



## DECEMBER 5: CELEBRATING WORLD COMPETITION DAY

On December 5, 1980 the United Nations Adopted the UN Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices. For the last five years a global movement, including CUTS International, UNCTAD, and over 24 other countries, has been celebrating December 5 as World Competition Day and called for its official recognition by the United Nations General Assembly.

### ● Why a World Competition Day?

The idea for World Competition Day was first inspired in order to raise awareness of the benefits of competitive market structures and the harm of anti-competitive practices. This not only helps spread the message for the benefit of industry and trade, but consumer welfare as well. Competition fosters productivity, leading to better quality and competitively priced products for the consumer to enjoy. The celebration of World Competition Day can help provide effective tools to authorities of competition law to allow for better functioning competitive markets. The hope is for the day to become internationally recognized for competition advocacy by the UN.

Competition laws are in need of a strong global presence. Competition focuses on consumer welfare and fair practice in a market economy. Without the knowledge or forums for reporting and elimination of anti-competitive practices, it is difficult to defend against threats to fair and competitive markets. World Competition Day can help promote the cooperation between national agencies to work at handling cross-border issues, such as international cartels. Competition laws regulate market-distorting practices in order to maintain a competitive market. Competitive markets are known to help economic growth by focusing on the restricting, free trade-inhibiting factors such as cartels, prohibiting firm-dominating practices, and regulating mergers and monopolies.

### ● A global advocacy movement

In movement for World Competition Day, many countries and organizations host domestic forums to foster support for the event. Last year, CUTS hosted a Roundtable to commemorate the anniversary of the UN Set, with presentations by leaders in international trade. The Philippines sustained the move for World Competition Day, additionally declaring December 5 as official National Competition Day. Countries such as Kazakhstan have shown their support by hosting "Open days" on December 5 to spread awareness, Brazil hosts an Anti-Cartel Enforcement Day, and Zambia has observed their own Competition Days to promote competitive regional markets.

### ▼ QUICK FACTS

- » The United States and Canada were the first to invoke competition policy, adopting their first antitrust laws in the 1890s.
- » 24 countries officially support World Competition Day
- » Public procurement accounts for 15-20% of global GDP.

CUTS Action alerts are to draw attention and call for action on key trade and development-related issues. Readers are encouraged to quote, reproduce and distribute this paper for advocacy purpose.

---

#### CUTS International, Geneva

37-39, Rue de Vermont  
1202 Geneva, Switzerland  
Ph: +41.22.734.6080  
Fax: +41.22.734.3914  
Email: [geneva@cuts.org](mailto:geneva@cuts.org)  
Web: [www.cuts-geneva.org](http://www.cuts-geneva.org)

---

This Action alert is produced by CUTS International as part of the "Promoting Agriculture-Climate-Trade linkages in the EAC" (PACT EAC) project.  
More at [www.cuts-geneva.org/pactec](http://www.cuts-geneva.org/pactec)

Outside of World Competition Day, each year the EU organizes its own European Competition Day to promote economic growth and consumer welfare. The Federal Antimonopoly Service (FAS) of Russia additionally hosts an international forum for foreign competition authorities to share ideas of best practice between countries and organizations.

### ● **This year's theme: public procurement**

Recently, competition efforts have been focusing on the public services sector with public procurement. It is an important issue for global development, which is why it was chosen as the theme for World Competition Day for the second year in a row.

Public procurement is the purchase of goods, services, and works by government or other public authorities. Many principle goods and services involved are healthcare, energy, waste, transportation, and education, to name a few. Public procurement concerns competition because the government wants to get the best goods and services at the lowest price, requiring strong competition amongst suppliers. Without a competitive market, governments will end up paying more than the fair price and waste government money. Strong market competition will benefit the overall economy by leading to more business opportunities, job creation, and economic growth.

Inhibitors to efficient public procurement include trade-distorting measures such as collusion, monopolization, and abuse of dominance. Inefficient processes including bureaucratic red-tape, bid rigging, and collective bidding can also contribute to the inefficiency of public procurement.

### ● **What can you do?**

In order to raise awareness for competition policy and promote public procurement, organizations at the local, state or regional level can create and distribute advocacy materials or assist in the publications or press releases related to the issue. Organizations can additionally suggest the idea of a forum, workshop, or meeting in recognition of the importance of competitive markets and in acknowledgement of World Competition Day.

## USEFUL RESOURCES



**European Commission Website.** The European Commission website provides information on the background of issues such as antitrust and public procurement as well as delves into details about existing policy in the European Union.

► <http://www.ec.europa.eu/>



**World Bank: Projects and Operations. "Public Procurement."** The World Bank's procurement sector focuses on assisting borrowing countries with procurement systems. This page outlines what they are doing to work on procurement reform.

► <http://go.worldbank.org/8HE37SPEJ0>



**INCSOC: World Competition Day.** The International Network of Civil Society Organisations on Competition is an organization promoting healthy competition around the world. Their website details the support and action from around the world towards the celebration of World Competition Day.

► [http://www.incsoc.net/World\\_Competition\\_Day.htm](http://www.incsoc.net/World_Competition_Day.htm)



**A CUTS Proposal for UNCTAD, "2<sup>nd</sup> Call for a World Competition Day?"** The World Bank's procurement sector focuses on assisting borrowing countries with procurement systems. This page outlines what they are doing to work on procurement reform.

► [http://www.cuts-ccier.org/pdf/2nd\\_Call\\_for\\_World\\_Competition\\_Day.pdf](http://www.cuts-ccier.org/pdf/2nd_Call_for_World_Competition_Day.pdf)