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**OECD and IDB review Honduras's competition regime against international best practices  
27 February 2012**

The Organisation for Economic Co-operation and Development and the Inter-American Development Bank have found that Honduras has made a good start in the application of competition law and policy. The Commission for the Defence and Promotion of Free Competition (CDPC) has done excellent work in difficult conditions resulting from some opposition to the application of competition law and a lack of awareness and understanding of competition policy in the both the public and private sectors.

The results of a 6 month Peer Review of competition law and policy in Honduras have been published today by the Paris-based OECD and Washington-based IDB.

The report sets out recommendations to improve the competition regime in Honduras. Changes to government policy and CDPC's enforcement and advocacy practices could have a positive impact on economic development in Honduras.

Key recommendations in the Peer Review include:

- reduce government intervention in unregulated sectors of the economy
- liberalise regulated industries, notably mobile telephony, where there is scope for improving competition
- amend merger rules in line with international practice
- strengthen anti-cartel enforcement activities, through use of unannounced inspections and focusing on potential collusion in public procurement processes
- strengthen public and private sector understanding of the benefits of competition.

Frédéric Jenny, Chair of the OECD Competition's Committee said: "This Peer Review establishes that the CDPC has worked with great dedication to sanction individual and collective abuses of market power and to disseminate a culture of competition in Honduras. The protection of competition is crucial for the promotion of economic efficiency, development and growth in Honduras. Government, the business community and consumer representatives should support the work of the CDPC which is aimed at the elimination of monopolistic rents that penalise consumers and the elimination of unnecessary public or private barriers to entrepreneurship."

Oscar Lanza Rosales, President of CDPC said: "The OECD-IDB Peer Review is a good tool for the CDPC and Honduras to raise awareness and understanding so that both the public and private sectors can contribute to further enhancing competition policy in the country; and improved law enforcement will be facilitated by a strengthened CDPC, able to act more effectively. This is our commitment and also our challenge".

The Peer Review process is designed to provide insights into how countries have addressed competition and regulatory issues, by examining both the soundness of a country's competition law and the structure and effectiveness of its competition institutions.

This report and its recommendations reflect the broad consultations held with key stakeholders in Honduras. It was discussed and debated by senior officials of Latin American competition authorities, competition experts from OECD member countries and representatives of international organisations during the OECD-IDB Latin American Competition Forum in Bogota, Colombia on 14 September 2011.