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Agenda Item: 5

Training Program to Promote Economic Competition in APEC Economies

Purpose: Information
Submitted by: México



**Competition Policy and Deregulation Group
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Training Program to Promote Economic Competition in APEC Economies

(Regulation and Competition in Regulated Sectors)

Organized by the Mexican Federal Competition Commission

Sponsored by the Asia Pacific Economic Cooperation

In 2002, the Federal Competition Commission (CFC) implemented a Training Program to Promote Economic Competition in APEC Economies. This program focused on regulated sectors, and comprised four seminars for each sector: energy, transport, telecommunications and financial services.

The purpose of these seminars was to exchange experiences and best regulatory practices in the enforcement of regulation and competition policies, as well as to promote knowledge and implementation of the APEC *Principles for Improving Competition and Regulatory Reform* in its member economies. The seminars counted with the participation of high level and experienced speakers in these matters, and were addressed to officials from regulatory bodies and other offices of the Federal Government, legislators, entrepreneurs, advisors, and academics that generally participate in these sectors.

ENERGY

The first seminar focused on the energy sector and was jointly organized by the FCC and the Energy Regulatory Commission. It was held on the 30th and 31st of May 2002, at the Fiesta Americana Grand Chapultepec Hotel in Mexico City.

The seminar involved discussions on subjects that are specific to the energy sector such as design, regulation and competition in electricity markets. Themes included in the program covered issues such as potential benefits from the introduction of competition mechanisms; the adoption of new technologies aiming to achieve better efficiency indexes; as well as establishing and consolidating market mechanisms in the sector thereby contributing to promote overall economic development.

TRANSPORT

In coordination with the Ministry of Communications and Transport the FCC organized the seminar on Transport the 19th and 20th of October 2002, at the Camino Real Hotel in Mexico City.

The seminar involved discussions on various subsectors such as railways, maritime, and airways transportation. Subjects discussed included challenges faced with privatization and concessions, network effects within the subsectors, and challenges faced in fostering multimodal transport.

TELECOM

The FCC organized the seminar on Telecommunications on the 11th and 12th of September 2003, at the Sol-Meliá Hotel in Mexico City.

Following the recent worldwide trend to deregulate and enhance competition in the telecommunications sector, the seminar sought to describe challenges and experiences of regulatory and competition agencies involved in the sector. The seminar covered subjects such as the effects of regulation in the development of the sector and firms' performance, the different regulatory options available to the overseer, merger analyses in the sector, determination of substantial market power, as well as of anticompetitive practices.

FINANCE

The Commission finalized this training program with the seminar on the Financial Services sector, held on the 17th and 18th of November 2003, at the Fiesta Americana Grand Chapultepec Hotel in Mexico City.

Sessions in this seminar were divided into six. The first two covered characteristics common to the whole sector, such as: the existence of important asymmetries in information, potential synergies that have resulted from exchanging information among agents, the expansion of financial networks and complementary facilities, as well as challenges faced by the sector and competition regulators. The remaining four sessions discussed issues specific to each sub-sector: AFORES (pension funds administrators), insurance, exchange markets, and banking.