



International Chamber of Commerce

The world business organization

Policy statement

Statement on future WTO work on competition and trade

The Joint Working party on Competition and International Trade, 3 November 1998

ICC has been actively contributing business views to international discussions on the interaction between trade and competition policy. After issuing policy statements in 1996, it published a draft report in February 1998 – prepared by its Joint Working Party on Competition and International Trade - which reflected international business perspectives on various issues relating to the interface between trade and competition policies. The ICC's Joint Working Party on Competition and International Trade has also submitted written responses to certain questions informally asked by members of the World Trade Organization (WTO) Working Group on the Interaction between Trade and Competition Policy.

The WTO's Working Group on the Interaction between Trade and Competition Policy (the WTO Working Group) is in the process of finalizing its report on the subjects which it has considered within the mandate established at the December 1996 Singapore Ministerial Conference of the WTO. One of the issues to be considered is whether, and to what extent, its mandate should be extended.

ICC believes that the current mandate of the WTO Working Group should be prolonged for a period of time, to allow its members to continue their educational discussions on issues relating to market access and other aspects of the interface between trade and competition policies. As governmental barriers to international trade have been reduced, there have been growing concerns about the impact of private and state anti-competitive actions on the free flow of goods and services. The WTO working group study of this issue has been a constructive effort toward understanding this relationship.

ICC recommends that the WTO Working Group's mandate should include continued specific consideration of the impact of public sector regulatory measures on market access. These would include preferential treatment of state monopolies, barriers to effective competition established by industry specific regulatory regimes (including licensing policies and market ing boards) and other exemptions which limit market access.

In addition, the mandate should focus on the importance of principles of national treatment and transparency, in relation to public sector decision-making which affects market access. Furthermore, any consideration of enhanced international cooperation should include appropriate measures and safeguards to protect the confidentiality of proprietary business information from improper disclosure¹.

ICC does not believe that, at this time, the mandate of the WTO Working Group should go beyond educational and informative discussions among its members on market access issues related to competition and trade policies. ICC believes that any consideration by the WTO Working Group at this time of an international dispute settlement mechanism coupled with new international rules governing competition policy would be premature. Should the WTO Working Group's mandate be prolonged, ICC suggests that there should be opportunities for the WTO Working Group to receive and consider business views. Dialogue with the business community would be essential, in ICC's view, should the WTO consider expanding the Working Group's mandate beyond its current educational focus.

ICC continues to support dialogue within various international organizations, principally the WTO and the Organisation for Economic Development and Cooperation (OECD). This will provide a better foundation for future examination of whether it would be appropriate to consider resolution of these issues within a multilateral framework.

(1) See ICC Statement on International Cooperation between Antitrust Authorities (28 March 1996)

