# FEDERAL TRADE COMMISSION PROTECTING AMERICA'S CONSUMERS



# The Federal Trade Commission's International Antitrust Program

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The Federal Trade Commission has long placed a high priority on its international antitrust program to ensure the fulfillment of the Commission's competition mission in a global economy. The Commission's international antitrust program: (i) serves as an expert resource to support the FTC's competition enforcement program by assisting with international aspects of investigations and litigation and guiding broader U.S. policy and engagement on international antitrust issues; (ii) builds cooperative relations with foreign competition agencies; and (iii) promotes convergence of international antitrust policies toward best practice. This paper presents the background and organization of the FTC's international antitrust program and describes our main activities to further the program's goals internally, through bilateral relations, and in multilateral fora. <sup>2</sup>

#### I. Background and Organization of the Office of International Affairs

The Office of International Affairs, established in January 2007, brings together the functions and personnel formerly in the International Antitrust Division of the Bureau of Competition, the Division of International Consumer Protection of the Bureau of Consumer Protection, and the International Technical Assistance Office of the Office of the General Counsel. Its Director reports directly to the Chairman, and works closely with all of the FTC's components.

The Office's antitrust predecessor, the International Antitrust Division, was created in the Bureau of Competition in 1982 to investigate and prosecute cases with an international dimension – for example, cases involving a foreign party, evidence located abroad, or remedial action in another jurisdiction. As commerce became more international, an increasing number of the FTC's antitrust investigations had an international component. As a result, in 1990, the investigation and litigation functions were moved to the operating divisions, and the International Antitrust Division provided support on international issues. The Office of International Affairs continues to serve that function, and also represents the agency in bilateral relations with other competition agencies and leads the FTC's international antitrust policy initiatives in multilateral fora.<sup>3</sup>

The Office is headed by a Director, Randolph W. Tritell (202-326-3051; <a href="mailto:rtritell@ftc.gov">rtritell@ftc.gov</a>), and a Deputy Director for International Antitrust, Elizabeth Kraus (202-326-2649; <a href="mailto:ekraus@ftc.gov">ekraus@ftc.gov</a>), who oversees the Office's antitrust work. The Office has nine antitrust attorneys, with the indicated primary portfolios:

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<sup>&</sup>lt;sup>1</sup> The Office often conducts its international antitrust policy work with the International Section of the Department of Justice's Antitrust Division.

<sup>&</sup>lt;sup>2</sup> For further information, see the Office's antitrust webpage at <a href="http://www.ftc.gov/policy/international/international-internationa

The Office handles similar functions with respect to foreign consumer protection and data privacy agencies and policy issues. See https://www.ftc.gov/policy/international/international-consumer-protection.

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#### II. An Internal and External Resource on International Antitrust

The Office of International Affairs supports the Bureau of Competition on international issues that arise in investigations and litigation. The Office works with staff on issues such as personal and subject matter jurisdiction, service of process, and obtaining evidence abroad, and assists our case teams in understanding foreign laws and procedures and how they intersect with FTC and other U.S. laws and procedures.

The Office also works with other U.S. agencies on issues of mutual interest. As one of the two federal antitrust agencies responsible for international antitrust policy engagement and cooperation, the FTC works within the U.S. government to ensure that broader U.S. policy and engagement reflects an understanding of complex international antitrust issues and accepted principles of competition law, economics, policy, and procedure.

The Office regularly engages and welcomes interaction with businesses and practitioners concerning the enforcement of antitrust law and policy internationally, and provides information on the FTC's approaches and activities internationally. With our colleagues at the Department of Justice, we recently revised the agencies' international antitrust guidelines, which provide guidance to business

and practitioners on the agencies' international enforcement policy and related investigative tools and cooperation with foreign agencies.

## III. Bilateral Relationships

Building and maintaining strong bilateral relationships with foreign competition agencies is a critical element of the FTC's enforcement program. Given the many important FTC cases involving foreign parties, evidence located abroad, or parallel review with other agencies, effective cooperation with other agencies is a necessity. Cooperation enables the agencies to identify issues of common interest, improve our analyses, and avoid inconsistent outcomes.

