



### Welcome Readers!

Over the past quarter, CIRC has endeavoured to deliver unique opportunities in form of its speciality courses and other capacity building programmes to the inter-disciplinary students and working professionals. We organised Winter School of Role of Economics along with CRESSE. Our Winter Course on Competition Law & Practices in India also witnessed an amassed positive response.

With this edition of our quarterly newsletter, we provide you updates on the programmes, events, publications and courses that CIRC held along with updates on the upcoming events too.

For 2014 we are gearing up for introducing other bouquet of inter-disciplinary courses and associations with various organisations

Happy Reading!

Arun Talwar  
COO, CIRC

# circular

January –March 2014 Edition

A Quarterly Newsletter



3<sup>rd</sup> Biennial International Conference on 'Competition Reforms: Emerging Challenges in Globalising World'

### THE COVER STORY

- 3<sup>rd</sup> Biennial International Conference on 'Competition Reforms: Emerging Challenges in Globalising World'.

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Competition is central to the operation of markets, and fosters innovation, productivity, growth and good governance, all of which creates wealth and reduces poverty. However, markets do not always function properly, and uncompetitive markets are often those that matter most for the poor. Many developing countries have now prioritised growth in their national poverty reduction strategies. Given that effective competition is a driver of productivity, sound adoption of sound competition reforms should be an essential component of any pro-poor growth strategy. Against this background, one of the key initiatives that CUTS and CUTS Institute for Regulation and Competition (CIRC) have taken in last few years is to provide a platform to deliberate and discuss key economic and governance challenges to competition and economic regulation at an international level and had organised two previous conferences in New Delhi, India. This time from 18<sup>th</sup> to 19<sup>th</sup> November 2013, CUTS and CIRC organised its **3<sup>rd</sup> Biennial International Conference on 'Competition Reforms: Emerging Challenges in Globalising World'**. The idea for this biennial series was conceived in the backdrop of developing countries concerns of frequent regulatory failures that undermine the capacity to achieve policies important to citizens and consumers. Such failures are due to persistent and common patterns of over-regulation, under-regulation, poorly designed regulation and implementation, and weak institutional capacities. This was another attempt to forge convergence on the mentioned issues by putting on display different approaches for rationalizing, formulating and evaluating economic regulation as well as defining stakeholder participation in such regulation. The conference featured national and international experts from polity, business, academia, media and others on key economic, governance and public policy issues facing developing countries in a globalising world. The inaugural session saw an amassed presence of **Ashok Chawla**, Chairman, Competition Commission of India; **Arvind Mayaram**, Secretary, Department of Economic Affairs, Ministry of Finance, Government of India and **Dr Frédéric Jenny**, Chairman, OECD Competition Committee, France among others.

### CIRC- CRESSE WINTER SCHOOL ON 'ROLE OF ECONOMICS IN COMPETITION LAW'.

CIRC along with [CRESSE](#) organised a 5 day residential Winter School on 'Role of Economics in Competition Law' from 11<sup>th</sup> to 15<sup>th</sup> November, 2013 at Institute for Studies in Industrial Development (ISID), New Delhi. CRESSE is a Network of academics and professionals, practicing in Competition or Regulatory Authorities, Consultancies and Legal Practices and have been regularly holding summer and winter school across Europe. The aim of the School was to familiarise participants with the new economic literature and with recent legal developments to establish a clear link between the new theories and the day to day work of practitioners.



The objective was to enable participants to answer complex questions, about the practical matters they come across in their legal work, in an economically informed manner. International experts like **Prof. Maarten Pieter Schinkel**, Consultant, CRA London; **Prof. Joseph E. Harrington Jr.**, University of Pennsylvania and **Prof. Yannis S. Katsoulacos**, Senior Consultant, CRA London graced the sessions during the duration of the Winter School. The participants for this School were legal professionals and consultants and praised CIRC for its ground breaking endeavours.

### CIRC's FACULTY DEVELOPMENT PROGRAMME

The Competition Act 2002 (CA 2002) establishes a completely new set of rules unfamiliar to most stakeholders in India. And hence capacity building is the need of the hour. Addressing this concern, CIRC undertook the task of enriching the faculty members from various colleges and universities with the importance of competition law and its basic tenets. This initiative was intended as a step towards plugging the knowledge gap at the level of students who are going to be the future entrepreneurs, lawyers, regulators etc. of the country.



