

Unclassified

English - Or. English

24 May 2023

**DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS
COMPETITION COMMITTEE**

Working Party No. 2 on Competition and Regulation

**Assessing and Communicating the Benefits of Competition Interventions – Note by
Norway**

12 June 2023

This document reproduces a written contribution from Norway submitted for Item 6 of the 75th meeting of Working Party 2 on 12 June 2023.

More documents related to this discussion can be found at
<https://www.oecd.org/competition/assessing-and-communicating-the-benefits-of-competition-interventions.htm>

Federica MAIORANO
Email : Federica.MAIORANO@oecd.org

JT03519578

Norway

1. Introduction

1. In addition to its enforcement tasks, the Norwegian Competition Authority (the NCA hereafter) endeavours to increase public awareness of the benefits of competition. Notably, in its advocacy work, the NCA aims to increase awareness and knowledge about competition law, and the importance of competition in business and general society. The NCA also works to ensure that the regulatory framework in Norway is designed in a way that promotes competition, while simultaneously achieving the objectives behind the regulations.

2. This written submission to the Working Party 2 Roundtable on ‘Assessment and communication of the benefits of competition interventions’ describes how the NCA assesses the impact of its interventions and the results of its communications and advocacy work, in addition to presenting the NCA’s communications strategy and approach more generally. The submission will also describe how the NCA has changed its advocacy and communications strategy and priorities following the results of self-initiated evaluations to increase awareness and compliance.

2. Evaluation of Competition Interventions

3. In order to prioritize and target its work, the NCA periodically evaluates the impact of its enforcement and advocacy activities.

4. Notably, these evaluations are not ex post evaluation of specific interventions as such. Neither do the evaluations provide a measure of the impact of the NCA’s enforcement with respect to savings in consumer surplus.¹

5. The evaluations are executed based on general surveys and self-initiated surveys, both qualitative and quantitative, and intended to measure how knowledge of the NCA and the Competition Act develops and to get an indication of the indirect effects of the NCAs interventions.

6. The information from these evaluations provides valuable input with respect to what extent the NCA have succeed in achieving its strategic goals, and to increase awareness and compliance. The evaluations also give background to consider how the NCA can improve its efforts to work according to its key core values: to be professional, effective and visible. As described below, evaluation is done in several ways.

2.1. Annual report

7. Every year the NCA publishes an [annual report](#) which includes a description of enforcement and advocacy activities that have taken place in the past year. This report is a statutory requirement and contains statistics and key figures that indicate activity levels as well as an evaluation of to what extent expectations expressed in the annual Letter of Allocation from the Ministry of Trade, Industry and Fisheries have been reached.

¹ As alluded to below, ex post evaluation of specific measures and decisions resulting from enforcing the competition law was for some years a requirement in the NCA’s annual letter of assignment.

8. In addition to sending the annual report to the Ministry, the report is also submitted to the Auditor General of Norway (Riksrevisjonen).
9. The NCA publishes the annual report on its website. A press release highlights the most significant achievements the previous year.

2.2. Self-initiated evaluation

10. For the Authority, it is important to measure the effects of both its enforcement and advocacy initiatives. To this end, the NCA conducts an "effects survey" on a regular basis in its main target audiences. The main target audience consists of business leaders, competition lawyers and business lawyers. The first effects evaluation was conducted in 2004; the last in 2022.

11. Each effects evaluation survey is normally conducted prior to a new strategy period for the NCA. The survey is based on a questionnaire sent to a selection of Norwegian companies. The same set of questions are to a large degree used in consecutive surveys so that it is possible to track developments and identify statistically significant findings. Respondents are asked about their knowledge of the Norwegian Competition Authority and the competition law, with questions more specifically including areas such as antitrust enforcement and merger control, the competition situation in the market they operate in and finally elements of deterrence.

