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**APEC Seminar on Utilizing the “APEC-OECD
Integrated Checklist on Regulatory Reform” in the
Competition Policy and Deregulation Aspects (CTI
05/2007T)**

Purpose: Information
Submitted by: Indonesia



**Competition Policy and Deregulation Group
Meeting
Canberra, Australia
23 - 24 January 2007**



Commission for The Supervision of Business Competition
KPPU - RI

**APEC SEMINAR
ON UTILIZING THE “APEC-OECD
INTEGRATED CHECKLIST ON
REGULATORY REFORM” IN THE
COMPETITION POLICY AND
DEREGULATION ASPECTS**

By
KPPU-Republic of Indonesia

APEC Competition and Deregulation Group Meeting
Canberra, Australia, 23 January 2007

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Background 1

- **The APEC-OECD Co-operative Initiative on Regulatory Reform**
 - In June 2000, the APEC and the OECD reached an agreement on the Initiative.
 - In November 2000, it was endorsed at the APEC Ministerial Meeting in Brunei.

- **Development of the APEC-OECD Integrated Checklist on Regulatory Reform (the Checklist)**
 - In October 2002, the APEC-OECD economies agreed on the need of the Checklist.
 - In 2005, the respective Executive Bodies of the APEC and the OECD approved the Checklist.

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Background 2

- In November 2006, the APEC Ministers endorsed the Checklist as a voluntary tool that member economies may use to assess their respective regulatory reform efforts and the Ministers instructed concerned officials to continue to explore ways of working with the OECD to disseminate the Checklist among member economies.

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The Checklist

- The Checklist is a voluntary tool that member economies may use to evaluate their respective regulatory reform efforts.
- The Checklist is composed by four sections.
 - Horizontal Criteria concerning Regulatory Reform
 - Regulatory Policy
 - Competition Policy and Law
 - Market Openness Policies

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Proposal on this Seminar

- Indonesia, as a member economy of the APEC and an observer of the OECD Competition Committee, with recognizing that regulatory reform in harmonization with competition policy is a central element in the promotion of open and competitive markets and a major key of economic efficiency and consumer welfare, propose to hold *the APEC Seminar Utilizing the “APEC-OECD Integrated Checklist on Regulatory Reform” in the Competition Policy and Deregulation Aspects.*
- Among four sections of the Checklist, we propose to focus on (i) Horizontal Criteria concerning Regulatory Reform, (ii) Regulatory Policy and (iii) Competition Policy and Law for this Seminar.

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Horizontal Criteria concerning Regulatory Reform

- This session is concerning regulatory reform across levels of government that invites reflection on the degree of integration of regulatory, competition market openness policies across levels of government, and on the accountability and transparency mechanisms needed to ensure their success.
- Regulatory reform refers to changes that improve regulatory quality to enhance the economic performance, cost-effectiveness, or legal quality of regulations and related government facilities.
- This session is composed of 11 questionnaires.

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Questionnaires related to this Seminar

Horizontal Criteria concerning Regulatory Reform

- A1. *To what extent is there an integrated policy for regulatory reform that sets out principles dealing with regulatory, competition and market openness policies?*
- A2. *How strongly do political leaders and senior officials express support for regulatory reform to both the public and officials, including the explicit fostering of competition and open markets? How is this support translated in practice into reform and how have business people, consumers and other interested groups reacted to these actions and to the reforms in concrete terms?*
- A3. *What are the accountability mechanism that assure the effective implementation of regulatory, competition and market openness policies?*

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Questionnaires related to this Seminar

Horizontal Criteria concerning Regulatory Reform (Cont.)

- A5. *To what extent has regulatory reform, including policies dealing with regulatory quality, competition and market openness, been encouraged and co-ordinated at all levels of government (e.g. Federal, state, local, supranational)?*
- A7. *Are the reform of regulation, the establishment of appropriate regulatory authorities, and the introduction coherent in timing and sequencing?*
- A8. *To what extent are there effective inter-ministerial mechanisms for managing and co-ordinating regulatory reform and integrating competition and market openness considerations into regulatory management systems?*

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Regulatory Policy session

- This session is designed to maximise the efficiency, transparency and accountability of regulations based on an integrated rule-making approach and the application of regulatory tools and institutions.
- This session is composed of 8 questionnaires.

