

SECTORAL FRAMEWORK FOR COMPETITION REFORMS: BUS TRANSPORT

Field experience from Ghana, India, The Philippines & Zambia

February 2016



I. Introduction

In 2012, CUTS International, with support from DFID (UK), BMZ (Germany) through GIZ (Germany) initiated the project entitled, “Competition Reforms in Key Markets for Enhancing Social and Economic Welfare in Developing Countries” (CREW - www.cuts-ccier.org/crew/) to demonstrate the linkage between competition reforms and citizen’s welfare. The project studied two sectors: **staple food** and **bus transport** in four developing countries – **Ghana, India, The Philippines** and **Zambia**.

Using the experience from the CREW project, CUTS developed the Framework for Competition Reforms: Practitioners Guidebook (FCR-PG, www.cuts-ccier.org/crew/pdf/FCR_Practitioners_Guidebook.pdf), which illustrates a methodology that can be used to **link competition and regulatory reforms with its objective of consumer and/or producer welfare in any sector of a developing country**. A review of the FCR-PG is recommended prior to reference to this document to understand the general guidelines.

This document referred to as the **Sectoral Framework for Competition Reforms: Bus Transport** explains the process of application of the FCR-PG to link competition and regulatory reforms with consumer and/or producer welfare in the **bus transport sector**. Further, it presents strategies and tactics to use the generated evidence for facilitating pro-competitive policy reforms in this sector, and challenges encountered in the process. This document is meant to be an **illustrative guidance** for developing country policymakers and practitioners. The broad approach would be useful for application in any other services sector.

Bus transport is one of the most critical sectors of an economy, offering low-cost and efficient means of transportation to the masses. Its importance is higher in developing economies which often lack adequate mass transport infrastructure, resulting in greater reliance on bus transport for commuting. Given that ordinary consumers spend significant amount of time and money on transportation services, it is critical to provide affordable and quality bus service for them. It is also a sector that provides economic opportunities and jobs for small entrepreneurs and semi-skilled/unskilled youth as well.

This **Sectoral FCR: Bus Transport** provides a guide to help: (i) assess the **impact** of competition and regulatory reforms on consumer/producer welfare; and (ii) use the evidence to **facilitate/advocate** introduction of competition and regulatory reforms in the sector. A series of steps are provided in this framework along with illustrations on how these steps were applied to the bus transport sector in the CREW project countries (Ghana, India, The Philippines & Zambia).

II. Generating Evidence: Establishing the Link between Competition Reforms and Citizens' Welfare

Economic theory establishes that **fair competition** is beneficial for the functioning of an economy. It is likely to **benefit consumers** by improving access, enabling greater **choice**, lowering **prices**, reducing **time** and improving service **quality**. Further, it **benefits producers/businesses** by creating avenues of increased market **entry**, incentives for decreasing **costs**, offering a **level playing field** and providing an ecosystem for **innovation**.

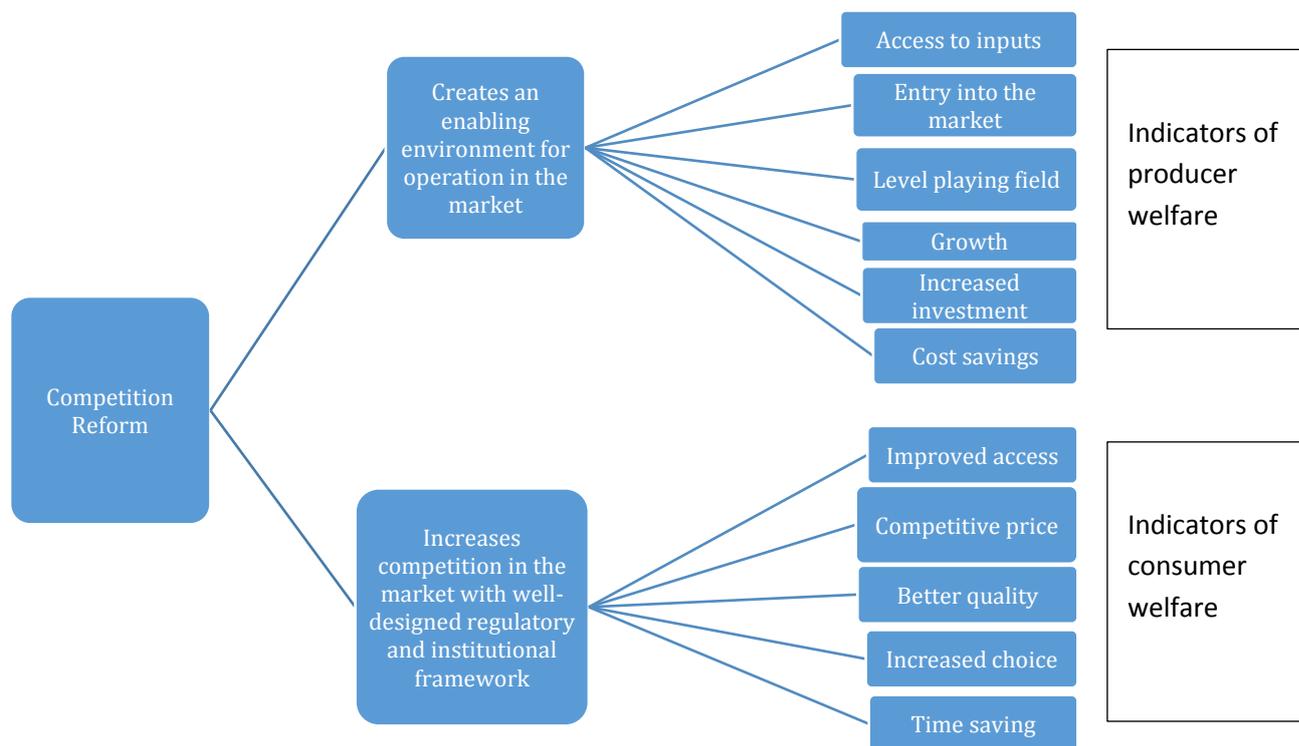
The FCR-PG developed by CUTS establishes linkage between **components of competition reform** with **indicators of producer welfare** and **consumer welfare** as illustrated in Figure 1. The FCR-PG explains the steps involved in demonstrating this linkage in great details.¹

One of the unique features of this approach is the fact that it relies heavily on **stakeholder participation and engagement** for facilitating reforms (thereby creating local ownership of reforms). At the outset, it is critical to identify **key stakeholders** in the sector, including state and non-state entities, business associations, experts, etc. and engage them in the entire exercise in the following ways:

- (i) To gather relevant information (literature, information, data) from the sector
- (ii) To consult while developing the methodology and undertaking the analysis
- (iii) To gather feedback on the findings and fill information gap
- (iv) To seek advice on possible ways to facilitate necessary reforms (taking the political economy factors into consideration).

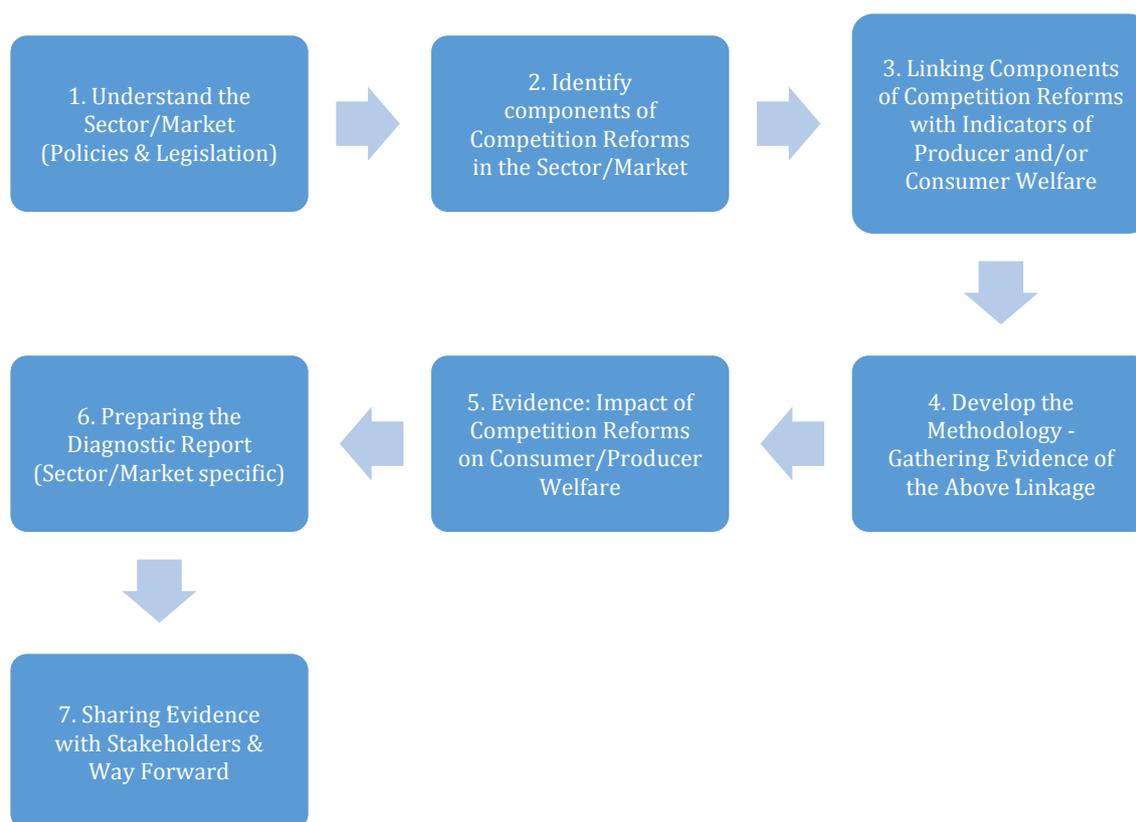
¹ www.cuts-ccier.org/crew/pdf/FCR_Practitioners_Guidebook.pdf, Pages 5-8

