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International Forum Interface on Competition and Consumer Protection

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INTERNATIONAL FORUM INTERFACE ON COMPETITION AND CONSUMER PROTECTION

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- The Competition Authority can leverage insights from consumer protection to identify and address anti-competitive practices effectively through the following approaches
- Behavioral Analysis: Anti-competitive actions, like price-fixing or cooperation among competitors, can be better understood by gaining a deeper understanding of consumer behavior and preferences. ("Driving Licenses Fixed Price" Case 1)
- Customer Complaints: Anti-competitive actions may be revealed through the collection and analysis of customer complaints pertaining to deceptive advertising or unfair business practices. (Case 2 "Residences")

DRIVING LICENSES PRICE AGREEMENT ACT

- Announced in media the signature of Agreement Act dated 13.02.2023 by to the General Directorate of Road Transport Services, the Association "National Driving Schools", the Association of Driving Schools "Safety on the Road" and the General Directorate of Taxes on FixinThe Competition Commission by decision no. 964, dated 01.03.2023, "On taking temporary measures to stop the maintenance of Agreement Act no. 2729 prot., dated 13.0.2023, regarding the determination of free rates and minimum rates for the cost of using fair means", decided:
- The Competition Commission by decision no. 964, dated 01.03.2023, decided to:
 - Take temporary measures against the signatories of the Agreement Act no. 2729 prot., dated 13.02.2023: to the General Directorate of Road Transport Services, the Association "National Driving Schools", the Association of Driving Schools "Safety on the Road" and the General Directorate of Taxes, meaning:
 - Prohibition of the implementation of Agreement Act no. 2729 prot., dated 13.02.2023, regarding the determination
 of the payment fee and the minimum fiscal cost for the preparation and equipment of a driving license;
 - The deposit with the ACA of all the practice followed that led to the signature of this Agreement Act, in order to carry out its legal assessment, based on Article 4, Article 69 and 70 of Law no. 9121/2003 "On the protection of competition";
- The temporary measure was taken for a period of time until the end of the administrative procedure and the final decision of the Competition Commission.

DRIVING LICENSES PRICE AGREEMENT ACT

- The CC, by decision no. 970, dated 24.03.2023 "On the legal evaluation of the Agreement Act No. 2729 prot., dated 13.02.2023, concluded between the General Directorate of Road Transport Services, the Association of "National Driving Schools", the Association of Driving Schools "Road Safety "and the General Directorate of Taxes" decided:
 - Act Agreement no. 2729 prot., dated 13.02.2023, concluded between the parties: the General Directorate of Road Transport Services, the "National Driving School Association", the "Road Safety" Driving School Association and the General Directorate of Taxes, is considered an agreement act contrary to Article 4 of Law 9121.2003, "On the Protection of Competition".
 - Monitoring the market of the preparation service and equipment with a driving license, according to the category of driving license, evidence or certificate, for a period of 1 (one) year.
 - The non-implementation of this decision constitutes a serious violation of competition in the sense of article 74, point 1, letter c), of law no. 9121/2003.
- Pursuant to the CC decision no. 970/2023, the ACA has started the procedures for monitoring the market of the preparation service and equipment with a driving license, according to the category of driving license, evidence or certificate, for a period of 1 (one) year.

- During 2024, Information was requested from the General Directorate of Road Transport Services, and field monitoring was carried out at the Driving Schools and meetings were held with representatives of the "National Driving Schools" Association and the "Road Safety" Driving Schools Association.
- At the end of the monitoring procedure in the market, according to the category of driving license and certificate in application of CC No. 970/2023, results that, by the Driving Schools, point I of CC No. 970/2023 has been implemented, by not applying the increase in fees
- Based on the above, the Competition Commission, with decision No. 1071, dated 19.04.2024, "On the monitoring of the implementation of the Decision of the Competition Commission No. 970, dated 24.03.2023, decided to close the procedure for monitoring the implementation of CC no. 970/2023.