The U.S. antitrust agencies cooperate with foreign competition agencies through formal and informal agreements and arrangements; cooperation also takes place without such agreements. The Recommendation of the Organization for Economic Cooperation and Development ("OECD") on international competition cooperation is also an important informal cooperation instrument that covers the United States and its relations with OECD members as well as some non-member jurisdictions. The OECD Recommendation, bilateral agreements, and related cooperation arrangements help promote practical enforcement cooperation through informal communications, underscore the importance of investigative assistance, including through the sharing of non-confidential information, and provide for confidentiality safeguards. While the early agreements were motivated primarily by a desire to reduce and manage conflicts that arose from extraterritorial enforcement of antitrust laws, modern agreements seek mainly to enhance enforcement cooperation. In addition to providing a legal framework for cooperation, the agreements have served as catalysts to facilitate closer working relationships.

In 1994, Congress enacted the International Antitrust Enforcement Assistance Act, which authorizes the United States to enter into mutual assistance agreements that, among other things, permit agencies to share parties' confidential information and to use compulsory process to obtain evidence for the other jurisdiction's competition agency. The United States has entered

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<sup>&</sup>lt;sup>4</sup> The United States has bilateral cooperation agreements with eleven jurisdictions: Germany (1976); Australia (1982); the European Communities (1991); Canada (1995); Brazil, Israel, and Japan (1999); Mexico (2000); and the competition enforcement agencies of Chile (2011), Colombia (2014), and Peru (2016). The U.S. antitrust agencies entered Memoranda of Understanding with the Russian Federal Antimonopoly Service in November 2009, with the three Chinese antitrust agencies in July 2011, with the Indian competition authorities in September 2012, and with the Korea Fair Trade Commission in September 2015. See <a href="http://www.ftc.gov/policy/international/international-cooperation-agreements">http://www.ftc.gov/policy/international/international-cooperation-agreements</a> for the complete list.

<sup>&</sup>lt;sup>5</sup> OECD Recommendation concerning International Co-operation on Competition Investigations and Proceedings, <a href="http://www.oecd.org/daf/competition/international-coop-competition-2014-recommendation.htm">http://www.oecd.org/daf/competition/international-coop-competition-2014-recommendation.htm</a>. In addition, the ICN Framework for Merger Cooperation (2012) focuses on cooperation in merger review. <a href="http://www.internationalcompetitionnetwork.org/uploads/library/doc803.pdf">http://www.internationalcompetitionnetwork.org/uploads/library/doc803.pdf</a>.

<sup>&</sup>lt;sup>6</sup> The United States entered into enhanced positive comity agreements with the EC (1998) and Canada (2004) that include, *inter alia*, a presumption of deference to the other jurisdiction to take the lead on antitrust enforcement in certain circumstances. <a href="http://www.ftc.gov/policy/international/international-cooperation-agreements">http://www.ftc.gov/policy/international/international-cooperation-agreements</a>. These agreements have yet to be invoked, although there have been some examples of "informal" positive comity.

into only one such agreement, with Australia, <sup>7</sup> but is pursuing other potential partners for such agreements.

Pursuant to these arrangements, or often without, FTC staff cooperates with foreign agencies on individual cases and on developing competition policy. In fiscal year 2017, the FTC cooperated on 38 merger and anticompetitive conduct cases of mutual concern with counterpart agencies from 21 jurisdictions. The FTC's review of several transactions, including Abbott/St. Jude, ChemChina/Syngenta, and Broadcom/Brocade, involved cooperation with multiple agencies.

When the FTC and a foreign agency review a matter that raises competition concerns in one or both jurisdictions, the agencies frequently exchange investigative information. This may include public information, as well as "agency confidential" information – information that the agency does not routinely disclose but on which there are no statutory disclosure prohibitions; examples include that the FTC is investigating a particular party, staff views on market definition, competitive effects, and remedies.

Parties to merger and conduct investigations routinely waive confidentiality protections to facilitate cooperation. Waivers are particularly valuable to the agencies, and can benefit parties by reducing information production burdens and avoiding incompatible remedies. <sup>12</sup> In 2013, the FTC and the Department of Justice's Antitrust Division issued a joint model waiver of confidentiality for use in merger and civil non-merger matters involving concurrent review by the FTC or DOJ and non-U.S. competition authorities. <sup>13</sup> The model waiver is designed to streamline the waiver process to reduce the burden on individuals and companies, as well as to reduce the agencies' time and resources involved in negotiating waivers. The International Antitrust Guidelines include a chapter dedicated to international cooperation that further elaborates on the agencies' investigative tools, confidentiality safeguards, waivers of

http://www.ftc.gov/policy/international/international-competition/international-waivers-confidentiality-ftc-antitrust.

