**‘’CONTRIBUTION OF COMPETITION POLICY TO THE ACHIEVEMENT OF THE SUSTAINABLE DEVELOPMENT GOALS’’**

**KEYNOTE SPEECH BY THE HONOURABLE MINISTER BOGOLO JOY KENEWENDO, BOTSWANA’S MINISTER OF INVESTMENT, TRADE AND INDUSTRY AT THE 17TH  MEETING OF THE INTERGOVERNMENTAL GROUP OF EXPERTS ON COMPETITION LAW AND POLICY.**

**UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (UNCTAD)**

**GENEVA, SWITZERLAND**

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**Secretary General of UNCTAD, Dr Mukhisa Kituyi**

**Ministers’ here present**

**Representatives of Government, Non-Governmental organizations and other organizations**

**Distinguished Delegates**

Good afternoon,

1. Let me at the outset thank the Secretary General of UNCTAD, Dr Mukhisa Kituyi, for inviting me to this auspicious gathering and for affording me the honour to deliver a statement at the opening ceremony of the 17th Inter-Governmental Group of Experts (IGE) on Competition Law and Policy of UNCTAD. It gives me great pleasure to be among you this afternoon.
2. I would like to recognise the excellent work that UNCTAD continues to do in providing technical assistance to developing countries, including my country, Botswana. In our partnerships with UNCTAD, we have over the years appreciated the value of carrying out market oriented reforms to achieve sustained development and inclusive growth. For example, UNCTAD has greatly assisted in setting the Competition Policy infrastructure in Botswana. And we hope for their continued support in the implementation process in the next of our roadmap. These efforts cannot go unnoticed and we believe will go a long way towards closing the development gap, in line with the SGD’s.
3. **Distinguished guests**, turning our attention to the subject of today’s gathering, it is indisputable that Competition Policy is an important tool that, when applied in tandem with appropriate industrial and trade policies, will undoubtedly realise the objectives of the SDG particularly **goal 9** **(Industry, Innovation and infrastructure).** This is because, at times the anticipated growth in employment, productivity and other efficiencies are not realised because of harmful anti-competitive conducts such as, bid rigging and collusive tendering, market allocation, price fixing, predatory pricing, etc., that are prevalent in the market. Empirical evidence has shown that bid-rigging can increase the costs of goods and services by up to 20% or more and that that these costs rise by 35% to 55% in the developing world as revealed in a collaborative research paper conducted by the OECD and World Bank.
4. **Critically,** the achievement of **decent work and economic growth (SDG 8),** supports an enabling business environment that in turn encourages enterprise development and entrepreneurship. The establishment of a Competition Framework recognises that the lack of competitive rivalry may result in dominant firms seeking to maintain or obtain monopoly rents, which go against the principle of sustainable and inclusive growth. Through its enforcement and advocacy arms, competition agencies have been able to facilitate the lifting of barriers to entry in priority sectors, thereby opening markets for SMEs participation, creating employment and reducing poverty in accordance with **SDG’s 8 and 1** respectively. The lifting of barriers to entry also has multiplier effects that give consumers a choice as a result of new entrants.
5. These market interventions create a level playing field for both existing participants and new entrants. Competition Policies are instructive in providing opportunities for job creation and self-employment, especially for often disadvantaged/vulnerable groups such as the poor, women and youth.
6. The critical question in assessing the impact of competition policy programmes would almost always hinge upon the extent to which the implementation of the competition systems have significantly affected key economic performance indicators. I believe competition policies are a part of a bouquet of incentives that spur economic performance, including through innovation.
7. **Ladies and Gentlemen**, Competition policy should ensure that we reduce the level of poverty in our communities. This is an area where we expect competition policy programmes to play a significant role, particularly in ensuring commensurate price reductions of goods and services in order to provide consumers with a variety of products that meet their satisfaction and are affordable to the disadvantaged members of our society. This can only be achieved in markets that are robust, with sustainable industrialisation and are competitive.
8. The 2030 Sustainable Development Goals enjoin us - the global community - to direct our collective efforts through this and other fora, towards ending poverty, protecting the planet and ensuring that all people enjoy peace and prosperity in essence; the upliftment and sustainability of humanity.
