

COMPETITION ECONOMICS HANDBOOK 2020

Published in association with:

Cornerstone Research

Copenhagen Economics

Berkeley Research Group

E.CA Economics



Competition Economics Handbook 2020

A Global Competition Review Special Report

Reproduced with permission from Law Business Research Ltd
This article was first published in November 2019
For further information please contact Natalie.Clarke@lbresearch.com

Competition Economics Handbook 2020

Insight account manager Bevan Woodhouse

Head of production Adam Myers

Deputy head of production Simon Busby

Editorial coordinator Hannah Higgins

Production editor Harry Turner

Subeditor Hilary Scott

Research editor Tom Barnes

Researcher Helen Barnes

Editor, Global Competition Review Pallavi Guniganti

Publisher Clare Bolton

To subscribe please contact

Global Competition Review

Meridian House, 34-35 Farringdon Street

London, EC4A 4HL

United Kingdom

Tel: +44 20 7908 9205

Fax: +44 20 7229 6910

subscriptions@globalcompetitionreview.com

No photocopying. CLA and other agency licensing systems do not apply.

For an authorised copy contact claire.bagnall@globalcompetitionreview.com

This publication is intended to provide general information on competition law, economics and policy. The information and opinions that it contains are not intended to provide legal advice, and should not be treated as a substitute for specific advice concerning particular situations (where appropriate, from local advisers).

© 2019 Law Business Research Limited

ISBN: 978-1-83862-221-3

Printed and distributed by Encompass Print Solutions

Tel: 0844 248 0112

Competition Economics Handbook 2020

Published in association with:

Cornerstone Research

Copenhagen Economics

Berkeley Research Group

E.CA Economics

CONTENTS

Albania.....	1	Estonia.....	43
Algeria	3	Emmi Martikainen and Anssi Kohonen	
Argentina.....	4	Copenhagen Economics	
Armenia	6	European Union	46
Australia	11	Claus Kastberg Nielsen, Adina Claiici and	
Austria	14	Federico De Michiel	
Azerbaijan	16	Copenhagen Economics	
Barbados.....	17	Fiji.....	53
Belgium	18	Finland.....	54
Bosnia and Herzegovina	20	Emmi Martikainen, Anssi Kohonen and Kalle Kantanen	
Brazil.....	21	Copenhagen Economics	
Bulgaria	24	France.....	58
Canada	26	Germany.....	60
Channel Islands.....	29	Hans W Friederiszick, Simone Kohnz and	
Colombia	30	Rainer Nitsche	
Croatia	32	E.CA Economics	
Cyprus.....	34	Greece	67
Czech Republic.....	35	Hungary.....	68
Denmark.....	36	Iceland.....	70
Henrik Ballebye Okholm and Torben Thorø Pedersen		India	71
Copenhagen Economics		Indonesia.....	73
Egypt.....	41	Ireland.....	75
El Salvador	42	Israel	77
		Italy	79
		Jamaica.....	80
		Japan.....	82
		Kenya.....	84

Korea	87	Russia	124
Latvia	88	Serbia.....	127
Emmi Martikainen and Mindaugas Cerpickis		Seychelles	129
Copenhagen Economics		Singapore	131
Lithuania	92	Slovakia	132
Mindaugas Cerpickis and Emmi Martikainen		Slovenia	134
Copenhagen Economics		South Africa	135
Luxembourg.....	95	Spain	137
Malaysia	96	Swaziland	139
Malta.....	98	Sweden.....	140
Mauritius	99	Karl Lundvall and Mattias Almqvist	
Mexico	101	Copenhagen Economics	
Montenegro	103	Switzerland	145
Netherlands	104	Tunisia	147
New Zealand.....	106	Turkey	148
North Macedonia	108	Ukraine	151
Norway	110	United Kingdom	153
Henrik Ballebye Okholm and Erik Lindén		Peter Davis, Vivek Mani, Can Celiktemur and	
Copenhagen Economics		Vikram Kumar	
Pakistan	115	Cornerstone Research	
Peru	116	United States.....	161
Philippines	118	Henry J Kahwaty and Cleve B Tyler	
Poland	119	Berkeley Research Group	
Portugal.....	121	Zambia.....	167
Romania	122	Zimbabwe	169

Global Competition Review is delighted to publish this thirteenth annual edition of the *Competition Economics Handbook*.

With economics at the centre of competition law, this handbook identifies the issues that antitrust economists are tackling today. The book's comprehensive format provides contact details for competition agencies' economists in over 70 jurisdictions. A Q&A format illustrates how the advisers are organised and their input into the regulation and enforcement process.

Much of the information has been provided by the agencies themselves and we are, as ever, grateful for all their cooperation.

The *Competition Economics Handbook 2020* is one of five special reports included in a *Global Competition Review* subscription each year, alongside four issues of the magazine, a survey on a four-year rotation (*Corporate Counsel* published in January 2019 and *40 Under 40*, to be published in January 2020) and two signature surveys, *Rating Enforcement* and *The GCR 100*.

We would like to thank all those who have worked on the research and production of this publication.

The information listed is correct as of October 2019.

Global Competition Review

London

October 2019

Albanian Competition Authority

Sami Frashëri Street, No. 4, Floor IV, Tirana, Albania

Tel: +355 4 23 45 04

Fax: +355 4 23 44 97

competition@caa.gov.al

caa.gov.al

Contacts

Juliana Latifi

Chairwoman

juliana.latifi@caa.gov.al

Eduard Ypi

Vice-Chairman

eduard.ypi@caa.gov.al

Leida Matja

Commissioner

leida.matja@caa.gov.al

Indrit Reka

Head of Chairwoman's Cabinet

indrit.reka@caa.gov.al

Thomas Koleka

Chairwoman's Adviser

thomas.koleka@caa.gov.al

Ruela Çashku

Secretary of Cabinet

ruela.cashku@caa.gov.al

Support Services Directorate

Vitori Kristo

Director

vitori.kristo@caa.gov.al

Esmeralda Arizaj

Specialist

esmeralda.arizaj@caa.gov.al

Alma Verri

Specialist

alma.verri@caa.gov.al

Legal and Judicial Affairs Directorate

Daniela Mehmeti (Laze)

Inspector

erjon.pipiko@caa.gov.al

Klaudjo Gjuzi

Inspector

klaudjo.gjuzi@caa.gov.al

Erjon Pipiko

Inspector

erjon.pipiko@caa.gov.al

Non-Production/Services

Markets Surveillance Directorate

Anisa Buxheli

Inspector

anisa.buxheli@caa.gov.al

Diana Bardhi

Inspector

diana.bardhi@caa.gov.al

Fadil Kadriu

Inspector

fadil.kadriu@caa.gov.al

Anisa Zhamo

Inspector

anisa.zhamo@caa.gov.al

Market Analysis and

Methodologies Directorate

Dhurata Skënderi

Director

dhurata.skenderi@caa.gov.al

Gerta Rama

Inspector

gerta.rama@caa.gov.al

Anda Nelaj

Inspector

Edlira Gjonaj

Inspector

edlira.gjonaj@caa.gov.al

Piro Dhima

Inspector

piro.dhima@caa.gov.al

Integration and Communication Directorate

Ola Daka

Director

ola.daka@caa.gov.al

Vanina Vongli

Specialist

vanina.vongli@caa.gov.al

Paola Gjika

Specialist

paola.gjika@caa.gov.al

Production Markets Surveillance Directorate

Mimoza Kodhelaj

Director

mimoza.kodhelaj@caa.gov.al

Oltion Nano

Inspector

oltion.nano@caa.gov.al

ALBANIA

Niku Meko

Inspector
niku.meko@caa.gov.al

Albana Dibra

Inspector
albana.dibra@caa.gov.al

**Integration and Communication
Directorate**

Arizana Progni
Specialist
arizana.progni@caa.gov.al

Ada Hasantaraj

Inspector
ada.hasantaraj@caa.gov.al

Miklovana Ymerali

Inspector
miklovana.ymerali@caa.gov.al

Anna Maria Monçe
Specialist
annamaria.monçe@caa.gov.al

Questions and answers

How many economists do you employ?

At the Albanian Competition Authority (ACA), there are 12 economists.

Do you have a separate economics unit?

We have the Directorate of Analysis and Methodologies of Markets that conducts market studies, research and merger investigations.

However, there are economists in every case team.

To whom does the chief economist report?

The chief economist reports to the director of the Market Analysis and Methodologies Directorate. The chief economist is a civil servant.

How many of your economists have a PhD in industrial economics?

None of them have a PhD in industrial economics.

Does the chief economist have the power to hire his or her own staff?

No.

Do you have a chief economist?

Yes.

Does the agency include a specialist economist on every case team? If not, why not?

Yes. There is at least one economist as part of the case team.

Is the economics unit a 'second pair of eyes' during cases is it one of the agency's checks and balances? If not, why not?

The directorates that cover market surveillance (ie, Production and Non-production) have economists that deal with specific cases like cartels and abuse of dominant position. The Market Analysis and Methodologies Directorate conducts economic and econometric analyses during mergers and acquisition procedures. The Legal and Judicial Affairs Directorate prepares a legal opinion for each case. The General Secretary controls the proposal before reporting it to the Competition Commission. As three out of the five members of the Commission are economists, they can act as a check and balance instrument.

Competition Council

42/44 Rue Mohamed Belouizdad, Algiers, Algeria

Tel: +213 021 65 45 20

Fax: +213 021 66 71 26

www.conseil-concurrence.dz

Contacts



Amara Zitouni

President

Tel: +213 021 65 45 20

amara.zitouni@gmail.com



Mme Saoussene Djamilia Zelmati

Director of Communication

Tel: +213 021 65 45 20

cooperation@conseil-concurrence.dz

Questions and answers

How many economists do you employ?

The Competition Council employs an economist as well as a permanent member of the competition council.

Do you have a separate economics unit?

No.

Do you have a chief economist?

No.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

No.

How many of your economists have a PhD in industrial economics?

The Competition Council does not employ an economist with a PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

No.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

No.

How much economics work is outsourced? What type of work is outsourced?

The work of publishing and printing the official bulletin of the competition.

National Commission of Competition Defence

Reconquista 46, C1003AAB, CABA, 7th Floor
Tel: (+5411) 4349 3480 / 4097 4349 4107
www.argentina.gob.ar/defensadelacompetencia

Contacts



Lucía Quesada

National Director of Competition Advocacy
Tel: +54 11 4349 3480
lquesa@produccion.gob.ar



Esteban Greco

President of the National Commission for the
Defence of Competition
Tel: +54 11 4349 3480
emgreco@produccion.gob.ar

Questions and answers

How many economists do you employ?

Thirty-six.

Do you have a separate economics unit?

No. However, we do have a legal and economic studies division, in charge of providing resources for complex cases.

Do you have a chief economist?

Within our new primary structure, approved by Administrative Decision No. 756/2017 there are three national directorates and a general directorate, reporting directly to the commissioners.

We do not have a chief economist, although the general director of Economic and Legal Studies provides resources and support for special analysis (both legal and economic) in complex cases. However, the CNDC has economists in all areas, including anti-competitive conducts, mergers and acquisition and advocacy. These four directorates led to eight subunits, which were implemented by Resolution No. 614 – E/2016 as the commission's secondary organisational level structure.

To whom does the chief economist report?

All the general and national directors report directly to the commissioners.

Does the chief economist have the power to hire his or her own staff?

Yes.

How many of your economists have a PhD in industrial economics?

Two.

Does the agency include a specialist economist on every case team? If not, why not?

Yes. All cases are assigned to at least one economist and one lawyer.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

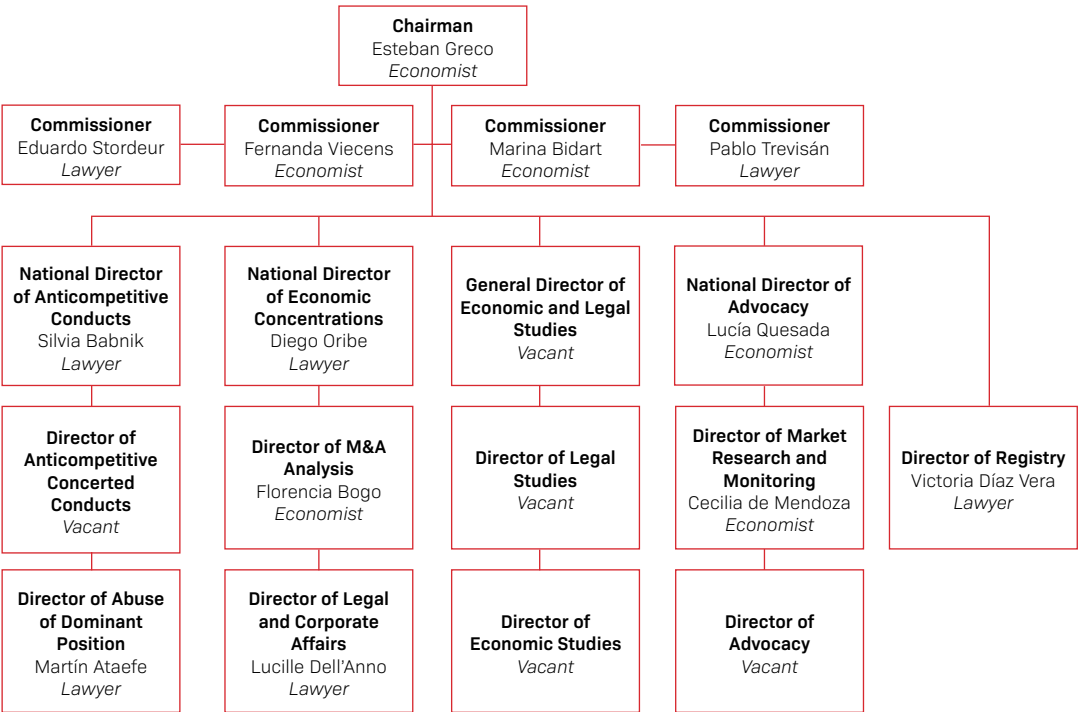
As explained, the general director of economic and legal studies provides resources to help in the analysis of complex cases. Not all cases go through the economic and legal studies unit. In addition, two of our commissioners must be economists and the current president is also an economist. The current commission has three economists and two lawyers.

How much economics work is outsourced? What type of work is outsourced?

Only some market studies are outsourced to external economists. These would be market studies based only

on public information or information already available in the CNDC. The internal market studies unit, on the other hand, handles market investigations when public information is not sufficient to rule out competition issues in a particular sector.

Organisation chart



State Commission for the Protection of Economic Competition of the Republic of Armenia

5b M Mkrtchyan str, Yerevan, 0010, Republic of Armenia

Tel: +374 10 545 679 / 637

Fax: +374 10 543 985

info@competition.am

www.competition.am

Contacts



Gegham Gevorgyan
Commission Chairman



Tigran Markosyan
Member of the Commission



Karen Sedrakyan
Member of the Commission



Hayk Karapetyan
Member of the Commission



Aren Danielyan
Member of the Commission



Vahe Chibukhchyan
Member of the Commission



Edgar Tshagharyan
Member of the Commission

Questions and answers

How long is the head of agency's term of office?

The chairman of the State Commission for the Protection of Economic Competition (SCPEC RA) is appointed by the National Assembly of the Republic of Armenia upon the proposal of Prime Minister of the Republic of Armenia for a five-year period. He or she may be reappointed to the same position after the term of his or her power has come to an end. However, the same person shall not be appointed as a member of the SCPEC RA more than two consecutive times, for the full term of office of five years.

When is he or she next due for reappointment?

Gegham Gevorgyan was appointed as chairman on 23 April 2019 by the National Assembly upon the proposal of Prime Minister of the Republic of Armenia for a five-year period.

Which posts within the organisation are political appointments?

The SCPEC RA is an autonomous body. There are no political appointments within the SCPEC RA.

What is the agency's annual budget?

The annual budget for 2019 is 393.5 million Armenian dram.

How many staff are employed by the agency?

There are currently 76 employees, including seven members of the SCPEC RA and 47 civil servants.

To whom does the head of agency report?

The SCPEC RA is an autonomous body and is independent from other state bodies in performing the tasks and functions provided under the Law On Protection of Economic Competition (the Law). Each year, the SCPEC RA publishes its annual programme of activities for the coming year in the National Assembly by 1 October. It also publishes a report on the previous year's activity by 1 May.

Do any industry-specific regulators have competition powers?

The SCPEC RA is the only authority in charge of enforcing the Law.

If so, how do these relate to your role?

The State Commission for the Protection of Economic Competition of the Republic of Armenia performs the functions of economic competition with regard to persons regulated or supervised by the Central Bank of the Republic of Armenia, as well as with regard to persons operating in the regulated sector of public services based on the principle of cooperation with the Central Bank of the Republic of Armenia and Public Services Regulatory Commission of the Republic of Armenia (the Regulatory Bodies). The Regulatory Bodies shall – before the adoption of secondary legal acts on the prevention of abuse of dominant position, anticompetitive agreements and concentrations – submit them to the SCPEC RA for an opinion. The SCPEC RA shall refrain from making any intervention related to an issue raised with regard to economic competition where the Regulatory Bodies reasonably inform the commission that the given issue is reserved, based on the objectives of regulation prescribed by Law, to the Regulatory Bodies and that the Regulatory Bodies perform functions prescribed by Law. The Regulatory Bodies shall, while undertaking measures and within the scopes prescribed by Law, provide the SCPEC RA with the opportunity of expressing its position. The Regulatory Bodies shall mandatorily address all the issues raised and positions expressed by the SCPEC RA, by providing justifications for the acceptance or non-acceptance thereof.

The Regulatory Bodies shall mention the position of the SCPEC RA in their final opinion or decision and – in the case of rejecting the position of the commission – the justifications thereon. Where the SCPEC RA finds that the information provided by the Public Services Regulatory Commission is not justified, it may apply to the Prime Minister by filing a motion for including the given issue in the agenda of the regular sitting of the government. In the case provided for by this part, the government shall, by adoption of an individual legal act, determine the competent body performing the functions of economic competition related to the issue raised with regard to the economic competition.

The Public Services Regulatory Commission is authorised to develop guidelines, in consultation with the SCPEC RA, with respect to the types of anticompetitive practices to which the competitive safeguard rules apply and procedures for determining whether or not to impose competitive safeguards in relation to such practice.

The SCPEC RA and the Public Services Regulatory Commission have signed a memorandum of understanding for closer cooperation and exchange of information on issues of common interests. The SCPEC RA has also entered into a memorandum of understanding with the Central Bank of Armenia in the financial sector and the Ministry of Finance in the field of public procurement, as well as with the police on cooperation and information sharing.

May politicians overrule or disregard authority's decisions? If they have ever exercised this right, describe the most recent example.

No. The Minister of Economic Development and Investments deals with the creation of economic policy in Armenia. The SCPEC RA is independent in its decision-making and politicians do not have a legal right to overrule or disregard the SCPEC RA decisions.

It should be noted that article 16.1 of the Law prohibits state officials provision of prohibited state aid and article 16.3 prohibits anticompetitive activities of state bodies and their officials, including acts adopted by bodies that restrict, prevent or prohibit competition. Besides this, due to the latest legislative amendments, the Code 'On Administrative Offences' concerns administrative responsibility measures (including fines) for state officials who violate respective provisions of competition law.

Does the law allow non-competition aims to be considered when taking decision?

No. The Law does not provide for non-competition aims to be considered by the SCPEC RA in the decision-making process. The purpose of this Law is to protect and encourage free economic competition, ensure appropriate environment for fair competition, promote development of entrepreneurship and protect consumers' rights.

Which body hears appeals against agency's decisions?

Decisions of the SCPEC RA may be appealed against through administrative procedure within a period of 10 days following its entry into force. Decisions of the SCPEC RA may be appealed in the court following disagreement with the results of discussion of administrative appeal: within one month from the moment of adoption of a decision on appeal or, in case of not filing an administrative appeal, within one month following the effective date of the SCPEC RA decision.

The decisions of the Administrative Court are subject to review by the Court of Appeal (Administrative Appeal Court). Based on the complaint, in cases and orders stipulated by Administrative Procedure Code, the Administrative Appeal Court reviews judicial acts deciding the case on merits and interim judicial acts of Administrative Court that have not come into legal force. In the same way, the decisions of the Administrative Appeal Court are subject to review by the Court of Cassation in cases and order stipulated by Administrative Procedure Code.

Is there any form of judicial review beyond that mentioned above? If so, which body conducts this? Has any competition decision by the agency been overturned?

No.

Has the authority ever blocked a proposed merger? If yes, please provide the most recent instances.

Yes. The economic entities applied to the SCPEC RA for concentration permission. The SCPEC RA started administrative proceedings based on this application. One of the economic entities refused to submit information to the SCPEC RA, which was necessary to assess the permission of the concentration.

For this reason, the SCPEC RA rejected the concerned concentration.

Has the authority ever imposed conditions on a proposed merger? If yes, please provide the most recent instances.

Yes. The SCPEC RA imposed conditions on a proposed concentration for two cases.

In the first instance, the SCPEC RA allowed the concentration while imposing the following conditions:

- a physical person cannot exercise the powers of the executive body of company or otherwise participate in the work of the executive body; and
- the economic activity of the company must be independent of the company.

Regarding the second case, the SCPEC RA allowed the concentration but imposed the condition that the company should refrain from the use of discriminatory conditions (in the case of other equal conditions) to economic entities acting in laying hen, chicks and incubation egg product markets as well as in other markets affiliated with those markets.

Meanwhile, according to article 10 of the Law:

- concentration subject to declaration shall be permitted or prohibited upon the decision of the SCPEC RA, which may also contain conditions and obligations binding for a participants of the concentration;
- while assessing concentration subject to declaration, the SCPEC RA shall take into consideration the circumstances impeding economic competition, including leading to or strengthening a dominant position or deteriorating competitive conditions;
- the SCPEC RA shall also permit concentration subject to declaration, where the economic entity proves that competitive conditions shall be ensured in the commodity market as a result of the given concentration;
- it shall be prohibited to put the concentration subject to declaration into effect:
 - before rendering of a decision by the SCPEC RA (undeclared concentration); or
 - in case a decision on prohibition of concentration is rendered by the SCPEC RA (prohibited concentration); and
- a concentration prohibited upon the decision of the SCPEC RA and put into effect shall be subject to liquidation (rescission, termination) upon the decision of the SCPEC RA, as prescribed by the legislation.

Has the authority conducted a Phase II investigation in any of its merger filings? If yes, please provide the most recent instances.

No. According to SCPEC RA Decision N 478-N, 16 December 2016, 'On Defining the value (amount) of the assets and profit(s) of the participants(s) of concentration subject to declaration, on the procedure for declaration of the concentration of economic entities and on the form of the declaration' and according to the Law of the Republic of Armenia 'On Protection of Economic Competition', a unified one-phase investigation applied for all type of concentrations.

Has the authority ever pursued a company based outside your jurisdiction for a cartel offence? If yes, please provide the most recent instances.
No.

Do you operate an immunity and leniency programme? Whom should potential applicants contact? What discounts are available to companies that cooperate with cartel investigations?

