



What is the International Competition Network?

- Many government officials and members of the private bar and business community believe that international antitrust cooperation and sound antitrust enforcement can be improved through the creation of a new vehicle for antitrust agencies to work together. The International Competition Network (ICN) — launched here today at the Fordham Corporate Law Institute’s annual international conference — will provide antitrust agencies from developed and developing countries with a more focused network for addressing practical antitrust enforcement and policy issues of common concern. It will facilitate procedural and substantive convergence in antitrust enforcement through a results-oriented agenda and informal, project-driven organization.
- ICN will help to bring international antitrust enforcement into the 21st century. By enhancing convergence and cooperation, ICN will promote more efficient, effective antitrust enforcement worldwide. Consistency in enforcement policy and elimination of unnecessary or duplicative procedural burdens stands to benefit consumers and businesses around the globe.

History of the International Competition Network

- The concept for ICN came directly out of the recommendations of the International Competition Advisory Committee (ICPAC), a group formed in 1997 by then U.S. Attorney General Janet Reno and Assistant Attorney General for the Antitrust Division Joel Klein. ICPAC was commissioned to think broadly about international competition in the context of economic globalization and focused on issues like multi-jurisdictional merger review, the interface between trade and competition, and the future direction for cooperation between antitrust agencies. In its final report, issued in February 2000, ICPAC called on the United States to explore the creation of a new venue — a “Global Competition Initiative” — where government officials, as well as private firms and non-governmental organizations, would be able to consult on antitrust matters. ICPAC recommended that the Global Competition Initiative be directed toward a “greater convergence of competition law and analysis, common understanding, and common culture.”
- Recognizing that the best way to promote sound and effective antitrust enforcement in the wake of increased economic globalization is through a network including antitrust agencies from around the globe, government officials and members of the antitrust bar embraced ICPAC’s recommendations for a Global Competition Initiative. At competition conference in Brussels in September 2000, both Joel Klein and Mario Monti, European Commissioner for Competition expressed their support for such an initiative. Shortly thereafter, at the Fordham Corporate Law Institute’s annual conference on international antitrust law and policy, A. Douglas Melamed, then Acting Assistant Attorney General for the U.S., and Commissioner Mario Monti, reiterated their agencies’ support for the initiative and offered additional insight.
- Following these endorsements, the International Bar Association convened a meeting of more than 40 of the world’s senior competition officials and practitioners at Ditchley Park, England in early February 2001 to discuss the feasibility of a global antitrust network. The Ditchley Park discussions were positive and forward-looking, and there was great support for the idea of establishing a new organization directed exclusively at international antitrust enforcement.
- This summer, Charles James, Assistant Attorney General for Antitrust, and Tim Muris, Chairman of the Federal Trade Commission, made launch of this new entity a priority. Over the past few months, they have worked closely with Commissioner Mario Monti, Konrad von Finckenstein, Commissioner of the Canadian Competition Bureau, and others to get the initiative off the ground. Final arrangements for the launch were made last week in Paris, and, since the project is no longer an initiative but a reality, its name was changed to the International Competition Network.

Membership and Organizational Structure

- Any national or regional competition agency responsible for the enforcement of antitrust laws may become a member of ICN. The network will actively seek advice and contributions from the private sector and various non-governmental organizations, but, because ICN is designed to promote convergence in government antitrust enforcement policy, only agency members will make organizational and operational decisions.
- Instead of a “bricks and mortar” organization with a permanent secretariat, ICN will be flexibly organized around its projects. Its work will be guided by a steering group, which will identify projects and devise work plans for approval of ICN as a whole. The projects will be aimed at leading to non-binding general guidelines or “best practice” recommendations. ICN is a consensus-based organization; where members reach consensus on particular recommendations, it will be left to their governments to implement them voluntarily.
- The final composition of the steering committee will be decided when all members meet in Italy next year for ICN’s first official conference. The following jurisdictions will serve as the interim steering group until then: Australia, Canada, European Union, France, Germany, Israel, Italy, Japan, Korea, Mexico, South Africa, United Kingdom, United States, and Zambia. Konrad von Finckenstein, Commissioner of the Canadian Competition Bureau, will act as interim chairman of the steering committee.

Relationship with Other Multilateral Non-Government Organizations

- ICN will be dedicated exclusively to problem-solving in the international antitrust field. It will work closely with other international institutions such as the WTO, OECD, UNCTAD and the World Bank because they also address competition issues of international concern and therefore are able to provide valuable input. ICN views these organizations as potential partners, not rivals, and hopes that they will participate actively in ICN’s work. For example, ICN members have already discussed with OECD the possibility of coordinating ICN’s efforts with OECD’s newly created Global Competition Forum.

Relationship with the Private Sector

- ICN welcomes participation by the private sector, including legal and economic antitrust practitioners, academics and businesspeople, and will seek their input actively. ICN expects to call on the private sector to help identify projects, become members of various working groups, participate in information-gathering, share their views on how projects should proceed, and recommend possible outcomes.

Projects

- ICN will be all antitrust, all the time. It will focus on a limited number of projects at a time, and will concentrate its efforts on issues that are difficult yet capable of resolution. GCI’s projects will be aimed at leading to non-binding general guidelines or “best practice” recommendations. Initially, ICN will work on two important issues in antitrust: the merger control process in the multi-jurisdictional context; and the competition advocacy role of antitrust agencies.
- With respect to the merger control process, the group will tackle issues involving pre- merger notification, the analytic framework for merger review, and investigative procedures and techniques. Over 60 countries around the world currently review mergers, and many deals are reviewed in multiple jurisdictions, thereby creating the risk of inconsistent outcomes and potentially unnecessary procedural burdens. ICN will discuss these issues and attempt to develop “best practices” where appropriate.

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- ICN will also immediately take on the topic of competition advocacy — an important function of all antitrust agencies. Acceptance of competition policy principles as an element of national economic policy requires educating the public so that they understand and support the valuable role that competition can play in promoting economic development. Competition advocacy is an important complement to the direct enforcement of the antitrust laws because it provides a way for antitrust agencies to promote pro-competitive laws and policies over government restrictions on competition. In some circumstances, incorporating sound principles of antitrust in legislation and regulations may be even more effective in developing a sound “competition culture” than case-specific enforcement actions — particularly in developing and transition economies. A number of ICN members have already developed successful competition advocacy programs. While there is no single preferred format or legal framework for a competition advocacy program, ICN will discuss various approaches and develop recommendations in this area.

Planned Meetings

- There will be one official conference each year. The members have committed to being represented by agency heads to the maximum extent possible. In addition, the steering committee will meet annually to discuss the status of ongoing projects and ensure that progress is being made in the working groups.
- The first official ICN conference will be hosted by the Italian Antitrust Authority in Italy in mid-2002. Thereafter, annual conferences will be held in the following countries, in this order: Mexico; Korea; Germany; and South Africa.

Contact Information

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