

## ONGOING PROJECTS

# Competition Policy and Law in ASEAN

## – *Competition Assessment in Lao PDR*

The German Agency for International Cooperation (GIZ) is undertaking a three year Regional Project (2012-2015) entitled “Competition Policy and Law in Association of South-east Asian Nations (ASEAN)” with a total budget of €2mn. CUTS HRC was involved earlier also when this Project was being conceptualised and formulated. GIZ thus has expressed its interests to continue involving CUTS in the Project.



Recently, CUTS and GIZ has signed a new contract with a total budget of 411mn VND (equivalent to approximately US\$19,500), which will be valid up to September 30, 2014 to undertake the following activities: (1) To complete the pending Competition Assessment in Lao PDR; (2) To provide national expertise for an External Review of the Vietnam Competition Regime; and (3) Other activities within the framework of the Project as mutually agreed.

According to this new contract, the entire budget would be transferred to CUTS' bank account in three installments. Subsequently, an MOU has been signed between CUTS and CUTS HRC to implement the aforementioned contract activities. The desk research part for the External Review in Vietnam has already been started.

## Trade Promotion through Standardisation



The Swedish International Development Cooperation Agency (SIDA) is supporting a two year programme (Jan 2013-Dec, 2014) implemented by the Swedish Standards Institute (SIS) to build institutional capacity within the South-east and South Asia (SESA) regions on standard setting and standard implementation. Eight countries selected to participate in the programme include Cambodia, Laos, Indonesia, Vietnam, Bangladesh, Nepal, Sri Lanka and Pakistan. CUTS HRC is the programme's partner organisation for the South-east Asia region.

The total budget for CUTS-led activities in the Project in 2014 will be approximately US\$45,000. HRC has drafted a proposal for activities in 2014, which has now been approved by SIS and SIDA.

The fifth issue of the Newsletter on Standards and Quality has been prepared and disseminated to relevant stakeholders. Besides, a Guidebook on Carbon Foot-printing of Products for Vietnam is at present ready to be published in electronic format (in Vietnamese), final decision being pending from SIS and the SESA programme.

The following publications are being prepared: (1) The 6<sup>th</sup> issue of the Newsletter on Standards and Quality; (2) A briefing paper on standardisation in ASEAN; and (3) A comparative gap analysis of the standardisation system with a focus on stakeholder engagement in four countries, namely, Vietnam, Lao PDR, Cambodia and Myanmar.

### The Anne Fransen Fund (AFF) 2014

CUTS HRC, in partnership with Vietnam Standards and Consumer Associations (VINASTAS) are implementing the Project titled “Promoting Food Safety in Vietnam: A Case Study on the Presence of Pesticides, Chemicals and Harmful Bacteria in Vegetables and Fruits”, supported by Consumers International (CI) with a budget of EUR9,000. The Project period is from March-December 2014. The main activities are: (1) A study on the presence of pesticides, chemicals and harmful bacteria in vegetables and fruits; (2) A survey on the consumption habits of fruits and vegetables of Vietnamese consumers; and (3) A final report of the state of food safety in Vietnam and; (iii) A national conference to disseminate the findings.

About 180 samples of fruits and vegetables randomly collected from the market in three big cities in Vietnam, which are Hanoi, Ho Chi Minh and Da Nang have been sent to the Technical Centre of Standards, Metrology and Quality, under the Directorate for Standards, Metrology and Quality (STAMEQ) for inspection. Besides, a survey of 150 Vietnamese consumers on the consumption habits of fruits and vegetables has been carried out following the preparation of a survey questionnaire. The results of the study and survey are being analysed.

### Competition Distortions in Vietnam

The Friedrich-Naumann-Foundation for Freedom (Vietnam Office) is supporting the Project with a total budget of US\$4,000 lasting till November 2014. The main output of the Project will be three quarterly dossiers of competition distortions produced in English and Vietnamese and an analytical research report on “Competition Distortions in Vietnam” at the end of the Project. These publications (e-publication only,) will be distributed amongst CUTS’ networks within and beyond Vietnam.

The second dossier covering the period March-May 2014 has been completed and submitted to the donor.

## REPRESENTATIONS

- To Tam took part in the regional meeting for Asia-Pacific and the Middle-east of CI organised on April 01-02, 2014. Another meeting of the CI Project on “Consumers in the Digital Age 2014” from April 03-05, 2014 was organised in Chiang Mai, Thailand. To Tam participated in the event.
- Thanh Ha participated in a conference organised by the Centre for Competitiveness Studies, under the Vietnam Institute of Economics in cooperation with Friedrich-Naumann Foundation for Freedom to disseminate the findings of the Report “Private enterprises: Status, problems and policy implications” on April 10, 2014.
- In April 10–11, 2014, Alice Pham paid a visit to Myanmar, under the framework of the SESA programme for networking and cooperation opportunities in regional future activities.
- The US-ASEAN Business Council (US ABC) in cooperation with the Vietnam Chamber of Commerce and Industry (VCCI), and United States Agency for International Development (USAID) organised a half-day workshop in Ho Chi Minh City entitled “Integrating SMEs into Global Supply Chain – Improving Access to regional and international markets”. Alice Pham was invited to participate in the event as a speaker.
- On April 23-25, 2014, Alice Pham took part in a study tour to visit BSN – the national standard body of Indonesia within the framework of the SESA Project.

- The Mekong Institute has hosted a week's ToT programme on "Trade Policy Development and Trade Negotiation" at the Mekong Institute, Khon Kaen, Thailand from June 30 to July 04, 2014. The programme aimed to develop the capacities of the trade negotiators, policy makers and practitioners of government agencies in the Greater Mekong Sub-region (GMS) countries. Participating in the event, Alice Pham delivered two presentations for Module 1 on "Standards and Standardisation: Linkages to Regional Integration and Trade Promotion" on behalf of the SESA programme, to which CUTS Hanoi is a partner organisation.
- Alice Pham took part in a regional workshop focussing on standards, standardisation and sustainability for the CLMV countries; Cambodia, Laos, Myanmar and Vietnam organised during June 25-26, 2014 in Phnom Penh, Cambodia. The workshop is supported by the SESA programme "Trade promotion through standardisation in the South and South-east Asia regions" and the ASEAN CSR Network, with financial support by the SIDA. The main purpose of the workshop is to raise the awareness of the linkages between standards, standardisation and sustainability with highlighting important international standards for increasing the sustainability generally among the organisations, institutions and companies and contribute to a more sustainable development.
- The AEC Blueprint 2009-2015 foresees the introduction of competition policy in all Member States by 2015. By end of 2015, it is expected that a comprehensive competition law will be in place in least 7 Member States.
- Building upon its work and moving forward, the AEGC reaffirmed its commitment to continue fostering a competition-aware region, strengthening the legal frameworks as well as core competencies in the areas of institution-building and enforcement. This would have to take into account the existing competition regimes and differing levels of competition policy and law (CPL) development in ASEAN. In the long term, it would also be necessary to devise a workable regional mechanism to handle cross-border competition cases.
- The draft post-2015 Competition Action Plan is set to be finalised during the 14<sup>th</sup> AEGC Meeting in November 2014. The discussion was facilitated by Alice Pham from CUTS Hanoi and Michael Albers, a former Hearing Officer of the European Competition, who provided their expertise and shared international experiences on regional cooperation and enforcement on CPL.
- The Brainstorming Meeting was supported by the "Competition Policy and Law in ASEAN" Project, which is implemented by the GIZ with funding from the Federal Ministry for Economic Cooperation and Development (BMZ), Germany.