The concept of leniency was introduced in amendments to the Law, which entered into force in April 2011. The SCPEC RA may adopt a decision not to apply a liability measure with respect to an economic entity if the economic entity, prior to the instigation of an administrative proceeding by the SCPEC RA in connection to the given agreement, is the first to apply on its own initiative to the SCPEC RA, as prescribed by law, and voluntarily undertakes a commitment to terminate its participation in that anticompetitive agreement and exclude such in the future, simultaneously submitting such evidence regarding that anticompetitive agreement that, in the opinion of the SCPEC RA, is sufficient grounds for instigating an administrative proceeding in connection to the given anticompetitive agreement.

There has been no specific case on leniency up to now.

The absence of dawn raids competence does not allow SCPEC RA to obtain direct and strong evidences and thus establish many cartel cases. For this reason, there are few cases on anticompetitive agreements (including cartels) which in its turn resulted in having no opportunity for applying leniency.

Is there a criminal enforcement track? If so, who is responsible for it? Does the authority conduct criminal investigations and prosecutions for cartel activity? If not, is there another authority in the country that does?

Criminal enforcement is not a subject of the Law. There is no reference to any other laws. However, according to the article 195 (on illegal anticompetitive activity) of the Criminal Code of the Republic of Armenia:

- the establishment and maintaining of illegal artificially high or low monopolistic prices, as well as restriction of competition by prior agreement or by coordinated actions, in order to divide the market by territorial principle, to restrict the penetration into the market, to force other economic subjects out of the market, or to establish and maintain discriminative prices, is punished with a fine in the amount of 500 to 1000 minimal salaries (500,000 to 1 million Armenian drams), or with arrest for the term of two to three months, or with imprisonment for the term of up to three years.
- The same action committed by violence or threat of violence, by damaging or destruction of somebody's property, or by threat of damaging, by abuse of official position or by an organised group, is punished with imprisonment for the term of three to eight years, with or without property confiscation.

The responsible authorities are the police and the Prosecutor General's Office.

Are there any plans to reform the competition law?

The Law was amended on 23 March 2018 and the following amendments and supplements have been included in the mentioned amendments:

- harmonising the Law with international standards;
- ensuring a unified approach as regards sanctions by introducing a margin of discretion for setting all fines;
- increasing the effectiveness of control over the procurement processes;
- imposing personal administrative responsibility measures for state officials and for officials of economic entities for violation of competition law;
- clarifying and supplementing elements of manifestation of abuse of dominant position, unfair competition and anticompetitive agreements;
- correcting issues and filling gaps that were revealed during administrative complaints and court procedures; and
- aligning the Law to the new Constitution (2015).

When did the last review of the law occur?

See previous answer.

Do you have a separate economics team? If so, please give details.

The SCPEC RA does not have a separate economics unit. The economists who are part of the staff work jointly with the lawyers in each case. There is an Analysis and Competition Assessment Department that is responsible for carrying out general economic research.

Has the authority conducted a dawn raid?

No, because the SCPEC RA does not have competence to conduct dawn raids.

Has the authority imposed penalties on officers or directors of companies for offences committed by the company? If yes, please provide the most recent instances.

No. In this regard, it is worth stating that only in 2018, due to relevant legislative amendments, did the SCPEC RA gain competence for imposing fines on officers or directors of companies for violation of competition law.

What are the pre-merger notification thresholds, if any, for the buyer and seller involved in a merger?

According to the Law, there is no pre-merger notification procedure; however, for merger notification, the SCPEC RA issued a decision N478-N dated 16 December 2016 'On defining the value (amount) of the assets and profit(s) of the participants(s) of concentration subject to declaration, on the procedure for declaration of the concentration of economic entities and on the form of the declaration'.

Concentrations of economic entities, prior to being put into action, shall be subject to declaration where:

- the total value of the assets of the participants of the horizontal concentration in the fiscal year preceding the transaction amounted to at least 1.5 billion drams or the value of assets for at least one of the participants amounted to at least 1 billion drams in the fiscal year preceding the transaction;
- the total amount of profits of the participants of the horizontal concentration in the fiscal year preceding the transaction amounted to at least 3 billion drams or the amount of the profit for at least one of the participants amounted to at least 2 billion drams in the fiscal year preceding the transaction;
- the total value of the assets of the participants of the vertical or mixed concentration in the fiscal year preceding the transaction amounted to at least 3 billion drams or the amount of the assets for at least one of the participants amounted to at least 2 billion drams in the fiscal year preceding the transaction; and
- the total amount of profits of the participants of the vertical or mixed concentration in the fiscal year preceding the transaction amounted at least to 4 billion drams or the amount of the profit for at least one of the participants amounted to at least 3 billion drams in the fiscal year preceding the transaction.

Are there any restrictions on minority investments that involve less than a majority stake in the business?

No.

Australian Competition and Consumer Commission

GPO Box 3131, Canberra, ACT 2601, Australia

Tel: +61 2 6243 1111 / 1123

Fax: +61 2 6243 1199

www.accc.gov.au

Contacts

Richard Home

Executive General Manager,
Legal and Economic Division

Questions and answers

How many economists do you employ?

The Australian Competition and Consumer Commission (ACCC) generally employs staff with degrees in economics or law, as well as other related fields, to assist it in fulfilling its responsibility of administering the Competition and Consumer Act 2010 (formally the Trade Practices Act 1974), as well as its responsibilities under a range of additional legislation. The ACCC employs around 16 in-house specialist consulting economists. Around half focus on providing economic advice and analysis on merger, adjudication and enforcement investigations. However, the ACCC is also the sectoral regulator in a number of monopoly infrastructure areas and so others focus on assisting in that role. In recent years, all economists have also been increasingly involved in assisting on the ACCC's various market studies. The purpose of this group is to supplement the economic expertise within the ACCC's operational areas and to provide internal consultancy advice on novel, unusual or difficult problems that emerge in the ACCC's regulatory and investigative activities. External economic consultants are also engaged on complex matters, particularly when a matter proceeds to review by the Australian Competition Tribunal or to litigation.

Do you have a separate economics unit, or 'bureau'?

Yes. In September 2013, the ACCC established the Economic Group, bringing together two previously separate units: the Competition and Consumer Economic Unit; and the Regulatory Economic Unit. Combining the two into one group was undertaken to provide a greater ability to flexibly manage resources to meet the needs of the organisation and manage

workloads, and to provide more opportunities for staff development, career progression, diversity of work and peer support across the two economic areas.

Do you have a chief economist?

In December 2015, the ACCC appointed Dr Graeme Woodbridge to the role of chief economist (a newly created role). Dr Woodbridge holds a bachelor of economics (honours) from Monash University and a doctorate of philosophy (economics) from UCLA.

To whom does the chief economist report?

Richard Home, executive general manager, Legal and Economic Division.

How many of your economists have a PhD in industrial economics?

One ACCC staff member has a PhD in industrial economics. A total of 10 staff in the economics unit have PhDs in economics, with most specialising in microeconomics.

Does the agency include a specialist economist on every case team? If not, why not?

A significant proportion of ACCC staff are trained economists, so it is not necessary for specialist economists to work on each matter. The ACCC uses specialist economic advice for more complex matters.

Is the economics unit a 'second pair of eyes' during cases – it is one of the agency's checks and balances? If not, why not?

Yes. The specialist economists play an important advisory role in relation to the development of economic arguments in merger, adjudication and enforcement

cases, as well as industry regulation and market studies.

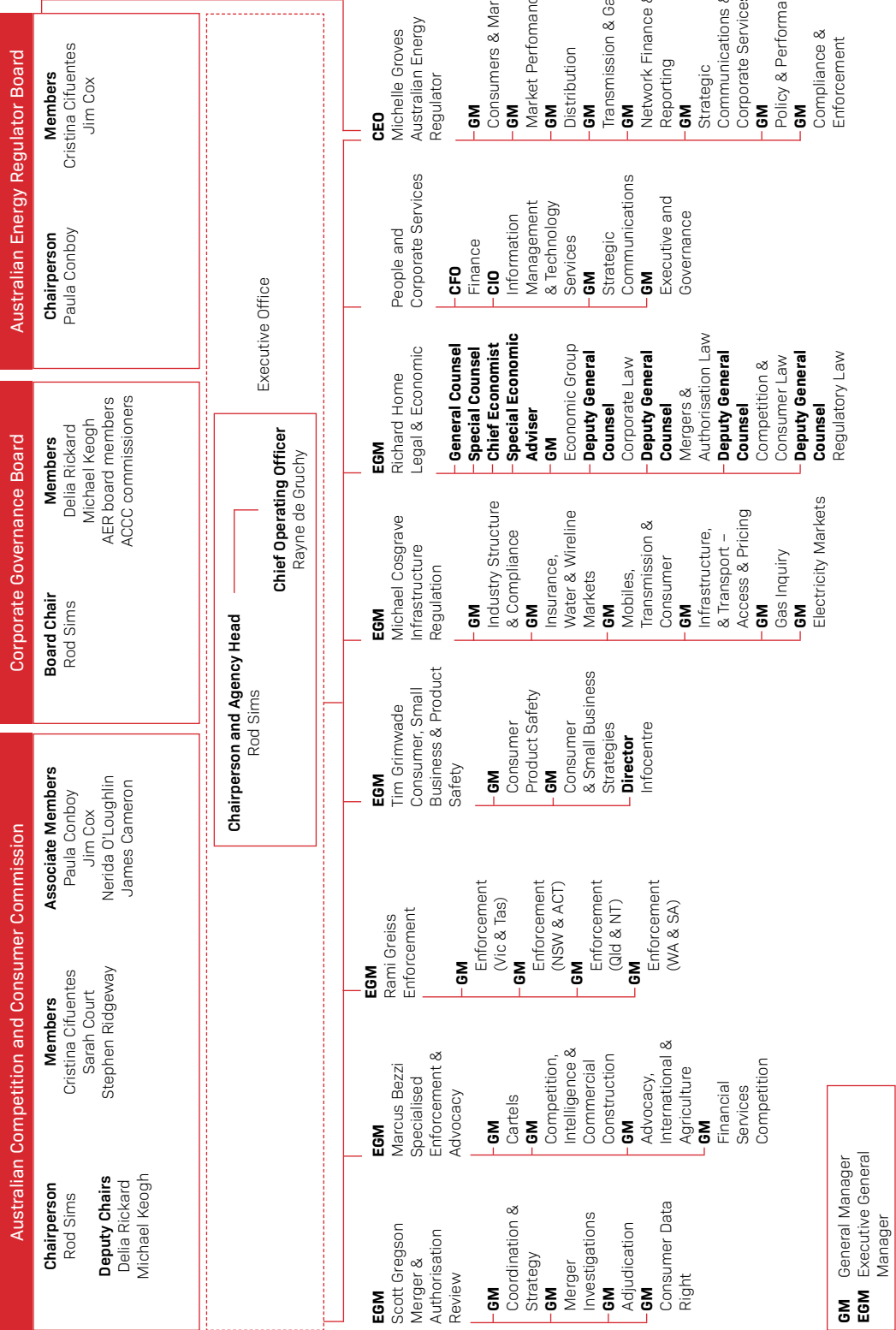
How much economics work is outsourced? What type of work is outsourced?

Work is outsourced when the project team, in consultation with the in-house economic and legal advisers and relevant ACCC or AER committee, considers it necessary. There is no particular type of work that is outsourced. It can depend on a number of factors,

including the complexity of the matters involved, the requirement for specialist knowledge on a particular issue, and the overall workloads of the Economic Group.

In proceedings before the Federal Court of Australia, external economists must be engaged where expert economic testimony is required. For expert evidence to be admissible, independence from the agency is a requirement of the Australian Federal Court rules.

Organisation chart



Austrian Federal Competition Authority

Federal Competition Authority (Bundeswettbewerbsbehörde), Radetzkystraße 2, 1030 Vienna, Austria

Tel: +43 1 245 08 0

Fax: +43 1 587 42 00

wettbewerb@bwb.gv.at

www.bwb.gv.at

Contacts

Staff

Theodor Thanner

Director General

Peter Matousek

Managing Director

Natalie Harsdorf

Deputy Managing Director

Natalie Harsdorf

Head of Legal Service

Anastasios Xeniadis

Head of Litigation

Agency

Marcus Becka

Mathias Brunner

Teresa Eckhard

Dominik Erharder

Sarah Fuerlinger

Johannes Gruber

Anton Hartl

Alexander Koprivnikar

Beatrix Krauskopf

Markus Lindner

Anna Luger

Martin Oberdanner

Gerlinde Padlewski

Kerstin Pitzl

Lisa Pötzelsberger

Stefan Ruech

Bernhard Schandel

Luca Schicho

Birgit Schoißwohl

Lisa Schwarz

Barbara Seelos

Georg Seper

Ralph Taschke

Daniela Trampert-Paparella

Sigrid Tresnak

Gunther Weber

Fabian Zimmerer

Alexandra Ivanova

Yara Hofbauer

Lukas Cavada

Justin Thanhäuser

Secretary

Bettina Edelmann

Daniela Strenn

Sandra Böhmwalder

Registry

David Holzer

Peter Lippert

Questions and answers

How many economists do you employ?

Five.

Do you have a separate economics unit, or 'bureau'?

No.

Do you have a chief economist?

No.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

Not applicable.

How many economists have a PhD in industrial economics?

Two, and another one will soon finish his PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

No. We are a small competition authority and we have only five economists. The cooperation between lawyers and economists is very flexible allowing to call in specialist economists on a case-by-case basis or whenever necessary.

How much economics work is outsourced? What type of work is outsourced?

Due to our tight budget we have to outsource parts of economics work. But in general only very little work is outsourced. The outsourced work concerns mainly project works in sector inquiries.

Azerbaijan Antimonopoly State Service

Hasan bey Zardabi Avenue, 88A, Baku, Yasamal District, Azerbaijan

Tel: +99412 4981501

office@consumer.gov.az

www.consumer.gov.az

Source: Agency website

Fair Trading Commission, Barbados

Good Hope, Green Hill, St Michael, BB12003, Barbados

Tel: +1 246 424 0260

Fax: +1 246 424 0300

www.ftc.gov.bb

Contacts



Sandra Sealy
CEO



Antonio Thompson
Director of Fair Competition

Questions and answers

How many economists do you employ?

The Fair Trading Commission, Barbados (the Commission) employs two economists.

Do you have a separate economics unit, or 'bureau'?

No, the Commission does not have a separate economics unit.

Do you have a chief economist?

Yes, the Commission has a post of chief economist.

To whom does the chief economist report?

The chief economist reports to the Director of Fair Competition in the Fair Competition Division.

Does the chief economist have the power to hire his or her own staff?

No, the chief economist does not have the power to hire his or her own staff.

How many economists have a PhD in industrial economics?

None of the economists have a PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, the Commission includes a specialist economist on every case team investigating anticompetitive conduct.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

There is no economics unit, but the economists provide the economic checks.

How much economics work is outsourced? What type of work is outsourced?

Economics work related to competition policy is not outsourced.

Belgian Competition Authority

City Atrium, Rue du Progrès, 50, 1210 Brussels, Belgium

Tel: +32 2 277 52 72

Fax: +32 2 277 53 53

www.belgiancompetition.be

Contacts



Jacques Steenberghe

President

Alexis Walckiers

Chief Economist

Questions and answers

How many economists do you employ?

Sixteen members of the Competition Authority hold a degree in economics (or commercial sciences); five have an advanced master's degree or a PhD in economics; and seven of the 20 assessors (part-time members of the decision body) hold a degree in economics.

Do you have a separate economics unit, or 'bureau'?

There is a separate chief economist team composed of the chief economist, the deputy and three colleagues who hold a PhD in applied microeconomics. They regularly meet with the other economists in their investigation team, who are not otherwise member of a separate team.

Do you have a chief economist?

Yes. Alexis Walckiers holds a PhD in economics from the Université libre de Bruxelles. He has published several papers in economic journals, including the *Journal of the European Economic Association* and the *International Journal of Industrial Organization*.

He previously worked for Oxera, an economic consultancy, and is a visiting professor at the Université libre de Bruxelles, where he teaches microeconomics.

To whom does the chief economist report?

The chief economist is a member of the board of the Competition Authority. He is appointed for a mandate of six years, together with the three other members of the board.

Does the chief economist have the power to hire his or her own staff?

The board of the Competition Authority appoints staff. As one of the members of the board, the chief economist participates in all hiring decisions. The selection committee for the last recruitment was composed of a professional recruiter, a member of the chief economist team and professors of economics at the University of Antwerp and at the Université libre de Bruxelles.

How many of your economists have a PhD in industrial economics?

Four permanent members of staff and three assessors (part-time members of the decision body).

Does the agency include a specialist economist on every case team? If not, why not?

The chief economist must be consulted by the prosecutor general before opening a case; he can be consulted in the investigation phase. He also attends the hearings and has a right to be heard by the Competition College (a decision body). At least one economist is included in all case teams for complex mergers, and infringement cases.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Formal cases are investigated by competition prosecutors (some of whom are economists) under

the authority of the prosecutor general. Economists are therefore part of the 'first pair of eyes'. In most complex cases, the chief economist's team is asked to contribute directly to the investigation.

At the end of the investigation, the competition prosecutor draws up and submits a report to the Competition College.

The chief economist attends the hearings and has a right to be heard by the College. Seven part-time members of the colleges are economists.

How much economics work is outsourced? What type of work is outsourced?

We make a distinction between 'upstream' studies to support our proactive policy and 'downstream' studies in pending cases.

Upstream studies are outsourced to the Market Monitoring Unit of the Department of Economic Affairs or the Price Observatory whenever possible.

Economic research in formal cases is in principle done in-house, but prosecutors have in the past involved external economists.

Competition Council of Bosnia and Herzegovina

Dubrovačka 6, 71 000 Sarajevo, Bosnia and Herzegovina

Tel: +387 33 251 406

Fax: +387 33 251 408

www.bihkonk.gov.ba

Contacts

Arijana Regoda-Dražić

President of the Council

arijana.regodadrazic@bihkonk.gov.ba

Ivo Jerkić

Member of the Council

ivo.jerkic@bihkonk.gov.ba

Adisa Begić

Member of the Council

adisa.begic@bihkonk.gov.ba

Amir Karalić

Member of the Council

amir.karalic@bihkonk.gov.ba

Stjepo Pranjić

Member of the Council

stjepo.pranjic@bihkonk.gov.ba

Nebojša Popić

Member of the Council

nebojsa.popic@bihkonk.gov.ba

Administrative Council for Economic Defense

SEPN Entrepraça 515 Conjunto D, Lote 4, Edifício Carlos Taurisano, CEP: 70770-504, Brasília, Brazil
 international@cade.gov.br
 www.cade.gov.br

Contacts



Alexandre Barreto de Souza
 President
 gab.presidencia@cade.gov.br



Alexandre Cordeiro Macedo
 General Superintendent
 alexandre.cordeiro@cade.gov.br



Guilherme Mendes Resende
 Chief Economist
 guilherme.resende@cade.gov.br

Overview

The Brazilian Competition Defense System (SBDC) is comprised of two agencies: the Administrative Council for Economic Defense (CADE), in charge of antitrust enforcement and competition advocacy, and the Secretariat of Competition Advocacy and Competitiveness (SEAE), which shares with CADE the role of advocacy initiatives.

CADE is the Brazilian competition authority responsible for the investigation of violations against the economic order and for the analysis of mergers. Its competences are stated in Law 12,529/2011 that came into force in May 2012. The authority is currently divided into three main bodies: the General Superintendence, the Administrative Tribunal and the Department of Economic Studies. The former is headed by a general superintendent with the support of two deputies, one of them responsible for merger cases and unilateral conduct and the other one responsible for cartel investigations. This body may approve mergers that do not raise competitive concerns and also give its non-binding opinion to CADE's Tribunal on those cases that have the potential to harm competition. Further, the General Superintendence also conducts investigations associated with anticompetitive practices.

The Administrative Tribunal, in turn, is composed of a president and six commissioners in charge of:

- judging administrative proceedings of anticompetitive conducts;
- judging merger cases in which the General Superintendence has imposed remedies or the merger disapproval;
- claiming and judging merger cases approved by the General Superintendence without conditions;
- analysing and judging cases in which there was a third-party appeal against the General Superintendence's decision;
- approving cease and desist agreements;
- appreciating preventive measures adopted by the reporting commissioner or by the General Superintendence; and
- elaborating and approving CADE's internal regulation which organises the competition authority's functioning.

Finally, the Department of Economic Studies is headed by a chief economist and a deputy chief economist and is also an important body within CADE's structure, being responsible for:

- advising the General Superintendence and the Administrative Tribunal on the instructions and economic analysis of administrative proceedings related to mergers and anticompetitive practices;
- undertaking economic studies to ensure that CADE's decisions are taken on the basis of the most advanced economic techniques;
- conducting sectorial studies in order to keep CADE updated on the evolution of the competitive dynamics of certain markets;

- proposing and elaborating guides for different proceedings analysed by the Brazilian competition authority; and
- publishing some of its own technical studies related to competition defence.

Questions and answers

How many economists do you employ?

There are 29 employees on CADE's staff that hold a degree or postgraduate degree in economics.

Do you have a separate economics unit?

Yes. The Department of Economic Studies (DEE) was created in 2009 with the purpose of advising the Presidency and the Plenary of CADE. With the enactment of Law 12,529/2011, the DEE was formalised as part of CADE's structure, along with its Administrative Tribunal and General Superintendence. As mentioned before, both the Administrative Tribunal and the General Superintendence rely on the DEE's advice, to ensure the accuracy of decisions rendered by the authority with economic principles and to keep them updated with the most recent economic techniques applied in competition analysis. The DEE also has a role on competition advocacy within the authority, as it conducts market studies on competition issues in different economic sectors and promotes seminars to the internal and external public regarding competition policy and commercial defence.

Do you have a chief economist?

Dr Guilherme Mendes Resende is CADE's chief economist. Dr Resende has been the head of the DEE since June 2016 and he has a PhD in regional economics from the London School of Economics and Political Science. He also holds a master's degree in economics from the Federal University of Minas Gerais and a bachelor's degree in economics, law and business administration. Since 2004, Dr Guilherme is a researcher from the Institute for Applied Economic Research (IPEA) and has extensive experience on competition policy, policy evaluation and regional economics.

The deputy chief economist is Patrícia Alessandra Morita Sakowski. Ms Sakowski is the deputy head of the DEE since September 2016 and holds a master's degree in economics from Hitotsubashi University and a bachelor's degree in economics from the University of São Paulo. She is also a researcher from the Institute for Applied Economic Research (IPEA) and has experience on competition policy, policy evaluation and complex systems.

To whom does the chief economist report?

The chief economist reports to CADE's president and to the general superintendent.

Does the chief economist have the power to hire his or her own staff?

The staff at the DEE is mainly composed of Brazilian civil servants recruited through public tenders (ie, they have to take public exams in order to join the public service). The chief and deputy chief economists can recruit these civil servants from the Public Administration to join the DEE's team. The department also has some positions of trust to be filled in either by civil servants or non-civil servants and some consultants hired to specific and specialised projects through a project of technical cooperation with the United Nations Development Program (UNDP).

