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Roundtable on: Communication strategies of Competition authorities as a tool for agency effectiveness

Contribution by Russian Federation

Introduction

- 1. In the modern world information becomes the resource so important it has never been before. For effective functioning, it is necessary for every company to gain, maintain, analyze and exchange information to be competitive and face recognition in the minds of their consumers. Today the same is relevant for public authorities, which are required to be open, transparent and clear evaluated.
- 2. It also concerns the competition policy and competition authorities that deal with claims from legal entities and citizens which expect from competition authority openness and effectiveness. It is very important for them to find any information needed for address claim to the competition authority and gain an adequate response. That is why communication in competition authorities is one of the key functions.
- 3. It is also important to promote and advocate competition among business and citizens aiming at information of all the stakeholders about key principles and importance of competition as well as changes in national competition legislation.
- 4. Federal antimonopoly service of the Russian Federation (hereinafter the FAS Russia) is Russian antimonopoly authority empowered to exercise control and supervision over protect competition and sanction anti-competitive practices such as abuse of dominance position, anti-competitive agreements, unfair competition, bid-rigging in public procurement. The FAS Russia also is empowered to exercise control over mergers and acquisitions, relevant activity of public authorities and compliance of the advertising legislation¹. The FAS Russia pays close attention to communication with all the stakeholders and people interested in competition policy.
- 5. The FAS Russia developed and adopted communication policy in accordance with which the authority has a number of stakeholders with which the specific communication strategies are developed: international society, other national public authorities, business community and citizens.

Communication with business community and citizens

- 6. The FAS Russia has different ways of competition advocacy to business, among them are:
 - System of public assessment;
 - o Operation of the number of Expert Councils on various aspects of competition enforcement under the FAS Russia in order to ensure close communication;
 - Close cooperation with Non-commercial Partnership "Supporting Competition" and "Supporting Competition in CIS Countries";
 - Conduction of workshops and conferences to popularize and explain the necessity of observance of competition legislation;
 - o Reception Office of the FAS Russia.

¹ For more detailed information please follow the link http://en.fas.gov.ru/legislation/legislation_50726.html

- 7. All this ways has a double importance for the FAS Russia. From the one hand, it is crucial to inform business about activity, decision-making policy of the FAS Russia as well as changes in antimonopoly legislations. On the other hand, meetings with business and creation of advisory bodies allows the Russian competition authority to get feedback from business community concerning initiatives of the FAS Russia and understand the level of clearness of activity of the FAS Russia to business. All these actions help the FAS Russia to improve its activity and develop communication strategy.
- 8. One of the helpful instruments is the system of public assessment. At the FAS Russia and its Regional Offices there are the expert and the public advisory boards which unite both representatives of public organizations and ordinary citizens. Annually an independent organization is carrying out an interview of citizens and business structures, including telephone interviews, regarding their satisfaction with the FAS Russia's performance (professionalism of the antimonopoly authority's staff, efficiency and availability of providing information by the FAS Russia).
- 9. The FAS Russia created the Council for Competition the members of which are the representatives of the most authoritative non-commercial associations and business associations, such as the all-Russian public organization of small and medium business "SUPPORT of RUSSIA", the Russian Union of Industrialists and Businessmen, the Chamber of Commerce and Industry of the Russian Federation, the all-Russian public organization "Business Russia", the Union of Public Associations "International Confederation of Societies of Consumers", and others. The Council carries out the monitoring of the FAS Russia's performance, draws up recommendations on the improvement of antimonopoly law and practice of suppression of its violations. Similar councils are formed under the regional offices of the FAS Russia. This is the way the key representatives of business community could participate in decision-making process and make the legislative activity of the FAS Russia as open and transparent as possible.
- 10. There are also 27 Advisory Councils on the key markets at the FAS Russia (for example, the Advisory Council on Competition Development on the Markets of Oil and Oil Products, the Advisory Council on Competition Development on the Agro-Industrial Complex, etc.). The structure of the Advisory Councils includes participants of the markets, representatives of non-commercial associations and controlling authorities. Such practice allows the FAS Russia to estimate objectively a situation in the relevant markets and increases transparency of decisions made by the FAS Russia.
- 11. Legislative initiatives and enforcement of the FAS Russia are assessed within the frameworks of interaction with the Non–Commercial Partnership "Supporting of Competition Development²" (hereinafter the Partnership). It should be mentioned that "The Second and the

² The Non-Commercial Partnership "Supporting of Competition Development" is founded in 2007. Now in the Partnership there are more than 50 members, among them there are lawyers and economists specializing in the antimonopoly law, which represent major international and Russian law firms, and there are also the representatives of business companies.

The purpose of creation of the Partnership was formation of a platform for joint work of the FAS Russia and legal community on formation of effective practice of the antimonopoly law enforcement, assistance

Third Antimonopoly Packages" were drafted with participation of the Partnership. On December 23, 2009 the Non-commercial Partnership "Supporting Competition in the CIS Countries" was created. The Partnership combines leading competition lawyers and economists and creates a new model of interaction between the professional community and competition authorities in the CIS countries.

12. Since 2011 the assessment of the FAS Russia's performance in the form of questioning is carried out by the Association of Corporate Lawyers³ (ACL) within which respondents – members of ACL estimate transparency of the FAS Russia's performance, consecutive constructive open dialogue with business community and professional legal community, activity of the authority on explanation of questions of the antimonopoly law enforcement, activity of the Advisory Councils, the organization of activity of public reception offices.