12. The latest survey conducted also included questions relevant to the NVA communications strategy, for instance as information on where business leaders look for updated information on rules and regulations, how they assess and perceive the Authority, and what the respondents consider to be important communications channels and platforms for accessing news about the NCA.

13. Based on the survey, the NCA measures how knowledge of the NCA and the Competition Act develops, and the indirect effects of its interventions. The indirect effects of the NCA's interventions are also assessed using a "chain of effects" (see Figure 1). This chain of effects is used to assess and highlight the connection between use of resources and results, showing how allocated means are used to achieve the best possible effect for a variety of user groups and for the general society. One key user group is businesses and their representatives, another is politicians and law makers, to whom the NCA aims to provide insight into how regulations can influence competition.

Figure 1. "Chain of effects" visualisation of the effect of NCA's enforcement activities



14. While the NCA does not independently measure the direct effects of its enforcement activities, external parties have examined the direct effects of one of its merger investigations with research funding from the NCA².

² [Efficiency Gains vs. Internalization of Rivalry: Brand-Level Evidence from a Merger in the Mobile Telecom Market](#)

15. It can be added that for some years, ex post evaluation of specific measures and decisions resulting from enforcing the competition law was a specific requirement in the Ministry's annual letter of assignment to the NCA. For instance, in 2010 the impact of new regulations providing access to online property advertising by individuals and companies without real estate license, which came into force from January the same year was evaluated. The Authority also evaluated what effects its letter calling attention to restrictive effects on competition of public measures had on the waste management market and the implementation of tenders in the waste sector. However, in the last decade, the NCA have not performed ex-post evaluation of specific interventions. It is still a requirement from the Ministry that the NCA continuously evaluates its work.

16. In addition to the abovementioned research project on the effects of a merger investigation, three former and current NCA employees published a research paper in 2019 which discusses the direct and indirect effects of competition intervention³.

17. In the 2019 paper, the authors provided examples of how for example merger control contributes to significant savings for the government and overall society. One such example is a merger between two ferry companies which was stopped by the NCA. The following year, the bids in the public tender in this specific market were lower by 1 billion NOK compared to the previous tender for ferry services, effectively highlighting direct savings following the NCA's merger control and intervention.

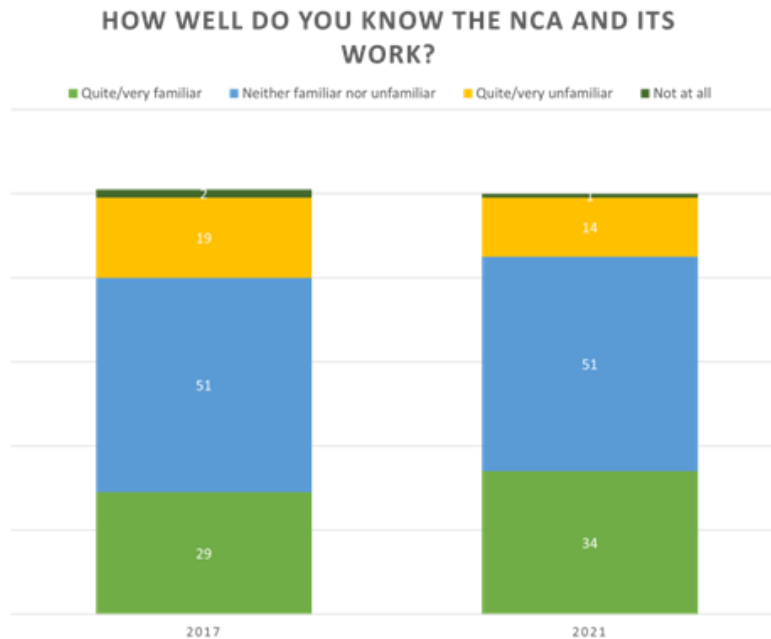
18. In addition to evaluation through surveys, the NCA also closely monitors numbers for social media, podcast listening and newsletter consumption, measuring visibility and tracking developments. Website traffic data is also monitored monthly.