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Questionnaires related to this seminar

Regulatory Policy session

- B2. *Are the legal basis and the economic and social impacts of drafts of new regulations reviewed? What performance measurements are being envisaged for reviewing the economic and social impacts of new regulations?*
- B3. *Are the legal basis and the economic and social impacts of existing regulations reviewed, and if so, what use is made of performance measurements?*
- B6. *To what extent are clear and transparent methodologies and criteria used to analyze the regulatory impact when developing new regulations and reviewing existing regulations?*
- B8. *To what extent have measures been taken to assure compliance with and enforcement of regulations?*

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Competition Policy and Law session

- This session is aimed to promote economic growth and efficiency (i) by eliminating or minimising the distorting impact of laws, regulations and administrative policies, practices and procedures on competition; and (ii) by preventing and deterring private anti-competitive practices through effective enforcement of competition laws.
- This session is composed of 12 questionnaires.



Questionnaires [Abstract]

Competition Policy and Law session

- C1. *To what extent has a policy been embraced in the jurisdiction that is directed towards promoting efficiency and eliminating or minimizing the material competition distorting aspects of all existing and future laws, regulations, administrative practices and other institutional measures (collectively "regulations") that have an impact upon markets?*
- C2. *To what extent do the objectives of the competition law and policy include, and only include, promoting and protecting the competitive process and enhancing economic efficiency including consumer surplus?*
- C3. *To what extent does the Competition Authority or another body have (i) a clear mandate to advocate actively in order to promote competition and efficiency throughout the economy and raise general awareness of the benefits of competition, and (ii) sufficient resources to carry out any advocacy functions included in its mandate?*
- C4. *To what extent are measures taken to neutralize the advantages accruing to government business activities as a consequence of their public ownership?*



Questionnaires [Abstract]

Competition Policy and Law session (Cont.)

- C7. *To what extent is there a transparent policy and practice that addresses the relationship between the Competition Authority and sectoral regulatory authorities?*
- C8. *To what extent does the competition law contain provisions to deter effectively and prevent hard-core cartel conduct, abuses of dominant position or unlawful monopolistic conduct, and contain provisions to address anti-competitive mergers effectively? To what extent does the broader competition policy strive to ensure that this type of conduct is not facilitated by government regulation?*
- C9. *To what extent does the competition law apply broadly to all activities in the economy, including both goods and services, as well as to both public and private activities, except for those excluded?*

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Preliminary Objectives

1. Objective on Regulatory Reform

- To increase awareness of participants in necessity and importance of development of regulatory reform in harmonization with competition policy through information sharing and discussion on (i) recent status of regulatory reform in their economies and (ii) Regulatory Impact Analysis method based on competition policy viewpoint

2. Objective on Competition Policy

- To enhance awareness of participants in necessity of further improvements of competition policy and the capacity of competition (related) authority in the economy through information sharing and discussion on recent statuses of competition policies and competition authorities in member economies

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Ultimate Objectives

- To deepen basic understanding on the principles contained in the Checklist and how they can be an effective tool for competition authorities and relevant government authorities in member economies to implement an effective and high quality regulatory policy and competition policy
- To exchange experience and expertise in applying the Checklist and its effect on regulatory reform process from the point of view of competition policy
- To discuss and develop recommendations on possible concrete actions related to the utilization of the Checklist for policy harmonization between competition policy and regulatory policy

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Expected Outputs

- Concrete Actions related to the Utilization of the Checklist for Policy Harmonization between Competition Policy and Regulatory Policy
E.g.
 - Best Practices on Utilization of the Checklist in Respective Regulatory Reform in Harmonization with Competition Policy in Member Economies
 - Recommendation on the concrete methods to progress competition-oriented regulatory reform in member economies by utilizing the Checklist
 - Recommendation on the concrete methods to realize further improvements of competition policies and the capacities of competition (related) authorities in member economies

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Expected Outputs

- Also, through the above, this seminar will contribute to achieve the CPDG's objective to contribute trade and investment liberalization and facilitation as set forth in part of the Osaka Action Agenda (OAA).
- Furthermore, this seminar is also expected to contribute to the Leaders' Agenda to Implement Structural Reform (LAISR) where structural reform and regulatory reform are highlighted.

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Methodology (To be discussed)

- On 1st day, all participants will share (i) Keynote Speeches and (ii) Speeches on the experiences of implementation of the Checklist and efforts to harmonize regulatory reform to competition policy in the economies of Speakers as the materials of further discussions.
- After then, participants will discuss based on those Keynote Speeches and Speeches.