How many economists have a PhD in industrial economics?

CADE has two economists who hold a PhD in economics.

Does the agency include a specialist economist on every case team? If not, why not?

Not as a rule. In general, a specialist economist from the DEE is appointed to assist the case team if required by the General Superintendence or the Administrative Tribunal, depending on the complexity level of the case and data analysed. Moreover, the department provides complex and sophisticated analysis by its own initiative, such as market studies, opinions and consultancy papers, which expedites the case team analyses. In addition, there are other economists integrating CADE's staff that are not directly linked to the DEE.

Most of the studies elaborated by the DEE are available at CADE's website: www.cade.gov.br.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

In some ways. CADE's DEE gives assistance on many economic issues and therefore might influence the investigation or case strategy, as well as preliminary conclusions. On the other hand, the DEE is not an

autonomous body within CADE. According to article 18 of Law No 12,529/2011, the chief economist will be appointed jointly by the general superintendent and the president of the Tribunal, among Brazilians of unblemished reputation and outstanding knowledge in economics.

How much economics work is outsourced? What type of work is outsourced?

The outsourcing of the DEE's activities happens in specific occasions. First, CADE has general and specific agreements with other institutions. For instance, CADE established a technical cooperation agreement with the Institute of Applied Economic Research, aiming at developing joint initiatives, such as studies and reports about mergers, unilateral conducts, ex post evaluations and mechanisms for the detection and identification of bid-rigging.

Moreover, the DEE hires consultants to work in specific and specialised projects, usually economists, but also statisticians and IT specialists, through a project of technical cooperation with the United Nations Development Program (UNDP). These consultants work on a range of competition issues, with the coordination and oversight of the DEE staff, who are responsible for selecting the themes and preparing the tenders. The projects relate to several topics such as ex post evaluation of cartel damages, remedies guidelines, competition impacts of antidumping measures, ex post evaluation of merger decisions, theoretical and empirical literature review of industrial organisation and competition economics, elaboration of competition indicators and statistics, application of machine learning and artificial intelligence in competition policy, among others. Usually, consultants are university professors, PhDs or PhD students.

Bulgarian Commission on Protection of Competition

18 Vitosha Blvd, 1000 Sofia, Bulgaria

cpcadmin@cpc.bg

Tel: +359 2 935 61 13

Fax: +359 2 980 73 15

www.cpc.bg

Questions and answers

How many economists do you employ?

The Bulgarian Commission on Protection of Competition (CPC) employs 14 economists who work in specialised directorates.

Do you have a separate economics unit, or 'bureau'?

No.

Do you have a chief economist?

No.

To whom does the chief economist report?

Not applicable.

How many economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

Every case team includes at least one economist.

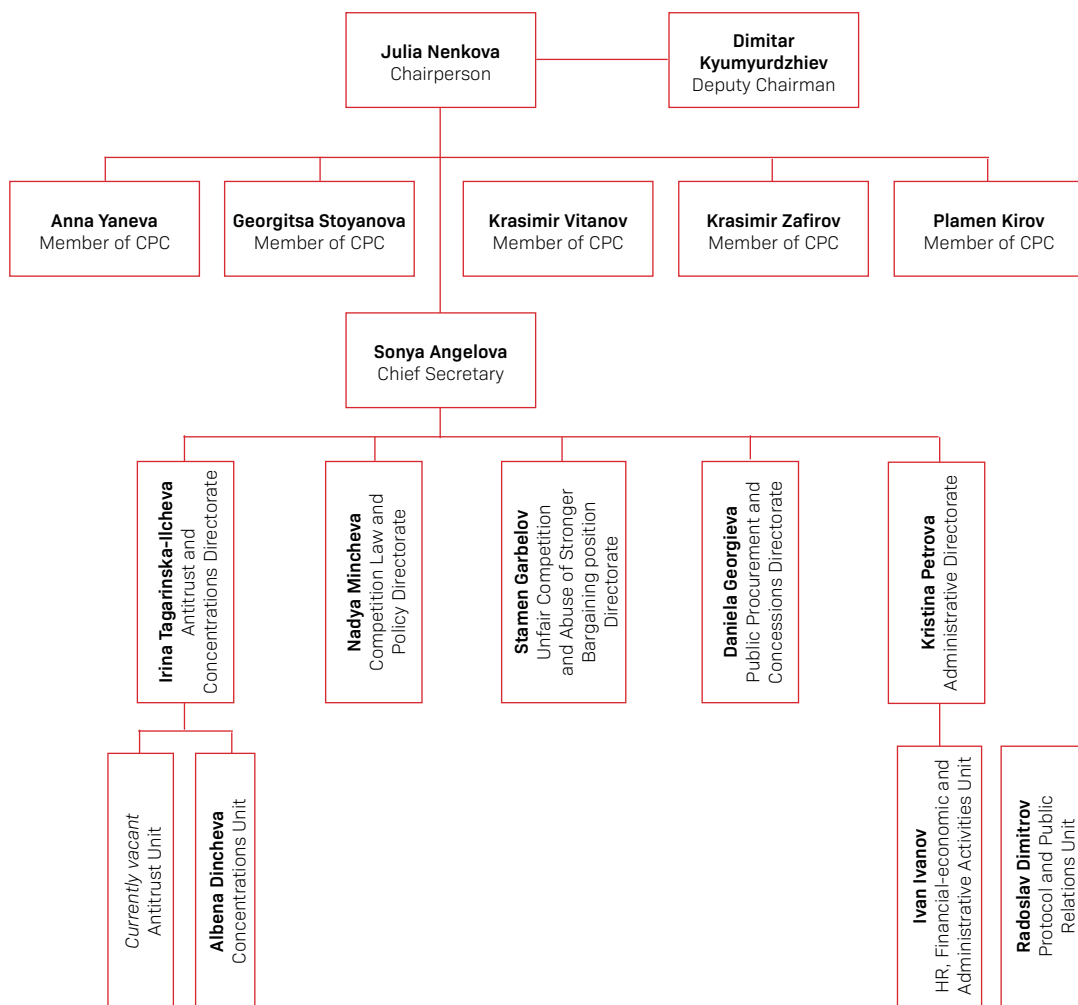
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The Antitrust and Concentrations Directorate conducts these types of analyses in the cases while the draft decisions on cases are consulted with the Competition Law and Policy Directorate, and when the economic analysis is of significant importance for the case the economists from this directorate are also included in the consultation process.

How much economic work is outsourced? What type of work is outsourced?

In accordance with article 53 of the Law on Protection of Competition, if, in order to clarify any aspects related to the proceedings, the CPC needs special expertise, it may, upon request of the parties or on its own initiative, by a ruling appoint the expertise to an external expert. Such expertise is used when necessary, but most often for calculation of the cost of a product or a service to determine whether there is predatory pricing or infringement of the unfair competition prohibition against sale to the domestic market of significant quantities of goods over an extended period of time at prices lower than the cost of their production and marketing, with the purpose of unfairly soliciting clients.

Organisation chart



Competition Bureau

50 Victoria Street, Gatineau, Quebec, K1A 0C9, Canada

Tel: +1 819 997 4282

Fax: +1 819 997 0324

www.competitionbureau.gc.ca

Contacts



Matthew Boswell

Commissioner of Competition



Vicky Eatrvides

Senior Deputy Commissioner,
Cartels and Deceptive Marketing
Practices Branch



Jeanne Pratt

Senior Deputy Commissioner,
Mergers and Monopolistic
Practices Branch

Anthony Durocher

Deputy Commissioner,
Competition Promotion Branch

Ellen Creighton

Assistant Deputy Commissioner,
International Affairs Directorate

Paul Johnson

TD MacDonald Chair in Industrial
Economics, Economic Analysis
Directorate

Questions and answers

How many economists do you employ?

Competition staff generally fill investigative and advocacy roles rather than economist and lawyer roles. The Competition Bureau (Bureau) hires employees from a diverse range of backgrounds, including individuals who have studied in economics and law. Specific information related to employees' university degrees is no longer tracked. Details on employees' roles are, however, available and are as follows.

- estimate:
 - 148 competition law officers and executives.
- known:
 - 23 lawyers (Public Prosecution Service of Canada (PPSC) and the Department of Justice); and
 - nine economists (Economic Analysis Directorate)

Do you have a separate economics unit?

Yes. The Economic Analysis Directorate is composed of staff who often hold PhD degrees in economics.

The Economic Analysis Directorate provides economic support and analysis to the Bureau's enforcement investigations. The majority of the Economic Analysis Directorate's analysis is related to merger and civil matter investigations. In order to obtain a remedy from the Competition Tribunal in these cases, the Bureau must demonstrate that a transaction or conduct would substantially lessen or prevent competition, or adversely affect competition. Typically, the Economic Analysis Directorate's economic analysis is focused on issues such as identifying economic theories of harm, defining relevant product and geographic markets, quantifying competitive effects and evaluating barriers to entry.

Economists in the Economic Analysis Directorate are also involved in criminal investigations or matters involving consumer protection issues. In these cases, economists may assist in the setting of fines, determining the effects of an international cartel in Canada or using behavioural economics to demonstrate potential consumer harm.

In addition to enforcement work, economists in the Economic Analysis Directorate are involved in the Bureau's advocacy initiatives. This work often involves participating in studies of competition issues in industries of importance to the economy, assessing emerging competition issues and their potential effect on competition enforcement or participating in regulatory proceedings in order to make recommendations to regulators or policymakers on the means by which they could undertake to improve competition.

The Bureau also co-chairs the International Competition Network's Agency Effectiveness Working Group, with a particular emphasis on bringing together economists from agencies around the world to share knowledge and best practices in important areas of competition law enforcement.

Do you have a chief economist?

Yes, the Bureau has a chief economist, who holds the TD MacDonald Chair in Industrial Economics. The chief economist provides the Bureau with advice on economic matters relating to competition policy and participates in the economic analysis of significant Bureau enforcement and advocacy matters.

The Bureau's chief economist is Dr Paul Johnson, who joined the Bureau via the government of Canada's Interchange Program in August 2016. The Bureau is in the process of searching for the next chief economist. Dr Johnson holds a PhD in economics from the University of Montreal and is fluently bilingual. He is from Washington, DC, where he is a partner at Bates White Economic Consulting. He has extensive expertise in applied econometrics and nearly 15 years of experience working on civil antitrust litigation and high-profile mergers before United States and European antitrust agencies, covering a wide range of industries. Dr Johnson's work has been published in peer-reviewed journals on topics including merger analysis, class certification and applied econometrics.

To whom does the chief economist report?

The chief economist reports to the commissioner.

Does the chief economist have the power to hire his or her own staff?

The chief economist does not have the power to hire his or her own staff. The chief economist consults with the associate deputy commissioner of the Economic Analysis Directorate for his or her staffing and resource needs.

How many of your economists have a PhD in Industrial Economics?

Five of the nine economists within the Economic Analysis Directorate have PhDs, including the Bureau's chief economist.

Does the agency include a specialist economist on every case team? If not, why not?

No. Economists in the Economic Analysis Directorate are typically involved in investigations that require the Bureau to demonstrate that the business conduct under review has, or is likely to have, an impact on competition (eg, civil reviewable matters and mergers). Furthermore, these economists typically do not become involved in investigations where, at the outset, Bureau investigating officers find little reason to believe that the business conduct could result in or is resulting in a competitive concern. However, a large number of competition law officers with graduate-level economics degrees are employed by the Bureau's enforcement branches. These competition law officers are typically involved as team leaders or primary officers in most investigations.

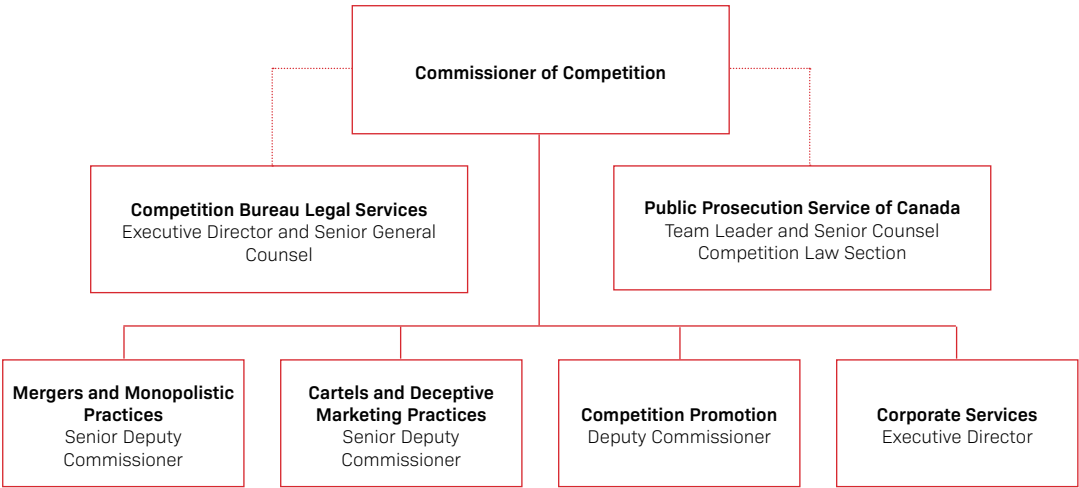
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes, the Economic Analysis Directorate is often involved in the analysis of complex files. The economists work alongside the investigative team, and their views are an important factor in major decisions. The TD MacDonald Chair frequently provides independent advice directly to the Commissioner and senior executives.

How much economics work is outsourced? What type of work is outsourced?

The Bureau frequently hires an external expert on matters where it appears likely there could be material competition issues requiring specific expertise, testimony in front of a court, or both. With respect to the balancing test under section 96, the Supreme Court of Canada's decision in *Tervita Corp v Canada (Commissioner of Competition)* has increased the Bureau's burden to quantify both anticompetitive harm (dead weight loss) and merger-specific efficiencies. For this reason, the Bureau regularly consults with experts in the fields of economics, accounting, and business valuation.

Organisation chart



Channel Islands Competition and Regulatory Authorities

Suite 4, 1st Floor, Plaiderie Chambers, La Plaiderie, St Peter Port, Guernsey, GY1 1WG
Tel: +44 1481 711120

2nd Floor Salisbury House, 1-9 Union Street, St Helier, Jersey, JE2 3RF
Tel: +44 1534 514990

info@cicra.gg
www.cicra.gg

Contacts



Michael Byrne
Chief Executive
michael.byrne@cicra.gg

Questions and answers

How many economists do you employ?

The Channel Islands Competition and Regulatory Authorities (CICRA) does not have a separate economics department but a number of staff members have higher degree level economics qualifications, and their knowledge and expertise is supplemented by external specialist economic advice when appropriate.

Do you have a separate economics unit, or 'bureau'?

No. CICRA is a small agency headed by a board consisting of a chairman, two executive directors and three or four non-executive directors. There are seven staff positions in CICRA.

Do you have a chief economist?

No.

To whom does the chief economist report?

See above.

Does the chief economist have the power to hire his or her own staff?

See above.

How many economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

In-house knowledge and expertise is used whenever necessary, and supplemented by external specialist expertise when required.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

CICRA's staff provide the necessary economic input into, and analysis of, cases given that economics underpins the enforcement of the competition law and industry-specific regulation undertaken by CICRA.

How much economics work is outsourced? What type of work is outsourced?

Owing to the small size of CICRA, some specialist work is outsourced. Outsourcing occurs most often in relation to the regulatory functions of CICRA in the telecommunications industry.

Superintendence of Industry and Commerce

Carrera 13, No. 27 -00, Bogotá, DC, Colombia
www.sic.gov.co

Contacts

Cristina Rodríguez Corzo

International Affairs Coordinator

Tel: +57 587 00 00 (ext. 10630)

crodriguezco@sic.gov.co

Questions and answers

How many economists do you employ?

The Economic Studies Working Group is comprised of seven economists. The Deputy Superintendence for Competition Protection has 28 economists. The Deputy Superintendent for Competition Protection is one of them.

Do you have a separate economics unit?

Yes. The Superintendence of Industry and Commerce has a separate economics unit named the Economics Studies Working Group. The Economic Studies Working Group belongs to the Superintendent Office.

Do you have a chief economist?

Yes. Mr Jacobo Alberto Campo Robledo is the chief economist. (jcampo@sic.gov.co)

To whom does the chief economist report?

To the superintendent, Mr Andrés Barreto González.

Does the chief economist have the power to hire his or her own staff?

He has the power to hire. However, he must follow the public administration rules and procedures.

How many of your economists have a PhD in industrial economics?

We do not have any economists with a PhD.

Does the agency include a specialist economist on every case team? If not, why not?

Yes. The agency includes at least one economist in every case team.

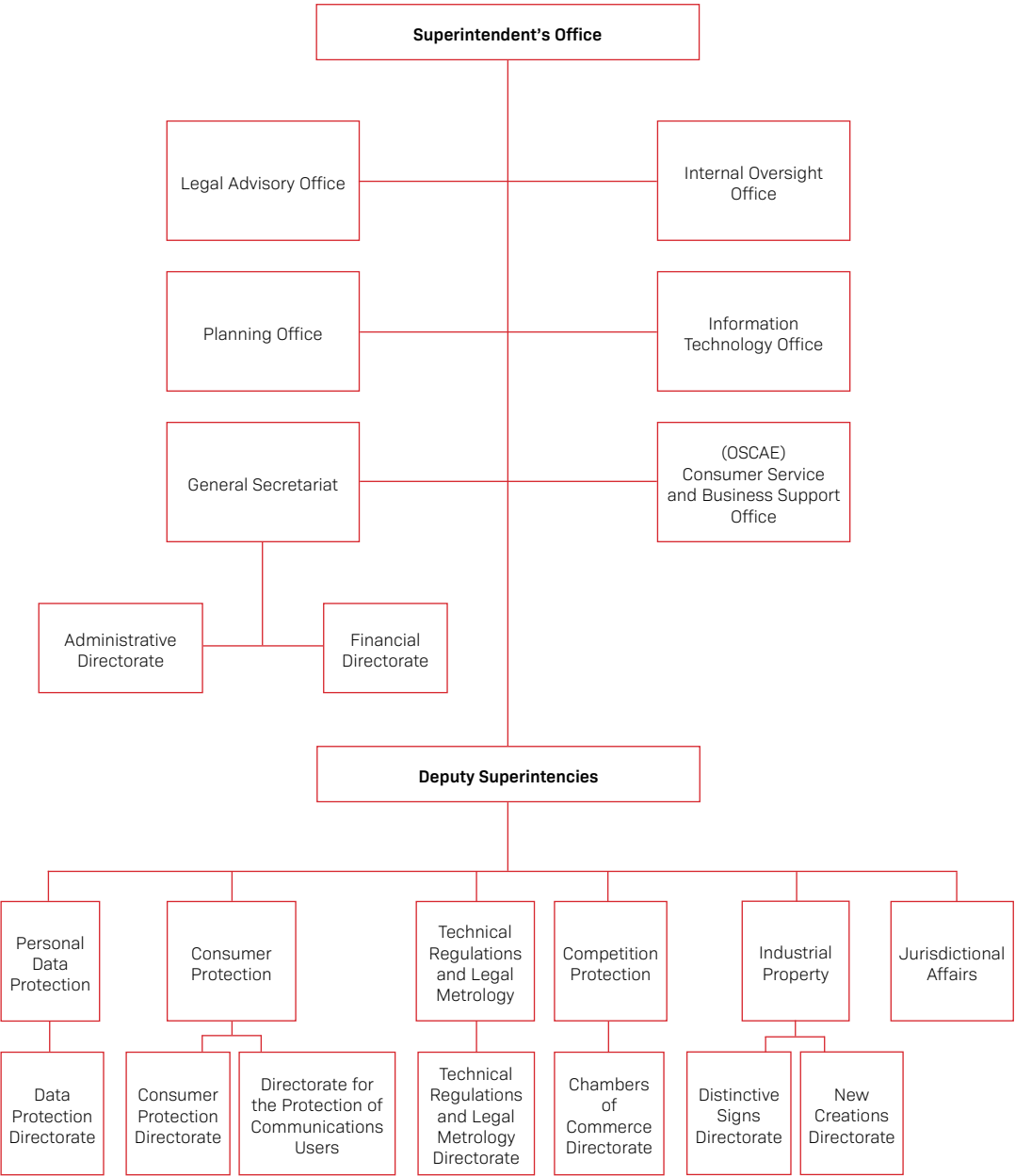
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

When considered by the deputy superintendent, the Economic Studies Working Group can revise some cases regarding economics matters. However, this is not always necessary.

How much economics work is outsourced? What type of work is outsourced?

No economic analysis is outsourced.

Organisation chart



Croatian Competition Agency

Savska cesta 41/XIV, 10 000 Zagreb, Croatia

Tel: +385 1 6176 448

Fax: +385 1 6176 450

www.aztn.hr

Contacts



Mladen Cerovac

President of the Competition Council

agencija.ztn@aztn.hr

Questions and answers

How many economists do you employ?

The Croatian Competition Agency (CCA) employs 18 economists. Each one holds a university degree in economics, of which five hold master's degrees in economics. Out of the four, two have started a doctorate study.

Do you have a separate economics unit, or 'bureau'?

Within the CCA's internal organisation is a separate economic unit, the Office of the Chief Economist.

The Office of the Chief Economist is entrusted with performing the most complex economic analyses in cases handled by the CCA, especially in proceedings involving the establishing of abuses of dominant position of undertakings on the market and the review of concentrations among undertakings on the market. It also reviews the work and economic analysis completed in other departments of the CCA in order to ensure a high-level of quality in respect of economic analysis and the improvement of overall economics work done in the departments, necessary for the preparation of cases and submission of cases to the Competition Council's sessions.

Do you have a chief economist?

Yes, Mr Ivan Ante Ivanda, who holds a master's in economic science and is a PhD student in economic science.

To whom does the chief economist report?

The chief economist reports to the Competition Council as a decision-making body of the CCA.

How many economists have a PhD in industrial economics?

Three economists are currently PhD students in economics.

Does the agency include a specialist economist on every case team? If not, why not?

On every case team there is at least one specialist economist. However, in more complex cases, there are usually two or more economists. Four economists are dedicated to the work on unfair trading practices in food supply chain, a new competence of the CCA since December 2017.