2.3. Quantitative evaluation

19. In 2018 the NCA conducted a survey among its secondary stakeholders (business associations, relevant politicians, bureaucrats, other public agencies, academia, think tanks, consultants, and counties and municipalities). The survey was based on a questionnaire that was sent via e-mail to the target groups. The purpose of the survey was to gain insight into attitudes towards and perceptions of the NCA, its tasks and work, in addition to these groups' familiarity with competition rules and competition policy.

³ In Norwegian: [Samfunnsøkonomen: Effekter av konkurransereglene for norske forbrukere - Konkurransetilsynet](#)

Figure 2. Results from the NCA's 2017 and 2021 surveys



20. The survey gave valuable insight into business managers' knowledge of the Norwegian Competition Act. One of the findings is that managers of small and medium sized businesses are less familiar with competition law than the managers of large organisations and businesses.

21. To gain a deeper understanding of how small and medium sized companies approach and understand the Competition Act, the NCA followed up with a qualitative study on a statistically representative selection of small and medium sized companies within the cleaning industry and the electric installation industry in 2021. The survey was conducted with a tailored interview guide. The interview included background information on demographics, working conditions, knowledge of the competition law and the NCA. The interview also contained questions on how managers keep updated on rules and regulations, impressions and knowledge relating to the Authority's communication channels (e.g., its website and social media channels) and user experiences with these channels. The respondents were also asked questions relating to platforms used to discuss rules and regulations with competitors and/or colleagues, if the competition law is understandable and if the company has initiated any informational campaigns or initiatives to increase employee familiarity with the Competition Act.

2.4. Profile surveys for governmental organisations

22. In addition to the surveys amongst its stakeholders, the Authority has also been part of profile surveys for governmental organisations. The target group for these comprehensive surveys has been the general public in general, and they are conducted as interviews.

23. These surveys predominantly aim to gather information about perception of the NCA; public image, familiarity with the authority's scope, role and enforcement area.

24. The NCA also uses the PR Barometer survey to gauge how the national media perceives the NCA. The information gained from PR Barometer supplements its own

surveys, and together, this information shapes the way the NCA plans and implements its outreach and advocacy work, both operationally and strategically.

3. Communication

3.1. Visibility as a core value – how to follow up different goals in a communication strategy

25. High visibility plays a crucial part in reaching the NCA's goals. Consequently, visibility is one of the Authority's three core values and prominent both in the Authority's overall strategy and communication strategy. The results of the surveys mentioned above have shaped the focus of the communications strategy, as well as helping prioritise different visibility and communications initiatives.

26. Notably, the results from the above-mentioned surveys have played an instrumental role in formulating how the Authority approaches and targets its efforts to be highly visible. For instance, the NCA uses the information as a basis for prioritizing forums and topics for talks and presentations, when employees choose issues for op-eds and when the agency reach out to small business forums. The Director General and the directors of the three market monitoring departments also use the information as a basis for the NCA's work to become a clear and preferred source for news media in current mainstream and highly debated news topics, for instance related to the public debate on grocery prices, competition in the dairy market, and pricing policies in the market for charging of electric vehicles.

27. Notably, these visibility initiatives are carefully drafted not to be related to specific investigations, cases or firms involved. Rather, they are in the soft approach/advocacy area – pointing out situations or behaviours where awareness of the limits set by the competition law is crucial.

3.2. Targeting the message

28. The NCA has a wide range of stakeholders: business managers, lawyers, business associations, media, the society at large, academia, politicians, different levels of government etc. To reach and interact with this heterogeneous group the NCA must be present on a wide range of platforms and fora where each separate stakeholder or a more coherent subgroup of stakeholders can be targeted with a more specific message.