Figure 1: Linkage between Component of Competition Reform and Citizens Welfare (Consumers & Producers)



In order to gather evidence on linkages between competition reforms in the bus transport sector of his/her country and welfare, a practitioner should use the steps explained in Figure 2. Each of these seven steps is discussed in details in this section, along with some examples drawn from the four CREW project countries.

Figure 2: Steps to Establish Link between Competition Reform and Welfare



❶ Understand the Sector/Market

A certain level of preliminary research (both primary and secondary) is to be undertaken to understand the bus transport sector in a country. This is most important first step of familiarising oneself with the sector. Also, in this stage key stakeholders are identified and a process for engaging them in the exercise is worked out (primary research). Secondary research would include review of past studies and literature on the structure of the market, the relevant sectoral policies, laws and regulations, etc.

Reference: Guidance note for Primary Field-work, available at http://www.cuts-ccier.org/crew/pdf/Note_for_Primary_Research.pdf

This step of understanding the bus transport market in the country helps to:

- **Understand the characteristics of the sector:** This includes an assessment of the characteristics of the market such as market structure, major players in the market and their respective strength (market share), the level of competition in the market, etc. This assessment is accomplished by reviewing previous sectoral studies and holding discussions with key stakeholders.

- **Identifying the regulatory framework governing the bus transport sector:** Through secondary research and discussions with stakeholders, the practitioner should be able to list various policies, regulations, statutes, programmes and practices related to the bus transport sector of the country and/or any other reform(s) introduced. In case the sector is characterised by regulatory enforcement at different levels (federal, state, local) – rules and regulations at each level must be reviewed. A preferable approach is to focus on regulations that were introduced in the last 10-15 years to ensure that recent data is available.
- **Understand key Stakeholder and their engagement:** One of the characteristics of an inclusive reforms process is engagement of key stakeholders, which can only be done if stakeholders have been properly identified.

At the end of this stage, a fairly comprehensive idea about the sector should emerge and be documented (see Table 1). Further, a list of key stakeholders should also be prepared and retained. Table 1 provides key information about the bus transport sector in a couple of countries.

Table 1: Key Information obtained about the Bus Transport Sector (Ghana & India)

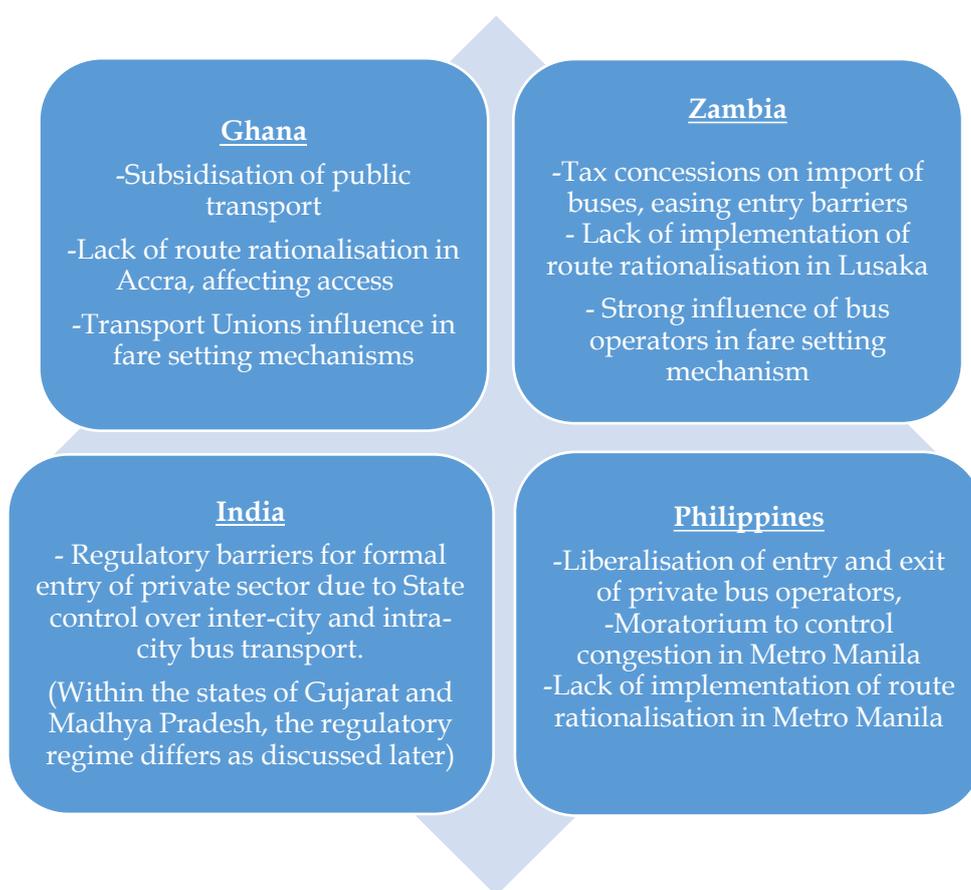
Country	Key background information
India	<ul style="list-style-type: none"> • The Road Transport Corporations (RTC) Act of 1950 and the Motor Vehicles (MV) Act of 1988 are two key central laws governing the transport sector in India • The regulatory structure allows state governments to establish State Road Transport Undertakings (SRTUs) to offer bus transport services, and nationalise road transport services • State governments have considerable discretion resulting in wide variations across state bus transport sectors • MV Act distinguishes between two types of bus passenger transport – stage and contract carriage • Despite their good performance initially, today SRTUs have become inefficient (with deteriorating financial health, slowdown in fleet expansion and increasing subsidies) • The CREW project looked closely at two states – Gujarat and Madhya Pradesh in India • Gujarat State Road Transport Corporation (GSRTC) enjoys a monopoly over the intercity stage carriage segment in Gujarat – private operators are permitted to operate only as contract carriages only • GSRTC fails to meet the demand for inter-city bus transport in the state and so private contract carriage operators have started plying the inter-city routes ‘illegally’ as <i>de facto</i> stage carriages • The Ahmedabad Municipal Transport Corporation (AMTS) enjoys a monopoly over the intra-city bus transport segment in Ahmedabad • Madhya Pradesh State Road Transport Corporation (MPSRTC) was abolished in 2005 due to the inefficiencies of the SRTU:

	<ul style="list-style-type: none"> ○ Private players were allowed to enter and compete in the inter-city bus transport market by choosing the type of permit, with no restriction on the number of permits or fleet size (although fares are regulated) ○ Special Purpose Vehicles (SPVs) were established in cities for intra-city bus transport. For instance, in Bhopal, Bhopal City Link Limited (BCLL), under the Bhopal Municipal Corporation, was set up as the public regulator in charge of operational decisions including fares, routes, schedules, and selection of operator –resulting in limited private players who enjoy monopoly rights on specific routes (won through open bidding)
Ghana	<ul style="list-style-type: none"> • Both private and public players provide intercity and intra-city bus transport services in Ghana • In urban areas, bus transport is largely controlled by small, informal operators called ‘Tro-Tro’ operators (minivans or medium buses that hold 12-24 people) – this service is unorganised with no schedules for operation • Formal intra-city bus transport in Ghana is limited • In the inter-city bus transport market, formal players operate newer fleets of medium and large buses according to specific schedules • Metro Mass Transit (MMT) was set up in 2003 to promote mass transit to reduce congestion and ensure transport affordability and accessibility across cities and towns of the country for the most vulnerable and excluded groups <ul style="list-style-type: none"> ○ Private players controlled 55 percent share in MMT, with the government controlling the remaining 45 percent ○ MMT provides subsidised bus transport service ○ Its operation is financially unviable since it cannot charge market based fare ○ MMT’s share in bus transport is only five percent (it services only three intra-city routes, while private operators serve 22) • Most informal buses commercially operating in Ghana are more than 15 years old due to the high cost of acquiring new buses • Ghana therefore imports second hand buses • There is a route allocation regulation in Ghana (LI 2180 of 2012, under Regulation 121), but it is not effectively enforced since licenses are provided not for specific routes but a particular area • Transport unions have a position of strength in the bus transport market in Ghana

② Identify Components of Competition Reforms in the Sector/Market

The next step would be to identify specific component of **policies and regulations** (include policies, legislation, programmes in this assessment) that **influence competition in the market** – positively or negatively. Like the first step, this is also accomplished by primary and secondary research. Figure 3 illustrates certain **key components of policies** from the four CREW countries.