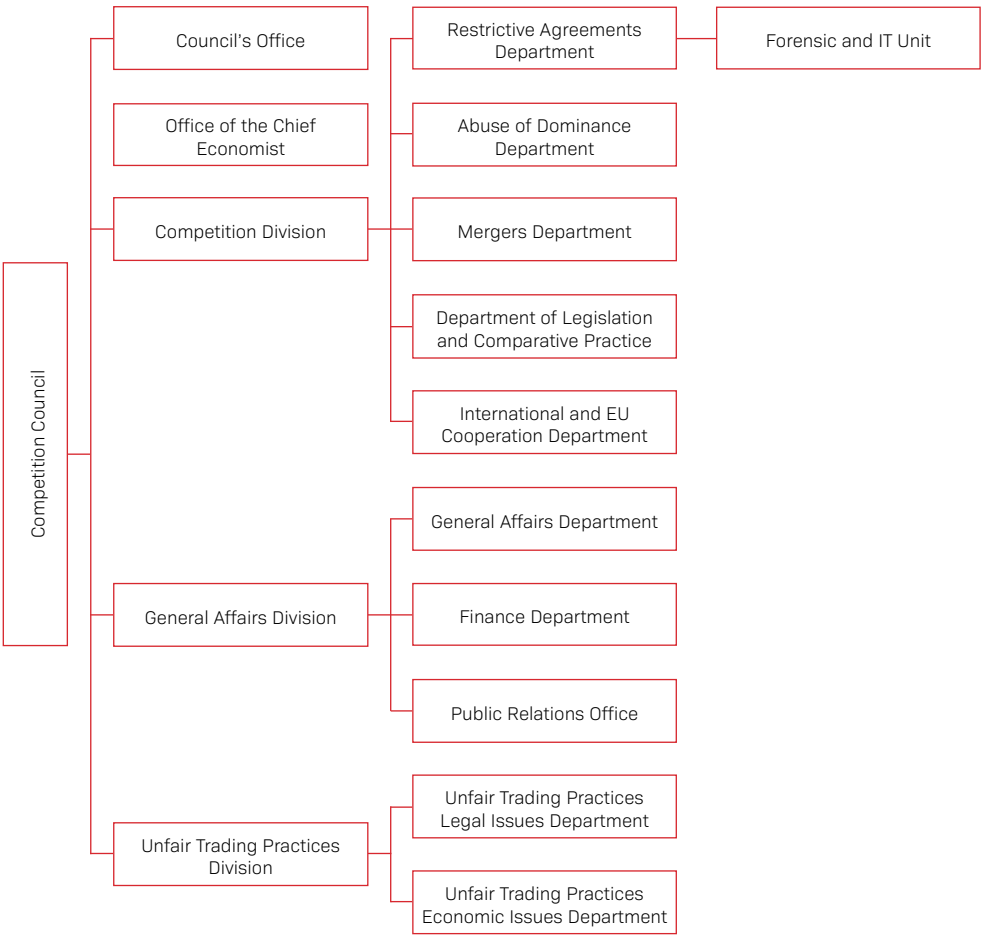
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The economics unit can be described as a 'second pair of eyes' during cases, because the most necessary inputs come from the economic analysis done during the proceedings.

How much economic work is outsourced? What type of work is outsourced?

The CCA does not outsource economic work; the workload is done by the economists employed by the CCA.

Organisation chart



Commission for the Protection of Competition

53 Strovolos Avenue, Victory Building, 2018 Strovolos, Cyprus

Tel: +357 2260 6600

Fax: +357 2230 4944

www.competition.gov.cy

Contacts

Christiana Sideri

Director

csideri@competition.gov.cy

Questions and answers

How many economists do you employ?
Eight.

Do you have a separate economics unit, or 'bureau'?

We do not have a separate economics unit.

Do you have a chief economist?
No.

To whom does the chief economist report?
Not applicable.

Does the chief economist have the power to hire his or her own staff?
Not applicable.

How many economists have a PhD in industrial economics?
None.

Does the agency include a specialist economist on every case team? If not, why not?
Yes.

Is the economics unit a 'second pair of eyes' during cases – Is it one of the agency's checks and balances? If not, why not?

The economists employed by the Commission for the Protection of Competition are part of the case handlers team and are therefore involved in the investigations. The Commission for the Protection of Competition considers the contribution of the economists in the investigation of cases to be an important part of its work.

How much economics work is outsourced? What type of work is outsourced?

The economist team's work may be supplemented by work that is outsourced on some important cases, as the need arises.

Office for the Protection of Competition

Trida Kpt. Jarose 7, 604 55 Brno, Czech Republic

Tel: +420 542 167 111

Fax: +420 542 167 112

posta@uohs.cz

www.uohs.cz/en

Contacts



Petr Rafaj

Chairman

Questions and answers

How many economists do you employ?

The Competition Division of the Office for the Protection of Competition employs 27 economists.

Do you have a separate economics unit, or 'bureau'?

Yes, the Chief Economist Unit.

Do you have a chief economist?

Yes, a chief economist is in charge of the Chief Economist Unit.

To whom does the chief economist report?

The chief economist reports to the vice chairman for competition.

Does the chief economist have the power to hire his or her own staff?

The chief economist can choose his own staff, subject to the approval of the chairman. The Act on Public Service has established certain hiring rules and professional requirements for office employees.

How many economists have a PhD in industrial economics?

Four.

Does the agency include a specialist economist on every case team? If not, why not?

In most cases yes, but it depends on the specific case (eg, cartel investigations).

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The Chief Economist Unit participates in the investigation of most cases where specific analyses need to be conducted.

How much economics work is outsourced? What type of work is outsourced?

The Office for the Protection of Competition only very occasionally outsources studies or opinions on cases to external economists.

Overview

Henrik Ballebye Okholm and Torben Thorø Pedersen
Copenhagen Economics

For the past year, the Danish Competition and Consumer Authority (DCCA) has worked on several important cases concerning both anticompetitive agreements and abuse of dominance. At the top, the DCCA applied a merger simulation in the high-profile merger between the insurance companies Tryg and Alka.

In this article, we focus on some of the most notable cases from the past year. The following trends have been identified based on interviews with the DCCA and prominent competition lawyers from the following law firms: Accura, Bech-Bruun, Holst Advokater, Bruun & Hjejle, DLA Piper, Gorrisen Federspiel, Horten, Bird & Bird, Kammeradvokaten and Plesner.

Mergers: the DCCA uses estimated merger simulation for the first time

In the most recent large merger cases, the DCCA has continued a recent practice of applying more and more sophisticated economic analyses to assess the impact of a merger.

In November 2018, Tryg's acquisition of Alka was approved by the Danish Competition Council subject to remedies. Tryg was the second largest non-life insurance firm in Denmark, whereas Alka was a smaller rival established and owned by Danish labour unions and branding itself as a low-price private non-life insurance provider. The acquisition turned Tryg into the largest non-life insurance group in Denmark.

The case is remarkable because the DCCA devoted large resources to economic analyses of the risk of price increases. As a screening, the DCCA conducted both upward price pressure analysis and indicative price rise analysis. According to the DCCA, it revealed a risk of significant price increases.

To investigate this risk further, the DCCA applied two merger models. The first was a calibrated merger model. Here the price impact of the merger was simulated based on diversion ratios (calculated from switching data) and estimated gross margins based on average prices and constructed cost allocations. The DCCA had earlier used similar model back in 2002 and 2003. However, the model has not previously been applied in the non-life insurance market where many

customers are charged an individual price and where the concept of marginal cost is non-standard. The second model was a calibrated merger model. Here the demand functions were estimated with large data set collected from the parties and the largest competitors. The DCCA had never used estimated merger model before.

The DCCA estimated a market-wise price increase just below 1 per cent, which the DCCA found, confirmed the risk of significant price increase. The conclusion was based almost solely on the results of the calibrated merger model. The reason was that the results of estimated merger model were unstable to changes in the level of data geographical aggregation.

During the hearing, Tryg argued that the estimated market-wise price increase was highly uncertain and could not be regarded as evidence of risk of a significant price increase. Tryg argued that the calibrated model was likely to suffer from the same geographical instability. Tryg also pointed to several sources of modelling uncertainty that were not captured by the sensitivity analysis.

During the case, data room access was – for the first time in Denmark – granted to the parties. This meant that, once the DCCA had performed the initial simulations, the parties' economic advisors were granted access to confidential versions of the models and the data. Within the data room, the economists had the opportunity to suggest and have alternative simulations performed. This was much appreciated by the parties and will hopefully be an opportunity in mergers in the future.

Anticompetitive agreements: multiple decisions by the Competition Council and the Appeals Tribunal

The area of anticompetitive agreements has also saw attention during the past year.

In December 2018, the Council found that two outdoor media companies had agreed to common discounts in violation of the Danish Competition Act. The case has been appealed to the Appeals Tribunal.

In September 2018, the Appeals Tribunal remitted a case regarding the Danish roofing felt market to Danish Competition Council. The Council had found

two Danish manufacturers of roofing felt and two industry associations had entered into an agreement or concerted practice with the aim to foreclose actual and potential competitors and limit product supply via an industry standard.

The Tribunal found that the Council's analysis of the economic and legal context was insufficient and that it had not demonstrated with the requisite certainty that there is a by object infringement.

As part of the case before the Tribunal, the parties presented several expert reports, including a report by Copenhagen Economics.

The DCCA has not yet made public whether they are still working on the case.

Abuse of dominance: first Danish excessive pricing case in the pharma sector

Within abuse of dominance, two cases have drawn a lot of attention the past year.

In October 2018, the large *Ørsted* case (originally the *Elsam* case) came to an end. The case regarded Ørsted's alleged excessive pricing at the Western Danish wholesale electricity market in 2005 and the

first half of 2006. In May 2018, the DCCA lost the case in the Danish High Court. Hereafter, most lawyers expected the case to go to the Supreme Court, but in October 2018, the Appeals Permission Board rejected the DCCA's appeal to the Supreme Court. This ended the case and presumably also the approximately 5 billion kroner follow-on damage case.

Another excessive pricing case in the pharma sector is, however, still pending in the court system.

In January 2018, the Competition Council found that CD Pharma had abused its dominant position by charging unfair prices for the drug Syntocinon.

The Council found that CD Pharma was dominant on the Danish market for sale of oxytocin at least from 1 April 2014 to 31 March 2015, but also from 1 April 2015 to 31 March 2016. It also found that it was an abuse of this dominance when CD Pharma increased the price on Syntocinon from approximately €6 to €127 between 28 April 2014 and 27 October 2014.

In November 2018, the Appeals Tribunal upheld the decision. CD Pharma has appealed the decision to the Maritime and Commercial Court where the case is pending.



Henrik Ballebye Okholm
Copenhagen Economics



Torben Thorø Pedersen
Copenhagen Economics

Dr Henrik Ballebye Okholm is partner at Copenhagen Economics A/S. He has a PhD in agricultural economics from The Royal Veterinary and Agricultural University from 2002. Dr Okholm is an expert in applied microeconomics, especially industrial organisation, contract theory and the economics of cooperatives.

Dr Okholm now uses his expertise on projects regarding competition and regulation. He has been project leader on several projects regarding competition and regulation in many different industries, including the postal sector, professional services, telecommunication, electricity, retailing and the food industry. He has, among others, helped the Danish Bar and Law Society and Association of Danish Law Firms with an assessment of competition and productivity in the Danish legal profession in response to regulative scrutiny.

Henrik is appointed expert assessor at the Danish Maritime and Commercial Court and is listed in *Who's Who Legal: Competition Economists*.

Torben Thorø Pedersen works as a managing economist and helps clients primarily within the fields of competition economics and electricity markets. He has extensive experience with competition economics, having worked on a broad range of competition cases, especially mergers and abuse of dominance cases.

Since 2015, Torben has been an assessor at the Danish Maritime and Commercial High Court, appointed by Dansk Industri. He has also appeared as an expert witness in arbitration cases. Prior to joining Copenhagen Economics, Torben worked for the Danish Competition Authority and for DONG Energy Bioenergy & Thermal Power.



Langebrogade 1 (entrance B3)
DK-1411 Copenhagen
Denmark
Tel: +45 2333 1810

Henrik Ballebye Okholm
hbo@copenhageneconomics.com

Torben Thorø Pedersen
tpe@copenhageneconomics.com

www.copenhageneconomics.com

Copenhagen Economics is one of the leading economic consultancies in Europe. Founded in 2000, we currently employ more than 90 people operating from our offices in Copenhagen, Stockholm, Helsinki and Brussels. Based on established research methods and in-depth sector knowledge, we help our clients make better choices in their political and commercial reality. Our senior team provides pragmatic solutions founded in economics to law firms, private companies, regulators, and policy makers all over the world. We are particularly dedicated to 12 service areas, including competition, dispute support, digital economy, intellectual property valuation and transfer pricing, and postal and delivery. *Global Competition Review* lists Copenhagen Economics among the top 20 economic consultancies in the world and has done so since 2006.

Danish Competition and Consumer Authority

Carl Jacobsens Vej 35, 2500 Valby, Denmark

Tel: +45 4171 5000

Fax: +45 4171 5100

kfst@kfst.dk

www.kfst.dk

Contacts



Jakob Hald
Director General



Jacob Schaumburg-Müller
Deputy Director General



Mette Rose Skaksen
Deputy Director General

Questions and answers

How many economists do you employ?

The Danish Competition and Consumer Authority employs 29 economists working with competition, advocacy and policy.

Do you have a separate economics unit, or 'bureau'?

Yes, the authority has a Market Analysis and Economics Division with 14 employees.

Do you have a chief economist?

Yes, however the position is currently vacant. Ann-Kathrine Ejning is acting interim chief economist.

To whom does the chief economist report?

The chief economist reports to the director general, Jakob Hald, who has the overall responsibility for the agency's economic analyses.

Does the chief economist have the power to hire his or her own staff?

No.

How many of your economists have a PhD in industrial economics?

In the Market Analysis and Economics Division there are four employees with a PhD in Economics.

Does the agency include a specialist economist on every case team? If not, why not?

Usually an economist is included in each case team – either an officer with an economics degree from the relevant division or from the economics unit.

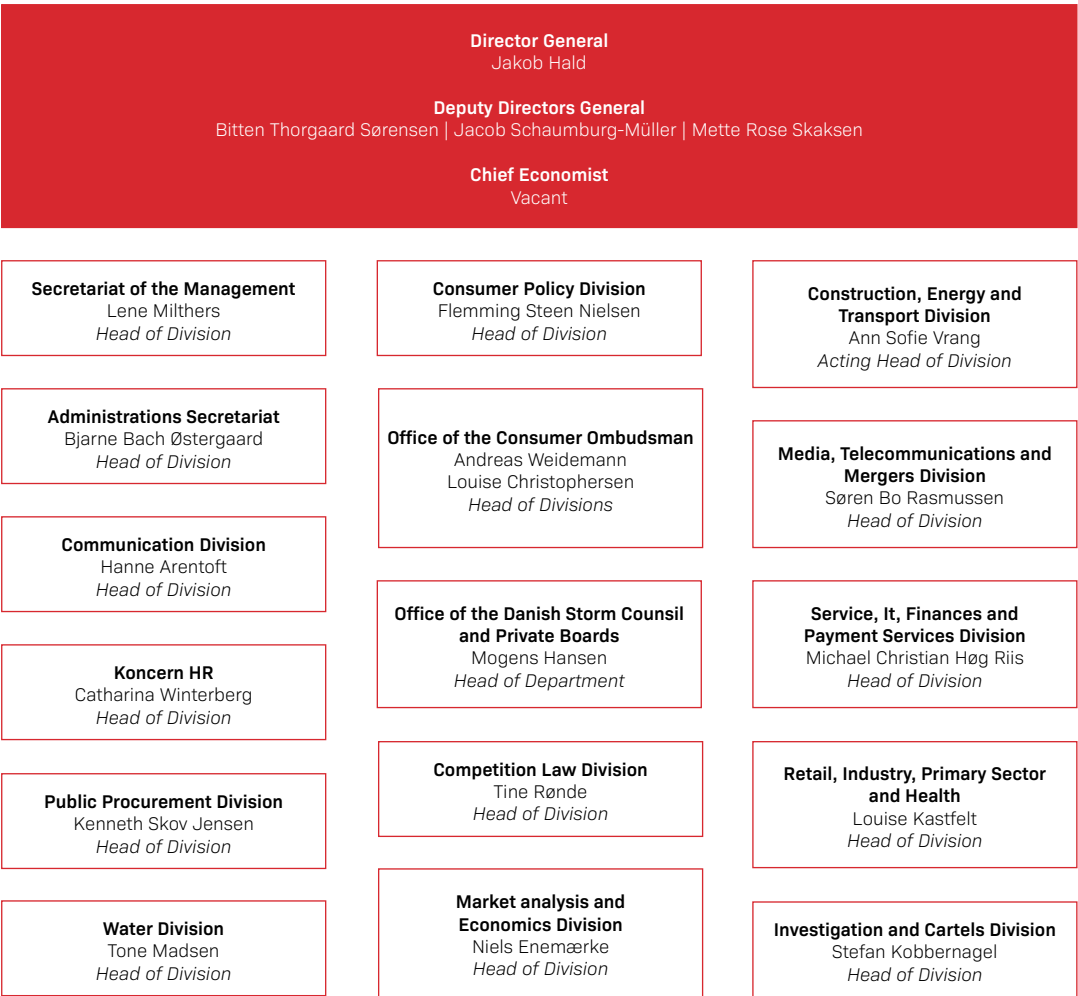
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes. The economics unit peer reviews all cases. Moreover, the unit often assists the case officers in preparing the case.

How much economics work is outsourced? What type of work is outsourced?

Occasionally, consultancy firms conduct analyses that are used as contributions to larger projects, or as an independent benchmark to analyses made in-house.

Organisation chart



Egyptian Competition Authority

B19, 1st Floor, Smart Village, KM28 Alexandria Desert, Egypt

Tel: +002 02 3535 1900

info@eca.org.eg

www.eca.org.eg

Source: Agency website

Competition Superintendency

Edificio Madre Selva Primer Nivel, Calzada El Almendro y 1st Avenida El Espino No. 82, Antiguo Cuscatlán, La Libertad, El Salvador, CA

Tel: +503 2523 6600

Fax: +503 2523 6625

contacto@sc.gob.sv

www.sc.gob.sv

Contacts

Gerardo Daniel Henríquez Angulo

Competition Superintendent

Tel: +503 2523 6600

ghenriquez@sc.gob.sv

Questions and answers

How many economists do you employ?

The technical staff of the Competition Superintendency comprises 14 economists and one business administrator.

Do you have a separate economics unit?

No. The technical staff of the agency is divided into three main offices, with economists and lawyers within the Economics, Investigation, and Competition Advocacy units.

Do you have a chief economist?

Yes. The head of the Economics Unit.

To whom does the chief economist report?

The chief economist reports to the Competition Superintendent, who chairs the Board of Directors.

Does the chief economist have the power to hire his or her own staff?

No. It only has the ability to propose candidates or to screen and reduce the ones listed. Pursuant to article 13 of the Competition Law, the power to appoint staff is granted to the superintendent.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

Every case team is composed of lawyers and economists.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

No. The technical staff of the institution is arranged by activity: Investigations, Economics and Competition Advocacy.

For instance, the investigative procedure of any case, after its instruction, is handled mainly by the Investigations unit. The Economics Unit is mainly in charge of competition market studies, market monitoring, merger analysis and opinions. These two offices, as well as the one in charge of other competition advocacy activities, have economists and lawyers within their staff. The Competition Superintendency does not have a mechanism of checks and balances between the above-mentioned three units for case handling. The final decision of a case and several other matters pursuant to article 14 of the Competition Law are among the attributions and duties of the Board of Directors, which is the highest authority of the Competition Superintendency.

How much economics work is outsourced? What type of work is outsourced?

Mainly competition market studies in some specific sectors, if it is believed that it is justified by necessary expertise or other similar criteria. The quantity of economic work outsourced is very limited and varies yearly.

Overview

Emmi Martikainen and Anssi Kohonen

Copenhagen Economics

Use of economic analysis in competition law cases is still quite limited in Estonia. For example, in mergers, structural analysis and a focus on concentration levels seem the predominant paradigm. Cartels are criminalised in Estonia, which raises the burden of proof. There have not been any follow-on cartel damage cases. It is an Estonian particularity that there are many excessive pricing cases, with the Estonian Competition Authority (ECA) also being the price regulator in many industries. The knowledge and experience from price regulation cases has led to many excessive pricing cases and affected the economic methods used. The ECN+ directive could, however, lead to economics having larger role investigations.

This article is based on interviews with ECA and esteemed Estonian competition lawyers in Cobalt, Ellex, Eversheds Sutherland, Sorainen and TGS Baltic.

The role of economic analysis is still limited

Economics still has a limited role in Estonian competition cases. For example, as in all Baltic countries, there has been an increasing number of large, more complex mergers in the past few years. Relatively, many mergers have also been prohibited. However, merger review very much relies on market shares, qualitative evidence and opinions from market investigations. For example, customer surveys to calculate diversion ratios and a proper small but significant and non-transitory increase in price test are less frequent.

The ECA is a quite small authority, but it does have several economists and the staff is well appreciated by the private practitioners of Competition Law. However, it appears that much of the personnel has been at the authority for a relatively long time. This is likely to influence the methods employed and routines of investigation. Partly due to the dual role of regulator and competition law enforcer, the economic analysis that is applied is mostly financial analysis. It was the view of many private practitioners that the ECA has become more willing to prohibit mergers, which naturally affects the willingness of the private business to challenge the investigations.

Cartels are criminalised

The role of economics is also quite limited in other competition cases. Cartels are criminalised in Estonia, which means that the barrier is high for a proper cartel investigation as the burden of proof is heavier and procedural aspects are different than if cartels were handled as administrative cases. According to the private practitioners, due to the requirements of a criminal process, there is only a limited number of cartel decisions, which also leads to there not being follow-on cartel damage cases. Estonian law allows fines only in criminal case whereas, although cartel investigations can be run as administrative case, the outcome of such an administrative process is an order to stop any misconduct.

Abuse of dominance and excessive pricing

Like cartel cases, a proper abuse of dominance case leading to fines cannot be run as an administrative process, but a quasi-criminal misdemeanour process would be needed. However, as abuse of dominant cases usually rest quite heavily on analysis of economic effects, the barriers of a proper abuse of dominance case are considered high. For this reason, the abuse of dominance cases are run as administrative processes. Estonia distinguishes itself from mainstream European competition law enforcement as it has many excessive pricing cases compared to its other European peers. The ECA is the price regulator for many industries and is willing to use the regulatory framework to analyse questions of excessive pricing in industries not subject to price regulation. The regulatory approach in economic analysis has been accepted and confirmed by the court in past cases.

ECN+ directive could lead to increase in economic analysis

The ECN+ directive is expected to have substantial effects on the legislation in Estonia as its implementation should lead to an adoption of a full administrative process with the right of imposing fines for an infringement of competition law. Currently, fines are available only for criminal offences. It is still unclear how the Estonian legislation will be adjusted, but one

evident consequence can be that the role of economic analysis in cartel and, especially, abuse of dominance cases increases as there is no longer the need to show the criminal or quasi-criminal offence.



Emmi Martikainen
Copenhagen Economics

Emmi Martikainen is an economic consultant at Copenhagen Economics helping clients with issues where competition law and economics intersect, including a wide variety of merger and abuse of dominance cases, damage estimations and compliance issues. She holds a PhD in economics from the University of Turku and has taught microeconomics and competition economics in Finnish universities. Before joining CE, Martikainen worked as an economist at the Finnish Competition and Consumer Authority.



Anssi Kohonen
Copenhagen Economics

Anssi Kohonen acts as an economic consultant at Copenhagen Economics specialising in helping clients in competition and dispute resolution cases. Kohonen holds a PhD in economics from the University of Helsinki, where he specialised especially in time series analysis and has a great experience in quantitative analysis. Before joining Copenhagen Economics, Kohonen worked as researcher and management consultant.