29. Because the NCAs stakeholders are such a heterogeneous group, being present and visible in mainstream media and in the public debate is essential. This point will be discussed further below. At the same time, the NCA has experienced that it is crucial to communicate with the stakeholders in their preferred arenas.

30. A comparison of the survey results from 2017⁴ with the results from 2022⁵, shows a significant increase in the degree of knowledge of both the Authority and the Competition Act. This is an indication that the communication strategies initiated in early 2018 onwards, which aimed to increase knowledge of the Competition Act, have had a positive effect.

⁴ In Norwegian: [Konkurranseskriminalitet: En av tre bedriftsledere mener det skjer ulovlig samarbeid i egen bransje - Konkurransetilsynet](#)

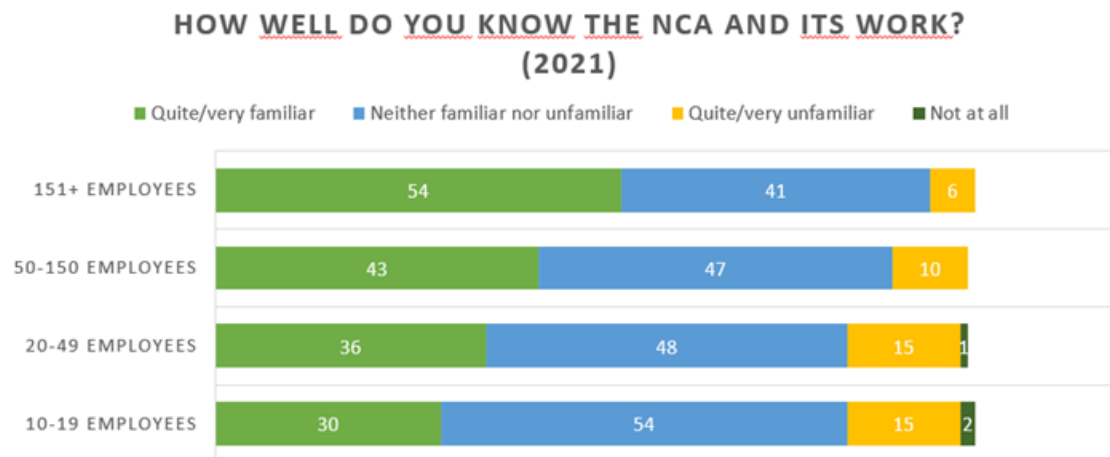
⁵ In Norwegian: [Tydelig økt kjennskap til konkurransereglene - Konkurransetilsynet](#)

31. A central takeaway from the results from the 2017 survey was that the NCA needed to diversify its platform usage and increase its visibility on a wider range of channels and platforms, while simultaneously communicating directly to target groups.

3.3. Specifically targeting small and medium sized business

32. These observations led the NCA to conduct a qualitative study amongst small and medium sized companies in the cleaning industry and electric installation industry in 2021. The goal of this study was to ensure that the NCA is present and using the most effective communication channel for reaching business managers of small and medium sized businesses. Although the surveys showed an improvement, it was still clear that the fewer employees in a business, the lower the familiarity with competition rules (see Figure 3).

Figure 3. Results from the NCA's 2021 survey



33. This qualitative study confirmed the findings of the earlier quantitative ones; namely - small and medium size business owners were not necessarily familiar with competition rules, and in some cases implied that they did believe the competition law only applied to large corporations.

34. Following these findings, the NCA has initiated a several pronged approach to increase awareness of the NCA and the Competition Act particularly in small and medium sized companies. One such approach is to intensify efforts in establishing contact and cooperation with trade organisations. According to the survey results, this is one of the central platforms where business owners keep updated on rules and regulations. Another approach is making simple tutorial videos about the Competition Act. These will be further discussed below.

