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Competition Policy, Consumer Rights, Anti-Dumping Measures

Presentation

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10 YEARS

Georgian Competition and Consumer Agency

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GEORGIAN COMPETITION AND CONSUMER AGENCY (GCCA)

COMPETITION POLICY

CONSUMER RIGHTS

ANTI-DUMPING MEASURES

GENEVA 3-5 JULY 2024
GEORGIAN COMPETITION AND CONSUMER AGENCY (GCCA) WAS ESTABLISHED

AMENDMENTS TO THE “LAW ON COMPETITION” HAVE BEEN INTRODUCED

THE LAW ON “ANTI-DUMPING MEASURES IN TRADE” ENTERED INTO FORCE

THE LAW ON “THE PROTECTION OF CONSUMER RIGHTS” ENTERED INTO FORCE

THE LAW ON “ELECTRONIC COMMERCE” ENTERED INTO FORCE

FROM 2024 THE AGENCY WAS RENAMED THE GEORGIAN COMPETITION AND CONSUMER AGENCY

2014

2020

2021

2022

2024

70% 61% 75% 85%
4 companies had agreed on prices for oncology medicines under the state funding program, resulting in price fixing.

Between 2021-2023, GCCA identified 42 medicines in 88 cases where identical price formation had taken place by the companies.

The prices submitted by the companies on the closed portal of the Ministry were found to coincide with an accuracy of 1 cent.

The companies were fined up to $20 mln. in total.
The case concerns the maintenance of high prices in the retail market of motor fuel in the period of March-August 2022.

The companies, which owned fuels of different origins and costs, participated in parallel actions in the retail market and maintained high prices.

Additionally, evidence showed that there was regular communication between the companies.

As a result, the 5 companies received a total penalty of $1.5 mln.
CASE OF ONLINE CINEMA TICKETS • 2023 •

- Complaint of one undertaking concerned limiting market with exclusive agreements and imposing dissimilar conditions to equivalent transactions.
- Agreement concluded between 2 undertakings contained “exclusive distribution” clauses on the market of online sale of cinema tickets in order to eliminate and distort competition on the relevant market.
- GCCA made use of interim measure and with the consent of the Court the Parties were ordered to stop their anti-competitive behavior till the final decision.
- The 3 companies were fined a total of $640,000.
COMPLETED MONITORING | 2020 - 2024

- Wheat and Bread Market
- Infant Nutrition Market
- Cigarettes Market
- Auto Fuel Market
- LPG and NCG Market
- Auto Insurance Market
- Retail Market
- Pharmaceutical Market
- Glass Waste Collection/Recycling Market
- Bank Insurance Market

ONGOING

- Tobacco Market Monitoring
- Auto Fuel Market Monitoring
- Blueberry Market Monitoring
- FMCG
Only the generic prescription/assignment is the most important and fundamental means to ensure competition between substitute products and increase the market share of generics; only international, nonproprietary names (generic) of the medicine should be indicated with the limited trade name in the prescription. Various studies and the experience of many countries have confirmed the financial benefits that consumers receive by purchasing generic medicines, which in turn is directly related to the reduction of costs on medicines.

Reference of a generic substitute - It is appropriate to indicate at least one additional substitute generic at the prescription/assignment level along with the main generic.

Quality of medicines - According to the Agency, the GMP standard is required to operate at both levels of market access to medicines - manufacturing and importing. The industry regulators should ensure that the quality of generic medicines is checked and the result should be a guarantee that all medicines on the market meet the quality standards set by law.

Effective regulation and continuous monitoring of pharmacist activities - It is important to describe in detail the obligations of the pharmacist to deliver the medicine to the end-user to ensure a healthy competitive environment. In particular, in parallel with the introduction of a generic prescription, it is necessary to regulate the pharmacist’s obligation during purchasing a medicine - to offer the consumer at least 3 medicines with the lowest price; in addition, it is necessary for the industry regulator to implement the continuous monitoring of this through an electronic prescription/assignment.

Ensuring maximum transparency and publicity of the relationship between the person responsible for prescription/assignment and the pharmaceutical companies;

Ensuring the coexistence of universal health care and private insurance “complementary” packages - For reducing the ‘out-of-pocket’ expenses for medicines and medical services in general, it is desirable for the customers to be able to purchase a private insurance package that supplements the universal insurance program - at least in part of the component of the medicine;

Revision of “Free Pricing Policy”;

Restriction of Market Holding Structure - According to the Agency position, it is important to regulate the non-profiled assets of undertakings importer/wholesale and retail suppliers of medicines, which excludes the possible negative effects of such a market structure on the consumer and the overall competitiveness of the market;
From 2020 to 2024 - 31 concentrations in various sectors approved, 16 gun-jumping cases discovered.
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THANK YOU FOR ATTENTION

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