Copenhagen Economics Helsinki
Hämeentie 11
00530 Helsinki
Tel +358 40 016 3950

Emmi Martikainen
emm@copenhageneconomics.com

Anssi Kohonen
ank@copenhageneconomics.com

www.copenhageneconomics.com

Copenhagen Economics is one of the leading economic consultancies in Europe. Founded in 2000, we currently employ more than 90 people operating from our offices in Copenhagen, Stockholm, Helsinki and Brussels. Based on established research methods and in-depth sector knowledge, we help our clients make better choices in their political and commercial reality. Our senior team provides pragmatic solutions founded in economics to law firms, private companies, regulators, and policy makers all over the world. We are particularly dedicated to 12 service areas, including competition, dispute support, digital economy, intellectual property valuation and transfer pricing, and postal and delivery. *Global Competition Review* lists Copenhagen Economics among the top 20 economic consultancies in the world and has done so since 2006.

Estonian Competition Authority

Tatari 39, 10134 Tallinn, Estonia

info@konkurentsiamet.ee

Tel: +372 667 2400

Fax: +372 667 2401

www.konkurentsiamet.ee

Contacts

Kristel Rõõmusaar

Head of Competition Division

kristel.roomusaar@konkurentsiamet.ee

Anna Mazur

Adviser, Supervisory Department

anna.mazur@konkurentsiamet.ee

Juhan Põldroos

Head of Supervisory Department - Chief Economist

juhan.poldroos@konkurentsiamet.ee

Svetlana Ljutova

Adviser, Merger Control Department

svetlana.ljutova@konkurentsiamet.ee

Külliki Lugenberg

Head of Merger Control Department

kylliki.lugenberg@konkurentsiamet.ee

Kairi Kaasik-Aaslav

Senior Analyst, Merger Control Department

kairi.kaasik-aaslav@konkurentsiamet.ee

Veiko Ilves

Deputy Head of Merger Control Department

veiko.ilves@konkurentsiamet.ee

Questions and answers

How many economists do you employ?

The Competition Authority employs seven economists in the competition division.

How many of your economists have a PhD in industrial economics?

None.

Do you have a separate economics unit?

We do not have a separate economics unit; all of the economists are distributed between two different departments.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, one or more economists are included in every case team.

Do you have a chief economist?

Yes, we have a chief economist.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Not applicable.

To whom does the chief economist report?

The chief economist reports to the director general and to the head of Competition Division.

How much economics work is outsourced? What type of work is outsourced?

The Competition Authority does not outsource economics very often, the need for specific analyses is estimated on a case by case basis. The Authority has mostly outsourced economics work from the universities.

Does the chief economist have the power to hire his or her own staff?

No.

Overview

Claus Kastberg Nielsen, Adina Clai Ci and Federico De Michiel

Copenhagen Economics

Economics continues to increase its presence in European Union competition cases. Complicated merger filings have maintained the lion share in the use of economic analysis, while new forms of collaborations between economists and Brussels law firms are taking place to move forward the understanding of competitive dynamics in new digital markets.

For this year's edition of the EU article, we further touched upon a number of topics that received recent attention in the European competition enforcement debate. We asked lawyers to reflect on the broader potential implication of digital competition. While the discussion is still at early stage, lawyers expect the digitalisation process of the economy to affect competition assessment also in traditional industries.

We discussed excessive pricing cases that are seen with increased frequency in pharmaceutical industry. Most lawyers agreed those remain out of the ordinary cases and are mostly driven by political and social concerns at national level.

Finally, we asked lawyers their opinion on recent political pressures to let industrial policy considerations enter the EU competition regulation framework. All lawyers expressed their worries for any interference of politics in the enforcement process. On the other side, they believe that a certain degree of flexibility within the current competition assessment system is needed.

This article is based on interviews with leading representatives of a large number of law practices based in Brussels: Allen & Overy, Arnold & Porter, Baker McKenzie, Baker Botts, Bird & Bird, Cleary Gottlieb, Daldewolf, DLA Piper, Jones Day, Luther Law Firm, Redeker Sellner Dahs, Sheppard Mullin, Shearman & Sterling, Sidley Austin, Skadden, Slaughter and May, Van Bael & Bellis, as well as with representatives of the Chief Economist Team (CET) at DG Competition.

The involvement of economists in competition cases continues to broaden

In line with findings from previous years, lawyers agree that economic analysis in competition policy is here to stay. Most law firms continue to experience an increase in the use of economists in their competition

cases. This positive trend is persistent and is expected to continue growing in the coming years.

Merger assessment remains the area where competition economics is most relevant, followed by abuse cases. Compared to last year, an increased number of lawyers claimed to use economists for state aid cases, a sign that the application of economic analysis is starting to gain pace within this instrument. In general, the complexity of the cases continues to be the main factor determining the degree and type of involvement of economists. In merger cases, virtually all complicated transactions involve the work of economists, some at very early stage. Some lawyers have also experienced cases where economic evidence was brought in by complainants. However, this generally remains limited to high-profile cases with large complainants willing to invest substantial resources to influence the outcome of a transaction. Most complicated abuse cases tend to include inputs from economists as well, even though a group of lawyers remain partially sceptical on the real impact that economic analysis has on the outcomes of those cases.

Data-related work is still mentioned as the main task where economists are needed. Nonetheless, the majority of lawyers confirmed the tendency of economists to expand their role beyond data or econometric analysis. Some lawyers now brainstorm together with economists on how to position a case and how to develop the theory of harm. Economists, for example, can contribute to explaining the industry context, the flow of information and its effect on the market in cartel cases. Lawyers also expressed the need for economic thinking to understand new dynamic markets – how the businesses of digital platforms function in the presence of zero prices and high network effects.

While communication between lawyers and economists continues to further improve, as both parties are increasingly speaking the same language, there are yet margins for improvement in the way economists convey their messages. Once more, lawyers stressed the ability to deliver clear and simple arguments that they can integrate into their work remains essential for the efficient inclusion of economic analysis in competition law to continue.

Digital competition has not yet trespassed into traditional industries

The discussion on how competition policy should adapt to digitalisation and the rise of dominant digital ecosystems has continued to gain traction. This year witnessed the high-profile decision taken by the European Commission in the *Google Android* case, resulting in multibillion euro fine. A formal investigation has also been undertaken to look into Amazon's allegedly abuse of dominant position in the market. These actions have been accompanied by the well-known expert's report 'Competition Policy for the Digital Era' commissioned by the EU Competition Commissioner. Practitioners expect the content of the report to have a significant role in shaping the future competition agenda of the Commission. An important part of the document explores the role of data and data access in competition law. Different forms of data are generated by an increasingly higher number of digitalised devices and the machines that produce them. The information contained in these data could become an essential input for market players who want to improve their offer to consumers. The report suggests how, under certain conditions, access to this data can bring pro-competitive effects and guarantee a level playing field in the market. This has important implications for competition that go beyond what are considered purely digital industries.

In light of this, we asked lawyers and DG Competition representatives whether they see digital competition issues arising in more traditional industries too and to what extent economic thinking can play a role in providing the tools needed to assess them. In response, the interviewees agreed that digital aspects related with data access are likely to become particularly relevant in industries such as financial services, car manufacturing, industrial and medical equipment sectors. The disclosure of data possessed by players with market power may be deemed necessary to confer other companies the ability to develop and improve complementary products and services in secondary markets. However, while theoretically appealing, the debate is still in its early stage and nearly all law firms declared that they have not yet been concretely involved in such cases, though they expect to be in the near future. Potential complainants should take the initiative, yet the optimal timing to start these actions remains difficult. Collecting enough evidence to support the case may require considerable time, with the risk of dominant players to become too entrenched in the market.

While some lawyers believe that the legal tools to deal with such refusals to supply data are already

in place, they also recognise the need of economic thinking to better understand what, in the process of collection and analysis of data, confers competitive advantage to a specific player. In the context of big data, the elements of substitutability and indispensability of the information gathered and processed by players also requires novel analytical tools. In this perspective, economists, side by side with industry experts, can contribute to bring forward the understanding of the broader impact of digitalisation in competition policy.

Excessive pricing is a political question with a regulatory answer

In recent years the discussion around excessive pricing, in relation mainly to the pharmaceutical industry, has experienced a renewed attention within the competition law community. This revival has followed a number of investigations from the European Commission, as well as national authorities, that led to infringement decisions in UK and Italy and other investigations that are still in the process.

We discussed with lawyers and the CET the increased attention on excessive pricing in pharma. Lawyers agree that there is an increasing political pressure to pursue high drug prices. Affordable access to medical treatment is subject to political and social concerns that tends to amplify the exposition and attention of these cases to the public. However, lawyers believe that the large majority of these cases will remain mainly confined at the national level, with only a few exceptional ones being pursued by the Commission. Under stricter fiscal policies across Europe, governments are required to contain their healthcare budgets. In this context, it is easier for authorities to find political support in going after the large multinational pharma companies. Pharma companies are perceived to possess the tools to create market dominance over certain drugs. Usually, this results from alleged misuse of regulation that grants patent protection, market exclusivity, and other extensions of protection that allow the formation of monopolies for lengthy periods. These situations can be exacerbated by increases in prices that are considered out of the ordinary when alternative treatments are not available in the market and patients depend on a specific drug. The characteristics of the pharmaceutical industry, such as a long product life cycle and large initial investments in high risk projects, need to be taken into consideration. Competition policy can have an important role in assessing the balance between dynamic and static efficiencies when looking at excessive pricing – the capacity to set high prices creates

incentives to innovate and for other players to enter the market in the future.

However, competition authorities are facing difficulties in determining whether a price is excessive, what would be a fair price to accept as a remedy to mitigate competition concerns and how to monitor the implementation of the remedy. The calculation of a threshold above which prices can be considered excessive requires careful analysis of profitability and the identification of suitable comparison products. Lawyers agreed that economic analysis has a large role in the assessment of excessive prices even though its application is not necessarily straightforward. Recently, for instance, the UK Competition Appeal Tribunal has judged against the decision of the Competition and Market Authority to fine Pfizer and Flynn for unfair pricing of their epilepsy drug on the ground that the *United Brand* test, the current legal standard to test excessive pricing, had not been applied correctly. Therefore, further discussion is needed on new and alternative approaches to establish whether a price is abusive if other cases should be pursued.

In addition, lawyers mentioned that it remains an open question whether competition policy should be the right tool to deal with excessive pricing. Actions taken at the regulatory level should be the first choice in dealing with this issue. Drug prices are already subject to extensive regulation by health authorities and excessive pricing is likely to result from existing loopholes in the regulation system.

Industrial policy considerations can be integrated into the existing competition framework

In this new climate of trade tension between US and China and the challenge of European firms to remain globally competitive, the Commission's approach to merger assessment has been put under increased political pressure. Political parties in favour of a more industrial policy-driven approach to competition have called for softer merger control that would allow the creation of 'European Champions' through mergers. Following the recent decision to block the *Siemens/Alstom* merger, which would have created a European champion in the railway industry, some governments have gone as far as to advocate the possibility for European political leaders to have veto power over Commission's decisions.

We asked competition law firms about their current thinking in this regard. All competition lawyers interviewed have agreed that politics should not interfere with the work of DG Competition. It is essential for a well-functioning legal framework of competition

enforcement to be clear and predictable. Moreover, any possible political override at the European level would likely create friction between EU member states with the rise of unhealthy favouritism of certain companies of more influential member states over others. Nevertheless, the large majority of lawyers still believe that there are instances where industrial policy considerations should be given due regard.

Most of all, law firms acknowledge the importance of widening the flexibility in merger control along two main directives. Firstly, the Commission should rethink relevant market definition and depart from a European focus in favour of a more global angle that would include global market players in the picture. For instance, more consideration should be included among potential competitive constraints exercised by products imported from outside the European Union. Secondly, the Commission should take a more long-term approach on competition assessment by enhancing the role of potential competition from new entrants. In this respect, several lawyers lamented a certain degree of asymmetries in the time horizon considered by the Commission to measure negative effects on innovation in previous cases compared to the time window used to assess the likelihood of new entry in the market. However, the application of a longer time horizon to evaluate possible market entry in merger assessment needs to be considered in light of the characteristics of the industry under scrutiny. Lawyers suggest that strong and specific evidence to justify this extension has to be brought to the case, otherwise the presence of high uncertainties would pave the way to speculative analysis from third parties' complainants, which would unnecessarily complicate the review process.

In addition, some lawyers also agreed that in the future other aspects such as labour standards and environmental impacts could be included in the discussion around competition issues. Consumer protection and privacy law have already played an important role in the recent decision by the German competition authority against Facebook's abuse of dominance, even though that will remain a standalone case according to most of the interviewees.

Generally, lawyers expressed their interest in a more open debate that would be beneficial to the (closed) world of competition policy. Views from different policy areas would help with gaining a broader understanding of other factors that can have a profound influence on the market. This can and should be encouraged while maintaining intact the legal framework of the European merger assessment.



Claus Kastberg Nielsen
Copenhagen Economics

Dr Claus Kastberg Nielsen is partner in Copenhagen Economics and an experienced economics consultant specialised in advising private and public clients in antitrust matters, mergers, damage claims and cases concerning regulatory design and management. He has ample experience providing hard facts and clear arguments to Nordic and European competition authorities and – as an expert witness – to courts. He has industry experience from all network sectors, as well as industrial production, agriculture, construction, retail and service. He has experience from Sweden, Denmark, Norway, Finland, Germany, Italy and Brussels. Claus resides in Brussels and manages the Brussels branch of Copenhagen Economics, which he founded back in 2000. Claus has a PhD in Economics from Aarhus University.



Adina Claici
Copenhagen Economics

Dr Adina Claici is an expert in competition economics and joined the competition service of Copenhagen Economics in 2017 as director of the Brussels office. With more than nine years' experience as a senior member of the Chief Economist Team at DG Competition at the European Commission, Adina has a unique insight into the most recent competition policy developments at EU level and in-depth experience in mergers, antitrust and state aid cases, as well as policy projects. As a follow up to several competition cases, including mergers and state aid, she has experience supporting the Commission in front of the European General Court. During the past three years at DG Comp, as a coordinator of the European Competition Network of Chief Economists, Adina gathered valuable insight on the work of the National Competition Authorities. Adina is a regular speaker at conferences and seminars, and is often published in peer-reviewed academic journals. She is currently also a visiting professor at the College of Europe in Bruges and at Barcelona Graduate School of Economics. Adina has a PhD in economics from Autonomia University of Barcelona.



Federico De Michiel
Copenhagen Economics

Dr Federico De Michiel is an economist based in Copenhagen Economics' Brussels office. He helps clients by providing simple and creative solutions from thorough economic analysis, primarily within the fields of competition and antitrust. He particularly excels at deriving valuable economic insights from the analysis of large and unstructured data. Federico has broad experience in conducting quantitative analysis and applying econometric models in order to construct relevant recommendations in a comprehensible and clear manner, valuable to clients. Federico has a PhD in business economics from KU Leuven University.

Copenhagen
Economics



Place Eugène Flagey 18
1050 Brussels
Belgium
Tel: +32 4 9332 3334

Claus Kastberg Nielsen
ck@copenhageneconomics.com

Adina Claici
acl@copenhageneconomics.com

Federico De Michiel
fdm@copenhageneconomics.com

www.copenhageneconomics.com

Copenhagen Economics is one of the leading economic consultancies in Europe. Founded in 2000, we currently employ more than 90 people operating from our offices in Copenhagen, Stockholm, Helsinki and Brussels. Based on established research methods and in-depth sector knowledge, we help our clients make better choices in their political and commercial reality. Our senior team provides pragmatic solutions founded in economics to law firms, private companies, regulators, and policy makers all over the world. We are particularly dedicated to 12 service areas, including competition, dispute support, digital economy, intellectual property valuation and transfer pricing, and postal and delivery. *Global Competition Review* lists Copenhagen Economics among the top 20 economic consultancies in the world and has done so since 2006.

European Commission, Directorate General for Competition

Place Madou/Madouplein 1, 1210 Saint-Josse-ten-Noode, Belgium

Tel: +32 2 295 00 91

Fax: +32 2 296 12 82

http://ec.europa.eu/competition/index_en.html

Contacts

Pierre Regibeau

Chief Competition Economist
Tel: +32 2 299 58 37
pierre.regibeau@ec.europa.eu

Svend Albaek

Deputy Chief Economist
Tel: +32 2 299 31 59
svend.albaek@ec.europa.eu

Giulio Federico

Head of Unit, Empirical Analysis
in Complex Merger and
Antitrust Cases
Acting Head of Unit, Economic
analysis in merger, antitrust and
State aid cases
Tel: +32 2 299 79 54
giulio.federico@ec.europa.eu

Thomas Buettner

Coordinator, Mergers
Tel: +32 2 299 34 19
thomas.buettner@ec.europa.eu

Penelope Papandropoulos

Coordinator, State Aid
Tel: +32 2 299 67 21
penelope.papandropoulos@ec.europa.eu

Lluís Sauri Romero

Deputy Coordinator, State Aid
Tel: +32 2 295 90 80
lluis.sauri-romero@ec.europa.eu

Hans Zenger

Deputy Coordinator, Mergers
Tel: +32 2 291 34 69
hans.zenger@ec.europa.eu

Valeria Granata

Assistant to the Chief Economist
Tel: +32 2 297 56 40
valeria.granata@ec.europa.eu

Economists

Luca Aguzzoni

Tel: +32 2 298 42 28
luca.aguzzoni@ec.europa.eu

Apostolos Baltzopoulos

Tel: +32 2 298 47 09
apostolos.baltzopoulos@ec.europa.eu

Guillaume Débarbat

Tel: +32 2 298 14 98
guillaume.debarbat@ec.europa.eu

Liliane Giardino-Karlinger

Tel: +32 2 296 43 07
liliane.karlinger@ec.europa.eu

Cyril Hariton

Tel: +32 2 295 89 22
cyril.hariton@ec.europa.eu

Zlata Jakubovic

Tel: +32 2 299 06 96
zlata.jakubovic@ec.europa.eu

Gabor Koltay

Tel: +32 2 298 50 16
gabor.koltay@ec.europa.eu

Rossitza Anguelova Kotzeva

Tel: +32 2 297 39 43
rossitza-anguelova.kotzeva@ec.europa.eu

David Kovo

Tel: +32 2 297 56 39
david.kovo@ec.europa.eu

Nicolas Listl

Tel: +32 2 295 70 29
nicolas.listl@ec.europa.eu

Szabolcs Lorincz

Tel: +32 2 299 32 07
szabolcs.lorincz@ec.europa.eu

Dimitrios Magos

Tel: +32 2 298 80 70
dimitrios.magos@ec.europa.eu

Helena Malikova

Tel: +32 2 298 52 98
helena.malikova@ec.europa.eu

Carlotta Mariotto

Tel: +32 2 295 20 80
carlotta.mariotto@ec.europa.eu

Hendrik Meder

Tel: +32 2 299 78 14
hendrik.meder@ec.europa.eu

Geza Sapi

Tel: +32 2 298 75 54
geza.sapi@ec.europa.eu

Cornelius Schmidt

Tel: +32 2 298 30 36
cornelius.schmidt@ec.europa.eu

Egle Skliaustyte

Tel: +32 2 299 52 85
egle.skliaustyte@ec.europa.eu

Fabrizio Spargoli

Tel: +32 2 295 70 39

fabrizio.spargoli@ec.europa.eu

Moritz Suppliet

Tel: +32 2 295 00 78

moritz.suppliet@ec.europa.eu

Questions and answers

How many economists do you employ? How many have PhDs in Industrial Organisation?

There are approximately 150 economists in DG Competition.

How are these economists distributed within the organisation? Do you have a separate economics unit, or 'bureau'?

The chief economist at DG Competition has a team of 29 economists, most with a PhD in industrial organisation. The other economists work as case handlers (or managers) in other directorates and units.

Do you have a chief economist?

As of 16 September 2019, our chief economist is Pierre Régibeau. He has previously taught at the Massachusetts Institute of Technology, Kellogg School of management (Northwestern University), the Institute for Economic Analysis (Barcelona) and the University of Essex, where he currently is Honorary Visiting Professor

To whom does the chief economist report?

The chief economist reports on matters of substance to the commissioner for competition and on staff matters to the director general.

Does the chief economist have the power to hire his or her own staff?

Yes, in agreement with the director general.

Are members of the separate economics unit seconded to case teams or is the unit kept separate? If so, what role does it play?

The unit of the chief economist is usually kept separate. In selected cases involving complex economic issues a staff member may be seconded to the case teams.

To what degree is the economics unit called on to be a 'second pair of eyes' during cases – is it one of the agency's 'checks and balances'?

The chief economist advises the director general and the commissioner for competition on all major cases and policy issues. In major cases he may also give final formal advice, which is made available to all commissioners of the European Commission. The chief economist is therefore part of the Commission's key 'checks and balances'.

In addition to having or not having a unit, does the agency include a specialist economist on every case team? If not, why?

For all cases requiring economic analysis (ie, the majority of important non-cartel cases) the Commission tries to include an economist in the case team; however, not all cases and policy issues require in-depth economic analysis.

How much economics work is outsourced? Of this outsourcing, what percentage is specific to particular cases, and what percentage is part of general research and development?

Most of the outsourcing is concerned with general research (ie, studies on economic issues related to competition policy). In the past, some economic work has been outsourced in selected cases, but with the current size of the chief economist team, it now happens very rarely.

Fijian Competition and Consumer Commission

Suva Office, Ground Floor, Employers Hub Building, 42 Gorrie Street, Suva, Fiji

Postal Address: PO Box 5031, Raiwaqu, Suva, Fiji

Tel: +679 8921 991

helpdesk@fccc.gov.fiji

complaints@fccc.gov.fj

www.fccc.gov.fj

Contacts

Joann Young

Chairperson

Isikeli Tikoduaduu

Deputy Chairperson

Romil Patel

Commissioner

Source: Agency website

Overview

Emmi Martikainen, Anssi Kohonen and Kalle Kantanen
Copenhagen Economics

In the recent years, Phase II merger reviews have dominated the Finnish field of economics in competition law. Economists at the Finnish Competition and Consumer Authority (FCCA) are heavily involved in any large merger review. In December 2018, the FCCA brought its first cartel case to the Market Court since early 2016, breaking its period of silence. In early 2019, the FCCA also finished its almost five-year investigation in the alleged abuse of dominance case in the financial sector, without finding evidence of abuse. Even more recently, the Supreme Administrative Court upheld the FCCA's findings of two cartels: the federation for bakeries and in bus transport. With its new Director General, the FCCA has also been more active in the media. Additional resources have been allocated to the authority resulting in the establishment of the Market Research Unit.

The trend of many Phase II merger investigations continues

During 2018–2019, we witnessed a continuation in the increased number of Phase II merger investigations at the FCCA. In 2018, the FCCA launched five Phase II investigations, the same amount as in 2017, whereas during 2010–2016 the number was two to three investigations per year. It now appears more common that the FCCA seeks extension to the deadline from the Market Court; with this happening at least twice in 2018. Publicly, the FCCA has cited that having enough resources for merger review and other enforcement work is a challenge.