35. The NCA also does webinars for trade organizations, either national trade organizations or trade specific ones. One example of this kind of activity from 2022, is that the NCA initiated a collaboration to produce three webinars with Virke, a major trade organisation in Norway, and their members, on the following topics: the ABCs of the Competition Act, project cooperation, and guidance on price discrimination. In another recent example, on request from the Norwegian Public Roads Administration the NCA has recently participated in a webinar on project cooperation.

3.3.1. Example of targeted communication

36. One example of how the NCA has approached a target group with specific message, and the immediate effects of this targeted communication, occurred in 2022. Two of the NCA's investigators attended a forum for industry production companies. Here, they presented an introduction to the Competition Act, with a specific focus on how it applies to small and medium businesses.

37. During their preparations for the presentation, the NCA investigators came across some sales- and delivery conditions that were a collaboration between four different trade organisations. In these conditions, the investigators noticed that the four organizations had set a mutually agreed-upon hourly rate. These hourly rates were adjusted annually. Additionally, these organizations had agreed on a 20% fee to the customer if a product was returned to the wholesaler.

38. In their presentation, the two NCA investigators encouraged the organizations to reconsider their joint sales- and delivery conditions in light of the Competition Act § 10. They also presented an example of a similar investigation case in the NCA which ended in a decision against the trade organization.

39. Following the presentation, the four trade organizations in questions organized a meeting between them and the NCA, and within six months of the original presentation (during which time the NCA also published an op-ed on the same topic on a trade website), the hourly rate and the return fee had been withdrawn.

3.4. Using mainstream media to reach target groups

40. The NCA's experience is that being visible on several platforms has a good effect, as illustrated above. However, the results from the surveys show that media coverage is essential. The NCA is therefore very active in the public debate with both editorial coverage and op-eds, as mentioned above. The NCA's experience is that this has a generic social media effect also: the more present and visible the NCA is in high profile news media, the more the general public seems to be aware of the NCA's existence and role as a government body – for instance in tags and mentions on social media in issues that may or may not be in its enforcement area. Though not a measure of success in reaching its target audience, these kinds of mentions indicate a wider public knowledge of the NCA as an enforcing body of government, and the existence of the Competition Act.

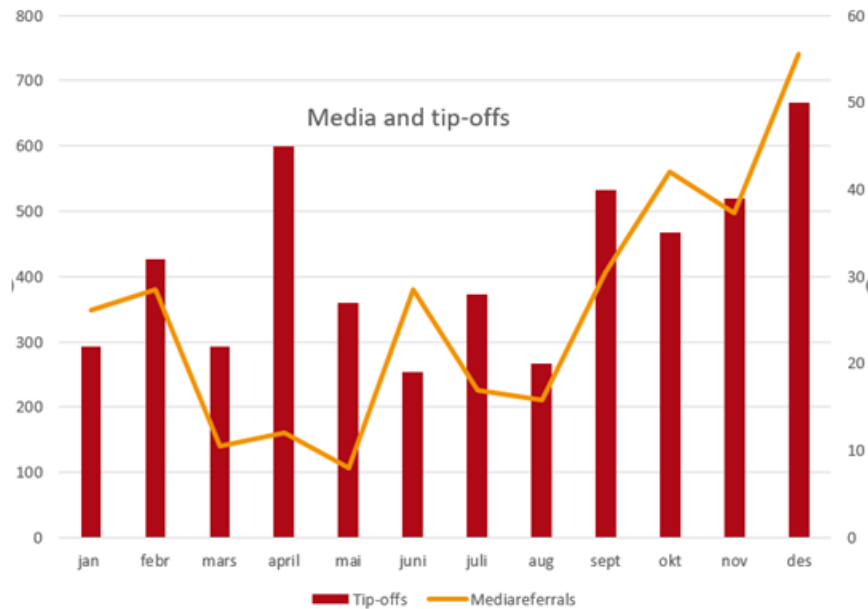
41. The results from its various surveys also confirm that media coverage is something that is perceived across all target groups and appears to be an effective communications platform. More significant than the frequently off-topic social media mentions, there is a correlation between the number of media mentions and the number of tip-offs (see Figure 4). Following this extensive and targeted work with visibility on a wide range of platforms, there has been an 80 percent increase in tip-offs from 2018 until 2022.

