

OECD – Better Policies for Better Lives
Competition Law and Policy

Competition brings benefits to consumers

- Remember traveling by train to Ostrava?
- Effective competition may be distorted
 - By governmental regulation
 - By undertakings themselves
- Competition law
 - Prevents undertakings from abusing their market power (cartels, abuse of dominance, concentrations)
 - Dedicated enforcement authorities
- Competition policy
 - Interpretation, priorities etc. concerning enforcement
 - Pro-competitive regulation (competition advocacy)

International Dimension of Competition

- Competition authority in almost every state
- Competition rules are practically the same, but
 - What if more jurisdictions are concerned?
 - „double jeopardy“ (the *Graphite electrodes cartel*)
 - Different jurisdictions pursue different goals?
 - Vertical agreements and the Common Market
 - Protecting domestic markets (export bans)
 - Conflicting interpretation (*Microsoft, GE / Honeywell*)

Ad International cooperation

- Regional cooperation (Nordic alliance)
- Supranationality (EU)
- Global sharing of experience among enforcers (ICN)
- OECD
 - Comparing competition law and policies
 - Best practices
 - Recommendations

Roundtables – sharing experience

On particular practices of undertakings – e.g. RPM

- The manufacturer sets the price for which the goods are sold to final consumers
 - = distributors cannot compete on price
- Prohibited by EU law; numerous Czech decisions (*Delux, Husky, Candy*); often directed against e-shops
- Formerly *per se* prohibited in the US; recent *Leegin* Supreme Court decision – possible efficiencies

Ad Roundtables – sharing experience

- Specific markets – e.g. Competition in legal services
- Specific market circumstances – e.g. Electricity: renewables and smart grids
- Specific legal instruments – e. g. Leniency

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Country Studies – Peer Reviews

- Czech Republic (2014) – Economic Survey
 - *Ensure that the leniency programme is working properly and that efforts to eliminate bid rigging are successful*
 - *Remove the special sector regulation for food retailing from the competition policy framework*
 - *Secure effective independence of network regulators; improve the co-ordination between the competition authority and regulators*

Recommendations of the Council

- Concerning Co-operation between Member countries on Anticompetitive Practices affecting International Trade (1995)
- Concerning Effective Action against Hard Core Cartels (1998)
- On Structural Separation in Regulated Industries (2001)
- On Merger Review (2005)
- On Fighting Bid Rigging in Public Procurement (2012)
+ Guidelines for fighting Bid Rigging

Thank you for your attention

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