Media advocacy

- 13. Within the structure of the FAS Russia has a special department is a Public Relations Department which is responsible for media activity of the authority.
- 14. Aiming at developing clearness, transparency and openness of the authority, the FAS Russia has a special strategy of presenting the authority in the media. For that purposes the FAS Russia has a huge number of tools: developing of the official web-site in Russian and English www.fas.gov.ru (www.en.fas.gov.ru), working with TV, radio and printed media, creation of accounts in social networks (Facebook, Livejournal, Twitter). The FAS Russia has its own YouTube channel, a special web-page «Anticartel» and e-journal «Russian competition law and economics» (the digest of this journal is in English too). Moreover, the FAS Russia publishes books, brochures and booklets on the relevant topics of its responsibility.
- 15. For several years the FAS Russia has worked with social media aiming at competition advocacy and informal but effective cooperation with citizens via Internet. For example, more than 2,5 years ago the FAS Russia created the Twitter account in two languages (@rus_fas и @FAS_RF). All the main news with the links to official press releases are translated there, press secretaries provide for live tweet-broadcasting and photo reports from public events. The broadcasting is welcomed to be completed by any user, so a person who is not able to participate in an event, has an objective image of the event before official press releases or paper articles are published.

to carrying out constructive dialogue between business and the Russian antimonopoly authority concerning the competition, participation in drafting legislation on competition issues.

³ The Non-Commercial Partnership "Association of Corporate Lawyers" is a leading association of professional lawyers in Russia which comprises more than 2000 lawyers; among the ACL corporate members there are representatives of more than 100 leading Russian and foreign companies.

The purpose of activity of ACL is to strengthen the position of legal community and development of public institutes, active discussion on questions of right enforcement in modern conditions, including antimonopoly, carrying out work on current legislation improvement, including on competition issues, and informing of participants of the market on its main changes.

- 16. Moreover, officers of the FAS Russia could immediately react on all the messages addressing to @rus_fas account. That is why Twitter account is a tool of bilateral communication and it helps citizens to have a quick reply on all the questions. The last year citizens and media representatives have get a chance to address questions for press conferences of our Head or his deputies or other events via Twitter account. It means that, being in different parts of our country and not participating in the event personally, they can get an answer on their questions.
- 17. As a result, effective work with citizens and informative messages have allowed us to attract attention of almost 70 000 users. They discuss amendments, inform about violations and follow the latest news in the field of competition policy along with us.
- 16. We take care about the opinion of citizens and business structures, that is why the FAS Russia are on-line almost every day of the year. As Twitter account is the most popular account of the FAS Russia, we use it to promote authority's accounts in other social networks.
- 18. On a daily basis Public Relations Department monitors mass media on the question of mentioning of the FAS Russia in the news and articles. It is important to know public reaction to any authority's message, case decision or suggestion on the development of product markets. Such monitoring allows us to take into account the opinion of mass media and business, to keep a close watch on negative publications in mass media and react them operatively. It also helps us to make correct decisions while planning the future activity. The Head of the FAS Russia and his deputies look through the results of this monitoring every day.
- 19. Information obtained via media is allowed to use as an evidence in the court, but only with confirming case materials at hand, obtained via the inspections. At the moment the decision of the FAS Russia is appealed in the court concerning the case against the administration of the Kemerovo region, Russian Railways, the operators of rolling stock: Federal Freight Company, Independent Transportation Company, The First Freight Company, "NefteTransServis", "TC "ZapSib-TransServis", "Novotrans", "SibUgleMetTrans", "RG-Trans", SUEK. Transportation Company, "Mechel-Trans", "TTransGroup AS", "RVD-Service", "Eurosib SPb -Transportation Systems", "Ferrotrans", "Transit - Plus" Company. The FAS Russia uses the media material for proving the existence of the anticompetitive agreement between companies, which led to sharing the market by the territory, volume of sales, consumers, and to limiting the entry to the market and elimination of economic entities from the market. For example, the article "The plan of coal loading is not fulfilled in Kuzbas region", published on the website about good traffic and logistic, is used.

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⁴ For more information follow the link: http://www.ati.su/Media/PrintNews.aspx?ID=1810

Conclusion

- 20. The FAS Russia recognizes the high importance of the communication in the modern world and makes the best efforts possible to make communication with all the stakeholders efficient. It is very important not only to promote and advocate competition principles through media but also to receive the feedback from citizens and business. This is a crucial resource of the public opinion about activity of the authority.
- 21. The FAS Russia is quite open for all the public opinions concerning our activity. In the process of preparation changes in the competition legislation, the FAS Russia usually discusses all the initiatives with business community and listen to their reasons. In addition, many proposals of business structures have been included in the list of legislative initiatives of the FAS Russia and presented to the Government of the Russian Federation.
- 22. For the FAS Russia media is not only a way to inform people and get a feedback, but also a source of collecting evidences which can be very assistant in the process of investigation.
- 23. Openness, cooperation and effectiveness are the key values of the FAS Russia. In reaching that, communication plays a crucial role. For us it is very important not only communicate but to evaluate our ways of communication and develop them. That is why communication strategy of the FAS Russia is always in the process of development and improvement.