



The Benefits of Competition Policy for Businesses and the Economy

“ Competition is not only the basis of protection to the consumer, but is the incentive to progress. ” *Herbert Hoover, 31st President of the United States of America*

Competition creates a level playing field for business. By setting limits to market power, competition policy ensures the fair participation of companies.

Competition drives innovation. It forces companies to enhance their operations through more effective resource allocation and to provide better products or services than their competitors.

Competition fosters economic growth in the long run. The competitiveness of an economy increases due to stronger domestic companies and becoming an attractive investment destination.

BENEFITS OF EFFECTIVE COMPETITION POLICY

For the private sector:

✓ Levelling the playing field.

For consumers:

✓ Increasing consumer choice and welfare.

For the government and overall economy:

✓ Enhancing economic efficiency, innovation and competitiveness.

CASE : Liberalization of the air transport sector and advent of low-cost carriers

Due to the new entrants in the market, consumers have largely benefitted from lower fares and increased options for air travel.

The new entrants have also been instrumental in expanding networks, particularly within domestic markets. At the same time, competitors were prompted to deploy more fuel-efficient aircrafts, reduce turnaround times and diversify business models.

This contributed to the overall competitiveness of the industry.



one vision
one identity
one community