

## Press Release

### Disruption promotes competition and consumer welfare

*New Delhi, December 5, 2017*

Disruptive innovations in markets lead to new and better competition for the benefit of consumers. With the theme *Re-imagining Competition Policy and Law in the Era of Disruption*, the world competition day was celebrated on December 5<sup>th</sup> in presence of distinguished speakers and *Friends of Competition*.

Delivering his opening remarks Dr Arvind Mayaram, IAS(R), Former Finance Secretary of India & Chairman, CUTS Institute for Regulation & Competition (CIRC) opined that in this rapidly evolving technology driven economy, the regulators need to strike a balance as the benefits to consumer are dynamic in nature while the disruption leads to asymmetry in markets.

Commending endeavours by CUTS International in the field of competition law and policy, Augustine Peter, Member, Competition Commission of India, said that as an engaged civil society, CUTS has long been the leader among the friends of competition law and policy. While delivering the keynote address, Mr Peter said that the key objective of competition policy is to encourage an atmosphere of competition in markets and thereby enhance efficiency in industries; disruptive innovation fulfils this objective by encouraging both static and dynamic efficiency. Competition law in India has substantial flexibility to handle issues related to innovative markets. The need of the hour is to understand the innovative markets with their complexities and assess the requirement and the kinds of intervention required.

In 1980, on December 5<sup>th</sup> the UN Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices were adopted. Although there are no multilateral rules on competition law, there are about 135 countries in world having a competition law regime. Motivated by the interest and support of many competition agencies and other stakeholders to the cause, the International Network of Civil Society Organisations on Competition (INCSOC) announced the first World Competition Day on 5<sup>th</sup> December 2010. CUTS International since 2010 has globally spearheaded advocacy campaign for the observance of the World Competition Day on 5<sup>th</sup> December to ensure that consumers from across the world realise the potential benefits from an effectively implemented competition regime.

Panel chaired by Arvind Mayaram delved into various perspectives related to the theme of the seminar. While focusing on the role of disruptive innovation and its interface with competition law, the panel discussion touched upon various factors required in India for enabling an innovation economy. The panel also deliberated the practical difficulties in regulation of technology sector, which is disruptive in nature. Disruptive innovation also demonstrates that markets are contestable and thus keeps incumbents active to server the consumers better.

Panel also deliberated on the challenges MSME firms face due to technological disruption and regulatory uncertainty; the key question is how to innovate while navigating through the regulatory burden? The attempt should be to strike a balance between the new discourse and the policy, not stifling innovation but ensuring competition in market.

Sharing her experience as an Executive Director, Competition Commission of Mauritius (CCM), Kiran N Meetarbhan said that in Mauritius, special laws and policies for SMEs exist and the commission works while keeping those in mind to balance the government's intention behind enactment of competition law and the special laws.

CUTS Institute for Regulation & Competition in association with Consumer Unity and Trust Society (CUTS) organised this event witnessing participation from Competition Commission of India, law professionals and practitioners, non-government and consumer organisations and students.

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For further details, please contact: **Udai S Mehta**, [usm@cuts.org](mailto:usm@cuts.org), +91 9829285926, and **Saket Sharma**, [ss@circ.in](mailto:ss@circ.in), +91 9015518114