Memorandum on the Establishment and Operation of the International Competition Network

Mission and Activities of ICN

The International Competition Network ("ICN") will be a project-oriented, consensus-based, informal network of antitrust agencies from developed and developing countries that will address antitrust enforcement and policy issues of common interest and formulate proposals for procedural and substantive convergence through a results-oriented agenda and structure.

ICN will encourage the dissemination of antitrust experience and best practices, promote the advocacy role of antitrust agencies and seek to facilitate international cooperation.

ICN's activities will take place on a voluntary basis and rely on the high level of goodwill and cooperation among those jurisdictions involved. ICN will build on the many excellent contacts that already exist among the organisations concerned.

The work of ICN will be project-driven. During its regularly scheduled meetings, ICN will decide which projects it will pursue and will adopt a work plan for each project.

ICN is not intended to replace or coordinate the work of other organizations, nor will it exercise any rule-making function.

ICN will provide the opportunity for its members to maintain regular contacts, in particular by means of annual conferences and progress meetings.

Where ICN reaches consensus on recommendations arising from the projects, it will be left to the individual antitrust agencies to decide whether and how to implement the recommendations, through unilateral, bilateral or multilateral arrangements, as appropriate.

Membership of ICN

Members are national or multinational competition agencies entrusted with the enforcement of antitrust laws.

Only members will participate in the internal decisions necessary for the organization and the operation of the ICN.

Non-governmental Advisers

ICN will seek advice and contributions from the private sector and from non-governmental organisations that are concerned with the application of antitrust laws ("non-governmental advisers") and will therefore cooperate closely with the following types of entities:

(a) International organisations, such as OECD, WTO, and UNCTAD;

(b) Industry and consumer associations;

(c) Associations and practitioners of antitrust law and/or economics; and

(d) Members of the academic community.

In particular, ICN may seek input from non-governmental advisers for the purpose of identifying projects. ICN may also request that certain non-governmental advisers participate in working groups for designated projects. Non-government advisers may also be asked to contribute papers or participate in hearings related to ICN projects. Non-governmental advisers are not members and will not participate in the internal decisions necessary for the organization and operation of the ICN.

Steering Group

ICN will be guided by a steering group whose members will be confirmed by ICN at its first conference. The steering group will consist of representatives of antitrust agencies from developed and developing countries that are committed to going forward with the mission of ICN, as described above in Section I. Each member of the steering committee will serve a two-year term and can be selected to serve additional terms. The authorities hosting the annual conferences and meetings will participate in the steering group on an ad hoc basis for the time period during which they are providing logistical support to ICN.

The steering group will be responsible for identifying projects and devising a work plan for each project for approval by ICN. The work plans will include timetables, suggested sources of information to be consulted or developed, and desired work product (*e.g.*, recommendations on best practices or guidelines).

The steering group will also recommend appropriate staffing for, and leadership of, working groups to carry out the work plans. However, any member who wishes to contribute to the work of a project may do so. Working groups may include non-governmental advisers but will be led by representatives from antitrust agencies.

The steering group will also draft agendas for conferences and meetings and decide whether it is appropriate to invite certain non-governmental advisers to all or parts of the conferences and meetings.

The steering group will select one of its members to act as chair. This position will rotate annually. The responsibilities of the chair will be:

(a) to chair meetings of the steering group and co-chair ICN conferences together with the head of the host country agency;

(b) to undertake the necessary secretarial duties;

(c) to maintain the list of network contacts and circulate updated versions from time to time; and

(d) to act as a focal point for information regarding the operation of ICN.

Secretariat

Due to the project-oriented working group structure, it is not contemplated to establish a permanent secretariat for the time being.

Logistical support for the conferences and meetings will be provided by the ICN member hosting the conference.

In order to maintain continuity, the member that hosted the preceding year's annual ICN conference as well as the member that will host the next annual ICN conference will be ex officio members of and assist the host planning committee for the current year's conference in order to, among other things, provide for the exchange of information and lessons learned and ensure that outstanding issues and work in progress are carried forward.

Conferences and Meetings

There will be one ICN conference per year. The Conference will bring together leaders of antitrust agencies to commission new projects and review the progress and recommendations of current projects. Antitrust agencies should commit to being represented by agency heads to the maximum extent possible for these high-level events. The conferences will provide a structured dialogue by focussing on a limited number of projects (between two and four) selected sufficiently far in advance by ICN to permit meaningful participation by all members. Any member may make proposals to be considered at the conferences.

In addition, each conference will be followed by a meeting later the same year for representatives of the steering group, who will not necessarily be heads of agency, to discuss the progress of the working groups and the status of ongoing projects.

Financing

The cost of conferences and meetings will be borne by the host country. With respect to all other expenses, each participating antitrust agency and non-governmental adviser will bear its own costs.

Should antitrust agencies be unable to participate because of the lack of financial resources, the possibility of financing the cost of participation would be appropriately considered.

Launch of ICN and Upcoming Conferences

The first annual ICN Conference will be held in the Spring/Summer of 2002 in Italy, hosted by the Italian competition authority.

To ensure an effective launch of ICN, antitrust agencies of the following jurisdictions will serve as an interim steering group until they are confirmed by ICN at the first conference: Australia, Canada, European Union, France, Germany, Israel, Italy, Japan, Korea, Mexico, South Africa, United Kingdom, United States, and Zambia. The interim chair of the steering group will be Canada.

The interim steering group will prepare work plans for ICN to discuss at the first meeting on the following topics:

(a) the merger control process in the multi-jurisdictional context; and

(b) the competition advocacy role of antitrust agencies.

To enable host countries to do sufficient logistical and financial planning for the conferences that will follow the launch of ICN, the interim steering group will recommend the following conference schedule for approval at the first conference: Mexico as host for the 2003 conference, Korea as host for the 2004 conference, Germany as host for the 2005 conference, South Africa as host for the 2006 conference.

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