Figure 3: Key Competition Influencing Policies related to the Transport Sector



Discussion with stakeholders (especially the Government Department, Regulator, operators, experts, etc.) is extremely critical for this step as they often help the practitioner **identify the most relevant regulations influencing competition in the sector**. For instance, in India, while the relevant sectoral regulation is the MV Act, interactions with stakeholders in the Indian state of Gujarat shed light on Gujarat's Gazette order of 1994 (under the MV Act, 1988) which *granted monopoly rights to GSRTC to operate buses on the inter-city stage carriage routes*.² This order not only acts as an entry barrier for private operators to participate in the stage carriage segment but had also led to heavy revenue losses by GSRTC. This order, therefore, needs reviewing as it is both competition-impeding and burdens the state exchequer.

The practitioner should try to answer the following questions while reviewing the identified regulations, policies and reforms, and during discussions with stakeholders:³

² Stage and contract carriage are two types of bus transport services prevalent in India. Stage carriages are motor vehicles available for hire at separate fares paid by or for individual passengers either for the whole journey or for stage of the journey. Contract carriages are motor vehicles engaged as a whole under a contract for carrying passengers. A contract carriage permit holder cannot stop during the journey to pick up or set down passengers not included in the contract.

³ Assessment of pro/anti-competitive elements in a particular (sectoral) policy, law, statute, program or practice can be done by using guidelines provided any of the following: DFID's Competition Assessment Framework (CAF, see: www.oecd.org/daf/competition/reducingregulatoryrestrictionsoncompetition/46192459.pdf); OECD Competition Assessment Toolkit (refer: www.oecd.org/competition/assessment-toolkit.htm); CUTS Competition Impact Assessment Toolkit (CIAT, see:

- What are the objectives of the policy in the sector?
- What is the relevance of the policy?
- Who are the targeted beneficiaries of the policy?
- What are the challenges in the enactment and implementation of the policy?
- Does the policy promote or restrict competition? Explain in brief, how?
- How does the competition element of these policies affect the targeted beneficiaries?

The box below highlights the results of this assessment undertaken under the CREW project for The Philippines and Zambia – two countries characterised by contrasting bus transport sectors. While Philippines has an oversupply of bus service in Metro Manila (resulting from poorly designed and implemented bus transport policy), Zambia experienced a shortage of buses even after liberalisation of the sector. The assessment focusses on how the reforms influenced competition in the market and their intended outcomes.

Philippines – Addressing Oversupply of Bus Transport Services in Metro Manila

- Given the excess supply of bus transport services in Metro Manila, the Government of Philippines passed a ‘Moratorium on issuance of franchises for new buses and new franchises in 2003’
- The reform aimed at managing competition in the bus transport service in Metro Manila, thereby increasing efficiency of service provision and primarily to reduce congestion
- The implementation of the moratorium was however ineffective as operators could continue to acquire franchises illegally by paying a higher fixer fee

Zambia – Addressing Undersupply of Bus Transport Services

- Post liberalisation in 1991, the state owned United Bus Company of Zambia (UBZ) which offered cheap passenger transport services throughout the country, was privatised
- In order to increase private participation and address the gap created by UBZ’s privatisation (and eventually got liquidated), the government removed customs duty on imported buses in 1993
- The government also introduced the Road Sector Investment Programme (ROADSIP) in 1998 to develop the sector by attracting private investment. Further, the Road Transport and Safety Agency (RTSA) in 2010 eased the process of obtaining licences for private operators, thus facilitating entry of private bus operators
- These measure were aimed at increasing private participation and thereby competition in Zambia’s transport sector
- This led to a large increase in the number of private buses in Zambia
- However, not much thought was given towards developing an effective regulatory regime – this resulted in poor user experience despite the high fares

③ Linking components of Competition Reforms with Indicators of Producer and/or Consumer welfare

The next step for the practitioner will be to **establish the link between the identified competition reform components and indicators of consumers and/or producer welfare**. Specifically, the practitioner should analyse each competition reform component closely to identify the indicators of producer and consumer welfare (mentioned in Figure 1) that are affected by the regulation/policy. The practitioner may need to undertake stakeholder discussions and/or conduct a literature review to identify these welfare indicators. The FCR Practitioner’s Guidebook lists out certain questions that would assist in linking competition reform to both producer and consumer welfare.⁴

⁴ www.cuts-ccier.org/crew/pdf/FCR_Practitioners_Guidebook.pdf, Page 17-19

Overall as explained in the FCR-PG, the following two statements explain the **relationship between components of competition reforms (government policy, effective sector regulation and competition enforcement) and indicators of producer/consumer welfare**:

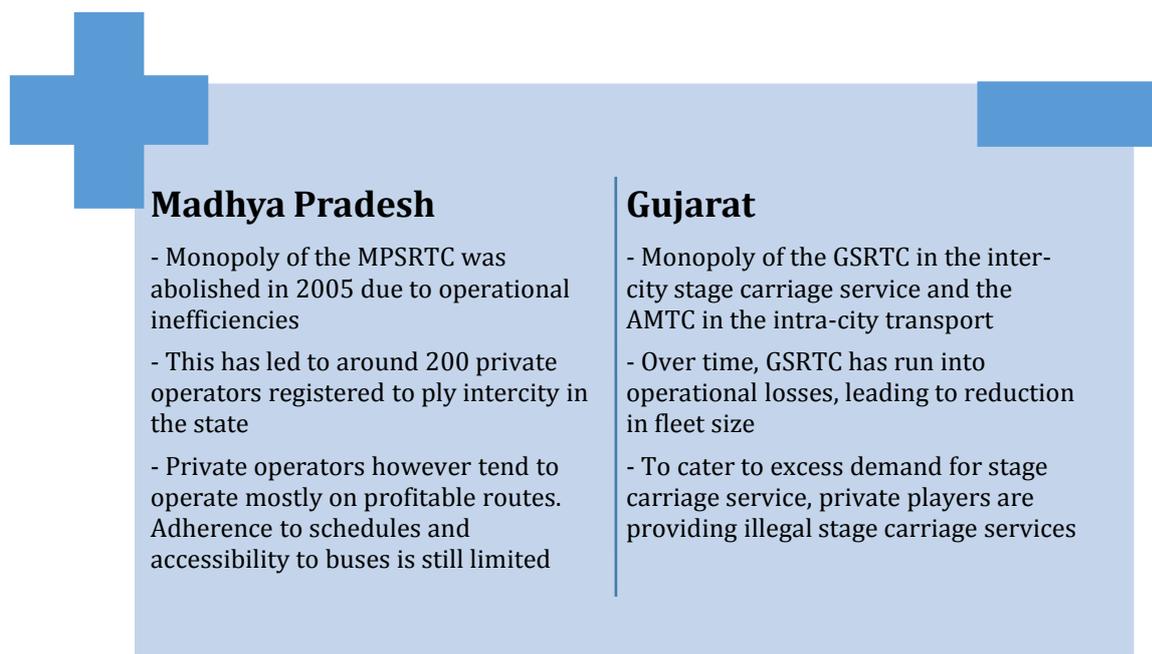
- *Pro-competitive government policy in a market helps producers enter the market easily and thrive*
- *Consumers welfare (in terms of access, cost, quality and choice) is achieved if regulatory interventions (including competition enforcement) are properly designed and uniformly applied on all players in the market*

The CREW project highlighted the contrasting scenarios of competition in the inter-city stage carriage transport in the states of Gujarat and Madhya Pradesh in India (Figure 4).⁵ In Madhya Pradesh, the monopoly of the public sector transport undertaking, MPSRTC was abolished in 2005 owing to surmounting operating losses leading to inefficiencies. This resulted in entry of private bus operators in the inter-city bus transport. However, the increase in competition from private players has not translated into higher welfare for commuters (consumers). This is because the private operators tend to ply mostly on profitable routes and do not always adhere to schedules because of low passenger turnout. Further, accessibility is also limited in Madhya Pradesh, as 59 percent of commuters surveyed as part of the CREW project stated that they had to walk more than 15 minutes to a bus stop, compared to 39 percent in Gujarat.

