



COMPETITION LAW ENFORCEMENT IN THE EURASIAN COUNTRIES: CHALLENGES AND OPPORTUNITIES

Karolina Andonovska

Head of Department for International Cooperation

Commission for Protection of Competition

Republic of Macedonia

Istanbul, 30.10.-03.11.2017



COMPETITION LAW ENFORCEMENT IN THE EURASIAN COUNTRIES: CHALLENGES AND OPPORTUNITIES

- **Institutional setup of the CPC**
- **Enforcement record of the CPC**
- **Challenges and opportunities of the CPC**
- **The bilateral and International cooperation**



Institutional setup

- In 1999 the first Law Against Limiting Competition was enacted and Monopoly Authority was formed as a body within the Ministry of Economy. This Law in its implementation was very inefficient and the authority was not independent and autonomous.
- In 2005 the new Law on Protection of Competition was enacted and the Monopoly Authority was transformed into the Commission for Protection of Competition (hereinafter CPC). This Law was amended in 2006 and 2007. The main changes in 2006 were that the CPC becomes responsible for the control of state aid. According to the changes in 2007
 - the CPC can initiate misdemeanor procedure and can impose fines.
 - a separate Commission for Misdemeanor Matters (CMM) which decides in the misdemeanor procedure and enacts misdemeanor decisions was formed within the CPC.
- In 2010 the new Law on Protection of Competition was enacted which is fully harmonized with the EU legislation
 - leniency program was introduced and
 - the misdemeanor procedure was simplified (in one decision CMM can determine that there was misdemeanor and also can determine the fine).



Institutional setup

- The CPC is an independent state authority with a status of a legal person, responsible for its work to the Assembly of the Republic of Macedonia.
- The budget necessary for the operation of the CPC is provided from the Budget of the Republic of Macedonia.
- The CPC is accountable for its work to the Assembly of the Republic of Macedonia and submits an annual report for its activities no later than by March 31st.
- The CPC is a collective body consisted of a president, four members and a team of supporting staff.
- There are five departments within the CPC which are managed by general secretary.



Enforcement record of the CPC

	Mergers	Prohibited agreements	Abuse of dominant position	Other infringements	Total fine imposed by the CMM
2012	22	3	1	/	780.000 EUR
2013	18	2	3	/	17.500 EUR
2014	30	4	4	2	3.800.000 EUR
2015	42	2	3	/	760.000 EUR
2016	31	3	2	2	297.000 EUR
2017 (up to now)	40	4	/	/	8.503.000EUR



Challenges and opportunities of the CPC

The main challenges of the Macedonian CPC in the implementation and enforcement of the Law on Protection of Competition are

- judicial review of the decision of the CPC
 - the biggest problem CPC is facing is proving cartels with indirect evidence. CPC enacted 3 decisions in which tried to prove existence of cartels through indirect evidence. All three decisions of the CPC were confirmed by the Administrative Court which found that there is enough indirect evidence to prove the existence of cartel, which is concerted practice. But the High Administrative Court in all three cases overturned the decisions with the explanation that there is no direct evidence for communication that lead to concerted practice
- insufficient resources (financial and staff).
 - Insufficient staff (case handlers)
 - Leave of qualitative staff
 - Limited budget of CPC



The bilateral and International cooperation

- Cooperation with the competition authorities from the countries of the region (concluded memorandum for cooperation)
- International cooperation (attending the OECD RCC Seminars in Budapest Hungary, then on Sofia Competition Forum as well as on International Competition Network seminars)
- RCC Request for Information instrument which facilitates exchange and cooperation between the OECD-GVH Regional Centre for Competition in Budapest's Beneficiaries
- The bilateral and international cooperation of the CPC in the future should be deepened in the sense of future exchange of experience and information in order for more efficient and effective implementation and enforcement of legislation for protection of competition and state aid control



Thank you for your attention!

Contact:

Karolina Andonovska

Head of Department for International Cooperation

Commission for Protection of Competition

Sv. Kiril I Metodij 54

1000 Skopje

Macedonia

tel: + 389 2 3298 666

e-mail: karolina.andonovska@kzk.gov.mk

www.kzk.gov.mk