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<sup>&</sup>lt;sup>7</sup> https://www.ftc.gov/policy/cooperation-agreements/usaaustralia-mutual-antitrust-enforcement-assistance-agreement (1999).

<sup>&</sup>lt;sup>8</sup> Australia, Austria, Belgium, Brazil, Canada, Chile, China, the European Union, Germany, Hungary, India, Ireland, Israel, Japan, Korea, Mexico, New Zealand, Singapore, South Africa, Taiwan, and the United Kingdom. See Fiscal Year 2017 Performance Report and Annual Performance Plan for Fiscal Years 2018 and 2019, at pp. 79-82, <a href="https://www.ftc.gov/system/files/documents/reports/fy-2018-19-performance-plan-fy-2017-performance-report/apr-app\_fy17-19.pdf">https://www.ftc.gov/system/files/documents/reports/fy-2018-19-performance-plan-fy-2017-performance-report/apr-app\_fy17-19.pdf</a>.

<sup>&</sup>lt;sup>9</sup> https://www.ftc.gov/news-events/press-releases/2016/12/ftc-puts-conditions-abbott-laboratories-proposed-25-billion.

https://www.ftc.gov/news-events/press-releases/2017/04/ftc-requires-china-national-chemical-corporation-syngenta-ag.

syngenta-ag.

11 https://www.ftc.gov/news-events/press-releases/2017/07/ftc-accepts-proposed-consent-order-broadcom-limiteds-59-billion.

<sup>&</sup>lt;sup>12</sup> See ICN Recommended Practice on Interagency Coordination, <a href="http://www.internationalcompetitionnetwork.org/uploads/library/doc1108.pdf">http://www.internationalcompetitionnetwork.org/uploads/library/doc1108.pdf</a> at §D, and ICN Model Waiver and accompanying report on waivers, at <a href="http://www.internationalcompetitionnetwork.org/uploads/library/doc330.pdf">http://www.internationalcompetitionnetwork.org/uploads/library/doc330.pdf</a>. The ioint model waiver and accompanying FAQ are available at

confidentiality, the types of information exchanged, and the legal basis for cooperation, among other things. 14

Two recent cases underscore the global reach of our cooperation. In reviewing the proposed Abbott/St. Jude merger, Commission staff cooperated with staff from the antitrust agencies of Brazil, Canada, China, the European Union, Israel, Korea, and South Africa, including on the remedy and divestiture package to ensure an appropriate buyer for global assets. <sup>15</sup> In the investigation of ChemChina/Syngenta, FTC staff worked with antitrust agencies of Australia, Canada, the European Union, India, and Mexico to exchange views about the competitive implications of the proposed transaction and coordinate reviews, and coordinated remedies with the European Commission and Mexico's COFECE. <sup>16</sup> While most of our enforcement cooperation is in merger investigations, we cooperate on a significant number of non-merger enforcement matters, often aided by waivers provided by parties and third parties.

In addition to cooperating on specific matters, the FTC works with other agencies to promote policy convergence. For example, one of our ad hoc working groups with the European Commission resulted in the issuance of Revised Best Practices for Coordinating Merger Reviews. The Best Practices provide an advisory framework for interagency cooperation when a U.S. agency and the EC's Competition Directorate review the same merger. Similarly, the FTC, Department of Justice, and Competition Bureau Canada issued a set of "best practices" to make more transparent how they cooperate and coordinate merger reviews. The U.S. agencies also have participated in working groups with the competition agencies of Canada, Japan, Korea, and Mexico on issues including intellectual property and conduct by dominant firms, and participate in annual informal workshops with the Canadian Competition Bureau and Mexico's COFECE to share merger enforcement techniques and experience.