9. I am pleased to inform you that my Government has fully embraced the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), and infused them into our development frameworks, including our Vision 2036 strategy (which extends from 2017-2036) and the National Development Plan (NDP)11 (2017-2023). The spirit of the Agenda finds expression in the theme of our NDP 11, which is: “**Inclusive Growth for the Realization of Sustainable Employment Creation and Poverty Eradication**”.
10. Competition Policy has proven to be one of the essential tools that Government can use for economic diversification, by levelling the playing field through the removal of restrictive business practices to attract investors. This can be achieved through the effectiveness of merger control decisions as well as enforceability of remedies imposed on anti-competitive conduct by firms, coupled with advocacy on laws and policies that can expose countries to unfair trade practices.
11. The experience of most developing countries, including my own, shows that Competition Policies and Laws provide numerous economic benefits which are essential for driving socio-economic development goals. Competitive markets can lead to efficiency, innovation, employment, lower prices and a greater variety of quality goods and services, thereby improving consumer welfare.
12. **Distinguished delegates**, a significant number of small businesses are caught up in unfair business supply agreements which benefit big businesses; in some instances competition regimes are unable to intervene in such instances mainly because market power definitions do not entertain the abuse of bargaining and buying power positions of businesses that do not wield market power. Unfair business practices typically affect Small and Medium Enterprises (SMEs) in a disproportionate manner. The reality is that, in developing economies, Small and Medium Enterprises (SMEs) constitute the bulk of businesses and these are a catalyst to inclusive growth and sustainable development. Competition Law therefore, should vigorously find a way to comprehensively deal with matters of abuse of bargaining and buying power in order to ensure the proliferation and sustainability of SMEs.
13. **Ladies and Gentlemen**, besides anticompetitive conducts such as cartels and abuse by dominant players, there are other challenges that are faced by the competition agencies. These challenges include **resource constraints which include inadequate technical expertise** especially when it comes to the **assessment of complex mergers, evidence collection, and prosecution and adjudication of hard core cartels, among others.** Governments should therefore resource their competition agencies to deliver on their mandate. As a step in this direction, the Competition Authority of Botswana, with the support of the Government, will during this seventeenth session of the Intergovernmental Group of Experts on Competition Law and Policy undergo a Peer Review as a means to introspect and introduce reforms that would improve capacities to deliver on their mandate.
14. As I conclude, let me reiterate that an alloy of Competition Policy and focused implementation of sustainable development goals, would lead to desired welfare enhancing outcomes as well as national economic goals. It is therefore critical that other important economic policies such as trade and industrial policies be robust to the extent that they too provide an enabling and supportive environment for the growth of industry. It is my considered view that no country could ever achieve such lofty goals on its own, it is therefore imperative that relationships with agencies such UNCTAD, The OECD, ICN, ACF, SADC and other like-minded agencies should be nurtured.
15. We believe there is a lot of work that can be done through multilateralism. Other important International bodies that the Competition Authority has interacted with include the International Competition Network (ICN), the Africa Competition Forum (ACF) as well as the Southern African Development Community (SADC). These bodies have immensely contributed to the establishment and shaping of both our institutional and operational frameworks. The ICN for example, provides work products, such as training-in-demand, which improve the quality of our investigative processes. The Competition Authority uses the OECD toolkit to formulate various competition assessments.
16. Finally, the Authority continues to benefit generously from the provision of technical assistance by the Africa Competition Forum (ACF) while at SADC level, there is a regional framework on Competition Law and Policy. Through its various working groups SADC facilitates the cooperation of Competition Authorities in the region through knowledge sharing, investigations and benchmarking.
17. Although there are numerous challenges that continue to plague particularly the developing world, I remain confident, that the deliberations over next two days will go a long way in providing direction based on shared challenges and towards the attainment of the Sustainable Development Goals.

 I wish us all fruitful deliberations.

Thank you