MEASURING THE IMPACT OF ACC DECISIONS ON CONSUMERS

Year	No of driving Licenses for ALL Categories	No of Driving Licenses Categoria B	% of category B to Total	Price before agreement in ALL	Price after the agreement ALL	Diference	Total Potential Loss (gains) for Consumers in ALL
2023	106,175	81,654	77%	45,000	85,000	40,000	3,266,160,000

EUR/1YEAR = 3,266,160,000/108.81



CASE 2

 THE MARKET FOR THE PROVISION AND ACCESS TO INTERNET SERVICES FOR MANAGEMENT UNDERTAKINGS AND INTERNET SERVICE PROVIDERS IN RESIDENTIAL COMPLEXES WHERE THESE UNDERTAKINGS OPERATE

MONITORING PHASE

The Competition Authority received complaints from different consumers regarding issues with the selection of internet service providers in certain residential complexes in Tirana and therefore based on Article 28, letter (a), of Law No. 9121/2003, the Secretariat of the Competition Authority monitored the market for internet service provision in these residential buildings.

 Data collected during the monitoring raised suspicions of abuse of a dominant position by management undertakings of residential buildings in the city of Tirana.

 Suspected violations included refusal of access to alternative internet service providers and imposing unequal terms to restrict competition, as defined by Article 9 of Law No. 9121/2003.

PRELIMINARY INVESTIGATION

 On 18.10.2023, the Competition Commission initiated a preliminary investigation with Decision No. 1025 into management undertakings operating in the market for internet service access in residential complexes in the city of Tirana.

Preliminary findings confirmed that the management undertakings might have abused their dominant position by restricting access to alternative providers, creating favorable conditions for selected internet service providers, and imposing unequal commercial terms.

On 10.05.2024, the Commission initiated an investigation with Decision No. 1078 in the market for internet service provision and access regarding management undertakings and internet providers in the residential complexes where these companies operate.

DOMINANT POSITION ASSESSMENT

Management undertakings, being sole administrators of their respective residential complexes, were seen to hold 100% market share in the internet service access market within the boundaries of the complexes they manage.

Behavior Analysis

The in-depth investigation assessed the behavior of **seven management** undertakings and **two internet providers**.

FINDINGS ON THE IN-DEPTH INVESTIGATION

Tirana Administrim SHPK: Found to have abused its dominant position in the residential complexes under its management, as per Article 9 of Law No. 9121/2003. With the Decision No. 1145, dated 27.12.2024: *The company was fined 6% of its prior year's turnover (442,632 ALL) and required to revise its contracts within 90 days to ensure compliance with Article 9, point 2, letters (c) and (ç) of Law No. 9121/2003.*

S&D Invest SHA: Voluntarily proposed commitments to address competition concerns. With the Decision No. 1143, dated 27.12.2024: *The Commission approved the commitments submitted by S&D Invest SHA as binding conditions and obligations and monitoring the undertakings behavior for one year.*

Acrem SHPK: Found to impose restrictive provisions on telecommunication infrastructure access in the Rolling Hills complex. With the Decision No. 1144, dated 27.12.2024: *Required to revise contract clauses within 90 days to ensure fair access and compliance with Article 9, point 2, letter (ç). Behavior will be monitored for one year.*

FUTURE ACTIONS

The Competition Commission emphasized the need to complete investigations to ensure objective decisions and fair competition in the market for internet service access in residential complexes.

□ For the undertakings D&L Administrim SHPK, Arlis Administrim SHPK, and Safe Security Albania SHPK, insufficient information was available to conclude the in- depth investigation.

 Decision No. 1142, dated 27.12.2024: The in-depth investigation for the undertakings D&L Administrim SHPK, Arlis Administrim SHPK, and Safe Security Albania SHPK was extended until 13.02.2025.

- Market Research: By surveying consumers and looking at their experiences, market researchers can uncover monopolistic tendencies or unethical competition. (General Investigation – Hospital services)
- Collaborating with Consumer Protection organizations: By establishing tight relationships with consumer protection organizations, we may broaden our understanding of activities that hurt consumers and competition and improve the flow of information between us.
- Raising Awareness: When customers are informed about their rights as consumers, they are more likely to report behaviors that harm competition, which in turn leads to stronger enforcement measures.

 Investigative Tools: Compliance inspections and audits, which are often employed for consumer protection such as compliance audits, can be modified to probe anticompetitive actions.

 Developing Policies: Consumer protection research can guide efforts to create policies that both encourage and safeguard consumers' rights to fair competition. The subject of competition policy and consumer protection is highly intriguing, as it pertains to the fundamental nature of the necessity and objective of competition law and policy.

The ultimate objective of the implementation of competition policy and law is consumer welfare, as has been continously stated.

It has also been discovered that consumer satisfaction, which is a result of the implementation and protection of competition policies and laws, increases the appreciation and acceptance of the policy and law, thereby fostering a healthy culture of competition