In Gujarat, on the other hand, the bus transport service is largely controlled by the state government the state-run GSRTC controls the inter-city 'stage carriage' segment, while the AMTC enjoys monopoly over the intra-city bus transport in Ahmedabad city. The presence of a SRTC is a positive welfare measure as the government is more motivated to service the less profitable routes than private operators. However, the absence of any competition and the assured availability of budgetary support, has led to accumulation of massive losses for both GSRTC and AMTC. Moreover, the public transport system in Gujarat is not able to meet demand, indicating the need for greater private sector participation. The state therefore needs to abolish its public sector monopoly and find a way to legally incorporate private sector operators into the market while balancing the need for good regulations to ensure that services are available to consumers everywhere.

⁵ Stage and contract carriages are two types of bus transport services prevalent in India. Stage carriages are motor vehicles available for hire at separate fares paid by or for individual passengers either for the whole journey or for stage of the journey. Contract carriages are motor vehicles engaged as a whole under a contract for carrying passengers. A contract carriage permit holder cannot stop during the journey to pick up or set down passengers not included in the contract.

Figure 4: CREW Project – Contrasting Policy Regimes of States of Madhya Pradesh and Gujarat’s Bus Transport Sectors (in India)



④ Develop Methodology to gather Evidence of the Linkage

Based on the **identified link between each regulation/policy, its impact on competition and the resulting parameters of producer and consumer welfare**, the practitioner must develop a methodology to gather evidence of this linkage. The practitioner should present evidence of this link for each component of competition reform (policies, laws, statutes, programmes and practices) separately, by identifying all relevant information (quantitative and qualitative) needed to undertake analysis.

For the four countries under the CREW project, an analytical matrix was developed for this step (www.cuts-ccier.org/crew/pdf/Draft_Analytical_Matrix-Passenger_Transport_Sector.pdf). Table 2 describes the analytical matrix that was developed with respect to Ghana’s Sector Medium Term Development Plan (SMTDP), which was introduced to establish the MMT with the objective of providing affordable means of transport to ordinary consumers.

**Table 2: Illustration of Analytical Matrix developed for
Ghana (Establishment of MMT)**

Impact on Consumers or Producers	Welfare Indicators	Data	
		Secondary Data	Primary Data
Impact on Consumers	Price/Cost	Fare setting mechanism, concessions for various sections of passengers like students, change in fares with respect to input/maintenance cost	Frequency of price rise, fares <i>vis-à-vis</i> the quality of service, household expense
	Quality	Frequency of bus service/station	Experience of passengers at bus stop/bus station/inside the bus -perception for introduction of ticketing system
	Access	Vehicle standards - Availability at major routes	Access to all sections of passengers - distance to the nearest bus stop
Impact on Producers	Entry	Entry of new players - licencing process (terms and condition, time taken, tariffs) - import of buses	Regulatory barriers for new private player entry - benefit of union affiliations
	Investment	Number of investors over the years - investment promotion scheme for new investors (threshold investments etc.)	Investor's perception
	Growth	Increase in vehicles/ operator	Operators' perception
	Cost	Operational cost	Facilitation fee

Using the analytical matrix, a checklist of data required to establish evidence of the linkage is developed. Once the data required has been identified, the practitioner should assess to what extent the information needed is available from secondary sources and the primary information that should be collected as part of the project. The FCR-PG highlights some points that would assist the practitioner in identifying and collating the information required.

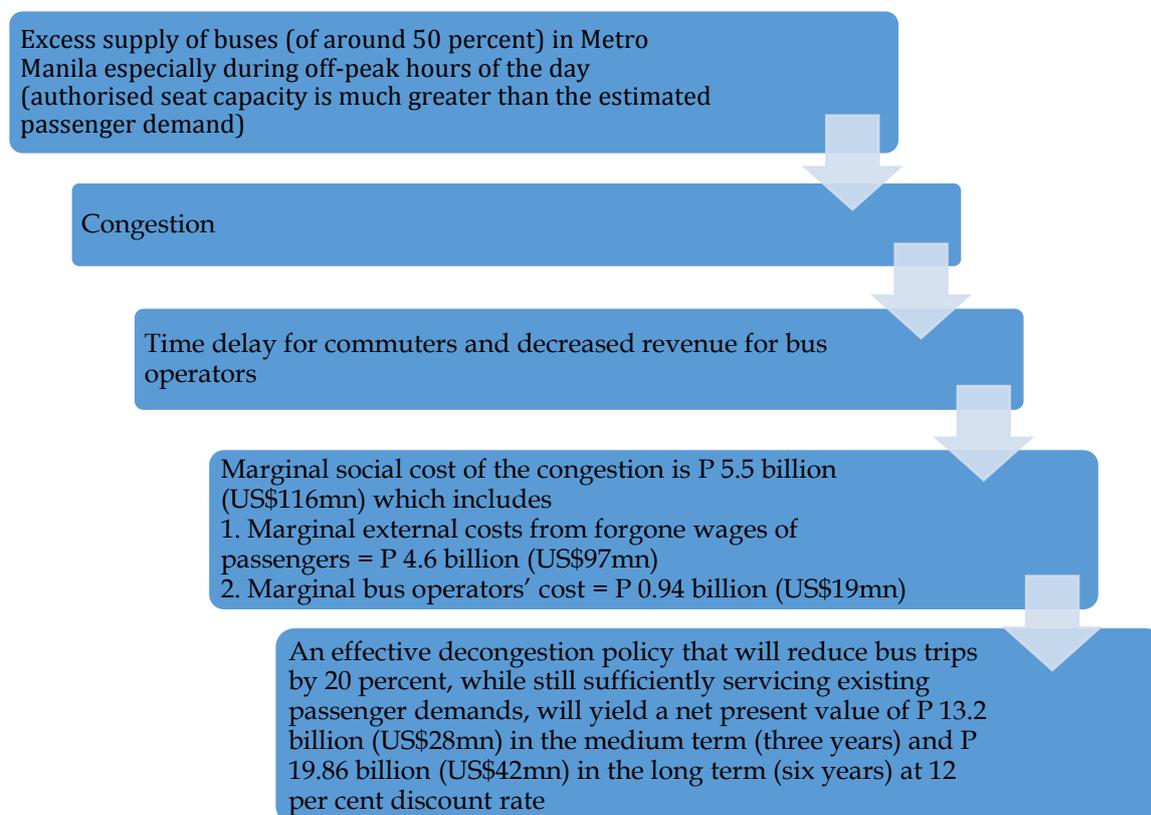
In India, Ghana and Zambia, both secondary and primary data were collected. Perception surveys and focus group discussions of bus operators and perception surveys of consumers were undertaken to obtain the primary data in these countries. In countries, such as Zambia and Ghana, the data generated through these tools, served in filling the gaps of the secondary research work thereby, making the methodology applicable for data restricted areas. In contrast, in The Philippines, given local issues with conducting surveys, the analysis was undertaken using mostly secondary information in addition to stakeholder discussions. However, the absence of survey data did not deter the applicability of the project methodology in The Philippines given the extent to which

secondary data was available and the information collected from key sector stakeholders through interviews/discussions.

⑤ Establish Evidence of Impact of Competition Reforms on Consumer/Producer Welfare

Once the primary and secondary information highlighted in the analytical framework are collated, the practitioner must analyse the collected information using qualitative as well as quantitative analytical techniques. Qualitative analysis is largely based on interactions with stakeholders, and is used in the absence of sufficient data for analysis. Availability of relevant data on the other hand allows for quantitative analysis using statistical techniques. The analysis can be *ex-post* or *ex-ante*. The former type of analysis is undertaken when the reform has already taken place. However, in cases where the competition enhancing reform has not yet taken place but a potential reform has been identified, *ex-ante* analysis may be undertaken to assess the potential impact on welfare if the reform is implemented. In the CREW project, *ex-ante* analysis using secondary data was undertaken in case of The Philippines, to determine the potential benefits of decongestion by limiting the number of bus operators in Metro Manila (Figure 5).

