

Chairperson, Competition Commission of India
Workshop on E-commerce: Changing Competition
Landscape in India
August 30, 2019

- Hon'ble Vice-Chairman, NITI Aayog, **Dr. Rajiv Kumar**
 - Distinguished Invitees, friends from the media
 - Ladies and Gentlemen,
1. It gives me immense pleasure to welcome you all to the workshop on '**E-commerce: Changing Competition Landscape in India**'. This workshop was envisaged as a stakeholders' consultation exercise, as part of the market study on e-commerce being conducted by CCI. The objective was to bring together all relevant stakeholders to speak on different aspects of e-commerce from their vantage points. It is gratifying to see such enthusiastic participation from all quarters and I extend a very warm welcome to each one of you.
 2. I take this opportunity to welcome **Dr Rajiv Kumar, Vice-Chairman, NITI Aayog**, who despite his busy

schedule, accepted our invitation and is here with us to deliver the Keynote Address. Our sincere gratitude to you, Sir, on behalf of the CCI.

3. I am happy to say that on May 20, this year the Competition Commission of India completed 10 years of its establishment since the notification of the substantive provisions of Competition Act relating to anti-competitive conduct.
4. In these ten years, we have strived to build a culture of competition in the markets through credible antitrust enforcement and regular engagement with stakeholders. We have reviewed over 1000 antitrust cases, 670 merger filings and have held 720 advocacy events.
5. Commission has intervened in various sectors ranging from entertainment, pharma, aviation, agriculture, construction, cement, sports, real estate wherein concerns of a large number of market players and consumers, both with respect to cartelisation and abuse of dominance, have been addressed.

6. Besides the traditional economy sectors, Commission has dealt with various cases in the new age economy industries where abuse by digital players was alleged. The Commission's interventions in such markets, however, have been nuanced so as to preserve the innovation incentives while correcting the anti-competitive conduct. Guided by a cautious approach, the Commission has intervened only in cases where harm was evident.

7. Friends, as you are aware that the Competition Commission of India's mandate is to protect and promote competition and fair play in markets. There are two key instruments that help fulfil the mandate. First, enforcement of the competition law whereby corrective interventions are made when competition is adversely affected by collective or unilateral conduct of market participants. And the other is advocacy, which creates awareness about the lines between competitive and anti-competitive business conduct thereby preventing contraventions. Both these

instruments, in order to be effectual, need to be steeped in clear understanding of markets.

8. Market studies are a way to proactively reach out to the market participants and better understand a sector.
9. Besides being a knowledge building exercise, market studies can also inform policymaking. It is the contours of policy that govern the competitive relationship amongst market participants. An ideal policy from a competition lense is one that does not blunt the incentives of the market pariticipants, creates a level playing field and promotes efficiency.
10. In other cases, market studies can lead to advocacy efforts aimed at market participants, to encourage them to cease conduct that may not be a violation of competition law but is leading to competition problems in a market.
11. The Commission, in pursuance of its mandate, has decided to initiate a series of market studies especially

in emerging industries and in sectors where the competition landscape is undergoing a rapid change. The E-commerce market study is one of them.

12. There is hardly any domain of our lives, and therefore of commerce, that is immune from the digital revolution. During the last few years, e-commerce activities have been growing both on the demand and supply sides, thanks to the penetration of mobile and internet. We see increasing number of individuals transacting online, as well as steadily growing number of businesses receiving orders online. The growth of e-commerce has the potential to increase competition, to bring about information transparency, to greatly enhance consumer choice and to promote and facilitate innovation in business models. At the same time, like any other market, digital markets are not impervious to anti-competitive conduct. Thus, competition authorities do have a role to play in ensuring that these markets remain open and contestable.

13. As competition enforcers, we look at the whole stream, from producers to distributors, from incumbents to start ups, from platforms to their users. In any digital sector, we are sensitive to the argument that we need to preserve firms' ex ante incentives to invest and this applies to both incumbents as well as potential entrants. Furthermore, we cannot take a myopic view of competition. Price effects alone do not help gauge market dynamics. Quality, innovation, and now increasingly data are important dimensions of competition that can have far-reaching effects.

14. There is an ongoing debate on how digital markets should be looked at, how distinct are these ecosystems from the traditional market configurations, what should be the parameters of competition analysis, whether regulations or case-by-case application of competition law would suit the needs better. As the competition authority, we want to make this debate less abstract and more driven by practical insights. The study, including this workshop, is a step in that direction.

15. I look forward to productive and constructive discussions in the sessions today. I once again welcome our Chief Guest Dr. Rajiv Kumar, Vice-Chairman, Niti Ayog and all the distinguished invitees present here.

Thank you.