The FTC, along with the Antitrust Division, has devoted considerable resources to working with the Chinese antimonopoly agencies and the Competition Commission of India. We share experience and learning with officials who are involved in developing the law, regulations, and enforcement institutions and practices, with the aim of encouraging legal frameworks and practices based on sound competition principles and international good practice. <sup>19</sup> The FTC and DOJ meet regularly with the three Chinese anti-monopoly enforcement

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<sup>&</sup>lt;sup>14</sup> International Antitrust Guidelines, *supra* n. 4, Chapter 5. For a description of the U.S. agencies' international case cooperation, see also, U.S. Submission to the OECD Working Party on Co-operation and Enforcement "Discussion on International Cooperation," June 8, 2012, <a href="http://www.ftc.gov/sites/default/files/attachments/us-submissions-oecd-and-other-international-competition-fora/062012International\_coop\_U%20S.pdf">http://www.ftc.gov/sites/default/files/attachments/us-submissions-oecd-and-other-international-competition-fora/062012International\_coop\_U%20S.pdf</a>.

<a href="https://www.ftc.gov/news-events/press-releases/2016/12/ftc-puts-conditions-abbott-laboratories-proposed-25-">https://www.ftc.gov/news-events/press-releases/2016/12/ftc-puts-conditions-abbott-laboratories-proposed-25-</a>

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17 http://www.ftc.gov/news-events/press-releases/2011/10/united-states-and-european-union-antitrust-agencies-issue-revised.

<sup>18</sup> http://www.ftc.gov/news-events/press-releases/2014/03/us-canadian-antitrust-agencies-issue-best-practices-coordinating.

<sup>&</sup>lt;sup>19</sup> *E.g.*, Maureen K. Ohlhausen, China's Fair Competition Review: Insights from the U.S. Experience, 2016 China Competition Policy Annual Forum on Competition Policy and Supply-Side Structural Reform, Beijing, China (Oct. 27, 2016), <a href="https://www.ftc.gov/system/files/documents/public\_statements/993533/ohlhausen\_-">https://www.ftc.gov/system/files/documents/public\_statements/993533/ohlhausen\_-</a>

agencies, most recently in February 2018, to discuss substantive and procedural issues and concerns, and to enhance our cooperative relationship. For example, the FTC and DOJ are engaged with Chinese antimonopoly officials on the development of guidelines on application of the Anti-Monopoly Law to intellectual property. We also work through the United States government's interagency processes to ensure that competition-related issues that arise in connection with China's Anti-Monopoly Law that implicate broader U.S. policy interests are addressed in a coordinated and effective manner. This work resulted in competition outcomes in the Strategic & Economic Dialogue aimed at ensuring that China implements its competition law transparently and non-discriminatorily, <sup>20</sup> and in the U.S.-China Joint Commission on Commerce and Trade, focused on independence in decision-making, non-discrimination, transparency, confidentiality, and coherence of AML and intellectual property rules. <sup>21</sup>

### IV. Activities in Multilateral Competition Fora

With competition laws and agencies in approximately 130 jurisdictions, it is particularly important that agencies work to ensure that the system functions coherently. The U.S. agencies have played a lead role in promoting convergence towards best practices in competition policy and enforcement. Given differences in histories, cultures, legal systems, and levels of economic development, it is inevitable that differences in the wording and application of competition laws and policies will persist. We believe, however, that learning from the experience of others in handling similar issues, including those involving institutional arrangements, procedures, and the substance of antitrust enforcement, can promote convergence toward better practices.

Several multilateral organizations facilitate dialogue and convergence toward sound competition policy and enforcement, particularly the International Competition Network (ICN) and the OECD, and also the United Nations Conference on Trade and Development (UNCTAD), and regional organizations such as the Asia-Pacific Economic Cooperation (APEC). The FTC helped found the Inter-American Competition Alliance, which fosters enforcement cooperation in the Americas through regular conference calls on matters of mutual interest.

 $\underline{\text{ICN}}$ . In October 2001, the FTC, DOJ, and 13 other antitrust agencies founded the ICN to provide a venue for competition agencies worldwide to work on competition issues of mutual interest. The ICN is unique in that it: has a broad membership - 134 agencies from 122

<u>faircomp speech 10-27-16.pdf</u>; Edith Ramirez, Procedural Fairness, the Use of Non-Competition Factors in Competition Analysis, and the Application of Antitrust Law to Intellectual Property Rights, ABA Section of Antitrust Law Antitrust in Asia: China, Beijing, China (May 22, 2014), <a href="http://www.ftc.gov/system/files/documents/public statements/314151/140522abachinakeynote.pdf">http://www.ftc.gov/system/files/documents/public statements/314151/140522abachinakeynote.pdf</a>.