Figure 5: Ex-Ante Cost Benefit Analysis of bus transport regulatory actions in Metro Manila (The Philippines)



(Note: Exchange rate used \$1=P 47.09)

Methodologies that can be applied to undertake the above analysis are provided in a paper listed by Nathan Associates entitled, “Measuring Impact of Competition Reforms in Developing Countries: A Survey of Possible Approaches and Selection of Countries and Sectors for the CREW Project” (www.cuts-ccier.org/crew/pdf/Background-Paper.pdf).

The type of analysis that can be undertaken is determined based on the data that is collated. If adequate data is unavailable for a time-series analysis (which is a common issue in developing countries), the secondary data available along with primary data collected as part of the project may be used for analysis. For instance, in case of Ghana and Zambia, there was a paucity of secondary data and hence the analysis was mostly qualitative based on the perception survey information. On the other hand, in case of The Philippines, primary data could not be collated but since secondary information was available, a comprehensive cost-benefit analysis was undertaken to quantify the impact of reform on all stakeholders. Thus, based on the extent of data available with the practitioner, an appropriate technique of analysis should be selected.

Table 3 presents various ways in which the analysis was undertaken in the CREW project.

Table 3: Analysis Undertaken for the Bus Transport Sector in the CREW Project Countries

Project Country	Linkage	Illustrative example of analysis undertaken	
		Qualitative	Quantitative
Ghana – Subsidisation of MMT	Impact of subsidising MMT service on transport service affordability and availability	<u>Structured interviews, surveys and field studies:</u> Information was gathered on operations of MMT and private operators through consultations with staff of bus operators including vehicle owners, operators/drivers, conductors, ticketing personnel, technicians, field officers, managers, union leaders etc. Primary survey of passengers of MMT was conducted to understand perception regarding access, efficiency and affordability of service	<u>Trend over time analysis:</u> Secondary data was collected to demonstrate trends in growth of MMT fleet, overall buses registered in Ghana etc.
Zambia – Deregulation of the sector	Impact of deregulation on the availability and affordability of transport	<u>Perception surveys / interviews:</u> Information was gathered on operations of private operators (time taken to obtain licences, barriers to entry, fares and their negotiation etc.) through in-depth interviews with the government and regulators; and perception survey with the commuters and private operators	<u>Trend over time analysis:</u> Secondary data was collected to demonstrate trends in growth overall vehicles registered in Zambia

India – Reform related to State Monopoly over Intercity and Intra-city Bus Transport	Impact of regulations in the inter and intra city bus transport assessed through parameters such as participation of the private sector, and the commuters' access and affordability to bus transport service	<u>Perception surveys /in-depth interviews:</u> Information was gathered from state government officials, bus passengers and operators on current state of affairs, recent changes experienced by operators, commuter preference for mode of transport, accessibility-availability-timeliness of bus services, quality of services and price	<u>Trend over time analysis:</u> Secondary data was collected to demonstrate trend over time observed in parameters such as number of buses owned by public and private, growth rate in buses, financial performance of SRTCs and analysis of survey data on frequency of buses, quality of service, fares etc.
Philippines – National Transport Policy	Impact of congestion and its assumed resolution, on commuters and bus operators	<u>None</u>	<u>Cost-Benefit Analysis:</u> Use of secondary data to estimate the costs of congestion and benefits from its resolution, on commuters and service providers. The underlying rationale of the analysis is that marginal social costs due to congestion issues indirectly relates to the benefit streams from improved vehicular flow as a result of better transport management or policy

⑥ Prepare the Diagnostic Report

Once the information gathered from the secondary and primary research is collated and analysed, a sectoral Diagnostic Country Report (DCR) should be prepared by the practitioner to highlight key findings and disseminate the evidence through various advocacy efforts to influence policymakers and other stakeholders. The components (chapters) of this report include:

- Background of the sector
- Review of literature on the impact of competition related policies on welfare (relevant to the chosen sector)
- Relevant policies governing the sector and reforms
- Competition related elements of the identified policies
- Methodology undertaken for assessing impact
- Impact of the policies on competition and consumer and producer welfare
- Recommendations for reform

The structure of the report may differ based on the practitioner’s understanding of the information specific to the country that needs to be focussed on. The DCRs for the four CREW project countries are available at www.cuts-ccier.org/crew/Diagnostic_Country_Reports.htm.

7 Sharing the Evidence with Stakeholder & Way Forward

Once the practitioner has undertaken the above steps to gather evidence of the linkage between components of competition reform and welfare, the same should be used by the practitioner for ultimate objective of making policy makers recognise the need for competition reforms. This is done by presenting and discussing the evidence in the DCR with key stakeholders and policymakers. From a political economy perspective as well, it is essential to interact closely with policymakers and stakeholders to engage them in the decision making necessary to bring out policy reforms (experience from the CREW project with respect to advocacy is highlighted in the following sections).

In the CREW project, this step was undertaken by having regular meetings with national stakeholders (identified as part of the FCR-PG application process) to discuss direction of the study and its findings, thereby creating an interest in the policy recommendations that follow from the study. Detailed discussion on the way forward follows in the next section.

III. Using Evidence to Facilitate/Advocate for Competition Reforms

The task of the practitioner (competition champion) does not end with the preparation of the evidence (Diagnostic Report) which links anti/pro-competitive reforms with public welfare. Rather it presents evidence to advocate for reforms, in consultation with the key (sectoral) stakeholders (who co-own the findings). Discussions with these key stakeholders serve the following purposes:

- Sensitising stakeholders about the impact that competition impeding or promoting policies/legislations have on producers and consumers
- Having an informed debate on practical changes that could reform the sector
- Devising a policy prescription that could be adopted

Based on its experience, CUTS has identified the following points to be considered while advocating for competition/regulatory reforms in any sector:

- a. Identify the key issues (competition reforms) to focus on
- b. Engage stakeholders
- c. Understand the political economy issues
- d. Develop an advocacy plan
- e. Prepare action plan for advocacy
- f. Development of monitoring and evaluation plan

Identify Key Issues (Competition Reforms) to Focus on

The practitioner should use the generated evidence (about the implication of pro-competitive regulatory reforms) through a consultative process to filter key actions (recommendations) for achieving such pro-competitive reforms in the sector. The following questions can guide this process:

- Is the evidence collected strong enough to highlight the losses incurred of the reform/ practice and/or the gains that can be achieved from bringing in a suggested reform?
- Is the reform practical (such as level of resources needed, time duration of the reform, etc.)?
- What is the understanding of stakeholders on the reform being proposed?
- Who is likely to be the ‘champion’ of the suggested reforms? How to achieve the buy-in of such a ‘champion’?
- What is the level of buy-in amongst the stakeholders on the need for the reform?
- How easy or difficult is it to mobilise the resources to achieve the reform?

Once the policy recommendations are identified, the pathway for driving these reforms is gradually developed using the available evidence.

In case of India, the evidence from two states under study (Gujarat and Madhya Pradesh) clearly indicated the ***need for establishing an ‘independent transport regulatory authority’ in States***. The dissemination of the findings was therefore done on two levels. Firstly, the evidence was presented to the central level stakeholders⁶ including policymakers, regulators, academia, sector experts, etc. Secondly, the state-level stakeholders (state-level Department of Transport) were targeted to familiarise them with the findings and emerging recommendations. In Zambia, the data obtained during the course of the research ***highlighted safety concerns due to the material used for constructing bus seats in city buses (minivans), which made the journey unsafe in spite of its high cost***. So, while the liberalisation of the bus services had led to development of the city bus service (and eased supply concerns, overall in the sector), ***the ultimate objective (of liberalisation) of providing cheap, reliable and safe bus transport had not been met***. So while the bus fares continue rising (Zambia has one of the highest bus fares in Southern Africa), bus journeys for city travellers is unsafe and not comfortable (very little value for money). The second-hand imported buses used in Zambia are retro-fitted with iron/aluminium fittings and seats – making them both uncomfortable and dangerous for the passengers. Therefore, there was a need for a discussion on possible standards for bus seats/body in the interest of commuters (consumers). In the evidence dissemination meeting⁷ a demand for such standards was made to the Zambia Bureau of Standards (ZABS), which reciprocated by showing their interest in developing this standard.

⁶ NRG III meeting for India (www.cuts-ccier.org/crew/Events-NRG-III_Meeting_India.htm)

⁷ www.cuts-ccier.org/crew/Events-NRG-IV_Meeting_Zambia.htm

Engage stakeholders (Winners & Losers)

It is important to constantly work with relevant stakeholders who can influence the envisaged outcome(s). It is important to identify those who are in favour of recommendations being advocated (*winners*) and those against them (*losers*). Experience from the CREW project across four countries has shown that both the level and quality of engagement are critical in taking the policy reform agenda forward.

