

OPENING REMARKS

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2020 Manila Forum on Competition in Developing Countries
Manila, Philippines
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<Salutations>

Executive Secretary Salvador Medialdea, represented by
Senior Deputy Executive Secretary Michael Ong,
Prof. William Kovacic,
Chairman Sakon Varanyuwatana,
Chairman Hishamudin Yunus,
Chairman Petr Rafaj,
Representative Stella Quimbo,
Commissioner Johannes Bernabe,
Commissioner Amabelle Asuncion,
Commissioner Macario De Claro, Jr.,
colleagues from the different competition authorities and the government,
friends from the business, legal, and academic communities,
our institutional partners and the media,
ladies and gentlemen,

Good morning!

We warmly welcome all of you to the Philippine Competition Commission's second Forum on Competition in Developing Countries—the 2020 Manila Forum, for short. I would like to express my sincerest gratitude to all the speakers and participants for generously sharing your time and knowledge with us.

Two years ago, the Commission organized the first Manila Forum to serve as a venue for competition authorities, regulators, academics, and the business sector to meet and engage in critical dialogue about key competition issues of relevance to developing countries.

The Manila Forum sets itself apart from other conferences on competition in that its topics and discussions focus on the context, experiences, and challenges peculiar to developing countries. From the beginning, we at PCC have recognized that the features and underpinnings of our national competition policy would have to be anchored on the fact that the Philippines is a developing economy. We understand that the design and implementation of competition policy, to be effective, would have to be nuanced by the economic and institutional conditions, including legal and political systems, in developing countries. The Manila Forum was founded to initiate and foster dialogue with this core principle in mind.

The Forum invites speakers and experts from a wide range of backgrounds and from various jurisdictions. This ensures that while the Forum situates competition policy within broad development concerns that are relevant to young competition agencies, it also benefits from the rich experience of more developed jurisdictions.

The 2018 Manila Forum covered a broad range of issues: institutional context, agency effectiveness, public interest considerations, conglomerates, small and medium enterprises (SMEs), and disruptive technology. This last topic became the focal point of discussion in a smaller forum we organized in early 2019 to zoom into the local context.

These past months, countries across the globe have been buffeted by headwinds in the form of trade disputes and strong populist sentiments, which are reshaping economic systems and causing widespread disruption and uncertainty. Consequently, there has been a slowing down of growth of developed and developing countries alike. The strong growth momentum currently enjoyed by a rising Asia is at risk of being derailed, and policymakers are at odds over which instruments are appropriate to use to address such concerns.

Competition policy, when properly utilized to correct for economic inefficiencies and ensure fairness in the marketplace, is one policy lever that can contribute toward making economic growth both sustainable and inclusive.

This year's Manila Forum aims to explore the complex interplay between regulation, legislation, and competition policy. The weakness of institutions in many developing countries, including the lack of an effective competition policy that restrains anticompetitive behavior, has constrained their capacity to appropriate the potential welfare gains that well-functioning competitive markets offer. It is not uncommon in these countries to find many sectors that have significant impact on consumer welfare, industry-wide costs and interlinkages, and economic development are still characterized by high levels of market concentration, barriers to entry, and market power. In many instances, these have

been outcomes of well-intended but misinformed policies, legislation, and regulations that have prevented the dynamic forces of the market from working. Consequently, the full benefits of competition—lower prices, better quality, and wider variety of goods and services— as well as the full economic potential of these sectors in the form of employment generation and investment spillovers, are yet to be felt by most citizens. These effects may endure for many years, altering development trajectories and spelling the difference between stagnation and prosperity.

We understand that lawmakers, sector regulators, and other government actors pursue varied policy objectives. In exercising their mandate, they sometimes intersect with our own. This Forum is therefore timely, as it provides a platform for the discussion of the interplay between competition policy, and legislation and regulation. That is, public policies that are forward-looking and responsive to problems that arise at different stages of economic development amidst rapidly evolving local and international market conditions.

We are grateful to have with us today renowned experts from all over the world. I hope you are as excited as I am to engage them in meaningful conversations and start to build lasting partnerships. I look forward to our enriching discussions and sharing of experiences in the next two days.

Once again, our heartfelt thanks to everyone for participating in the Forum.

Welcome to Manila and welcome to the 2020 Manila Forum!

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