<sup>&</sup>lt;sup>20</sup> See, e.g., the joint U.S.-China fact sheet on the economic track of the 2015 U.S.-China Strategic and Economic Dialogue, https://www.treasury.gov/press-center/press-releases/Pages/jl0092.aspx.

<sup>&</sup>lt;sup>21</sup> See, e.g., the U.S.-China joint fact sheet on the 26<sup>th</sup> U.S.-China Joint Commission on Commerce and Trade, <a href="https://ustr.gov/about-us/policy-offices/press-office/fact-sheets/2015/December/US-China-Joint-Fact-Sheet-26th-JCCT">https://ustr.gov/about-us/policy-offices/press-office/fact-sheets/2015/December/US-China-Joint-Fact-Sheet-26th-JCCT</a>; U.S.-China Joint Fact Sheet on 25th Joint Commission on Commerce and Trade <a href="https://www.commerce.gov/news/fact-sheets/2014/12/us-china-joint-fact-sheet-25th-joint-commission-commerce-and-trade">https://www.commerce.gov/news/fact-sheets/2014/12/us-china-joint-fact-sheet-25th-joint-commission-commerce-and-trade</a>.

jurisdictions, *i.e.*, almost all of the world's competition agencies; <sup>22</sup> works exclusively on competition issues; focuses on discrete projects aimed at procedural and substantive convergence through the development of consensual, non-binding recommendations and reports; and provides a significant role for non-governmental advisors from the business, legal, economic, consumer, and academic communities, as well as experts from other international organizations. Unlike in most international organizations, competition agency members organize and conduct the work directly rather than through a permanent Secretariat.

The ICN is organized into working groups comprised of agencies and non-governmental advisors. The current substantive working groups address agency effectiveness, cartels, competition advocacy, mergers, and unilateral conduct.<sup>23</sup> The FTC currently co-chairs the ICN's Merger Working Group (with the French and Canadian competition agencies) and previously co-chaired the ICN's Agency Effectiveness Working Group (2012-2016), Unilateral Conduct Working Group (2006-2011), and Merger Notification and Procedures Subgroup (2001-2006). The FTC participates in these and other ICN working groups, and is an active member of the ICN's Steering Group, which sets the ICN's strategic direction.

The Merger Working Group's mission is to promote the adoption of best practices to enhance the effectiveness of merger review processes, facilitate procedural and substantive convergence, and reduce the public and private time and cost of multi-jurisdictional merger reviews. The FTC co-leads a project updating and implementing the ICN's Recommended Practices on Merger Notification and Review Procedures and Recommended Practices on Merger Analysis. The Recommended Practices are ICN's highest profile and most influential work product, providing sound benchmarks for merger rules and procedures.

Under the FTC's leadership, the Agency Effectiveness Working Group developed ICN Guidance on Investigative Process, <sup>24</sup> international best practice standards for procedural fairness in antitrust investigations, which the ICN adopted in 2015. The Guidance addresses the availability and use of effective agency investigative tools, transparency, engagement with parties during an investigation, and the protection of confidential information. This is the most comprehensive agency-led effort to establish a benchmark to promote convergence in this sensitive area. The FTC is leading the expansion of the Guidance and continues to promote its implementation through ICN initiatives and our technical assistance program.

Recently, the FTC became the co-chair (with the Portuguese competition agency) of the ICN's Advocacy and Implementation Network, which leads the ICN's efforts to promote implementation of ICN work product, notably its Recommended Practices. This includes the Recommended Practices on the assessment of dominance/substantial market power and on the application of unilateral conduct rules to state-created monopolies<sup>25</sup> and the Recommended

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<sup>&</sup>lt;sup>22</sup> But not including the three Chinese Anti-Monopoly enforcement agencies, which have declined to join.

<sup>&</sup>lt;sup>23</sup> A summary of ICN's work product is available at

<sup>&</sup>lt;u>http://www.internationalcompetitionnetwork.org/uploads/library/doc1100.pdf</u>. A catalog of ICN work product is available at http://www.internationalcompetitionnetwork.org/uploads/library/doc1109.pdf.

<sup>24</sup> http://www.internationalcompetitionnetwork.org/uploads/library/doc1028.pdf.

<sup>25</sup> http://www.internationalcompetitionnetwork.org/working-groups/current/unilateral.aspx.