During 2018 and the first half of 2019, the FCCA accepted five mergers with commitments. Four were accepted conditional on structural remedies (divestments) and only in one did the FCCA accept behavioural remedies. The structural remedies appear to be the FCCA's preferred way to resolve competition concerns in problematic mergers.

The role of economists in Phase II mergers remains pronounced and the FCCA's economist team is well represented in the pre-notification phase of large mergers. However, despite the heavy economist involvement from the FCCA, the analysis conducted is predominantly structural complemented by closeness

of competition analysis based most often on survey data. The FCCA seems less willing to go for effects-based analysis. Consequently, the debate has focused on the definition of relevant markets or qualitative arguments rather than analysis on pricing processes and mechanisms in the considered industries.

One new cartel decision and a focus on taxi markets

December 2018 saw the end of the FCCA's almost four-year hiatus on new cartel decisions as the FCCA proposed a €4 million fine on two manufactures of building insulations for an alleged cartel in the market of expanded polystyrene. The case is now pending at Market Court.

In public, the FCCA has expressed its worry on the proper functioning of competition in the taxi market, with the market having been liberalised in July 2018. There has been an active public discussion around prices and how well competition functions in the market following the deregulation. The FCCA has subsequently established a 'taxi team' and started investigating the market.

The FCCA's two earlier cartel decisions, a bus cartel dating to 2016 and case involving price recommendations of Finnish Bakery Federation from 2015, were upheld by the Supreme Administrative Court.

A large abuse of dominance case in the insurance market comes to close

In early 2019, the FCCA gave its long-awaited decision in the alleged abuse of dominance case in the insurance market. The complaint was that OP, a Finnish insurance and banking conglomerate, unlawfully leveraged its market power in retail banking to the markets of non-life insurances via its bonus system. After almost five years of investigations, the FCCA ruled that there was no evidence of abuse of dominance. From the perspective of competition law economics, the investigation boiled down to the FCCA's application of an 'As Efficient Competitor' (AEC) test. The FCCA's AEC test incorporated a simulation of life cycle earnings and costs of from OP's different customer groups.

Additional resources for research and impact assessment

Much anticipated additional resources have been allocated to the FCCA and in May 2019 a Market Research Unit with its primary focus in carrying out research in competition and consumer policy related topics was established. Significantly, the unit is responsible in preparing and assessing legislative proposals affecting competition and consumers. A number of new economists have been employed at the new unit, which is in accordance to the publicly announced plans to carry out research into at least the pharmaceutical, gambling, lending, and healthcare markets.

Agreement on Nordic collaboration in competition affairs

In November 2018, Finland entered into an agreement that increases the collaboration between the Nordic competition authorities. Following this, the Nordic competition authorities may cooperate with each other beyond the framework established by the EU legislation. The new collaboration allows for more efficient investigations between the Nordic authorities and enables investigation of competition restrictions across the Nordic states.



Emmi Martikainen
Copenhagen Economics

Emmi Martikainen is an economic consultant at Copenhagen Economics helping clients with issues where competition law and economics intersect, including a wide variety of merger and abuse of dominance cases, damage estimations and compliance issues. She holds a PhD in economics from the University of Turku and has taught microeconomics and competition economics in Finnish universities. Before joining CE, Martikainen worked as an economist at the Finnish Competition and Consumer Authority.



Anssi Kohonen
Copenhagen Economics



Kalle Kantanen
Copenhagen Economics

Anssi Kohonen acts as an economic consultant at Copenhagen Economics specialising in helping clients in competition and dispute resolution cases. Kohonen holds a PhD in economics from the University of Helsinki, where he specialised especially in time series analysis and has a great experience in quantitative analysis. Before joining Copenhagen Economics, Kohonen worked as researcher and management consultant.

Kalle Kantanen works as an economic consultant at Copenhagen Economics and specialises in competition economics. He has experience in advising clients across sectors such as construction, healthcare and retail, especially in mergers and abuse of dominance cases. Kalle holds an MSc in economics from Stockholm School of Economics.



Copenhagen Economics Helsinki
Hämeentie 11
00530 Helsinki
Finland
Tel +358 40 016 3950

Emmi Martikainen
emm@copenhageneconomics.com

Anssi Kohonen
ank@copenhageneconomics.com

Kalle Kantanen
kak@copenhageneconomics.com

www.copenhageneconomics.com

Copenhagen Economics is one of the leading economic consultancies in Europe. Founded in 2000, we currently employ more than 90 people operating from our offices in Copenhagen, Stockholm, Helsinki and Brussels. Based on established research methods and in-depth sector knowledge, we help our clients make better choices in their political and commercial reality. Our senior team provides pragmatic solutions founded in economics to law firms, private companies, regulators, and policy makers all over the world. We are particularly dedicated to 12 service areas, including competition, dispute support, digital economy, intellectual property valuation and transfer pricing, and postal and delivery. *Global Competition Review* lists Copenhagen Economics among the top 20 economic consultancies in the world and has done so since 2006.

Finnish Competition and Consumer Authority

PO Box 5, FI-00531 Helsinki, Finland

Visiting address: Siltasaarenkatu 12 A, 00530 Helsinki, Finland

Tel: +358 29 505 3000

www.kkv.fi/en

Contacts

Kirsi Leivo

Director-General

Tel: +358 29 505 3351

kirsi.leivo@kkv.fi

Pirjo Ehrstedt

Secretary to the Director-General

Tel: +358 29 505 3301

pirjo.ehrstedt@kkv.fi

Timo Mattila

Head of Competition Division

Tel: +358 29 505 3332

timo.mattila@kkv.fi

Katri Väänänen

Head of Consumer Division,

Consumer Ombudsman

Tel: +358 29 505 3164

(assistant)

katri.vaananen@kkv.fi

Tuulia Hakola-Uusitalo

Research Director, Research and
Impact Assessment Unit

Tel: +358 29 505 3011

tuulia.hakola-uusitalo@kkv.fi

Economic Analysis Group

Olli Kauppi

Chief Economist

Tel: +358 29 505 3394

olli.kauppi@kkv.fi

*For more contacts, please visit
kkv.fi/economic-analysis*

French Competition Authority

11, rue de l'Echelle, 75001 Paris, France

Tel: +33 1 5504 0000

Fax: +33 1 5504 0033

www.autoritedelaconcurrence.fr

Contacts



Emmanuel Combe

Vice President

Tel: +33 155 04 00 54

Fax: +33 155 04 00 33

emmanuel.combe@autoritedelaconcurrence.fr



Etienne Pfister

Chief Economist

Tel: +33 1 55 04 00 73

Fax: +33 1 55 04 00 66

etienne.pfister@autoritedelaconcurrence.fr

Questions and answers

How many economists do you employ?

The French Competition Authority (the Authority) employs 35 economists.

Do you have a separate economics unit, or 'bureau'?

Yes. The Authority has had a dedicated economic team since 2006.

Since then, the team has continued to expand. It now comprises nine people, seven of them with a PhD in industrial economics. Together with the Board (which includes an experienced PhD economist) and the Investigation Services, the chief economist's team has tremendously stimulated economic debate with parties, and created a trend towards a more effect-based approach. The Authority has adopted a line of sound economic reasoning and is committed to its continued development in merger and antitrust cases.

Do you have a chief economist?

Etienne Pfister has been chief economist of the Authority since May 2013 – he holds a PhD in economics from the University of Paris I. He is assisted by Cédric Nouel de Buzonnière, a trained engineer from the Ecole Polytechnique and the National School of Statistics and Economic Administration. Before joining the economics unit in 2007, Mr Pfister had been an assistant professor at the University of Nancy

and a lecturer at the Faculty of Sciences Politiques in Paris. His main research interests covered patent and innovation strategies by firms as well as competition policy. In 2010, Etienne Pfister became deputy chief economist and at the end of the same year, deputy general rapporteur of the Authority, leading a team of 10 to 12 case handlers with a particular focus on vertical relationships and retailing.

To whom does the chief economist report?

To the president of the Authority (Isabelle de Silva) or the General Rapporteur (Stanislas Martin), depending on the type of activity.

Does the chief economist have the power to hire his or her own staff?

Yes, with the agreement of the general rapporteur, he can hire his own staff. His team has seven highly skilled economists and one financial expert in addition to the chief economist.

How many of your economists have a PhD in industrial economics?

Seven of them have PhDs.

Does the agency include a specialist economist on every case team? If not, why not?

No. Economists are extremely valuable assets and must therefore be focused on cases where their intervention is most useful. In practice, all cases involving economic issues include a specialist economist. However, not assigning a member of the chief economist's team to a case does not mean that no economic assessment is undertaken, as many case handlers are economists (both in the antitrust units and in the mergers unit) and many members of the board (college) are themselves economists.

Is the economics unit called on to be a 'second pair of eyes' during cases – is it one of the agency's checks and balances?

All complex cases in which economic questions are to be solved are systematically reviewed by one or more

economists. The economic unit provides assistance in the preparation and analysis of cases (including at early stages of the procedure). It facilitates the interaction with the economists chosen by the parties in antitrust and merger cases and analyses the studies and reports they submit to the Authority.

How much economic work is outsourced? What type of work is outsourced?

Usually, no economic work is outsourced. The Authority includes a large number of economists that may be called upon when specific expertise is required.

Overview

Hans W Friederiszick, Simone Kohnz and Rainer Nitsche
E.CA Economics

German competition policy enforcement has stepped into the limelight of political debate with several high profile cases and important policy initiatives characterising the past year. In particular, in digital markets enforcement activity remains high, with the *Facebook* decision being delivered and the *Amazon* case being closed. Furthermore, the telecommunication case *Vodafone/Unitymedia*, while being decided by the EU Commission, will have a strong impact on the German market. However, also in traditional industries the intervention rate stays high. The prohibition decision of the *Remondis/Duales System Deutschland* takeover was decided on mostly vertical grounds and featured prominently in the press due to its impact on German citizens. Equally, and in response to the failed *Alstom/Siemens* merger, the ministerial approval of the *MIBA/Zollern* joint venture highlights the commitment of the German government to support small and medium-sized German enterprises. In the cartel area, administrative fines have increased again to its second highest level over the past 10 years.

Facebook, Vodafone/Unitymedia and digital markets

In February 2019, the Federal Cartel Office (FCO) delivered its final legal assessment on the Facebook abuse case, considering Facebook to be dominant on the German market for social networks for private users, with a market share of 95 per cent of daily active users. The authority holds the view that Facebook is abusing this dominant position by making the use of its social network conditional on it being allowed to limitlessly amass every kind of data generated by using third-party websites and merge it with the user's Facebook account. These third-party sites include, firstly, services owned by Facebook such as WhatsApp or Instagram and, secondly, websites and apps of other operators with embedded Facebook application programming interfaces. This behaviour of Facebook is, according to the assessment of the FCO, in violation of the General Data Protection Regulation and is considered to be an exploitative abuse based on § 19(1) of the German Competition Act. In a judgment from August 2019, the Higher Court of Dusseldorf sided

with Facebook and suspended the decision of the FCO, expressing doubts that the conduct infringed competition rules. The FCO announced its commitment to appeal this decision.

Another decision that may shape the digital landscape in Germany relates to the German broadband infrastructure. In July 2019, Vodafone won approval to take over Liberty's cable business in Germany and in several Eastern European countries. This transaction will reunite the regionally separated nationwide cable network and thereby allow infrastructure-based competition between Deutsche Telekom and Vodafone on a national scale. As the European Commission – in close consultation with the FCO – raised serious doubts due to horizontal overlaps between Vodafone's retail digital subscriber line business and Liberty Global's cable footprint, the merger was approved only in Phase II with remedies. Telefónica, one of the leading mobile operators in Germany, received exclusive access to cable wholesale products for a specified period, thereby enabling cable wholesale access for the first time in Germany. Additional remedies were imposed to limit the bargaining power of the new entity vis-à-vis TV broadcasters. The transaction will have a substantial impact on the rollout of high-speed internet infrastructure in Germany.

On the whole, Germany remains very active in shaping the European policy agenda on digital markets. The proceedings against Amazon came to an end in July 2019 after Amazon agreed to change its general terms and conditions, and to strengthen the rights of third-party suppliers on Amazon's open market place in relation to liability, cancellation rights and mandatory publication rights of product descriptions. The decision will affect Amazon's practice across the globe. Provisions related to access to and usage of information on sales of open market place suppliers, ranking issues or issues related to Amazon's Buy Box are being looked at in a parallel proceeding at the European Commission and were, as a result, not addressed in these proceedings. Issues related to Amazon's own sales were also not looked at.

Remondis and vertical mergers

In another landmark case, the takeover attempt of Duales System Holding GmbH & Co KG (DSD) by Remondis, the FCO prohibited a by-and-large vertical merger in the German waste collection industry. DSD, a former state owned monopolist who is by now exposed to fierce competition, is active in the market of 'dual systems'. DSD organises the collection and disposal of packaging waste, including plastic, glass and paper waste. Remondis is one of the leading waste collectors in Germany, thereby providing services to DSD. The FCO was expecting foreclosure both of rivals of DSD as well as of Remondis, relying in its prohibition decision on raising rivals' costs and customer foreclosure strategies. In contrast to the standard prognosis horizon in merger proceedings of three to five years, it considered a horizon of up to 10 years appropriate due to institution setting in this industry. Despite remedies being offered by the parties, the case ended with a prohibition, a decision that came meanwhile under appeal.

Miba and ministerial approval

An earlier prohibition decision by the FCO was thwarted by the German Economic Minister Peter Altmaier. The deal between the bearings makers Miba and Zollern was overturned by the minister, using his – rarely used – ministerial right to overrule the FCO's decision. This ministerial approval is based on the condition that the parties commit to a €50 million investment, spread over four years, in research and innovation in green energy technology, supporting the German energy transition and sustainability goals. This decision was taken by the ministry despite the fact that the German Monopoly Commission advised against such an approval.

Cartel enforcement

Administrative procedures have led to fines totalling over €208 million in 2015, €125 million in 2016 and €66 million in 2017. This is a significant reduction compared to the record fine level in 2014 of over €1 billion, bringing it back to the levels of earlier years. In 2018, this declining trend in administrative fines came to a halt: the FCO imposed fines totalling approximately €205 million on six special steel companies, a trade association and 10 individuals for concluding price-fixing agreements and exchanging competitively sensitive information, bringing the total fines in 2018 to the second highest level over the past 10 years at €376 million.

Regarding private enforcement, Germany continues to be one of the preferred jurisdictions for private litigation cases within Europe, leading to complex empirical work by economists in the quantification of damages. With 120 companies applying for access to the decision division's files, the *Sugar Cartel* case has become one of the most intensively litigated private damages cases in Germany. Equally, the *Truck Cartel* case has come under broad litigation. A wave of cases have also been triggered by the liquidators of the victims, which went bankrupt in the meantime: the liquidator of Schlecker, a drugstore that went bankrupt in 2012, is claiming total damages of more than €300 million from its suppliers. However, a recent judgment, dismissing the claim owing to insufficiently specified foreign turnover and elapsed limitation periods, brought this action to a temporary hold. With settlements between DB AG and Lufthansa AG in a multibillion-euro claim pending at German courts in the *Air Cargo Cartel* case and a new multimillion claim brought by Idealo against Google in the *Google Shopping* case, Germany has cemented its position in Europe as a central litigation hub.



Hans W Friederiszick
E.CA Economics

Dr Hans W Friederiszick is a director of E.CA Economics and a founder of the firm. He has extensive experience in advising clients in all fields of competition economics (cartels, merger cases, abuse of a dominant position and state aid cases) and has led teams of economists on international antitrust investigations.

His major international engagements in recent years include: winning a framework contract on impact assessments of various state aid regimes (for the EU Commission); the takeover of some assets of Unitymedia by Vodafone, the *Air Berlin/TUI* joint venture, EU Phase I, the *Holcim/Cemex West* transaction, EU Phase II and the *Holcim/Lafarge* transaction, EU Phase I (merger); acting as an economic expert in the *Synthetic Rubber Cartel* case, UK Court proceeding, for a group of European tyre manufacturers (private litigation); the *Visa/MasterCard* litigation regarding interchange fees, UK Court proceeding, for a group of retailers (private litigation); and acting as an economic expert in the *Air Cargo Cartel* case, German Court proceeding, for a group of international freight forwarders (private litigation).

Further engagements comprise the representation of the leading German grocery retailer in various proceedings (sector inquiry, *EDEKA/Kaiser's Tengelmann* merger); economic representation of Infineon in the EU investigation of the smart card chip industry (administrative proceedings and follow-on litigation in the UK); supporting Deutsche Bahn and ÖBB in relation to EU state aid and 102 proceedings in various rail markets; acting in several information exchange cases of branded products (on defence side; drugstore products, confectionery, coffee, cookies, flour). He also supported Asics in the German court proceedings regarding selective distribution systems and supported the parties in the *Audiobooks* case in Germany (Audible).

Hans W Friederiszick is a research fellow at ESMT Berlin. Recent research addresses the economics of regional state aid (Wolters Kluwer), efficiencies in article 102 TFEU cases (*JCLE*), selective distribution systems (*Journal of Antitrust Enforcement*) and the reverse privatization in the German waste industry (*NZKart*).



Rainer Nitsche
E.CA Economics

Dr Rainer Nitsche is a director and founder of E.CA Economics and an expert in providing economic advice in competition and litigation cases before the European Commission and national competition authorities in Germany, Austria, the UK and the Netherlands. He has 25 years of experience supporting clients in all fields of competition policy enforcement, including cartel and abuse of dominant position cases and merger control (Phase I and Phase II investigations). In addition, he has advised on a variety of regulation issues in network industries (transport, telecommunications, postal services and electricity) and has published widely in the field of competition economics. Rainer Nitsche is a research fellow at ESMT Berlin, where he teaches courses on digital platform strategy.

Besides renowned law firms, his clients have also included the European Commission and national competition authorities. Rainer Nitsche has extensive experience as a testifying expert. He has acted as a court expert in over 10 merger and antitrust proceedings. He has served as an economic expert in numerous cartel cases for courts, plaintiffs and defendants from a broad range of industries including the trucks cartel, the elevator cartel, the rail cartel, the cold cut meat cartel, the automotive bearings cartel, the sugar cartel, the district heating tube cartel, the utility vehicle cartel, the gas cartel, the pumpers and turntable ladder cartel, the automotive glass cartel, the LPG cartel, the de-icing salt cartel as well as cartels in several fast-moving consumer goods industries, grocery retail, waste industries and plant construction.

Recent Phase I and II EU merger cases include *RHI/Magnesita*, *Heidelberg Cement/Italcementi* and *Telefónica/E-Plus*. He has advised a number of European national governments and state aid recipients.



Simone Kohnz
E.CA Economics

Dr Simone Kohnz is a director at E.CA Economics. She has more than 10 years of experience in economic consulting advising clients from a wide range of industries in all fields of competition policy and across a number of jurisdictions including Germany, the European Union, the UK and Austria.

Simone Kohnz is an expert in the quantification of damages in private litigation cases. She has advised clients and drafted expert witness reports for German and Austrian cartel and information exchange cases in a variety of industries including trucks, payment

cards, sugar, pumpers and turntable ladders, district heating, fast-moving consumer goods and de-icing salt. In addition, Simone Kohnz has managed the economic analysis in a large number of merger proceedings, including mergers in the fast-moving consumer goods industry (eg, *Rewe/Adeg*), automotive supply (eg, *Knorr/Bremse*), construction (eg, *H+H/Xella*) and cement (eg, *Strabag/Lafarge*). Furthermore, she worked on a number of regulatory cases in telecommunication, transport and pharmaceuticals.

e.CA economics

Experts in Competition Analysis

Schlossplatz 1
10178 Berlin
Germany
Tel: +49 30 21231 7000

Hans W Friederiszick
friederiszick@e-ca.com

Simone Kohnz
kohnz@e-ca.com

Rainer Nitsche
nitsche@e-c.com

www.e-ca.com

E.CA Economics is working on central topics in the field of competition policy and regulation. These include case-related work on European competition matters, such as merger, antitrust or state aid cases, economic analysis within regulatory procedures and studies for international organisations on competition policy issues. E.CA Economics applies rigorous economic thinking with a unique combination of creativity and robustness in order to meet the highest quality standards of international clients. E.CA has offices in Berlin and Brussels.

E.CA Economics is a partner of ESMT Berlin. As a partner of this international business school, E.CA Economics benefits from in-depth business experience of ESMT's faculty as well as from the exceptional research capabilities of ESMT professors specialised in industrial economics, finance and quantitative methods.

Federal Cartel Office

Kaiser-Friedrich-Strasse 16, 53113 Bonn, Germany

Tel: +49 228 9499 427

Fax: +49 228 9499 143

www.bundeskartellamt.de

Contacts



Arno Rasek

arno.rasek@bundeskartellamt.bund.de

Questions and answers

How many economists do you employ?

As of August 2019, the Federal Cartel Office employs 52 economists (including business economics). The majority of them work as case handlers in the Decision Divisions.

Do you have a separate economics unit, or 'bureau'?

Yes, the Federal Cartel Office maintains a specialised economics unit, under the leadership of the chief economist. The tasks range from conceptual issues to data management and quantitative analyses. As of August 2019, the unit comprises eight staff members.

Do you have a chief economist?

Yes, the position is held by Arno Rasek.

To whom does the chief economist report?

The chief economist supports the Decision Divisions in economic matters, is responsible for internal trainings on specific economic issues and maintains contact with academia and economic consultancies. He reports to the head of the Policy Division and may also directly advise the president and vice president on any economic issue.

Does the chief economist have the power to hire his or her staff?

The chief economist is involved in the recruitment process for economists by the Federal Cartel Office but

does not have the power to hire permanent staff on its own responsibility.

How many of your economists have PhDs in industrial organisation?

Of the 52 economists employed by the Federal Cartel Office, 21 hold a PhD. Most of them dealt with topics regarding industrial organisation and competition economics in their PhD studies.

Does the agency include a specialist economist on every case team? If not, why?

Formally, there is no mandatory involvement of a specialised economist in every case. However, a specialist economist is actually included in almost every case team. In addition, the economics unit advises the Decision Divisions in all complex cases, such as Phase II mergers or sector inquiries. It is also regularly involved when economic expert reports are submitted by parties.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's 'checks and balances'? If not, why not?