One of the most crucial steps is to identify the ***champion for policy reforms*** among stakeholders. For instance, in case of The Philippines, Office for Competition (OFC) acted as a ‘champion’ of competition reforms and were able to rope in the transport regulator (Land Transport and Franchise Regulatory Board, LTFRB) into the process. OFC hosted periodic joint seminars with CUTS that acted as ‘Competition Advocacy Forums for Transport Reforms’⁸ to highlight issues in the bus transport sector in The Philippines. Three such fora were organised in Manila (with the participation in each by over 50 stakeholders from the bus transport sector) and led to the development of the ‘draft land transport action plan’ (September 2015), that was ultimately submitted to the Department of Transport. To illustrate, Table 4 mentions stakeholders in the bus transport sector of India and Zambia who were engaged.

Table 4: Stakeholders Engaged in India and Zambia’s Bus Transport Sector

<u>India</u>	
Issue: Facilitating the development of ‘Madhya Pradesh Intercity Transport Authority’	
Stakeholders	
Government	<ul style="list-style-type: none"> • Chief Secretary, Government of Madhya Pradesh • Principal Secretary, Department of Transport, Madhya Pradesh • Principal Secretary, Department of Urban Development, Madhya Pradesh
Non-government	<ul style="list-style-type: none"> • Sector experts like Embarq, CEPT
<u>Zambia</u>	
Issue: Standards for seats and occupancy in buses	
Stakeholders	
Government	<ul style="list-style-type: none"> • Ministry of Transport • ZABS • Road Transport and Safety Authority • Traffic Police
Civil Society and Research Institutions	<ul style="list-style-type: none"> • Commuters Rights Association Zambia (CRAZ)
Others	<ul style="list-style-type: none"> • Private bus operators

⁸ COMPETITION ADVOCACY FORUM: How Can Competition Reforms Benefit Our Daily Lives? (www.cuts-ccier.org/crew/Competition_Advocacy_Event.htm)

Understand the Political Economy Issues

Any advocacy for reform should be based on an understanding of the political economy factors in the sector. This is because introduction of a reform and its implementation is influenced to a great extent by these factors. Often, ***a good regulation may fail to achieve the intended benefit due to the influence of political economy factors on policy implementation and practice.*** This is commonly observed when the stakeholders in the market have different levels of strength in the market, which enables the stronger players to create impediments in the realisation of the intended benefits.

It is critical to understand therefore the ‘power’ structure within the policy/regulatory context (interaction amongst various organs of the government) and also in the market (among players and their patrons). The simplest approach that could be adopted is to understand the ‘winners’ and the ‘losers’ of the *status quo*⁹. This would help the practitioner to gauge the degree of difficulty in pushing a particular reform process forward.

Both Ghana and Zambia had city-specific regulations for route rationalisation. However, in both countries, authorities have been unable to implement them, especially in the capital cities Ghana and Lusaka. The study revealed that lack of route rationalisation is competition-impeding as it reduces access of buses to passengers on non-profitable routes. Without this provision, bus operators ply freely in areas for which they do not have a licence (in case of Zambia) or have to associate themselves to unions (in case of Ghana) that decide which areas the operators would ply. From the discussions with experts, it emerged that understanding political-economy factors would help identify reasons that the route rationalisation programmes couldn’t be implemented.

Transport is a political subject in India and so is the development of an independent regulatory authority. As stated in the narrative above, the evidence generated from the research was directly pointing to gaps in welfare (both consumers and producers) due to its absence. At the time when the research was underway, the Government of India put forth a draft Road Transport and Safety Bill (in 2014).¹⁰ Amongst others, it encourages State governments to establish transport regulators.

Interactions with private operators in Gujarat revealed their keen interest and support for a regulatory framework at the state-level as well. This was conveyed to the Department of Transport, Government of Gujarat through an ‘Approach Paper’ for the establishment of the Gujarat Inter-city Transport Authority.

⁹ For understanding the process involved in a simple yet detailed political economy analysis, please refer to: www.cuts-ccier.org/crew/pdf/Discussion_Paper-Cost_of_Monopoly_in_Bus_Transport_Case_of_Gujarat.pdf

¹⁰ The Bill is still under consideration, but the states have already started to consider the various reforms that have been proposed in the Bill.

Develop a Policy Reforms Plan/Agenda

This plan/agenda presents in a simple yet comprehensive format various activities to be undertaken and stakeholders to be engaged to achieve the envisaged policy reforms. It would be considered as a base document for future reference. In addition to the goal of the envisaged reform, the following questions need to be answered as well:

- What is the ‘problem’ that the policy reform aims to address?
- What benefits are envisaged from addressing this ‘problem’?
- How would the proposed reform address the problem?
- Who are targeted stakeholders (for consultations, for operationalisation, etc.)?
- What should be the overall approach to be undertaken (to undertake awareness campaign, to build capacity, to supplement any existing work, to undertake additional research, etc.)?
- How will the activities involve ‘winners’ of the planned reforms? What strategy would be adopted to compensate the ‘losers’ of the planned reforms?

Apart from the questions stated above, it is also important to explore and build synergies with ongoing reform initiatives.

Under the CREW project, for each country, sector-specific issues were identified and the advocacy plan was framed under the ‘National Advocacy Plan’ (NAP). The following are some advocacy issues that were identified for the bus transport sector in the CREW countries:

a. Proposing Strategy for Policy Change (case from India)

During discussions with stakeholders, it emerged that the regulatory and the market regime of the intra-city state markets was complicated with interplay of many local stakeholders (local municipal authorities, city level transport authorities, urban development authorities, segmented local market players, etc.). It was, therefore, decided that in order to demonstrate benefits, the suggested reforms should focus on the inter-city bus transport segment. The advocacy plan for the state of Madhya Pradesh (India) is explained below:

Subject for Advocacy	Advocacy Goal	Overview of Advocacy Plan
<p>Facilitating the development of 'Madhya Pradesh Intercity Transport Authority'</p> <div data-bbox="188 488 539 663" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Intercity market has been identified for advocacy (intra-city market has more politico-economy constraints)</p> </div>	<p>Evidence-based negotiations with policymakers on benefits of having a public transport regulator in the states</p> <div data-bbox="591 544 943 719" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Crystallising evidence from the 'Diagnostic Report' to support the proposed advocacy plan</p> </div> <div data-bbox="566 898 882 1010" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>What does the advocacy aim to achieve?</p> </div> <div data-bbox="566 1091 882 1283" style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Stakeholders for advocacy have been identified keeping in mind their level of influence</p> </div>	<ul style="list-style-type: none"> • What is the problem as informed by the evidence in the DCR? <ul style="list-style-type: none"> – The bus transport sector, specifically the intercity segment, was liberalised after the abolition of the SRTU in Madhya Pradesh – Lack of proper route rationalisation for both intercity and intra-city bus transport market. For intercity there are many operators available for profitable routes but for remote areas the presence of options is limited. The survey results from the project show that almost 59 percent of respondents find the intercity bus service in Madhya Pradesh to fall short in terms of accessibility, availability and timeliness – There is a weak accountability mechanism for private operators, especially on long distance routes. The delay in bus trips is one such example. The interviews with passengers revealed instances when the passengers were left waiting because the operator delays the journey till the bus is full – The number of private players providing city bus service (within the city) in Bhopal and other cities of Madhya Pradesh are limited. Even though the selection happens through tendering, some of the terms for the eligibility criteria, limits the entry of new players in the market • What are the intended outcomes? <p><i>There is a need for constituting a body that has the authority and knowledge for regulating the state's transport market both in terms of economic and administrative issues</i></p> • How will the CREW project contribute towards addressing this problem? <p>The findings from the bus transport sector had been shared with the Chief Secretary of Madhya Pradesh (Administrative Head of the State) and Department of Transport (DoT), Madhya Pradesh. Subsequent discussions highlighted the need for a regulatory framework in the inter-city transport segment.</p>

