

CUTS LATEST PUBLICATIONS

COMPETITION & INVESTMENT



Competition and Regulation in Indian Retail Sector

(No 2/2008)

The retail sector has witnessed unprecedented growth in recent times and is currently one of the fastest growing sectors in India. Given the large size of this sector, its expansion is both a cause as well as a consequence of the rapid economic growth. However, it is largely unregulated – a fact which implies that efforts to block competition or cartelise market can be effective and threaten the growth and welfare generation potential of this sector. It is for this reason that competition and regulation scenario in the retail sector needs to be reviewed.

In order for the modern retail sector to grow, it is necessary that steps are taken to review laws, build a better regulatory framework, restructure the tax regime and encourage investment significantly. However, at the same time, a comprehensive national policy and uniform state level policies to address the needs of small retailers for accessing institutional credit and technology are required.

This Note examines the structure of the retail sector, including its diverse components. It looks at the main challenges faced by the sector, including regulation and competition.

*This Issue Note can be viewed at:
http://www.cuts-international.org/pdf/2-2008Comp_Reg_in_Indian_Retail.pdf*

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International

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D-217, Bhaskar Marg, Bani Park, Jaipur 302 016, India, Ph: 91.141.228 2821, Fx: 91.141.228 2485
Email: cuts@cuts.org, Website: www.cuts-international.org

National Competition Policy for India

(No 3/2008)



In India, there is a consistent need for a functional competition regime that comprises of both a competition policy and a competition law. The Competition Act, 2002 fills the need for a law, though it still has to be implemented in full. However, there are many distortions in the economy, which cannot be regulated by a competition law and hence the need arises for a holistic competition policy.

Following successful advocacy by CUTS, the Planning Commission took up the task of preparing a competition policy in 2007, which now finds a place in the Eleventh Five Year Plan Policy Document: “Inclusive Growth”, as a strong recommendation. It was adopted by the National

Development Council in December 2007.

This Issue Note questions as to what type of platforms Competition Policy Council (CPC) can create to coordinate with all relevant stakeholders in implementing the National Competition Policy (NCP) and what are the best ways CPC could provide incentives to state and sub-state governments to encourage them to carry out pro-competition reforms keeping in mind the principles of the NCP.

*Issue Note**Suggested Contribution: Rs 20/US\$5*

Using Competition Policy to Regulate MNC Behaviour in Namibia

(C-CIER No 13/2008)



Competition policy has become one of the most important economic regulatory instruments in international, regional and national trade arrangements. Namibia, together with other small member states of the Southern African Customs Union (SACU), i.e. Botswana, Lesotho and Swaziland, is in the process of evolving and implementing national competition legislations. Different members have however, achieved varying degrees of progress in this process.

This Briefing Paper seeks to explore ways in which the Namibian competition regime can be effective in controlling unfavourable behaviours of multinational corporations (MNCs) operating in Namibia. It outlines three relevant provisions that might be useful in this regard; and looks at the recent anti-competitive practices by MNCs in the cement sector. Along with the conclusions, it brings to the fore certain interesting areas for further research.

*Briefing Paper**Suggested Contribution: Rs 20/US\$5*



Privatisation Initiative in Botswana: Any Bearing on Competition?

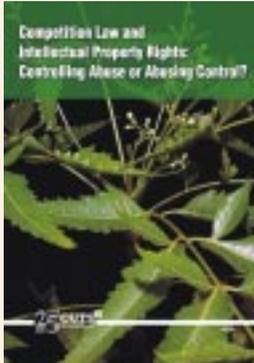
(No 1/2008)

One of the key economic liberalisation initiatives that has been pursued in many developing countries is privatisation. Botswana established a Privatisation Policy in 2000, and came up with a Privatisation Master Plan in 2005, which outlines the strategies, principles and practices to be followed to achieve key privatisation objectives. The country also adopted a Competition Policy in 2005, which provides a framework that integrates privatisation into a strategy for promoting a dynamic market-led economy.