The economics unit supports and advises the Decision Divisions regarding case-specific issues and general economic questions. The economics unit can thus also be viewed as one of the agency's checks and balances, even if this is not its key function. Furthermore, as a significant part of the Federal Cartel Office staff are

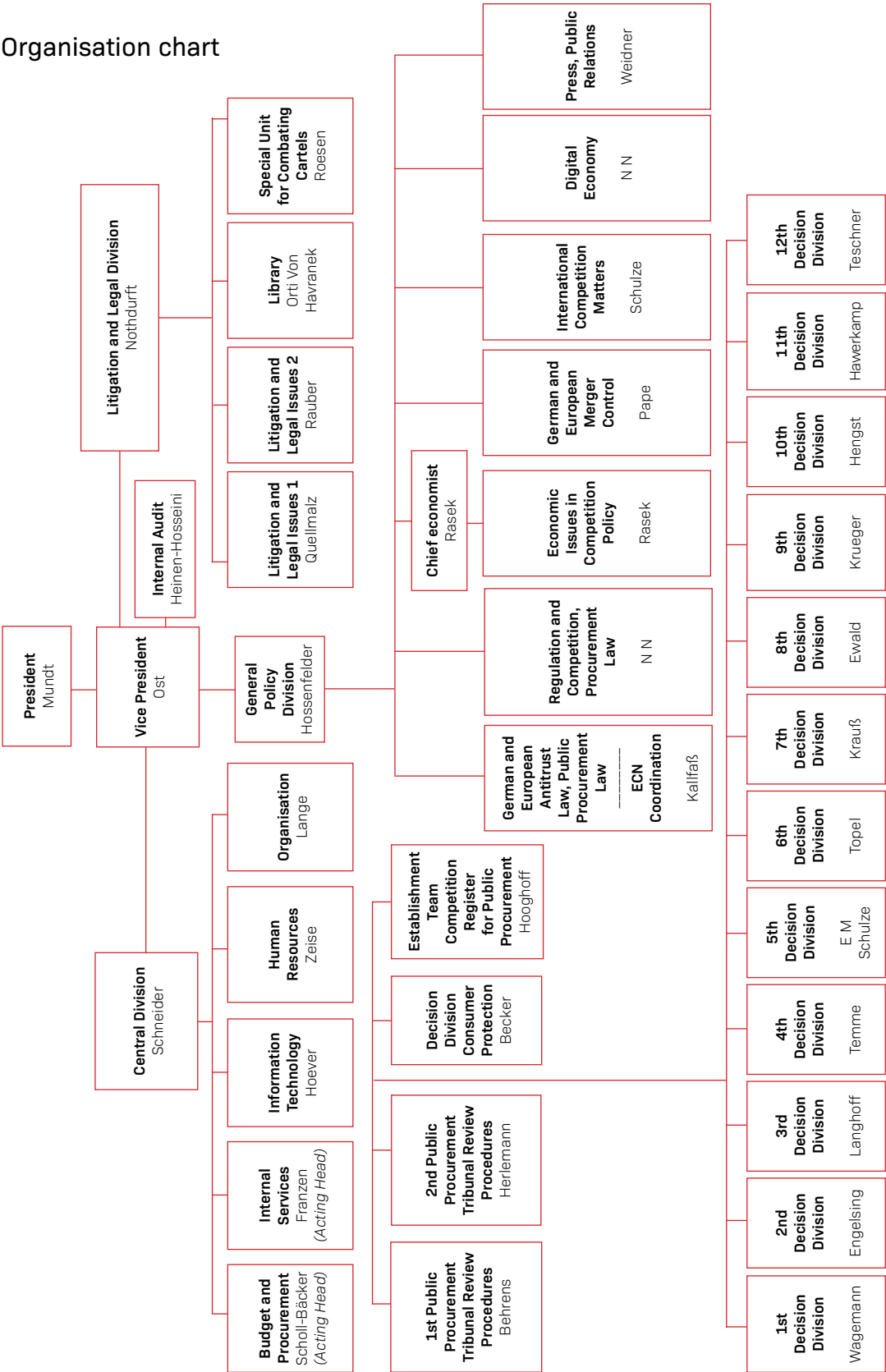
trained economists and decisions are taken in boards of three officials, usually at least one economist votes in each case.

How much economics work is outsourced? What type of work is outsourced?

Owing to the existence of a specialised economics unit and the considerable number of economists among the staff, the Federal Cartel Office can ordinarily deal with economic issues internally. External economists are

called in only as an exception. At the same time, however, the economics unit maintains close contact with academia and economic consultants. For example, the Federal Cartel Office established a 'Working Group on Competition Economics' in 2017. At regular meetings of this working group, Federal Cartel Office staff members and economic researchers discuss theoretical and empirical concepts used in the authority's case practice.

Organisation chart



Hellenic Competition Commission

1A Kotsika Str & 70 Patision Ave, 104 34 Athens, Greece

Tel: +30 210 8809 202

Fax: +30 210 8809 132 / 4

www.epant.gr

Contacts

Sylvia Kabalouri

Director General

skabalouri@epant.gr

Questions and answers

How many economists do you employ?

Currently, the Hellenic Competition Commission (HCC) employs 35 specialised scientists across the two Economic Directorates and the Advocacy Department, of whom 30 are economists, three are cost analysts and two are statisticians.

Do you have a separate economics unit?

There is no stand-alone economics bureau within the HCC; however, there are two Economic Directorates, organised according to the economic sectors in the Greek market, which are entirely staffed by economists, cost analysts and statisticians. HCC economists work as case handlers primarily in those two directorates and they cooperate closely with the Legal Directorate in each individual case. Overall, the HCC is primarily staffed with economists, the ratio of economists to lawyers being consistently at 2:1.

Do you have a chief economist?

There is no formal chief economist post. The role of the chief economist is in practice performed by the economists heading the two economic directorates.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

Not applicable.

How many of your economists have a PhD in industrial economics?

Seven economists hold a PhD in economic science (of which four are on subjects pertaining specifically to industrial organisation).

Six additional economists are currently pursuing a PhD.

All other economists hold postgraduate degrees at master's level (as this is a prerequisite for their entry into service through the HCC's specialised recruitment competitions).

Does the agency include a specialist economist on every case team? If not, why not?

Economists are involved in all cases and phases (eg, gathering evidence, analysing evidence, drafting of reports, statement of objections) including, notably, in sector inquiries and advocacy.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

See above.

How much economics work is outsourced? What type of work is outsourced?

Economic work is almost never outsourced; the HCC can ordinarily deal with economic issues internally. The Authority employs a considerable number of economists among the staff that may be called upon when specific expertise is required. In particular, economics work has been outsourced only in one case. The economics work outsourced concerned specific circumstances where specialised cost and accounting work and study was needed.

Hungarian Competition Authority

1054 Budapest, Alkotmány u. 5., Hungary
H-1245 Budapest 5, PO Box 1036, Hungary
Tel: +36 1 472 8900
Fax: +36 1 472 8905
www.gvh.hu

Contacts

Csaba Kovács

Acting Head of the Chief Economist's Section
kovacs.csaba@gvh.hu
Tel: +36 1 472 8955
Fax: +36 1 472 8898

József Sárai

Head of the International Section
sarai.jozsef@gvh.hu
Tel: +36 1 472 8933
Fax: +36 1 472 8940

Questions and answers

How many economists do you employ?

The Hungarian Competition Authority (GVH) employs 17 economists. The total (non-administrative) staff is 92.

Do you have a separate economics unit, or 'bureau'?

Yes, we have a separate office for economic analysis, the Chief Economist's Section, led by the chief economist. The section currently consists of the acting chief economist and two part-time economic analysts, who are also active in academia.

Do you have a chief economist?

The position of the chief economist is currently vacant. The acting head of the Chief Economist's Section is Csaba Kovács, who obtained a degree in economics in 1992 from the Budapest University of Economic Sciences.

To whom does the chief economist report?

He reports directly to the vice president, László Bak, who determines which projects and cases require the deeper involvement of the Chief Economist's Section.

Once assigned to a case, the contributions of the Chief Economist's Section are usually sent directly either to the case team or to the Competition Council (depending on the stage of the proceeding).

Does the chief economist have the power to hire his or her own staff?

The chief economist has limited power to hire his own staff.

How many economists have a PhD in industrial economics?

None. Both of the part-time analysts of the Chief Economist's Section are PhD candidates (applied game theory, University of Maastricht; marketing and econometrics, Corvinus University of Budapest).

Does the agency include a specialist economist on every case team? If not, why not?

The chief economist team is involved mostly in more complex cases, which may require more sophisticated and robust economic and quantitative analysis. It is also regularly consulted in a broader range of cases about more general issues, such as theory of harm.

Also, since roughly a dozen staff members of the GVH are trained economists, the case teams often include an economist.

In consumer protection and cartel cases, economics is rarely involved.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances?

Partially. The Chief Economist's Section is professionally autonomous and in this sense it has an independent and unbiased voice within the GVH. At the same time, its work must be integrated into the investigations and the broader operational framework (eg, budget) of the GVH, which are managed by other parts of the organisation. In certain cases the Chief Economist's Section must be consulted, while in others it is consulted on a case-by-case basis. Nevertheless, in

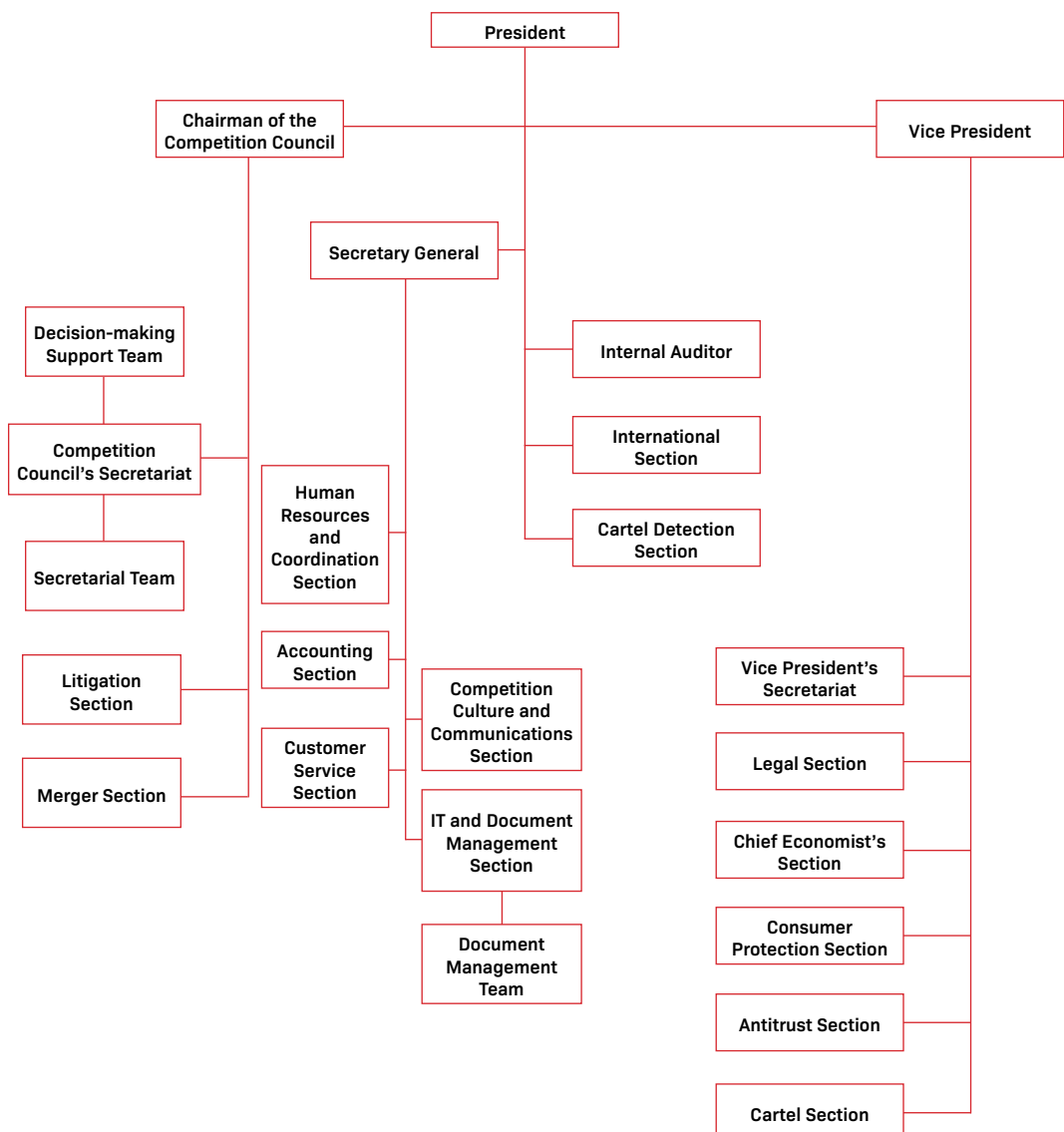
all cases it is up to the management, the case handlers and the Competition Council to determine whether they find its advice or contributions relevant.

How much economics work is outsourced? What type of work is outsourced?

Occasionally, market research firms or experts are hired to conduct or evaluate surveys that are then used

as contributions to larger projects, significant cases and sector inquiries. Recently, Mr Ferenc Vissi – the first president of the GVH and a renowned competition economist with substantial experience in consulting – was hired to support the use of economics within the GVH.

Organisation chart



Icelandic Competition Authority

Borgartún 26, 125 Reykjavík, Iceland

Tel: +354 585 07 00

Fax: +354 585 07 01

www.samkeppni.is

Contacts

Ásgeir Einarsson

Deputy Director

asgeir@samkeppni.is

Guðmundur Haukur Guðmundsson

International Coordinator – Division Manager

gudmundurh@samkeppni.is

Valur Þráinsson

Chief Economist

valur@samkeppni.is

Questions and answers

How many economists do you employ?

There are currently seven economists working at the Icelandic Competition Authority (ICA).

Do you have a separate economics unit?

Yes, ICA has a separate economics unit.

Do you have a chief economist?

Yes.

To whom does the chief economist report?

The director general.

Does the chief economist have the power to hire his or her own staff?

The final decision is in the hands of the director general, but the chief economist takes an active part in the hiring process.

Does the agency include a specialist economist on every case team? If not, why not?

It depends on the scope and the complexity of the case at hand. In simple cases and mergers, there is often

no need to form a specific case team, or to include an economist. On the other hand, case teams are normally created in larger and more complex investigations, such as complex merger investigations and cases concerning abuse of dominance. In those instances the economist unit and the chief economist play a key role.

Is the economics unit a ‘second pair of eyes’ during cases – is it one of the agency’s checks and balances? If not, why not?

Yes, and the unit is also involved throughout the investigations and take an active part.

How much economics work is outsourced? What type of work is outsourced?

From time to time, the ICA consults with external economists in complex cases. In those cases, the external economics are ‘a second pair of eyes’, which can be useful to the ICA.

Competition Commission of India

9th Floor, Office Block - 1, Kidwai Nagar (East), New Delhi, 110023, India

Tel: +011 2466 4100

Fax: +011 2081 5022

Contacts

Commission

Ashok Kumar Gupta

Chairperson

cci-chairman@nic.in

CCI Office

P K Singh

Secretary

secy@cci.gov.in

DG Office

Director General

dg@cci.gov.in

Sangeeta Verma

Member

sangeeta.v@nic.in

Jyoti Jindgar

Adviser (Eco)

cci-jindgar@cci.gov.in

Bhagwant Singh Bishnoi

Member

b.bishnoi@cci.gov.in

Payal Malik

Adviser (Eco)

payalmalik@cci.gov.in

Rakesh Bhanot

Adviser (FA)

rakesh.bhanot@cci.gov.in

Manish Mohan Govil

Adviser (Law)

manish.govil@cci.gov.in

Questions and answers

How many economists do you employ?

There are 26 economists at the Competition Commission of India (CCI), including the Director General's Office.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, an economist is included in almost every case team.

Do you have a separate economics unit?

Yes. The CCI has a separate economics division that ensures cohesive and systematic integration of economic analysis in the enforcement of the Act.

Do you have a chief economist?

No.

To whom does the chief economist report?

Not applicable.

Does the economist have the power to hire his or her own staff?

No.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Not applicable.

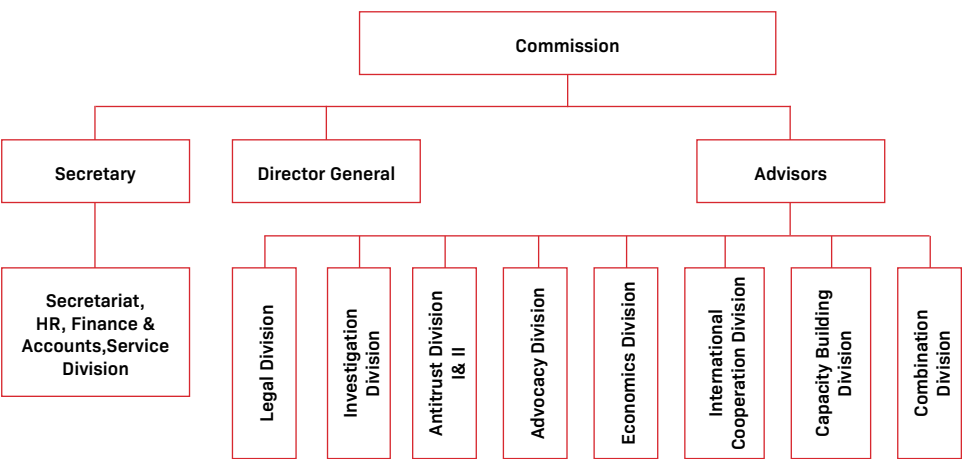
How many of your economists have a PhD in industrial economics?

None.

How much economics work is outsourced? What type of work is outsourced?

Case work is mostly attended to by in-house professionals of Economics Division, who are assisted by experts and research assistants hired by CCI under regulations. As and when required, market studies are outsourced to sector experts.

Organisation chart



Commission for the Supervision of Business Competition

KPPU Building, Jl Ir H Juanda No. 36, Jakarta Pusat, 10120, Indonesia

Tel: +62 21 34831563

Fax: +62 21 3507008

<http://eng.kppu.go.id>

Contacts



Retno Wiranti

Head of Cooperation Division

Tel: +62 21 34831563

eno@kppu.go.id / enno.wiranti@gmail.com

international@kppu.go.id

Questions and answers

How many economists do you employ?

The Commission for the Supervision of Business Competition (KPPU) employs 102 officials with economics degrees.

Do you have a separate economics unit?

Yes, we have a separate economics directorate who deals with economic analysis, research and market study

Do you have a chief economist?

No, we don't.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

Not applicable.

How many of your economists have a PhD in industrial economics?

None of our internal (permanent) staff have a PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

Yes we do. In cases where economic analysis and impact analysis are considered as essential in proving the violation, a specialist economist is included in the team.

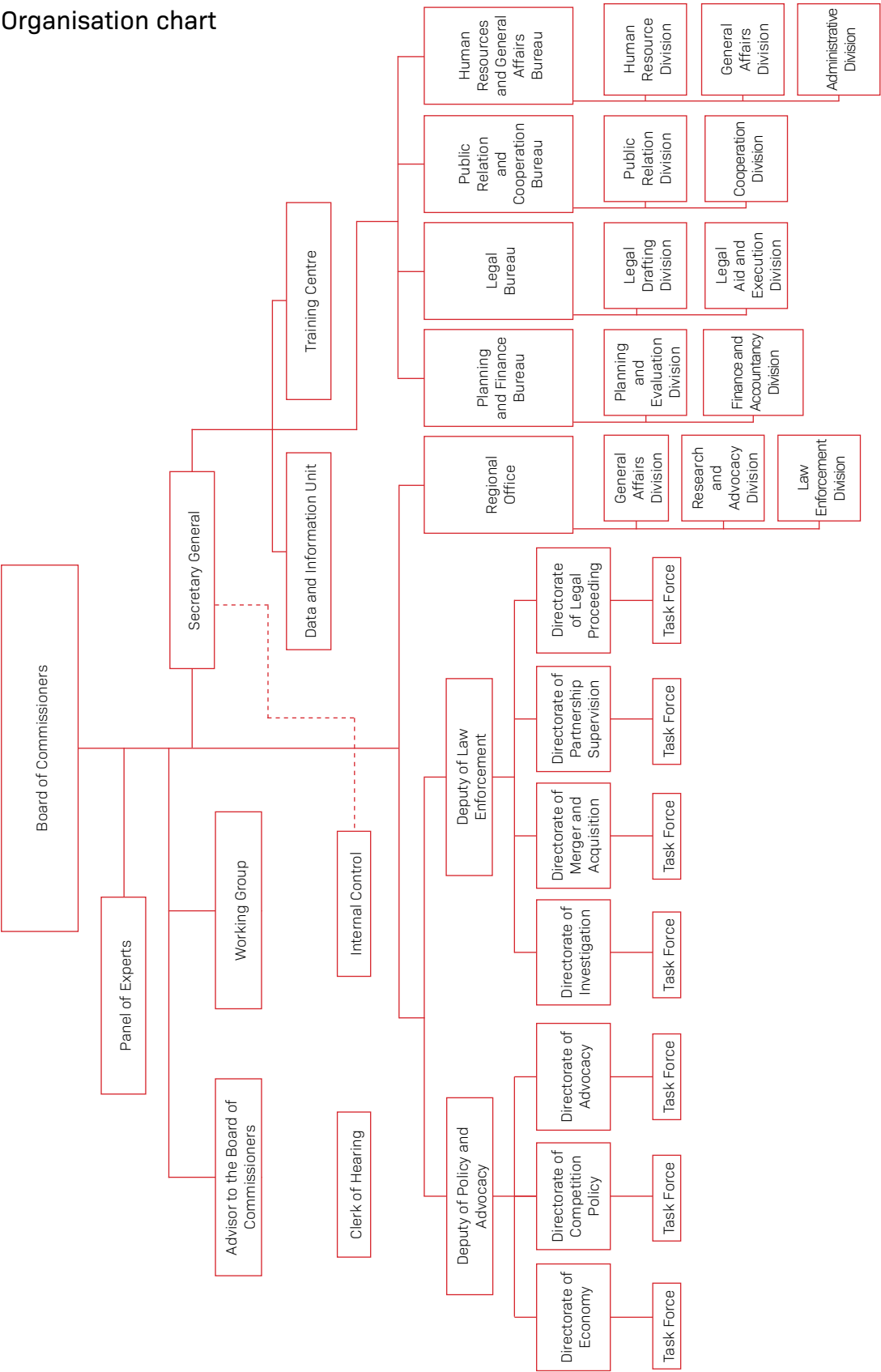
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

No, it isn't. The economist's main role is to directly assist the case, not to play a role in reviewing whether analysis performs well throughout the case.

How much economics work is outsourced? What type of work is outsourced?

More than one economics work each year example of economics work that is outsourced is market surveys.