The faculty development programme was conducted on November 19<sup>th</sup> 2013 at Hotel Metropolitan, New Delhi. Our efforts culminated in educative lectures and discussions led by national and international experts on two major limbs of

Competition Law; Anti- Competitive Agreements and Abuse of Dominance. While **Dr David Lewis**, Executive Director, Corruption Watch, South Africa and **Dr Frédéric Jenny** Chairman, OECD Competition Committee, France graced the session, **Manas Kumar Chaudhary**, Partner, Khaitan & Co; **Prof. Harpreet Kaur**, Professor of Law at National Law University, Delhi and **Amitabh Kumar**, Partner, Jyoti Sagar Associates (JSA) along with Dr Lewis and Dr Jenny engaged an intensive panel discussion.



There were approximately 40 participants representing teaching faculty from different law schools, colleges and universities. Witnessing such overwhelming response, CIRC would be making it a regular programme involving inter disciplinary faculties.

### CIRC THREE DAY WINTER COURSE ON 'COMPETITION LAW AND PRACTICE IN INDIA'.

After the huge success of its Summer Course held in June'13, CIRC was pleased to conduct its three day Winter Course from December 21 to December 23 2013 at New Delhi. The course was designed to give participants a clear understanding of the

Competition Law of India with related case studies to understand the practical implications of the Law in practice. The members of faculty comprised of representatives from the Competition Commission of India, Universities, premier law firms of the country and CIRC with participants from different disciplines. The course relied on sustained exposure and interactions of the participants with members of faculty with a view to allow participants the full advantage of their rich theoretical and practical knowledge.



The final session of the Winter Course proceedings was an intensive Panel Discussion chaired by Amitabh Kumar, Partner, J. Sagar Associates; Surbhi Mehta, Head Competition Law & Policy, APJ-SLG Law Offices; Reeta Choudhary, Senior Associates, J. Sagar Associates and Saket Sharma, Jr. Fellow, CIRC. Mr Kumar, chairing the panel discussion thanked the panellists and all the students for interactive session and appreciated such initiatives by CIRC to conduct training programmes on such contemporary legal field thereby contributing in filling the knowledge gap.

### **(IN)COMPETITIVE REGULATORY POLICIES IN THE ROAD TRANSPORT SECTOR IN INDIA**

Indisputably, infrastructure plays a momentous role in advancing economic development. One may say growth of infrastructure is directly proportional to economic development and vice versa. It is also understood that for systemic development of any sector, compliance with competition policies is absolutely necessary.

It is in this backdrop that the recent addition to CIRC's Working paper series focuses on the road sector of India. The paper brings out the current climate of the Indian road sector and puts forth suggestions to amend the same. The paper revolves around the inefficient regulatory policies which daunt competition and consequently impede the sector's growth.

*This Working Paper can be accessed at:*

<http://circ.in/pdf/Competition & Regulation in Indian Road Transport.pdf>

### **MANEUVERS FOR A LOW-CARBON STATE IN INDIA: IDENTIFYING AGENCY, AUTHORITY AND ACCOUNTABILITY IN GOVERNANCE OF CLEAN ENERGY DEVELOPMENT**

The debate on responses to climate change has been focused on the difficulties in reaching at binding national targets for emission reductions, and hence on the question of how to achieve an equitable response to climate change. By concentrating on the obstacles to reach at an international agreement, the current debate tends to obscure the question of what enables states to bring about low-carbon development and emissions reductions or what obstructs them.

India has been claiming to undertake a transition to a low-carbon electricity sector. This alleged transition comes as a response to a range of competing agendas and simultaneous constraints in energising development without compromising the climate. This paper identifies agents of climate change and their authority and accountability within the clean energy governance structure. It aims to find out the level of influence exerted by these agents on India's strategy and action on clean energy development and thus its capacity to reduce GHG emission. By focusing on the role of agency, authority and accountability in governance of clean energy, this paper unpacks the neglected question of what forms of state capacity and political strategy are needed to low-carbon development within Indian electricity sector.

*This Working Paper can be accessed at:*

<http://circ.in/pdf/Agency Authority & Accountability in Clean Energy Governance.pdf>

### **INFRASTRUCTURE INVESTMENT: A TRILLION DOLLAR QUESTION?**

Infrastructure deficit severely constrains growth and development. 12th Five Year Plan has envisaged an investment target of U.S. 1 trillion dollar to overcome India's infrastructure deficit. This paper provides an analysis of existing sources of finance and cautions against excessive reliance on bank credit. India faces a substantial financing gap

which needs to be bridged by domestic as well as foreign private sector investments. Predominant providers of infrastructure finance are public sector banks. Tapping new revenue streams and innovating with sources and structures for finance is vital. This Working Paper focuses on the gigantic task of financing infrastructure investment during the 12th Plan would require a shift from the traditional mode of bank financing towards other modes. Investment policies and regulatory guidelines for insurance companies, pension funds, mutual funds, banks and other financial institutions need to be sufficiently flexible for these entities to choose an appropriate risk-return profile within fiduciary constraints. In facing the challenge of infrastructure financing, the problem is not of inadequacy of financial savings but lack of financial intermediation capable of mobilising and channelling domestic financial savings into infrastructure in a manner that does not create risks associated with the traditional bank financing mode.