This Briefing Paper examines the relationship between privatisation and competition, highlighting implementation of the privatisation policy in Botswana and its likely impact on competition in the market. The paper also attempts to outline some competition aspects associated with privatisation that the competition authority may look into once it becomes operational in the country.

Policy Brief

Suggested Contribution: Rs 20/US\$5



Competition Law and Intellectual Property Rights: Controlling Abuse or Abusing Control?

The relationship between competition law and intellectual property rights (IPRs) policy is sometimes mistakenly regarded as pure juxtaposition and contradiction. IPRs policy designates boundaries within which competitors may exercise legal exclusivity (monopolies) over their innovations. In principle, therefore, it creates market power by limiting static competition and promoting dynamic competition. This is seen at first sight as defeating the principles of static market access and level playing fields promoted by competition rules, in

particular the restrictions on horizontal and vertical restraints, or on the abuse of dominant positions.

This Monograph examines the interface between competition law issues and the protection of IPRs – both complementarities and conflicts. It discusses the IPRs-related competition issues, highlighting abuse of a dominance position due to IPRs. In addition, the paper provides an overview of the competition law and IPRs in developing countries. Written in an easy-to-understand language, it aims to serve the purpose of reaching out to relevant stakeholders as well as general readers.

Monograph

Suggested Contribution: Rs 200/US\$15



Is the Stage set for Mainstreaming Trade into National Development Strategy of India?

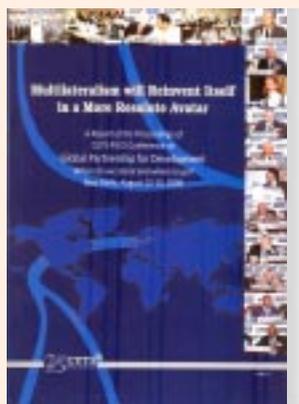
(No 13/2008)

Given the major role that trade can play in poverty reduction, it is necessary to mainstream trade into India's national development strategy. In doing so, it is vital to engage civil society in a socially inclusive manner and to embed social and political considerations into trade policy-making.

This Briefing Paper examines the conditions that need to be satisfied for mainstreaming trade into the National Development Strategy. The findings are based on survey results from the agricultural sector in the states of West Bengal and Rajasthan comprising farmers, political representatives at the local level and government representatives.

The paper also assesses the policy making process at the grassroots, identifies its systemic weaknesses and the reasons for people's lack of political engagement.

*This Briefing Paper can be viewed at:
<http://www.cuts-citee.org/pdf/BP08-DI-12.pdf>*



Multilateralism will Reinvent Itself in a More Resolute Avatar

CUTS, in association with Federation of Indian Chambers of Commerce and Industry (FICCI) organised a major conference entitled, 'Global Partnership for Development: Where do we stand and where to go?' in New Delhi on August 12-13, 2008.

The conference provided a historic opportunity and responsibility for the trade community at large because it was held in the backdrop of the latest ministerial talks on the Doha Round at Geneva in July 2008. This report covers the collective deliberations in this meet at a particularly difficult time in international trading relations, which renewed the hope and commitment of all to a more prosperous, equitable and united world.



Domestic Preparedness for Services Trade Liberalisation: *Are South Asian Countries Prepared For Further Liberalisation?*

The service sector today dominates economic activity at virtually every stage of development of a country making service trade liberalisation a necessity for its integration with the global economy. This is so because it enables countries to better enjoy the benefits of globalisation and improves economic efficiency just as free trade in goods does. Moreover, it contributes to job creation, higher incomes, more consumer choice, downward pressure on inflation – in short a better quality of life.

This Book provides an overview of the services sector of a country, underlines the reasons for its growth and identifies its contributions to various South Asian economies in terms of output, employment, trade and investment flows. It also contains experiences of South Asian countries regarding their multilateral commitments and requests and offers at the Doha Round of negotiations, and most importantly, discussions of issues and concerns of domestic preparedness for further opening up of the services sector.

Book
Suggested Contribution: Rs 200/US\$20

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