4. Advocacy through regulations

42. The NCA is typically listed as a respondent in relevant public consultations. So far in 2023, the Authority has responded to public consultations on topics such as floating wind power, competition measures in the dairy market, district heating, sustainability demands in public tender processes, card payment at electric charging stations, and national future power supply issues. In all these public consultations, it is the competition perspective of the proposed law or regulation the NCA addresses. E.g., how can specific sustainability requirements in a public tender process be harmful for competition, or at what cost to

consumers and/or business will a requirement for offering card payment at electric charging stations be implemented – will it harm the ability of all providers playing on a level field, although at the surface providing an improved service for consumers?

Figure 4. Graph showing correlation between media referrals and tip-offs for the NCA in 2021



43. These public consultations are an important channel for the NCA to make public its professional opinions on a wide variety of current public issues and are a central part of the NCA's role as an advocate for competition, by which the NCA can identify areas where regulations can facilitate increased competition and contribute to innovation and growth.

44. The NCA's recommendations in public consultations are made public in their entirety on the NCA's website, as well as summarized in a press release sent out to subscribers and news desks and published on its social media channels.

45. These public consultations are frequently commented by the press – more so in high-stakes areas or areas of significant public interest. A February 2023 public consultation response from the NCA on district heating received no media attention, even by small or niche publications, despite being sent out to all the usual channels and stakeholders. On the other hand, a public consultation response on the air travel market in September 2021, received 18 mentions in news media.

46. An observation is that public consultations where the NCA has an opposing view of the premise of the consultation, often receive more media attention than those consultations where the NCA confirms the premise.

5. Clear language

47. The website [Konkurransetilsynet.no](https://konkurransetilsynet.no) is the main communications channel for the Authority. All public information from the NCA is accessible here, including decisions and court proceedings. When preparing for a new version of the website (2024) the NCA will use design thinking methods and a UX design approach to reflect that the NCA needs to

reach a wider user group than competition lawyers on its site. This is also in part a result of the feedback from surveys, indicating that the NCA is not sufficiently reaching certain target groups (i.e., small and medium business owners).

48. As discussed above, the stakeholders to whom The Competition Act applies are a large and diversified group, ranging from solo employed individuals or business owners with perhaps two or three employees, to multinational companies with thousands of employees, turnovers in the several billion NOK range and competition lawyers on staff.

49. Surveys indicate that the NCA has not been successful in reaching parts of these groups, and some of that failure can perhaps be ascribed to inaccessibility of language. The authority predominantly employs legal professionals and economists, both of which groups have their own professional terms and corpus. To make small business owners understand and adhere to the competition rules, the first order of business is to make information about the Competition Act comprehensible.

50. Several Norwegian government organizations are currently working at improving and simplifying their language aimed at the general public and moving away from complex, legalistic terms in communication with citizens. One of the leaders of this work is the Norwegian Labour and Welfare Organization (NAV). This work was begun partly also in the response to surveys. In this case, the surveys showed that people receiving letters from NAV simply did not understand the message of the letter, often causing legal or financial implications for the recipient.

51. The Norwegian Language Council also have their own "clear language" campaign, "klarspråk". As public services in Norway are increasingly focusing on accessible language even of complex legal topics, so is the NCA.

52. The NCA approaches this in several different ways.

53. Firstly, the Communications staff are heavily involved in texts for publication; particularly those for public consumption i.e., op-eds and press releases. The goal is for every text the NCA publishes that is aimed at the general public to be easily understood by all its stakeholders, from solo employed individuals to competition law experts.