*This Working Paper can be accessed at:*

<http://circ.in/pdf/Infrastructure Investment A Trillion Dollar Question.pdf>

### **WHY DOES INDIA NEEDS A ROBUST COMPETITION POLICY FRAMEWORK?**

The urgent need for regulatory reforms and strengthening of our governance capabilities has been highlighted by recent events. Everyday newspapers carry reports about alleged 'scams' while their editorials bemoan the present policy 'paralysis' with its obvious negative impact on economic activity. One area where policy and regulation can have a tremendous positive impact is the institution of a comprehensive competition policy framework. The draft National Competition Policy (NCP) holds great promise to promote good governance leading us away from damaging effects of rent seeking behaviour and towards the benefits of accountability, transparency, equity and rapid and inclusive economic growth. This paper highlights the key provisions of the NCP and strives to demonstrate how implementation of these stipulations, supported by National Competition Rules (NCR) can effectively transform the quality of our governance.

*This Working Paper can be accessed at:*

<http://circ.in/pdf/Why India Needs a Robust Competition Policy Framework.pdf>

### **COMPETITION COMPLIANCE AND ROLE OF CCI: NEED TO MOVE BEYOND ADVOCACY**

Competition authorities, especially in newer jurisdictions, need to play a proactive role to create awareness regarding benefits of competition in the market. Compliance, necessarily, is a step ahead of awareness regarding benefits of competition law, and involves concrete steps by market players to ensure that their organisations do not engage in anti-competitive conduct. There is no doubt that Competition Commission of India (CCI) needs to play a pivotal role in creating a culture of competition compliance in India. Currently, CCI is following a unilateral approach of advocacy only. This issue note highlights this unilateral approach of CCI and briefly suggest as to what other roles CCI can take up to ensure competition compliance in India.

*This Issue Note can be accessed at:*

<http://circ.in/pdf/Competition Compliance and Role of CCI Need to Move Beyond Advocacy.pdf>

### CIRC NATIONAL ESSAY COMPETITION 2014

Since the last decade of 20<sup>th</sup> century, there is a global surge in adoption of competition policy and economic regulation in developing economies. It is believed that effective competition and independent regulation together contribute to economic growth and welfare, while creating an atmosphere that favours change, innovation and improvement. With this objective, the essay competition is designed to encourage intellectual discourse and sensitise the students on Competition Policy & Law and Economic Regulations in India. The Submission Deadline is March 15<sup>th</sup> 2014.

Further details and guidelines are available at: <http://circ.in/essay-competition-2014.htm>

For query please contact: [essay2014@circ.in](mailto:essay2014@circ.in)

### WORKSHOP ON COMPETITION LAW COMPLIANCE

Though corporates are justified in hiring the best and highly expensive legal experts to fight the cases before CCI or COMPAT, it is also necessary to build the capacity of their own legal department. This will help the organisation to understand what behaviour is in violation of competition law and what the legal consequences may be both for the company and for individuals.

There can be no substitute for an in-house counsel well versed with [Competition Law Compliance](#). In this backdrop CIRC will be organising a Workshop on Competition Law Compliance from 18<sup>th</sup> to 19<sup>th</sup> April, 2014.

To know more details please visit our website [www.circ.in](http://www.circ.in)

## UPCOMING COURSES @ CIRC

**CIRC taking its vision forward will soon launch comprehensive capacity building solutions on regulatory matters pertaining to various sectors and related aspects. The list of upcoming courses at CIRC is as follows:**

### Dedicated Sector based Online Courses

Role of Economics in Competition Policy & Law

Energy Law & Policy

Merger & Acquisition Law

Public Procurement Practices & Law

Water Regulations & Laws

### Competition Act, 2002: Online Course 8th Batch (March)

Eight weeks online Certificate course on "Competition Act 2002 in India" is intended to introduce participants to the provisions of the Competition Act, 2002 in India and its enforcement. The last day of registration is February 28<sup>th</sup> 2014.

### Certificate & Diploma Course on Competition Policy & Law

CIRC- NLUD would be bringing forward the next term of the most sought after certificate & diploma courses in the industry on the CPL. The next intake of the CPL course has been announced to be started in April.

For any further query contact through website or on the following email id: [sk@circ.in](mailto:sk@circ.in)

### Summer Course on 'Competition Law & Practice in India'

CIRC is going to announce the Summer Course on 'Competition Law & Practice in India', which will be held at New Delhi from 27 to 29 June 2014. The Course is mainly designed for law and economics students and career aspirants.



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