



***Presentation to the Trinidad and
Tobago Chamber of Commerce Trade
and Business Development
Committee***

About Us

- **Independent Statutory Body established pursuant to the Fair Trading Act**
- **Our main purposes are to:**
 - (i) **ensure that all legitimate business enterprises have an equal opportunity to participate in the economy;**
 - (ii) **prevent anti- competitive conduct while at the same time complementing other policies that promote competition**
 - (iii) **maintain and encourage free and fair competition in business**
 - (iv) **take action against anti-competitive practices**

Vision and Mission

Vision: To be a transparent and accountable agency that encourages the maintenance and promotion of free and fair competition in the conduct of business in Trinidad and Tobago.

Mission: To create a Fairer Trinidad and Tobago for all which will be characterized by vigorous competition with the result being high quality goods and services being provided at competitive prices

History

- **Competition policy was introduced in Trinidad and Tobago, as part of the Economic Reform of the early 1990s**
- **There have been continued efforts of successive governments to effect economic reforms and liberalization with the emphasis on the need to place faith in the market i.e. a market economy where the forces of demand and supply determine what is produced and in what amounts**
- **Competition policy was intended to serve as a complement to other policies geared towards trade and market liberalization as it was recognized that market liberalization and free trade would deliver few benefits if previous restrictions were replaced by anti-competitive practices**
- **Our establishment shows a commitment to sustainable economic development**
- **We are the third regional competition agency to be established.**

Why is Competition Good

- **Brings about innovation, technological development and also promotes economic growth.**
- **Stimulates companies to increase their productivity and efficiency and thereby to improve their market position**
- **Provides an incentive for firms to perform at their best, leading to the production of high-quality and a wider choice of goods and services at cheap prices**
- **Encourages entrepreneurial activities and market entry.**
- **Can work together with other complementary policies and strategies such as Industrial Policy and National Development Plans**
- **Competition law and policy is a key instrument for addressing globalization, including enhancing trade and investment, resource mobilization, harnessing of knowledge and reducing poverty**
- **Effective Competition policy and law can promote competitiveness and an economy's growth prospects and can work with other complementary policies and strategies to enhance trade and investment and resource mobilization**

Trade Agreements

- **CARICOM-Costa Rica FTA**
- **CARICOM-Dominican Republic FTA**
- **CARIFORUM/EU EPA**
- **Revised Treaty of Chaguaramas**

Commission's Objectives

- **Ensuring an effective competitive process**
- **Maximize efficiency**
- **Ensure a level playing field**
- **Promote fairness and equality**
- **Facilitate market liberalization and competitiveness**

Organizational Structure

**Chair and
Commissioners of
the TTFTC**

Executive Director — **Secretary (Corporate)**

Internal Audit

**Information
Technology**

**Information
Systems
Administrator**

Legal

**Senior Legal
Counsel, Legal
Counsels**

**Research/
Investigation**

**Investigators,
Researchers,
Case
Managers**

Support

**Administrative
Secretaries,
Receptionist,
Office Assistant,
Driver/Messenger**

Accounts

**Accounting/Clerical
Assistant**

The Fair Trading Act

- **The Fair Trading Act creates an institutional framework for the enforcement of competition policy in Trinidad and Tobago and deals with many major issues including:**
 - (i) the abuse of monopoly power;**
 - (ii) anti-competitive mergers**
 - (iii) anti-competitive agreements and**
 - (iv) The enforcement of the relevant clauses or enforcement measures.**
- **The provisions are reflective of EU, UK, Canadian, New Zealand and Australian experiences**
- **Parts II, IV, V, VI, VIII have already been proclaimed**
- **Specific anti-competitive practices that are prohibited under the Act include resale price maintenance, tied selling, price fixing, collusion and cartels and bid rigging**
- **These are per se offences i.e. their mere existence makes these practices an offence.**
- **Rule of reason offences under the legislation include anti-competitive bundling, tie in arrangements, vertical restraints, rebates/discount policies**

Powers of the TTFTC

- **The TTFTC's powers are set out in several provisions in the Act. They include the power to**
 - (i) carry out investigations in connection with matters falling within the provisions of the Act,**
 - (ii) summon and examine witnesses,**
 - (iii) to call for, require the production of and examine documents in connection with an investigation, and**
 - (iv) to direct an enterprise to take such steps as are necessary and reasonable to overcome the effects of abuse of dominance in a relevant market.**
- **The TTFTC can take to Court any business or individual who has been found guilty of anti-competitive practice and has failed to take corrective measures, after being instructed by the Commissioners**

Court's Enforcement Powers

- **prohibit an agreement from being made or carried out**
- **order that an agreement be terminated or modified**
- **prohibit any extraneous conditions being attached to transactions**
- **prohibit the acquisition of another company or require that certain undertakings be entered into**

Markets/sectors that we are likely to impact

It is alleged that there is bid rigging, collusive tendering, price fixing and market sharing in Trinidad and Tobago, based on these allegations it is likely that the following markets will be likely affected in varying degrees

- **Construction**
- **Airline industry,**
- **Medical/pharmaceutical industry**
- **Furniture and appliances sector,**
- **Alcohol sector**
- **Energy services sector**
- **Motor vehicle sector – New car, Used car and repairs**
- **Food production, supply/distribution industry**
- **Agricultural sector**
- **Entertainment industry**
- **Hotel industry**

Focus Areas for the Future

- **Raise awareness of the benefits of competition**
- **Continued Stakeholder-focussed Presentations**
- **Entering into MOUs with other Regulators nationally, regionally and internationally**
- **Getting the remaining parts of the Fair Trading Bill proclaimed**
- **A proper well structured awareness program**

Advice to Trinidad and Tobago Chamber of Commerce Membership

- **Avoid activities that will constitute per se type (strict liability) offences under the legislation e.g. price fixing, agreements to limit production, bid rigging**
- **Don't divide customers, markets or territories with competitors**
- **Don't agree with competitors to boycott suppliers or customers**
- **Don't cover up wrongdoings, report it immediately to legal counsel or to the Commission**
- **If a stakeholder believes that some of its competitors are guilty of anti-competitive practices they should report it to the Commission who can then gather evidence of anti-competitive behaviour**

Final Thoughts

- **We will not be able to solve all the inequalities in the economy however the evidence is clear that competitive markets can and do contribute to productivity, cost efficiency, low prices, innovation and therefore economic growth**
- **The objective will be to use competition law and policy to assist in creating an environment that is friendly for the development and promotion of enterprise in Trinidad and Tobago**
- **Try to ensure that your practices are in accordance with the legislation**
- **Our Competition advocacy efforts will be focussed on showing and explaining how effective competition is an important element of an economic development strategy.**



Thank you for your attention!

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