UN TRADE and DEVELOPMENT International Forum Tirana, Albania 22 January 2025

Albanian challenges in aligning Competition and Consumer protection frameworks for Digital Markets

Presentation by:

Dr. Gentjan Skara RECAS Fellow & Lecturer of EU Law and Competition Law Epoka University

Albania

This material has been reproduced in the language and form as it was provided. The views expressed are those of the author and do not necessarily reflect the views of UN Trade and Development.

Albanian challenges in aligning Competition and Consumer protection frameworks for Digital Markets

PhD Gentjan Skara

RECAS Fellow & Lecturer of EU Law and Competition Law Epoka University Email: <u>gskara@epoka.edu.al</u>

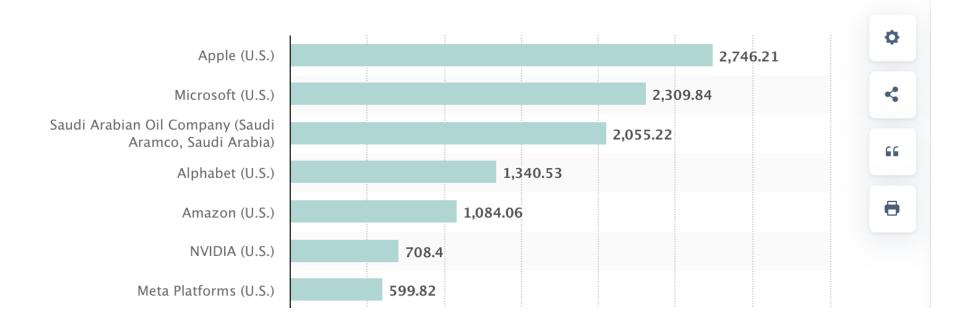
Outline of the presentation

- 1. The Rationale for Regulating Digital Market
- 2. Albanian Competition Law and Online Platforms
- 3. Challenges in enforcing competition law in the digital market in Albania
- 4. Conclusion

Online Platforms in the Internal Market

- Over **10,000 online platforms** are operating in Europe's digital economy.
- The service offered by a platform is intermediation it provides a forum, where economic actors meet in search of each other.
- Intermediation services are heavily dependent on information or data.
- According to the UNCTAD Digital Economy Report 2019, the digital economy is estimated to account for between 4.5% to 15.5% of global GDP.

The 100 Largest Companies in the world by Market Capitalisation in 2023



Main arguments for specific rules in the Digital Market

- Speech by Executive Vice-President Margrethe Vestager: Building trust in technology
 - "these platforms have become gatekeepers, with enormous power over our lives. They can influence our safety—whether dangerous products and harmful content can spread widely, or whether they're quickly removed. They can affect our opportunities—whether markets respond to our needs, or whether they just work in the interests of the platforms themselves. They even have the power to guide our political debates, and to protect—or undermine—our democracy". (Vestager 2020)
- Digital Market Act

Albanian Competition Law and Online Platforms

- Law on the Protection of the Competition (2003) [amended 2 times]
 - Scope: the protection of free and effective competition in the market (Art 1)
- There is no specific provision for online platforms.

• Turning point:

- ACA's priority involvement in the digital sector [D Biba (2022) Speech Presenting 2021 Annual Report" at the Commission of Economy and Finance]
- **no decision** on the digital platforms so far, but in two cases, <u>ACA has</u> recognised the relationship between competition law and digital platforms.

ACA's Role in Enforcing competition rules in digital market

- ACA Decision No 723 of 17 November 2020 for the closure, with clauses and obligation, of the in-depth investigation in the bank sector for Raiffeisen Bank, National Bank of Tirana, Credins Bank and Intesa Sanpaolo Bank' [2020] Official Bulletin, para 57-58.
- ACA Decision No 875 of 8 April 2022 on the Authorization of the Concentration realised through the Acquisition of the Mooney Group S.P.A. from the companies Banka 5 S.P.A. and Enel X S.R.L. [2022] Official Bulletin

Challenges

Regulatory Framework

Institutional Framework

Regulatory Framework

- A positive trend in amending or adopting specific legislation:
 - Digital Market Act (EU)
 - Section 19a of German Competition Law the Bundeskartellamt "to intervene at an early stage in cases where competition is threatened by certain large digital companies"
 - India changed the jurisdictional thresholds in merger control to capture more digital mergers
- Albanian Competition Law does not have specific provisions for online platforms.
- A new legislative reform is needed to provide more legal certainty and confer proper enforcement tools to the competition authority.

Institutional Framework

- Establishing a digital unit within the National Competition Authority
 - UK, US and Canada
- Appointing a specialist on digital platforms to conduct further work relating to digital platform markets
 - Australia or India
- EU has established a Chief Technology Team near the Directorate–General for Competition (DG COMP)
- Albania: specialist vs unit

Conclusion

- DMA –the most important piece of legislation that will influence jurisdiction around the world (and candidate countries)
- Albania needs to update their competition legislation to address the behaviour of online platforms.
- Increasing cultural awareness among tech companies or start-ups to protect competition in the digital market



Email: gskara@epoka.edu.al