54. Secondly, the NCA in 2022 produced a series of videos that explain the competition rules in simple, direct terms. These videos were produced by a third-party media bureau, who were able to create simple infographics to aid with comprehension. These videos were also a part of or approach to reach more small and medium sized business owners and have been shared in the NCAs social media channels as well as on its website. The videos have also been distributed to trade associations.

55. Thirdly, the Communications department at the NCA in May 2023 started a series of short courses for each market monitoring department, called "clear language". The aim of these sessions is for each individual staff member at the NCA who will be involved with writing any text at all, to have an awareness and understanding of how complicated language can reduce understanding of and interest in the NCAs work. These sessions are in part taught using examples from the NCAs own publications such as op-eds, press releases (and to a smaller degree texts not aimed at the general public such as responses to public consultations).

56. These courses are primarily in response to a need identified by its evaluation and observations of its external communications. However, a new Norwegian language act was implemented in 2022, which requires clear language from public institutions.⁶ This law has

⁶ Språkloven, §9.

further solidified the NCAs responsibility to communicate in such a way that it is accessible to its entire range of stakeholders.

6. Measures to increase awareness of competition

57. The above examples of clear language and targeted communication with a range of stakeholders also create the groundwork for how the NCA approaches the task of creating awareness of the necessity and benefits of competition to the general public.

58. In short, the NCAs communications strategy for making competition understood as an important structure to a well-functioning society entails:

- Consumer targeted op-eds
- Consumer targeted videos. One example is a video describing what a day without competition would look like⁷.
- Prioritizing a message of consumer welfare through healthy competition (lower prices, increased selection) in current topics such as the grocery market which affects all levels of society⁸
- Using social media to comment on current affairs. An example of this is tweeting a news article about how online pharmacies sell over the counter medication at significantly reduced prices, with a commentary on how competition in practice can save consumers money on this specific item (see Figure 5).
- Using social media and/or op-eds to highlight how effective competition creates better conditions for entrepreneurs. In 2022, the NCA were the subject of an op-ed by a lawyer claiming that its enforcement made it harder for entrepreneurs to establish themselves in Norway, by creating insecurities about the possibility of future acquisitions. The NCA's Director general responded in the same media outlet, using the opportunity to highlight not only the high percentage of acquisitions permitted by the NCA, but how important merger control and a well-functioning competition are for creating optimal conditions for start-ups.
- Meetings with news media editors where the NCA informs of its activities and mission, as a way to put competition and how competition affects society on the agenda.

⁷ In Norwegian: <https://youtu.be/COXAckEqZ-Q>

⁸ In Norwegian: <https://youtu.be/D-3SkKhzdIA>

Figure 5. Screen cap from the NCA's twitter account



6.1. Awareness of the competition law

59. Communicating information on specific interventions is central to the NCAs communication strategy. Such information provides guidance to the competition law for several of its stakeholders, particularly to business leaders and lawyers.

