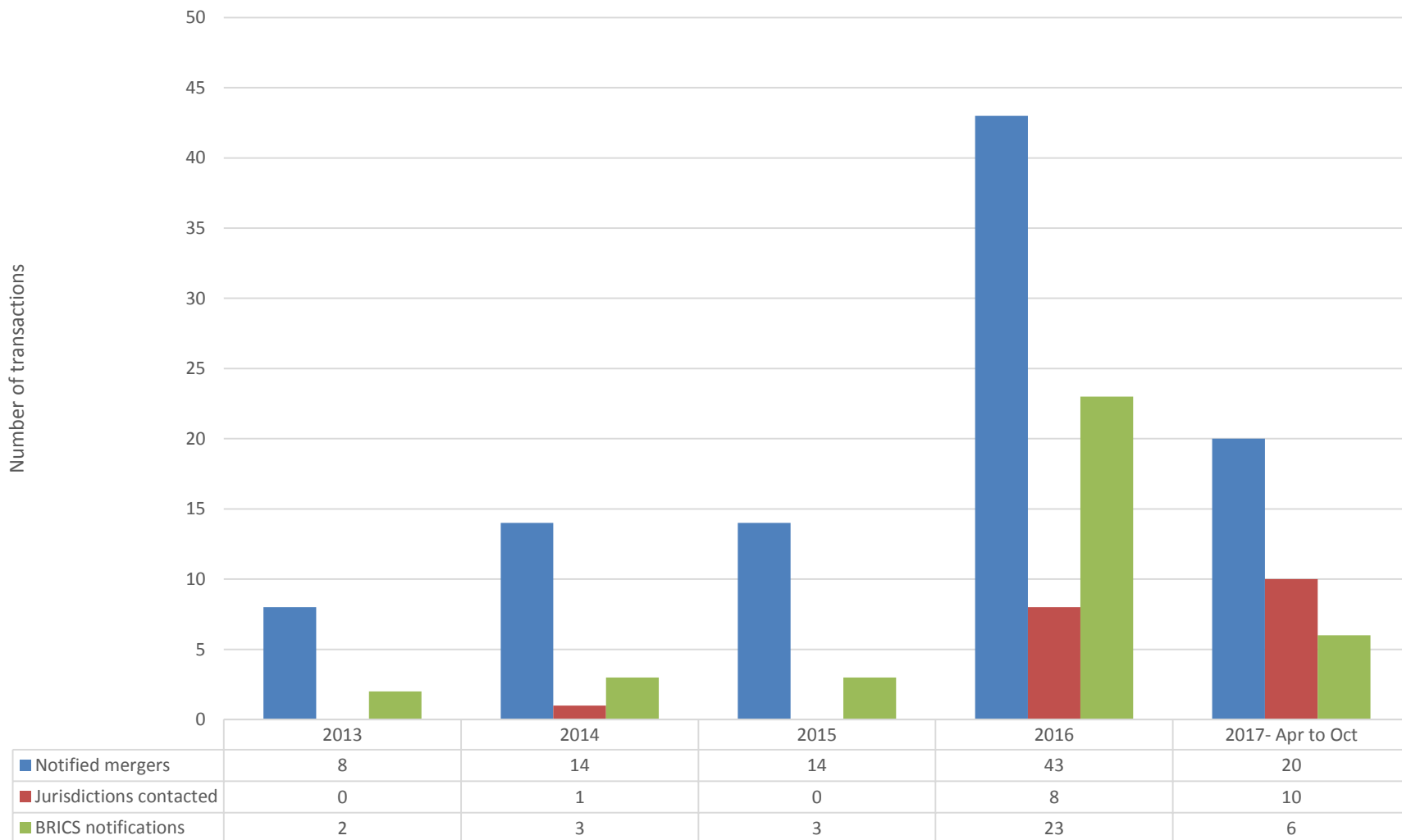
- BRICS competition authorities signed a MOU in May 2016
- **Purpose** – promoting and strengthening cooperation in competition policy & law through the exchanges of information, best practices & capacity building activities
- **Why** – growth of multinational firms which operate across multiple jurisdictions, cross-border cartel conduct, rise of global mega-merger transactions
- **Global developments** – United Nations Set of Principles & Rules on Competition & Toolkit on International Cooperation of Competition Authorities on Combating Restrictive Business Practices of Transnational Corporations & Transborder Violations of Rules on Competition read together with the UN Set
 - **Case examples**
 - Current investigation into car manufactures in Germany by the European Commission
 - Previous investigations in relation to shipping liners,
 - Investigations into tech giants Google, Apple & Microsoft
 - Current investigations in relation to pharmaceuticals, past cartel investigations into forex & LIBOR manipulation, recent mega-mergers in agro-chemicals & food value chains

SOUTH AFRICAN EXPERIENCE

- Prior to 2015 the Competition Commission of South Africa had not concluded any MoUs with other competition authorities
- Since 2015 we have concluded 5 MoUs with Namibia, Kenya, DG-Comp, Russia & BRICS
- The impact of MoUs is that cooperation has become more systematic especially in areas of mergers and cartel investigations
- Our experience (next slide) shows that in the period 2013 – 2017:
 - **Pre 2016**, very little interaction occurred between ourselves and other jurisdictions in relation to cross-border merger transactions
 - **Post 2016**, engagements with our counterparts in cross-border transactions increased & we project a further increase in interactions
- **Other observation** – interaction with our non-BRICS counterparts exceeds those with our BRICS partners



CROSS-BORDER MERGER NOTIFICATIONS IN SOUTH AFRICA: 2013 – 2017



COOPERATION IN BRICS

- **2017 Xiamen Declaration** – *We recognise the importance of competition protection to ensure the efficient social and economic development of our countries, to stimulate innovative processes and to provide quality products to our consumers. We note the significance of the interaction between the Competition Authorities of our countries, in particular, in identifying and suppressing restrictive business practices that are of a transboundary nature*
- Cooperation reinforced by our heads of state which compels us to continue deepening our commitment as set out in our MoU as well as thinking about other instruments



COOPERATION IN BRICS

ACTIONS

- **Working groups** – yielding interventions based on our shared works and experience and the common concerns we identify coming out of working groups
- **Capacity building** – amongst our staff members including technical training and knowledge-sharing, exchanges, secondments
- **Joint investigations**
- **Research** - consideration of the BRICS Competition Research Centre
- **A joint BRICS agenda on international cooperation** – UNCTAD discussion group on international cooperation



COOPERATION IN BRICS

OPPORTUNITIES

- How to deepen the scope of cooperation amongst BRICS nations
- BRICS task team to develop a mechanism/process of systematic cooperation based on agreed terms or processes (mergers, cartels, abuse of dominance)
- Scope for joint investigations amongst BRICS nations – when and how
- Appetite to adopt the Set of Multilaterally Agreed Principles and Rules for the Control of Restrictive Business Practices or scope for BRICS nations be thinking how to improve/change or amend the UN Set in order for it to be implementable



THANK YOU

Tel: +27 (0)12 394 3200

Fax: +27 (0)12 394 0166

Email: hardinr@compcom.co.za

Follow us on Twitter @CompComSA or me @hardinratshi



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