THE REPUBLIC OF THE SUDAN
MINISTRY OF TRADE

CONCEPT NOTES ABOUT SUDAN`S
COMPETITION LAW AND POLICY

-PRESENTED BY:

Hassan Abuaouf
• **Introduction**

  • Sudan is classified by the UNO specialized agencies as one of the LDCs in Africa with a population over 37 million, it depends on production and export of primary commodities, it still suffers from international sanctions and ongoing regional conflicts, which drag on its resources necessary for investment and development.

  • Sudan is also one of the heavily indebted poor countries (HIPC's).

  • In 1992 the government has taken liberalization as strategy for economic Development is a complete social transformation that depends on effective implementation and a supportive policy environment.
• a spectrum of factors including social economic and political environment.

• Therefore, far the better function of the economy the Republic of Sudan experienced a transition to market economy, independent and specialized state agencies were created in order to regulate the key sectors and public services of the economy such as telecommunication and electricity. Nevertheless significant barriers to entry in to markets and practice restricting competition remained prevalent throughout the economy.

• Due to these factors the economic reforms recently being undertaken especially in respect to trade liberalization and economic deregulation have not generated the expected outcome in terms of growth and development. Anti competitive practices in many sectors partly explain the reason behind this economic frustration. These practices prevent improvement in economic productivity, dynamic efficiency and innovation, and consequently restrain the international competitiveness of Sudan enterprises.
Competition Authority:

- To address these issues, the Competition and Prevention of Monopoly Practices Council was established under the Competition (Organization) and Monopoly (prevention). Act of 2009. The Council is an official body presided over by the chairman appointed by the President of the Republic and composed of public and private sector representative that aim to improve business environment in the Republic of the Sudan.

- The council shall focus its work on the elimination of anti-competition practices, administration burdens and barriers to entry.

- The Objectives:

  - The main objective behind competition policy and law is to strengthen the Sudan economy through establishing a market conducive to enterprise development, improved consumer welfare, and investment, paving the way for economic growth and development, the achievement of these objective eventually contribute to poverty reduction which is one of the priority for the government.
Challenges Facing Competition Law and Policy Enforcement on Sudan

- Sudan economy may have structural weakness that make it vulnerable to private anti competitive conduct :-

- The following factors are likely to have a negative impact on competition situation.

- Large informal sector 80% of economic activity.

- Generate a significant portion of anti competitive conduct evaded taxes and thus competed unfairly with formal firms.

- Weak capital markets and foreign trade depends on exporting agricultural commodes and more dependence on import ( basic industrial input )

- CAs in Sudan do not have the recourse to gather information on the effects of cartel operations in the market, or the ability to gather enough evidence to convict a cartel. This will show the difficulty for CAs to implement competition law (L) to prevent TNC from attaining a position of dominance in the domestic market.
Sudan is concerned about the operations of regional cartels and foreign goods being dumped onto domestic markets, (anti-dumping law) is enacted with such trade issue.

- Competition policy would obviate the need for anti-dumping action within a regional trading agreements.

- **Privatization:**

Sudan adopted a privatization programme as the part of the economic reform. The design of privatization cover all sectors of the economy to allow for as much competition as possible, particularly in agricultural, textile industry and building materials. Unfortunately consumers suffered from dramatic prices rise and drop in quality of services that occurred in several sectors as a result of private monopoly.

- Electricity, fuel, strategist good (sugar, wheat flour,) under government monopoly for consumers welfare and not at the expense of competition policy
Consumer protection association can play an active role in the implantation of CL and to direct the attention of the CA to cases brought by competing business. This may not only reduce the burden on the CA but would also facilitate control and check on the anti-competitive practices. This means that CPAs needs to get involve and coordinate early in the process.
Implementation of competition law in Sudan:

- Sudan EPA Negotiation and implementation support – SENIS) has identified the implementation of competition law as a priority for Sudan, and providing the requirements for effective implementation of competition law: this will include the following steps:

  (i) A comprehensive set of competition regulation, that interfaces with the competition law of Sudan, to facilitate addressing anti-competitive practice in Sudan.

  (ii) The development of the competition authority organization – skills profile competition commissioners, officers, administrative staff) recruitment, selection and appointment have to take place.

  (iii) The development of a competition culture (an understanding of competition matters by firms including small and medium sized firms) consumers, government departments and sector regulators. This will require a competition advocacy programme to be developed by the competition authority.

  (iv) The legal and institutional interface between the competition authority and sector regulators (delineating areas of responsibility and a working relationship.

  (v) Training of the officers at the competition authority, sector regulators, private sector, and consumer organizations (including the development of academic courses at universities) essential for effective implementation of competition law.
Thanks for your attention