Practices for Merger Notification and Review – all of which were produced by working groups under the FTC's leadership. The adoption by numerous ICN members of key aspects of the Recommended Practices, such as merger thresholds that incorporate an appreciable nexus between the transaction and the jurisdiction, and objectively quantifiable notification thresholds, is widely viewed as a major accomplishment of the ICN that has improved the merger review process for merging parties and competition agencies.

Implementation and the promotion of learning on competition law and practice also motivates the ICN's Training on Demand Project, which the FTC founded and leads. This project is compiling a comprehensive online curriculum of training materials on competition law and practice, featuring multimedia presentations by leading competition officials, scholars, and practitioners. It has produced modules across the range of competition law topics.<sup>26</sup>

OECD. The FTC and DOJ represent the United States in the OECD's Competition Committee. The OECD consists of thirty-five economically developed countries, with participation by non-member observers. It aims to promote sound economic policies and economic growth. Its Competition Committee provides a forum for senior representatives of members' competition agencies to exchange ideas and discuss policies of mutual interest.<sup>27</sup> It includes working parties that focus on competition issues in regulated sectors and on international cooperation and enforcement.

The Competition Committee's primary goals are to: (i) discuss developments and identify best practices in competition law, policy, and enforcement; (ii) foster convergence among national antitrust policies; and (iii) encourage increased cooperation among antitrust agencies. The Committee has developed non-binding but important Recommendations, including on antitrust enforcement cooperation, combating hard-core cartels, merger review procedures, and competition assessment. The Committee holds "roundtable" discussions to which the FTC contributes through United States submissions prepared with the Antitrust Division – for example, recently, on the territorial scope of competition remedies, common ownership by institutional investors, safe harbors and legal presumptions, multi-sided markets, and collusion through algorithms. It also conducted multi-year projects on international cooperation, on evaluating the impact of competition enforcement actions, competition in the digital economy, and market studies; its next themes will be procedural fairness in antitrust investigations, the application of competition law to intellectual property rights, and competitive neutrality. The

http://www.internationalcompetitionnetwork.org/about/steering-group/outreach/icncurriculum.aspx. The materials are available in interactive, downloadable, and YouTube formats. Available modules include: the history and goals of competition policy, characteristics of effective agencies, market definition, market power, competition policy in developing countries, planning and conducting investigations, merger investigations and interviewing techniques, competitive effects, competition advocacy, an introduction to cartels, leniency, exclusive dealing, predatory pricing, and several shorter modules on discrete topics.

<sup>&</sup>lt;sup>27</sup> Information on the OECD's competition policy work is available at <a href="http://www.oecd.org/competition/">http://www.oecd.org/competition/</a>.

<sup>&</sup>lt;sup>28</sup> Recommendations are available at

http://www.oecd.org/document/59/0,2340,en 2649 37463 4599739 1 1 1 37463,00.html.

Electronic versions of U.S. submissions to Committee roundtables are available at <a href="http://www.ftc.gov/policy/reports/us-submissions-oecd-other-international-competition-fora">http://www.ftc.gov/policy/reports/us-submissions-oecd-other-international-competition-fora</a>; additional information on the roundtables is available at <a href="http://www.oecd.org/daf/competition/roundtables.htm">http://www.oecd.org/daf/competition/roundtables.htm</a>.

FTC plays a lead role in these projects; for example, the Commission was a key drafter of the revised OECD Recommendation concerning International Cooperation on Competition Investigations and Proceedings. 30

The Committee holds competition peer reviews, high-level examinations resulting in OECD recommendations for changes in laws and policies that often contribute significantly to promoting reform in the reviewed jurisdiction. The Competition Committee also holds an annual Global Forum on Competition, at which members and some 80 non-members discuss competition issues relevant to developing countries and young agencies, and hosts regional programs through the Hungary and Korea competition centers and the annual Latin American and Caribbean Competition Forum. The business community is represented at OECD through the Business Industry Advisory Council, which submits papers and is invited to participate in most sessions.

#### V. **Trade and Competition Fora**

The FTC works on issues at the intersection of trade and competition policies, including in trade agreements. The FTC, with DOJ, plays an active role in U.S. delegations that negotiate competition chapters in proposed free trade agreements. We also work with other U.S. government agencies to respond to issues at the intersection of trade and antitrust law and policy such as inappropriate or discriminatory use by other countries of competition laws to promote industrial policy.<sup>31</sup>

Competition policy also arises in the context of negotiating bilateral and regional free trade agreements, such as NAFTA and bilateral agreements with Australia, Chile, Colombia, Korea, Peru, and Singapore. The chapters typically include provisions on maintaining a competition law and agency, cooperation between the parties, and more recently, due process in antitrust investigations. These provisions are subject to consultation mechanisms rather than binding dispute settlement. The agreements also include disciplines that are subject to dispute settlement on certain state enterprises and designated monopolies.