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Methodology

- Secondly, the participants will be divided to two Working Groups. (Working Group 1 on Regulatory Reform and Working Group 2 on Competition Policy)
- In Working Group 1 presenters will deliver presentations on experiences on trial and/or partial implementations of Horizontal Criteria concerning Regulatory Reform and Regulatory Policy session of the Checklist in their economies, evaluations of recent status of regulatory reform in their economies and so on.
- Based on those presentations, participants will discuss on how to develop regulatory reform in harmonization with competition policy in member economies.

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Methodology

- In Working Group 2 presenters will deliver presentations on experiences on trial and/or partial implementation of Competition Policy and Law session of the Checklist in their economies, evaluations of recent status of competition policy and capacity of competition (related) authority and so on.
- Based on those presentations, participants will discuss on how to improve competition policies and capacities of competition (related) authorities in member economies.

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Methodology

- Thirdly an, Moderator and Sub-Moderator of each Working Group will jointly compile the Lap-Up of Discussion in the Working Group and deliver it in the Plenary.
- After then, based on those presentations, participants will discuss and develop possible concrete actions related to (i) the utilization of the Checklist for policy in harmonization between competition policy and regulatory policy for ideal regulatory reform and (ii) the realization of further improvement of competition policies and the capacities of competition (related) authorities in member economies. (3rd Day)

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Keynote Speakers and Speakers in Plenary Session

- Keynote Speakers
 - Keynote Speakers 1: Representative of the OECD Secretariat (TBD)
 - Keynote Speakers 2: TBD
- Speakers
 - Relevant Government Officials and Experts on Regulatory Reform and/or Competition Policy of Member Economies with rich experiences

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Moderator and Sub-Moderator in Working Group

- Relevant Government Officials, Experts of Member Economies or Representatives of International Organizations with rich experiences on Regulatory Reform and/or Competition Policy

To accomplish the objectives of this seminar effectively, the lap-up of discussion in Working Group is critically important. And such task is too heavy burden just for one moderator, thus we propose to appoint not only Moderator but also Sub-Moderator for each Working Group.

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Participants

- Relevant Government Officials and Experts on Competition Policy and/or Regulatory Reform of Member Economies
 - Participants concerning Regulatory Reform are expected the EC members or persons recommended by the EC members.

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Draft Agenda (*See also Draft Agenda paper*)

- 1st Day (13 June)
 - Moderator: KPPU, Indonesia
- Morning Session
 - Opening Remarks
 - Convenor of the CPDG
 - Minister of Indonesia (TBD)
 - Chairman of KPPU, Indonesia
 - Keynote Speech 1: *Introduction to the Checklist and the OECD's Competition Assessment Toolkit (the Toolkit)* (TBD)
 - Representative of the OECD Secretariat (TBD)
- Keynote Speech 2: *Benefit from Utilizing of the Checklist* (TBD)
- TBD

The Toolkit is one of the OECD's achievements concerning regulatory reform. It aims to assess laws or regulations cause undue restrictions to competition or not and to provide guidance how to achieve policy objectives in way consistent with competition. Therefore, the Toolkit has tight relation with the Checklist and we could get many insights from the Toolkit to the best practices of implementation of the Checklist.

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Draft Agenda (*See also Draft Agenda paper*)

- 1st Day (13 June)
 - Afternoon Session
 - Presentation (4 Presentations):
Experiences of Utilizing of the Checklist
 - Presenters: TBD

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Draft Agenda (*See also Draft Agenda paper*)

- 2nd Day (14 June)
 - Working Group Session (2 WGs)
 - WG 1: Regulatory Reform
 - WG 2: Competition Policy
 - Presenters in Working Groups
 - TBD
 - Moderator and Sub-Moderator of Working Groups
 - TBD
- 4 Presentations in both morning and afternoon sessions are expected.
(Total 8 presentations in each Working Group)**
- In the case that the number of presentations in Working Group Session is much more, Working Group Session could start from the later part of the Afternoon Session of 1st Day (with reducing the number of Presentations in the Plenary of 1st Day).**



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Draft Agenda (*See also Draft Agenda Paper*)

- 3rd Day (15 June) (half)
 - Lap-up of Discussion in Working Groups and Conclusion/Recommendation*
 - Moderator
 - KPPU, Indonesia
 - Summary Presentation 1
 - Moderator & Sub-Moderator, Working Group 1
 - Summary Presentations 2
 - Moderator & Sub-Moderator, Working Groups
 - Adoption of Recommendation
 - Closing Remarks
 - Vice Chairman of KPPU, Indonesia
 - Convenor of the CPDG



Thank You!
See You in Jakarta!