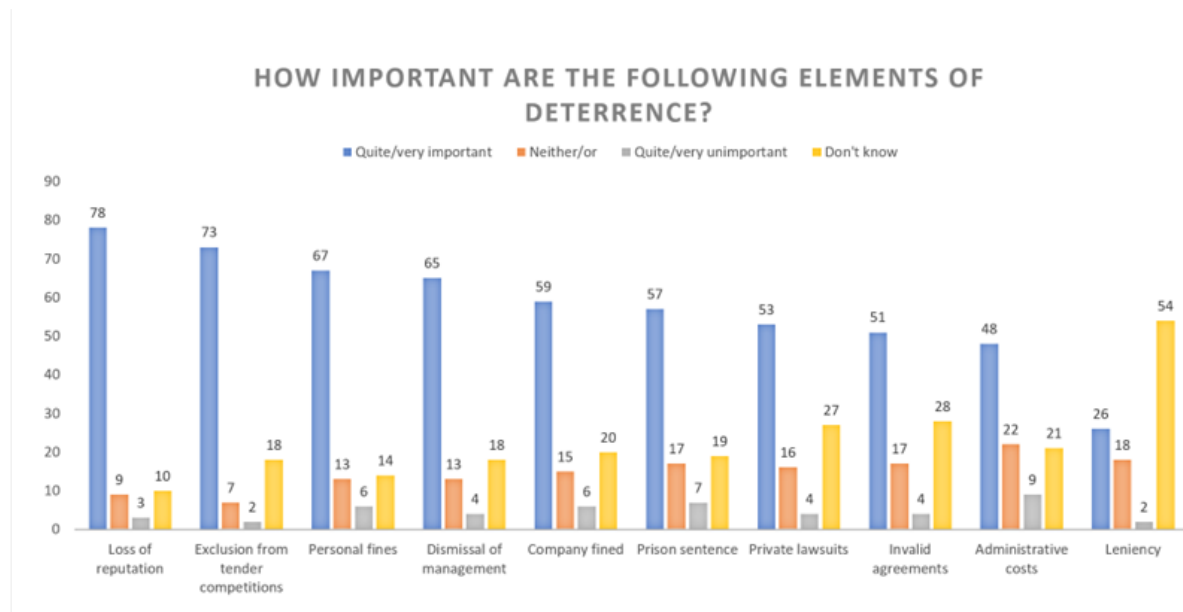
60. Because of this, the NCA issues press releases on every step of the process in enforcement cases, in merger control, in public notices and in public consultations as discussed above. In enforcement cases the NCA issues press releases in the following milestones:

- Following an unannounced inspection
- At statement of objection
- Decision
- At every step as/if a case proceeds through the Court system

61. This approach has several benefits. It indicates that the NCA is open, transparent, and balanced, while also having a significant deterring effect.

62. The NCAs own surveys show that it is not solely a fear of being fined (70 %) if caught breaking the Competition Act that serves as a deterrent. A fear of loss of reputation is of equal importance (70 %). Thereafter business leaders say exclusion in tender competitions, prison sentence, personal fines, dismissal of management, invalid agreements, private law action for damages, administrative costs, and leniency (see Figure 6).

Figure 6. Results from the NCA's 2021 survey with business leaders



63. Overall, the NCA aims to communicate with its stakeholders on a variety of different platforms and has seen clear results from this wide approach. The NCA uses the whole communication toolbox in order to increase knowledge of and familiarity with the competition law amongst business, and the benefits competition policy and effective enforcement has on consumers, markets and the society at large.

7. Concluding comments

64. The NCA periodically evaluates the impact of its enforcement and advocacy activities. The evaluation is done based on general surveys and self-initiated surveys, both qualitative and quantitative. The surveys measure how knowledge of the NCA and the Competition Act develops. The surveys are also used to evaluate the indirect effects of the NCAs interventions.

65. An important factor for successful advocacy is high visibility in society and among key stakeholders. Thus, the NCA considers high visibility crucial to increase awareness and knowledge of the Competition act, with the overall goal of preventing competition crime and facilitating the regulatory conditions for increased competition.

66. Reaching the NCAs heterogeneous stakeholders requires a targeted communication strategy.

67. The NCA measures its visibility through news media and editorial mentions, website traffic data, social media traffic, podcast downloads, and newsletter consumption. NCA uses this input to prioritize and target its work according to its mission. The NCA uses survey results to prioritize different visibility and communication initiatives and communicates on a wide range of platforms to reach specific stakeholders. Examples are presentations and webinars aimed at trade organizations and op-eds in mainstream news media with both consumer and specialist targeted op-eds, on current and high-profile issues.

68. The NCA has seen clear results from this wide approach. The NCA uses the whole communication toolbox to increase knowledge of and familiarity with the competition law

amongst businesses, and the benefits competition policy and effective enforcement has on consumers, markets and the society at large. The NCA believes that this strategy has contributed to the increase of knowledge of the Competition Act, as well as an increase in tip-offs.