#### VI. **Technical Assistance**

The FTC and the DOJ Antitrust Division provide technical assistance to countries establishing new competition regimes and to young agencies.<sup>32</sup> The program began in Central and Eastern Europe in the early 1990s and has expanded around the world.

<sup>&</sup>lt;sup>30</sup> The Recommendation is available at http://www.oecd.org/daf/competition/international-coop-competition-2014-

recommendation.htm.

31 The FTC co-chaired with the Office of the United States Trade Representative the U.S. delegation to the WTO Working Group on the Interaction between Trade and Competition Policy. While the EC and other members advocated negotiations of a competition chapter in the Doha WTO round, the United States as well as many developing countries questioned the wisdom of enacting WTO competition disciplines. Ultimately, the proposed competition chapter was dropped and the Working Group expired.

<sup>&</sup>lt;sup>32</sup> The FTC also provides technical assistance to consumer protection and data privacy agencies. https://www.ftc.gov/system/files/attachments/international-technical-assistance-program/ftctechnicalcoop0716.pdf.

In the past year, the FTC continued its robust program of international competition technical assistance, conducting 38 programs in 22 jurisdictions including Argentina, Barbados, Brazil, Colombia, Mexico, Nigeria, Pakistan, Peru and Vietnam, along with regional programs for Africa, Central America, Southeast Asia, and Southeast Europe. The program is implemented through experienced antitrust lawyers and economists who provide training in analytical and investigational skills using hypothetical cases to conduct simulated investigations involving issues that developing agencies typically encounter. The FTC also continues to promote work on procedural fairness in APEC's Competition Policy and Law Group, after having developed and conducted an APEC-sponsored series of workshops on the subject.

Many of our most successful programs are based on placing resident advisors with young competition agencies for several months. This allows our experts to provide on-the-job training in the context of the recipient agency's current cases. During the past year, such advisors have served in the competition agencies of India, the Philippines, and the Ukraine. We continually assess where to concentrate our efforts and whether they have been successful.

The US SAFE WEB Act, enacted in 2006 and renewed through 2020, enables the FTC to host foreign competition and consumer protection agency officials and, in appropriate circumstances, provide them with access to non-public materials. This allows the officials to gain valuable experience by working with FTC case teams. Pursuant to this authority, the Office of International Affairs established an International Fellows and Interns Program under which foreign officials spend up to six months at the FTC learning how the FTC's legal and economic staff conduct their work. When the Fellows return to their home agencies, they apply their experience in their work for their home agencies, share their learning with colleagues, and facilitate cooperation. The FTC has hosted over 100 competition and consumer protection lawyers, economists, investigators, and technical experts from 36 jurisdictions, and continues to expand the program. The FTC has also seconded attorneys and economists to the competition agencies of Canada, the EU, Mexico, and the UK.

#### **Conclusion**

In the increasingly interdependent global economy, the FTC's international antitrust policy will continue to face new issues and challenges.<sup>34</sup> The FTC's Office of International Affairs continually seeks to evaluate and improve its operations based on best practices at home and abroad, and welcomes input from stakeholders so that we can better advance the FTC's missions and the interests of American consumers.

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<sup>33</sup> For further information on the program, see <a href="http://www.ftc.gov/oia/safeweb.shtm">http://www.ftc.gov/oia/safeweb.shtm</a>.

<sup>&</sup>lt;sup>34</sup> *E.g.*, Edith Ramirez, Keynote Address at the 7<sup>th</sup> Annual Global Antitrust Enforcement Symposium, Georgetown University Law Center, (Sept. 25, 2013), <a href="http://www.ftc.gov/sites/default/files/documents/public statements/7th-annual-global-antitrust-enforcement-symposium/130925georgetownantitrustspeech.pdf">http://www.ftc.gov/sites/default/files/documents/public statements/7th-annual-global-antitrust-enforcement-symposium/130925georgetownantitrustspeech.pdf</a>.