

NATIONAL CONFERENCE ON PUBLIC PROCUREMENT & COMPETITION LAW
ORGANIZED BY THE COMPETITION COMMISSION OF INDIA ON MONDAY,
5TH NOVEMBER IN DELHI

A ‘National Conference on Public Procurement & Competition Law’ was organised in Delhi on 5th November, 2018 by the Competition Commission of India. The Indian Institute of Corporate Affairs (IICA), a think tank under the aegis of Ministry of Corporate Affairs, Government of India, was the Implementation Partner for the Conference. The Conference is part of the series of Roadshows across the country on competition law and constitutes one of the major advocacy initiatives being undertaken by the CCI. The Conference sought to provide a unique platform to various stakeholders to engage in an active discussion on various competition issues relating to public procurement.

The Chief Guest for the Conference, Shri Arun Jaitley, Hon’ble Minister for Finance and Corporate Affairs, Government of India, in his Keynote Address stated that the competition regulator was created to ensure effective competition so that consumer interest could be protected. While talking about the roadmap for future, he stated that India needs to look at global models and visualise how to deal with emerging situations. The Hon’ble Minister stated that public procurement being a very large part of the country’s GDP, the State is entitled to have the best price and quality and this also applies to all statutory institutions. Procurement, based on the principles of fairness and public interest, will protect the revenues of the State and make sure that they are used for optimal purpose, he added.

Thanking the Minister for accepting CCI’s invite, Mr. Sudhir Mital, Chairperson, CCI, said that his presence resonated the support and importance that the government gives to imbibing principles of competition into the public procurement framework. He stressed on the importance of building a culture of competition in public procurement systems in India. Free, fair and effective procurement, he said, can reduce cost of delivery, free resources and make surpluses available, make the PSUs more competitive and allow the public sector to grow. He emphasised on the need for having pro-competitive procurement systems that can reduce the scope of anti-competitive behaviour by the bidders. He apprised that the CCI is in process of designing a diagnostic tool for public procurement agencies that would facilitate detection of bid rigging in public procurement as well as help design tenders which would promote fair competition. He also mentioned of a digital cartel detection software that the CCI is developing, following international best practices.

Mr. Injeti Srinivas, Secretary, Ministry of Corporate Affairs, Government of India, stated that given the sheer volume of public procurement in GDP, which accounts for more than 26% of GDP *i.e.* equivalent to around Rs. 28 lakh crores, it has a significant influence on the economy's performance. Competitive procurement could result in cost saving to the extent of around 20-30% that could have long term impact on the economy. He added that there is a need to redesign the current PPP model to bring in efficiency and promote competition. He concluded by saying that competition is the single largest force for growth in a market economy.

Mr. Junaid Kamal Ahmad, Country Director, World Bank India, in his address, announced that contracting with the government will be one of the new indicators to be considered by the World Bank in the next round of their Ease of Doing Business ranking. He stressed that improving competition in public procurement and e-procurement would facilitate market participation, expand business opportunities for a larger number of players and reduce their processing cost. He stated that India has adopted global best practices in Government e-marketplace which could be emulated by other developing nations.

Dr. Sameer Sharma, Director General and CEO, IICA, concluded the Inaugural Session by giving a brief summary of the points made by the speakers followed by a vote of thanks.

The Conference had two open house sessions related to the theme of public procurement. The first session was on 'Infusing Competition in Public Procurement' and it was chaired by Mr. Karan Avtar Singh, Chief Secretary, Govt. of Punjab. Dr. Sameer Sharma, who spoke in the session that IICA is emerging as an Advocacy Fulcrum on all corporate affairs matters including competition advocacy. In the context of lessening the regulatory burden, he reaffirmed about disentangling of 'rules in form' and 'rules in operation'.

The second session focused on 'Bid-Rigging, Cartels and Leniency', which was chaired by Mr. Augustine Peter, Member, CCI. The open house sessions were followed by a wrap up session by Ms. Smita Jhingran, Secretary, CCI. The Conference was attended by policymakers, participants from the industry, legal professionals, academicians and other relevant stakeholders. The Conference also witnessed display of various kiosks and screening of audio-visual clips related to the theme of conference.

About CCI and IICA

The Competition Commission of India was established in the year 2003 under the Competition Act, 2002 to prevent practices having adverse effect on competition, and to promote and sustain competition in markets, to protect interest of consumers and to ensure freedom of trade in markets in India.

Indian Institute of Corporate Affairs (IICA) is a think tank under the aegis of Ministry of Corporate Affairs established for holistic treatment of matters impacting on corporate functioning and provide instruction and capacity building in the subject to a wide range of stakeholders drawn from the government, regulators, professionals and public.