Regional Competition Rules in the EAEU

Presentation by Mr. Arman Shakkaliyev, Eurasian Economic Commission

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Head of Secretariat for
Member of the Board - Minister in Charge of
Competition and Antitrust Regulation
Eurasian Economic Commission
Arman Shakkaliyev

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Stages of integration

- Free-trade area
- Customs Union
- Single Economic Space
- Eurasian Economic Union
Eurasian Economic Union: four freedoms

Aim: to create a single market
Eurasian Economic Commission’s powers on cross-border markets

- Prosecution of anticompetitive agreements
- Prosecution of coordination of economic activities
- Prosecution of unfair competition
- Prosecution of abuse of dominance
- Decisions on abolition of state price regulation
Legal framework for protection of competition in the EAEU

➢ Treaty on the Eurasian Economic Union, dated May 29, 2014 (Section XVIII and Annex 19)
➢ Criteria for classifying markets as trans-border ones
➢ Agreement on the procedure for protection of confidential information and the liability for its disclosure when exercising the power of the Eurasian Economic Commission to monitor compliance with the general rules of competition
➢ Procedures for consideration of applications (files) on violations of competition rules
➢ Procedures for carrying out investigations of competition rules violations
➢ Procedures for considering cases of competition rules violations
➢ Procedures for cooperation, including information exchange, between the EEC and the authorized bodies of the Member States
➢ Guidelines for assessment of competition condition
➢ Guidelines for determination of excessively high (low) prices
➢ Guidelines for calculation and imposition of fines
➢ Procedures for applying to the EEC by the Member States regarding the cases of introduction of governmental price regulation and consideration of them
Control over compliance with the general rules of competition on the EAEU cross-border markets

2015 - September 2020:

➢ **77 applications (files)** on violation of the general rules of competition have been considered;

➢ **5 warnings** requesting to terminate actions without imposing a fine have been issued;

➢ **33 investigations** of anti-competitive agreements, abuse of dominance and unfair competition have been carried out;

➢ **15 cases have been initiated** (including violations of the general competition rules and failure to provide information/provision of incorrect information, requested by the EEC);

➢ **2 Decisions** of the EEC Board have been appealed to the Court of the EAEU.
Cooperation between the EEC and national competition bodies

when transferring cases (according to jurisdiction)
- at any stage of handling a case
- a national body transfers a case to the EEC or vice versa

when the EEC examines applications
- EEC notifies national bodies when starts to examine an application
- EEC requests information from national bodies
- approval of warnings

when the EEC carries out investigations
- joint proceedings
- national bodies representatives take part in the EEC investigations
- EEC requests information from national bodies

when the EEC handles cases
- national bodies representatives take part in case consideration
- EEC requests information from national bodies

meetings of Heads of national competition bodies and the EEC Minister in Charge of Competition «5+1»
- discussion of the most up-to-date enforcement issues, convergence of laws, exchange of information

National competition bodies:
- Give opinions on draft decisions of the EEC Board
- Participate in decision-making process of other EAEU Bodies
Challenges of the EAEU regional integration in the area of competition

➢ Lack of powers in relation to foreign companies, control of cross-border M&A, conducting inspections and others

➢ Collection of evidence

➢ Lack of proper regulation of certain EAEU competition rules
Improvement of the EAEU competition regulation
Benefits of the EAEU regional integration in the area of competition

- Level playing field
- Fair competition on cross-border markets
- Investment attractiveness
Key to successful regional cooperation in the area of competition

➢ Integration
➢ Convergence
➢ Mutual trust
➢ Regular interaction
The EEC initiative

To discuss at the UNCTAD IGE meetings the efficiency of regional organizations, their challenges and ways to resolve them.
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