Subject for Advocacy	Advocacy Goal	Overview of Advocacy Plan
	<p>Partnership approach of supplementing work already being undertaken</p> <p>Additional research support being provided as per need of the advocacy</p>	<ul style="list-style-type: none"> • Action Agenda <p>These findings were already in line with the interest the DoT, Madhya Pradesh had to have an authority to regulate transport market specifically on the intercity routes</p> <ol style="list-style-type: none"> i) <i>Research</i>: Based on the negotiations with Chief Secretary and DoT, Madhya Pradesh, CUTS submitted a note on, 'Need for State Public Transport Regulator in Madhya Pradesh'. This was based on the CREW findings and some secondary research ii) <i>Lobbying with the relevant policymakers</i>: A presentation on the same was made to the Chief Secretary and the DoT, Madhya Pradesh. Madhya Pradesh's State Cabinet had recently passed a bill for a 'MP Intercity Transport Authority' (MPITA). It was meant for intercity transport, but focussed only on infrastructure (bus stations). CUTS added elements of services (fare, routes, etc.) into it. iii) <i>Way Forward</i>: CUTS to provide knowledge partnership to DoT to make the mandate of the mentioned authority more inclined towards having functions like route rationalisation, fare setting, better public private partnership (PPP), etc.

b. Sensitising the Larger Stakeholders for the Need of a Reform (Case from Zambia)

The case for bus transport reforms in Zambia could be a classic example of the need to understand the political economy of the sector and identify ‘quick win’ for achieving reform. The Zambia country report highlighted the fact that Zambian buses are second hand and generally modified for seat fixtures within the country. The economy of the Zambian bus operators restricts the importation of new buses as it would be costly both for operators and passengers. Additionally, the increase in standards for busses and their service operations would have been resisted by the operators as it would have made their operations expensive. The discussions revealed that these negotiations were ongoing but there had not been successful due to diverse views of key stakeholders. It was, therefore, proposed that discussions for the need for standards for ‘bus seats’ be initiated. This suggestion was on middle ground and resulted in achieving greater agreement from stakeholders. The detailed advocacy agenda for this particular issue is mentioned below:

Standards for Bus Seats in Zambia		
Subject for Advocacy	Advocacy Goal	Overview of Advocacy Plan
<p>Standards for intra-city buses</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Issue impacting ordinary consumers and therefore easier for uptake</p> </div>	<p>Standards for seats and occupancy in buses</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>Standards for seats would have easier buy-in than standards for whole bus</p> </div>	<ul style="list-style-type: none"> • What is the problem as informed by the evidence in the DCR? <ul style="list-style-type: none"> - Most of the buses plying in Zambia are second hand buses. The quality of the bus and the services that they provide are generally not good - Majority of commuters interviewed (about 63 percent) indicated that their trips were very uncomfortable. This was mostly attributed to overloading (72 percent); uncomfortable seats (9 percent) and rude bus crew (6 percent) • What would be achieved by addressing the problem? <ul style="list-style-type: none"> - There is a need therefore, to have some standards to make the bus service comfortable and safe for the commuters - Improved standard for bus service in Lusaka (<i>vis-à-vis</i> occupancy and seats) • How will the CREW project contribute towards addressing this problem? <ul style="list-style-type: none"> - Creating a demand for having better service standards for buses in Lusaka through media campaign based on interactions with relevant stakeholders - ZABS realised the need and acted as a ‘champion’ for these reforms by setting up a formal process for developing the bus body/seat standards in Zambia

	Advocacy agenda focussed on outreach	<ul style="list-style-type: none">• Action agenda<ul style="list-style-type: none">i) Engage with ZABS, RTSA and Ministry of Transportii) Initiate discussions on this issue and chart a best way forwardiii) Media outreach and awareness generation
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The detailed examples of the advocacy plans mentioned above show the rationale that has to be considered – like the need for undertaking further research to strengthen the evidence in the advocacy goal (in the case of India); differentiating the goal from bringing a policy reform or generating awareness of the stakeholders; etc. Detailed country specific national advocacy plans (NAPs) can be accessed at: www.cuts-ccier.org/crew/Advocacy.htm.

Prepare Action Plan to Operationalise the Advocacy Plan

Once the advocacy plan has been prepared, it is important to develop an action plan to ensure efficient and timely implementation of the same. The action plan should be inclusive containing details like the goal, planned actions and the necessary resources. Further, it should mention who will be responsible for actions along with timelines.

Some points to be kept in mind while proposing a timeline for activities in the action plan are:

- Existing buy-in from key stakeholders: If important stakeholders, especially policymakers, regulators etc. already are partisan to the advocacy issue, a shorter timeline could be proposed. For instance, the bus seats' standards issue in Zambia already had the support from the Ministry of Transport, Road Transport and Safety Authority, CRAZ and other relevant consumer groups. In a brainstorming meeting where ZABS was present, it was decided that CUTS make a formal request to ZABS jointly with CRAZ. It was done and ZABS accepted the request.
- Political environment of the state/country: If the reform agenda overlaps with a political event in the state and/or the country, timelines are likely to extend. In India, there was a wave of state and centre elections in the course of the project. Therefore, the reform agenda, even though in the advanced stage was stalled for a longer time than envisaged. The approach of finding partners in the reform agenda helped the team in keeping the discussions alive.
- Resources available: Resources imply time, cost and capacity of the advocacy implementing team. The agenda, therefore, has to be focussed and clear and of parameters that are available with the team. Any spin-off that is generated from the activities being undertaken should be treated separately. For instance, the DoT, Gujarat (India) agreed to the creation of intercity transport regulator and the team thereby submitted a broad framework for the proposed regulator. The DoT further asked for the legislative structure and operationalisation of this regulator since DoT lacks the capacity, but the project team does not have adequate resources for the same. The best approach is to help the DoT in getting in touch with right institutions and/or individual and be part of the solution.

Based on the questions and points mentioned above, comprehensive action plans were chalked for all the CREW project countries to ensure diligent management of the advocacy activities. A specimen from Ghana has been captured in Table 5.

Table 5: Ghana’s Action Plan for Advocacy

Advocacy Goal [Targeted Reform]	Action Agenda (Research/Events/Media/Etc.)	Who will do What?	Allocated Resources?	Remarks (if any)	Duration (Months)										
					1	2	3	4	5	6	7	8	9	10	So on...
Establishment of Road Transport Agency (RTA) in Ghana	Brainstorming session with MoT, CUTS, Accra, Metropolitan Authority and Sector Experts on the need for building awareness of the benefits of RTA in Ghana Action Point: Plan and get inputs from the panel on the next steps of the campaign	INR X	Introduction to the fact that CUTS is drafting a ‘Discussion Paper’(DP) on good practices on bus transport regulation – using experience from other countries											
	Present the finding of the DP to MoT and other relevant stakeholders Action Point: 1-2	INR X + INR Y (for additional round of	DP would highlight the benefits of having the RTA in Ghana. However, some											

Advocacy Goal [Targeted Reform]	Action Agenda (Research/Events/Media/Etc.)	Who will do What?	Allocated Resources?	Remarks (if any)	Duration (Months)										
					1	2	3	4	5	6	7	8	9	10	So on...
	Discussions with MOT on 'the need for developing an Expert Group on transport' as a precursor to the development of RTA to build institutional capacity		discussion if needed)	stakeholders feel that it could be too soon as Ghana lacks the technical capacity for the same. Hence, the idea would be to convince MOT to establish a core group that would help in building capacity and eventually establishing the RTA											
	Media Campaign (2 articles, 1- 2 interview on TV/Radio)	INR X												

Develop a Monitoring and Evaluation Plan

As the activities in the advocacy phase proceed, it is important to review the same periodically through the process of monitoring and evaluation. This is important to ensure that activities being carried out are in consonance and resonate the overall objective of the advocacy and are in line with the envisaged outcome.

Monitoring

The details documented in the action plan helps in monitoring the activities *vis-à-vis* the advocacy strategy. It acts as a ‘control chart’ and helps in keeping the efforts focussed. In addition to this it is useful to periodically review how the advocacy process is shaping up.

Based on the experience and the type of issue, team meetings could be arranged on a quarterly basis. The purpose of meetings would be to discuss the targets achieved in the timeline (and if they need to be revised), planning the activities and deliverables for the next month/quarter and above all adjusting the direction of the advocacy if so needed. The action plan can be broken down in a matrix format as shown in the table.

Advocacy Goal(s) [Targeted Reform]	Action Agenda (Research/Events/Media/Etc.)	Milestones				Anticipated Outcome
		Qtr-I	Qtr-II	Qtr-III	Qtr-IV	

Evaluation

The review of the ‘anticipated outcome’ would help in evaluating the success of the activities, and any remedial course, if needed. Above all during the course of implementation when the team starts to achieve small wins to the broader agenda, this exercise also acts a motivation.

For evaluation, certain ‘success indicators’ could be defined. For instance, what does the team mean by buy-in from the policymakers? Options could be listed out by the team to avoid sticky situations, as a simple verbal expression of interest may not be too tangible. Buy-in could mean:

- Formal letter and/or invitation by the ministry/regulator/institution appreciating the findings and agreeing to take forward the reforms being proposed;
- Public declaration¹¹ by the ministry/regulator/institution supporting the proposed reform agenda; and
- E-mails from the official email ids of the ministry/regulator/institution

¹¹ Could be news articles, declaration on TV and/or radio, in a public meeting of relevant stakeholders, etc.

Therefore, it would be useful to list out options for relatively abstract successes. A good start would be to prepare a list of all things that could be considered and then shortlist the ones that most suit the purpose. The finalised one could then be documented in the form of a checklist. Even though the broader goal of each advocacy issue is to make the sector more competitive, this cannot be set as a target. The advocacy effort should be sustainable, that continues to be pursued until the targeted reform is achieved.

Once the monitoring plan has been broken down into monthly/quarterly activities, the micro targets could then be fixed. Like a brainstorming meeting with the stakeholders that has to be arranged in a particular quarter, would be the micro-target for the quarter. Apart from the success, the achievement of these micro-targets would assist in evaluation.

Understanding ‘quick wins’ and ‘target setting’ - Case of expert group on transport in Ghana

In Ghana, the broader policy agenda was to have a RTA established in Ghana. The Ghanaian MoT, National Road Safety Commission (NRSC) and other such key stakeholders already were interested in establishing the RTA. A draft paper on the ‘regulatory body’ and the ‘regulations’ to improve the road transport had already been prepared by the European Union delegation to Ghana. However, due to the lack of capacity within the MoT, Ghana, the well-meant authority has not been able to take off.

Though the broader goal of the advocacy work in Ghana was to expedite the establishment of RTA, the project team understood the capacity constraint of MoT, Ghana and the fact that it may not happen within the lifecycle of the project. Hence, the recommendation of developing an ‘expert group’ on transport that would be a part of the MoT, Ghana was made. This suggestion has been welcomed by MoT and formalising the process is currently underway. In the interim to the RTA, the discussions and work carried out by this expert group would help in building the capacity and eventually be considered a successful outcome of the project’s advocacy work.

CREW Project’s Advocacy Experience and Lessons Learnt

This section is aimed to enumerate achievements that the project has been able to achieve from the advocacy undertaken and the lessons learnt that may assist a practitioner using this methodology.

Once the diagnostic report were finalised, three-four sector specific concerns were crystallised in consultation with the key national stakeholders through one of the periodic stakeholder fora. It was agreed upon that in order to achieve a policy reform within the lifecycle of the project it would be wise to focus on 2-3 issues to demonstrate success of this methodology. Therefore, the quick wins were identified and the NAPs¹² for four countries were formulated.

¹² For viewing the country specific advocacy plans, click: www.cuts-ccier.org/crew/Advocacy.htm

These NAPs acted as references for undertaking actions to achieve the targeted reforms. Yet, the priorities and the approach of the reform underwent some changes during the course of the implementation of the actions – depending on stakeholders’ views and the prevailing circumstances. So, these advocacy activities were designed with a certain level of flexibility. *A practitioner/user should be prepared to improvise based on the sectoral developments.*

For instance in India, during the research phase itself it was clear that there is a need for a transport regulator in Madhya Pradesh. The project team had been in touch with the office of the administrative head of the state (Chief Secretary) with the purpose of keeping the office informed of the project developments (***project outreach***). The same was proposed to the DoT, Madhya Pradesh and eventually the project team was called to present their idea on the ‘need for a transport regulator’ in the state. During the meeting it was revealed that the state had very recently constituted such a body – Madhya Pradesh Intercity Transport Authority (MPITA), the framework for which was still being worked upon. So, instead of undertaking an additional research for the regulator, the team proposed to review the existing framework for MPITA and provide their inputs. The relevant documents were subsequently shared and the project team provided its inputs.

The practitioner/user may also have to re-prioritise the advocacy activities depending on the new interactions with stakeholders. In case of Zambia, the lack of a scientific fare setting process came across a key issue.¹³ The consumer perception survey revealed that nearly 80 percent respondents were dissatisfied with fares indicating that the price change (increase) over the last five years had been undesirable. Based on the magnitude of the impact on passengers and operators, this was kept as a high priority advocacy agenda. Interactions with NRG members later highlighted the need for having standards for bus seats in Zambia. The urgency and uptake of recommendations gained more importance, leading to re-prioritising of the work in bus transport sector in Zambia.

The following are some lessons learnt from the CREW project experience that can be relied on by a practitioner to tailor their advocacy initiative:

- **Information dissemination:** It is essential for the success of the project, that the project’s deliverables provide information to sector stakeholders on a continuous basis.¹⁴ This not only acts as a method of project outreach but also helps in building stakeholder capacity. Various approaches could be adopted for the same, apart from providing periodic mail updates. As part of the CREW project, in-person discussions were undertaken with the stakeholders (specifically policymakers) to keep them updated of project developments and its rationale.

¹³ To view the National Advocacy Plan for Zambia, click: www.cuts-ccier.org/crew/pdf/National_Advocacy_Plan-Zambia.pdf

¹⁴ Media outreach under the project could be accessed on: www.cuts-ccier.org/crew/articles.htm

- **Identifying ‘quick wins’:** Any project or initiative is measured for its success on the basis of the outcomes that it has been able to realise. While undertaking any new activity under the project, its deliverable has to be clearly defined. This helps in identifying the low hanging fruits that could be pursued in order to initiate a policy reforms. Ample examples have been provided in the narrative in this document to highlight its importance.
- **Sustaining the momentum of the work:** The team adopted a two-pronged approach for ensuring the reforms initiated during the project are continued beyond its lifecycle:
 - i. *Identifying and developing ‘champions’:* An attempt was made to identify an individual and/or institution to within the sectors to keep the reform agenda going. In the Philippines, DOJ-OFC was constantly engaged in the discussions that resulted in OFC’s agreement on the need for the constitution an expert group for the transport sector. It constituted a group ‘Competition and Regulatory Reforms Experts Group’ (CRREG). The CRREG will provide advice on **Transport, Telecom and Electricity** – three priority sectors of DOJ-OFC. A formal announcement about the establishment of CRREG was done post the third joint forum by DOJ-OFC & CUTS on September 22, 2015.¹⁵

In case of Ghana, the Ministry of Trade and Industry (MoTI) had helped in mobilising the representatives from MoT during the research and even beyond that. MoTI had been kept informed of the project findings and therefore became keenly interested in the evidence as it fell in their broader agenda of establishing a functional competition regime in Ghana.

- ii. *Providing additional assistance:* Due to the political economy constraints, sometimes the regulators are unable to mobilise stakeholders in decision making. It, therefore, sometimes becomes essential to go the extra mile. In Zambia, ZABS mentioned that allocating responsibilities for the implementation of new bus-seat standards could be difficult. The project implementation, therefore suggested to draw on its experience and mobilise the government agencies and hold a meeting to discuss the same
- **Managing expectations:** This is the biggest challenge faced throughout the CREW project implementation cycle. The monitoring and evaluation plan aided in keeping a check on over-committing *vis-à-vis* the activities. In cases of high level policy reforms like developing a regulatory authority, the DoT in the project countries faced capacity constraints. A paper highlighting the good practices in transport reforms (for the Philippines, Ghana and Zambia) was prepared to help them better understand the approaches that could be adopted. It was further felt that the departments needed assistance in developing the frameworks for such regulators which was beyond the remit of the project. However, it had been proposed that

¹⁵ Can be viewed at: www.doj.gov.ph/news.html?title=DOJ-OFC%20establishes%20Competition%20and%20Regulatory%20Reforms%20Experts%20Group&newsid=420

CUTS be a member of these expert groups and would be willing to mobilise stakeholders for discussions when needed.

- **Outreach:** All advocacy efforts would be unsuccessful if the outreach is not carefully thought off. It is useful to undertake background work on institutions and/or initiatives that complement the project efforts.¹⁶ Various key project deliverables were disseminated in international events and fora to sensitise stakeholders on the issue of competition and its implications on producer and consumer welfare. The aim of undertaking such outreach was also to familiarise potential practitioners on the project methodology.
- **Buy-in from Parliamentarians:** This requires a separate mention as having even a single parliamentarian on-board can help in mobilising the resources. Therefore, while planning activities under the advocacy, it is important to include a parliamentarian outreach (including one-to-one meetings with key Parliamentarians and/or presentation before important/sectoral 'Parliamentary Committees'). In India, a Parliamentarians Forum on Economic Policy Issues (PARFORE) meeting had been arranged to acquaint them to the project, its finding and subsequent reform work. In Ghana, a similar meeting had been proposed to be co-hosted by the MoTI.

¹⁶ Various outreach initiatives can be viewed at: www.cuts-ccier.org/crew/Advocacy.htm