Organisation chart



Competition and Consumer Protection Commission

Bloom House, Railway Street, Dublin 1, Ireland

Tel: +353 1 402 5500

Fax: +353 1 402 5501

info@ccpc.ie

www.ccpc.ie

Contacts

Executive Office

Isolde Goggin

Chairperson

Tel: +353 1 402 5500

isoldegoggin@ccpc.ie

Communications & Policy

Fergal O'Leary

Member

Tel: +353 1 402 5558

fergaloleary@ccpc.ie

Áine Carroll

Director

Tel: +353 1 470 3611

ainecarroll@ccpc.ie

Consumer Protection

Fergal O'Leary

Member

Tel: +353 1 402 5558

fergaloleary@ccpc.ie

Seán Murphy

Director

Tel: +353 1 470 3674

seanmurphy@ccpc.ie

Brexit & International

Fergal O'Leary

Member

Tel: +353 1 402 5558

fergaloleary@ccpc.ie

John Shine

Director

Tel: +353 1 402 5560

johnshine@ccpc.ie

Criminal Enforcement

Patrick Kenny

Member

Tel: +353 1 470 3650

patrickkenny@ccpc.ie

Eksteen Maritz

Director

Tel: + 353 1 470 3657

eksteenmaritz@ccpc.ie

Legal Services

Patrick Kenny

Member

Tel: +353 1 470 3650

patrickkenny@ccpc.ie

Úna Butler

Director

Tel: +353 1 470 3642

unabutler@ccpc.ie

Competition Enforcement & Mergers

Brian McHugh

Member

Tel: +353 1 470 3699

brianmchugh@ccpc.ie

Ibrahim Bah

Director

Tel: +353 1 470 3683

ibrahimbah@ccpc.ie

Corporate Services

Brian McHugh

Member

Tel: +353 1 470 3699

brianmchugh@ccpc.ie

Emily Barry

Director

Tel: +353 1 470 3640

Human Resources & Organisation Development

Janet Buckley

Head of Unit

Tel: +353 1 470 3605

janetbuckley@ccpc.ie

Questions and answers

How many economist do you employ?

The Competition and Consumer Protection Commission (CCPC) employs 16 economists. This includes two members of the commission who are economists.

Do you have a separate economics unit, or 'bureau'?

The CCPC does not have a separate economics unit. Economists are integrated within the general staff of the CCPC and spread throughout the various divisions.

Do you have a chief economist?

The CCPC does not have a chief economist.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

Not applicable.

How many economists have a PhD in industrial economics?

Two.

Does the agency include a specialist economist on every case team?

Case teams are typically multidisciplinary and therefore include a specialist economist. The exceptions are

cartels, which are prosecuted in Ireland at a criminal level – economic evidence is rarely produced in criminal trials and usually only when fines are considered.

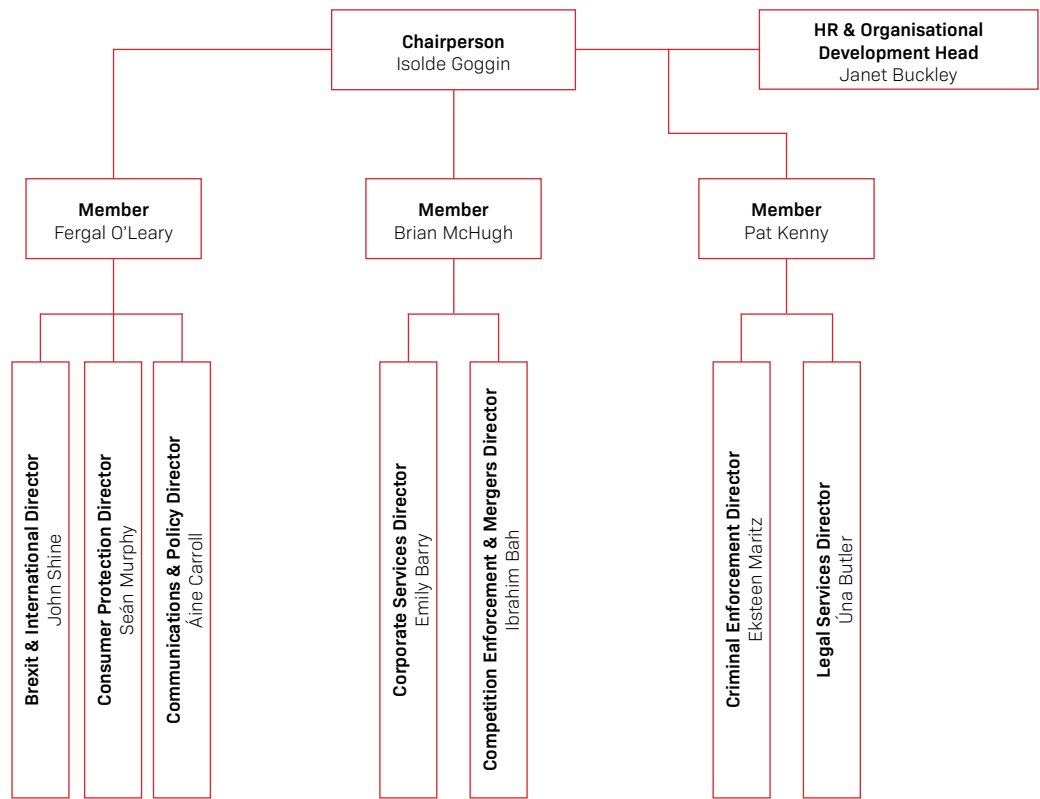
Is the economics unit a second pair of eyes during cases – is it one of the agency’s checks and balances?

The CCPC does not have a separate economics unit. The CCPC has other cross-divisional mechanisms in place to ensure a ‘second pair of eyes’. The CCPC’s members also have a function in this regard.

How much economics work is outsourced? What type of work is outsourced?

Economics work has been outsourced on various occasions – for example, on some sector studies and specific mergers. However, the majority of economics work is done by the CCPC’s own staff of economists.

Organisation chart



Israel Competition Authority

4 Am Veolamo St, Jerusalem, 9134102, Israel

Tel: +972 2 5458504

Fax: +972 2 5458555

lishka@competition.gov.il

www.competition.gov.il

Contacts



Michal Halperin

Director General



Yair Eilat

Chief Economist and Director of
Economic Department

Questions and answers

How many economists do you employ?

Thirty-two.

Do you have a separate economics unit, or 'bureau'?

Yes. The Israel Competition Authority's (ICA) Economics Department is comprised of 17 economists. It is responsible for providing economic assessment in relation to enforcement cases, such as unilateral conduct cases, non-cartel restrictive arrangements cases, as well as illegally consummated mergers and cases relating to concentration groups. In addition, in certain complex merger cases, economists from the Economics Department may join the assessment process. Economists working at the ICA are occasionally required to testify before the Competition Tribunal as economic experts. In addition, the Research Division of the Economics Department is dedicated to performing in-depth market studies of various industries with the goal of developing policy recommendations. In addition to the Economics Department, there are 15 economists in the Markets Department that are in charge, together with seven lawyers, of merger cases and advocating to government agencies and to the parliament on competition issues.

Do you have a chief economist?

Yes. The chief economist is also the director of the Economics Department

To whom does the chief economist report?

The chief economist reports to the general director of the ICA.

Does the chief economist have the power to hire his or her own staff?

Yes.

How many economists have a PhD in industrial economics?

Four have PhDs in economics, two of which are in industrial economics

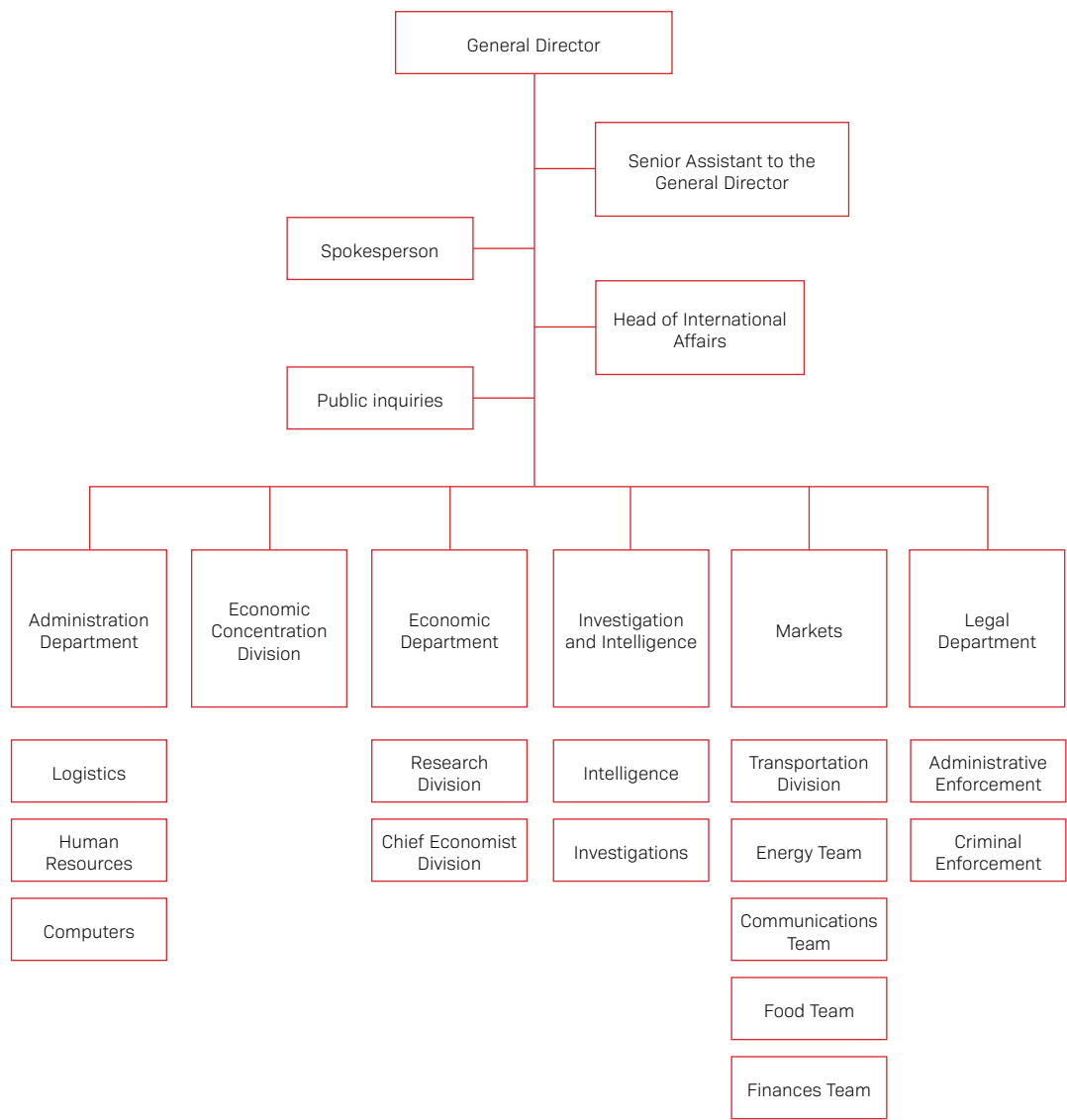
Does the agency include a specialist economist on every case team? If not, why not?

The agency includes at least one economist on every administrative case team.

How much economics work is outsourced? What type of work is outsourced?

The ICA does not outsource economics work.

Organisation chart



Italian Competition Authority

Piazza Verdi No. 6/A, Rome 00198, Italy

Tel: +39 06 85 82 11

Fax: +39 06 85 82 12 56

antitrust@agcm.it

www.agcm.it

Contacts

Roberto Rustichelli

Chairman

segreteria.presidenza@agcm.it

Filippo Arena

Secretary General

filippo.arena@agcm.it

Michele Ainis

Commissioner

michele.ainis@agcm.it

Antonio Buttà

Chief Economist

antonio.butta@agcm.it

Questions and answers

How many economists do you employ?

The Italian Competition Authority currently employs 40 economists.

How many of your economists have a PhD in industrial economics?

Fourteen have a PhD in economics.

Do you have a separate economics unit, or 'bureau'?

Yes. Since May 2012, an economics unit headed by a chief economist supports the investigative divisions with regard to economic matters and the use of economic analysis in more complex cases. Moreover, a specific committee provides economic counsel to the board.

Does the agency include a specialist economist on every case team? If not, why not?

Except for very specific circumstances, case teams always include an economist.

Do you have a chief economist?

Yes: Antonio Buttà.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The economics unit is one of the checks and balances for the Authority's investigations, although with no formal veto rights.

To whom does the chief economist report?

The chief economist reports to the secretary general.

How much economics work is outsourced? What type of work is outsourced?

Outsourcing is considered rarely, in specific circumstances.

Does the chief economist have the power to hire his or her own staff?

No, but he is involved, as part of the senior management, in the decision-making process.

Fair Trading Commission

52–60 Grenada Crescent, Kingston 5, Jamaica, West Indies

Tel: +876 960 0120 to 4

Fax: +876 960 0763

ftc@cwjamaica.com

<https://jftc.gov.jm/>

Contacts



David Miller

Executive Director

Tel: +876 960 0188

dmiller@jftc.com

Questions and answers

How many economists do you employ?

Three.

Do you have a separate economics unit, or ‘bureau’?

Yes.

Do you have a chief economist?

Yes.

To whom does the chief economist report?

To the executive director, who has ultimate responsibility for the operations of the Fair Trading Commission.

Does the chief economist have the power to hire his or her own staff?

Yes, but the economist must collaborate with the executive director and the general manager.

How many of your economists have a PhD in industrial economics?

One. Only the chief economist has a PhD.

Does the agency include a specialist economist on every case team? If not, why not?

No we do not. Not all matters that are investigated require an economic analysis. There are some breaches of the Fair Competition Act that are per se in nature and require legal analysis only. At the outset, where a matter may require a determination of competition harm, an economist is assigned to that matter.

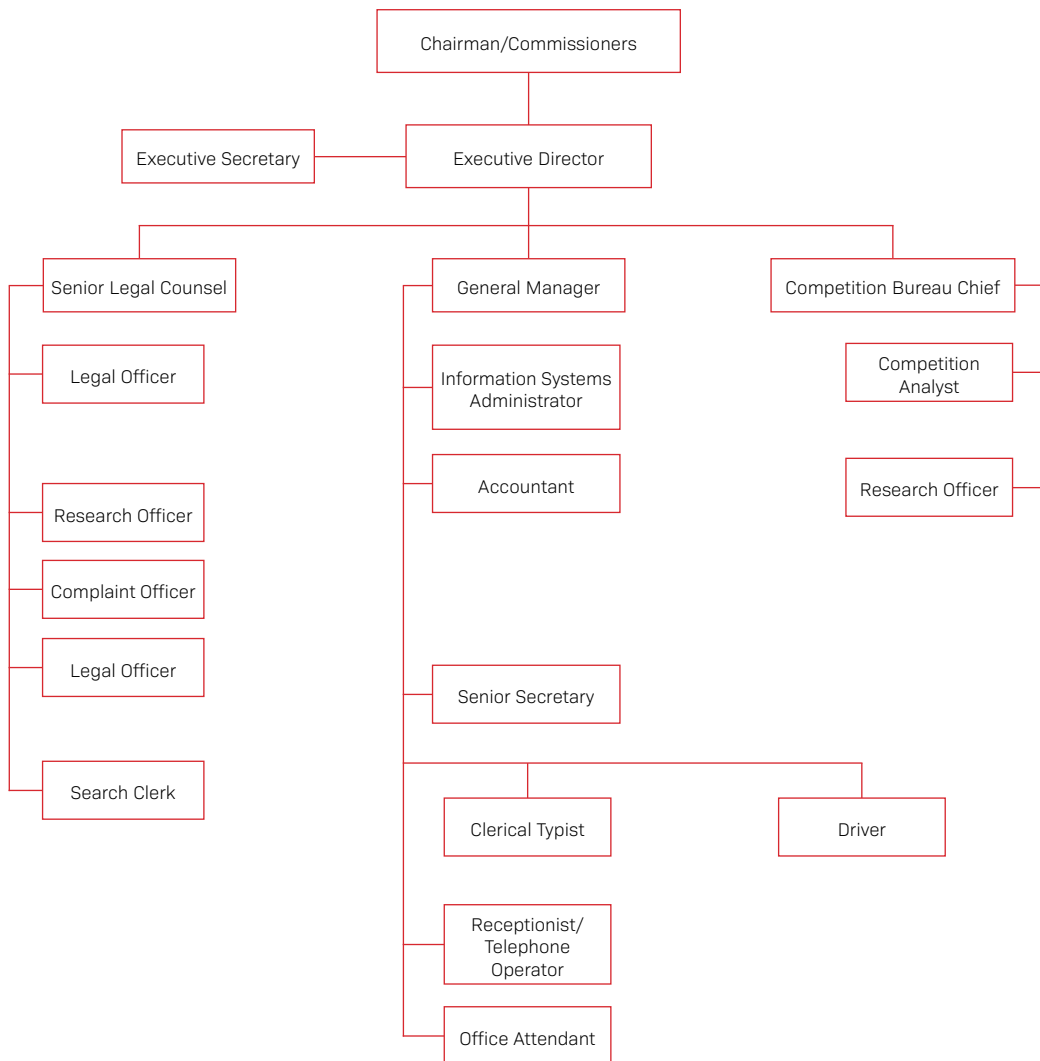
Is the economics unit a ‘second pair of eyes’ during cases – is it one of the agency’s checks and balances? If not, why not?

The Economics Unit takes part in our case selection process wherein cases are screened by way of an objective and transparent criteria, when they are received. As stated before, an economist is assigned to matters that may require competition analysis. Therefore, the Economics Unit is integral in the investigation of all matters, if only at the first stage (the case-selection process).

How much economics work is outsourced? What type of work is outsourced?

No work is outsourced. Our economics staff handles all assignments that are undertaken by the Commission.

Organisation chart



Japan Fair Trade Commission

16th Floor, 6-B building, Chuo Godo Chosha, 1-1-1 Kasumigaseki, Chiyoda-ku Tokyo 100-8987, Japan

Tel: +81 3 3581 1998

Fax: +81 3 3581 1944

intnldiv@jftc.go.jp

www.jftc.go.jp/en

Contacts

Economic Research Office, Economic Affairs Bureau

Competition Policy Research Centre

Tel: +81 3 3581 5480

Fax: +81 3 3581 1945

cprcsec@jftc.go.jp

Questions and answers

How many economists do you employ? How many have PhDs in industrial organisation?

The Japan Fair Trade Commission (JFTC) has three full-time economists, two of whom have a PhD in industrial organisation.

The JFTC has three economists with PhDs working as director and chief researchers of the Competition Policy Research Centre (CPRC), which is set under the general secretariat of the JFTC.

The CPRC is led by distinguished economist Professor Yosuke Okada, who has been the director of the CPRC since April 2012.

Do you have a separate economics unit, or 'bureau'?

The JFTC does not have a separate 'economics unit' – it has an Economic Affairs Bureau, which is, among other things, in charge of planning competition policy.

The JFTC launched the Economic Analysis Team in 2016 to support enforcement, planning and assessment for competition laws and policies of the JFTC.

The Economic Research Office, under the Economic Affairs Bureau, functions as a secretariat of the CPRC. The CPRC is the institution of the JFTC to strengthen the theoretical foundation for enforcement, planning and assessment of competition law and policy. Five researchers (one director and four chief researchers), experts on competition law or economics, collaborate in the CPRC. Currently, three of them are economists.

Do you have a chief economist?

No, the JFTC does not have an institutional position of chief economist in the same way as DG Competition in the European Commission. However, the Economic Analysis Team has a team leader.

To whom does the chief economist report?

The team leader of the Economic Analysis Team summarises the discussion and gives advice or opinions to divisions that consult with the Economic Analysis Team. (Reports on research conducted by the CPRC are given to the JFTC and released after the director of the CPRC supervises and approves them.)

Does the chief economist have the power to hire his or her own staff?

No, the team leader of the Economic Analysis Team does not have the power to hire his or her own staff.

To what degree is the economics unit called on to be a 'second pair of eyes' during cases – is it one of the agency's checks and balances?

All divisions in the JFTC can consult with the Economic Analysis Team at any time. The Economic Analysis Team can give any advice to the divisions concerned.

As mentioned above, the JFTC does not have a separate economics unit. Instead, the Economic Affairs Bureau has several economists in its several divisions, including the M&A division. When an M&A case requires in-depth economic analysis, the economists of the M&A division join the case team handling the proposed transactions. Analyses by the

economists are taken into consideration when making the decisions.

Also, note that the economists of the M&A division review all case reports drafted by the case teams.

Does the agency include a specialist economist on every case team? If not, why?

No. As to M&A cases, as mentioned above, the economists of the M&A division join the case teams reviewing M&A cases which require in-depth economic analysis, but not all M&A reviews require in-depth economic analysis.

How much economics work is outsourced? What type of work is outsourced?

None.

Competition Authority of Kenya

PO Box 36265-00200, Nairobi, Kenya

Tel: +254 20 2628233

Direct Line: +254 20 2779000

info@cak.go.ke

www.cak.go.ke

Contacts



Francis W Kariuki

Director General

Tel: +254 20 2628233

fwkariuki@cak.go.ke

Adano Wario Roba

Director, Planning, Research and Quality Assurance

Tel: +254 20 2779130

aroba@cak.go.ke

Overview

The Competition Authority of Kenya (the Authority) is a statutory body created by the Competition Act No. 12 of 2010 (the Act). The Authority's mandate is to promote and safeguard competition in Kenya and protect consumers from unfair and misleading market conduct. The functions of the Authority are, inter alia, to:

- promote and enforce compliance with the Act;
- receive and investigate complaints from legal or natural persons and consumer bodies;
- promote public knowledge, awareness and understanding of the obligations, rights and remedies under the Act and the duties, functions and activities of the Authority;
- promote the creation of consumer bodies and the establishment of good and proper standards and rules to be followed by such bodies in protecting competition and consumer welfare;
- recognise consumer bodies duly registered under the appropriate national laws as the proper bodies, in their areas of operation, to represent consumers before the Authority;
- make available to consumers information and guidelines relating to the obligations of persons under the Act and the rights and remedies available to consumers under the Act;
- carry out inquiries, studies and research into matters relating to competition and the protection of the interests of consumers;
- study government policies, procedures and programmes, legislation and proposals for legislation so as to assess their effects on competition and consumer welfare and publicise the results of such studies;
- investigate impediments to competition, including entry into and exit from markets, in the economy as a whole or in particular sectors and publicise the results of such investigations;
- investigate policies, procedures and programmes of regulatory authorities so as to assess their effects on competition and consumer welfare and publicise the results of such studies;
- participate in deliberations and proceedings of government, government commissions, regulatory authorities and other bodies in relation to competition and consumer welfare;
- make representations to government, government commissions, regulatory authorities and other bodies on matters relating to competition and consumer welfare;
- liaise with regulatory bodies and other public bodies in all matters relating to competition and consumer welfare; and
- advise the government on matters relating to competition and consumer welfare.

Questions and answers

How many economists do you employ?

Twenty nine.

Do you have a separate economics unit?

While economists are placed within all the technical departments, the Research Directorate serves as the main economics unit that carries out economic analysis on the cases.

Do you have a chief economist?

Yes. The director of Planning, Research and Quality Assurance serves as the chief economist

To whom does the chief economist report?

The director general

Does the chief economist have the power to hire his or her own staff?

Hiring at the Authority is implemented by the Human Resource department, but is a function of the Board of Directors. The chief economist may provide specifications, but has no direct influence.

How many of your economists have a PhD in industrial economics?

None

Does the agency include a specialist economist on every case team? If not, why not?

Yes. This happens on all cases.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes it is. This ensures proper checks and balances are done on the report leading to informed decisions by the Authority. The Economics Unit ensures that the case officers have sufficient economics data to enable make them informed decisions.

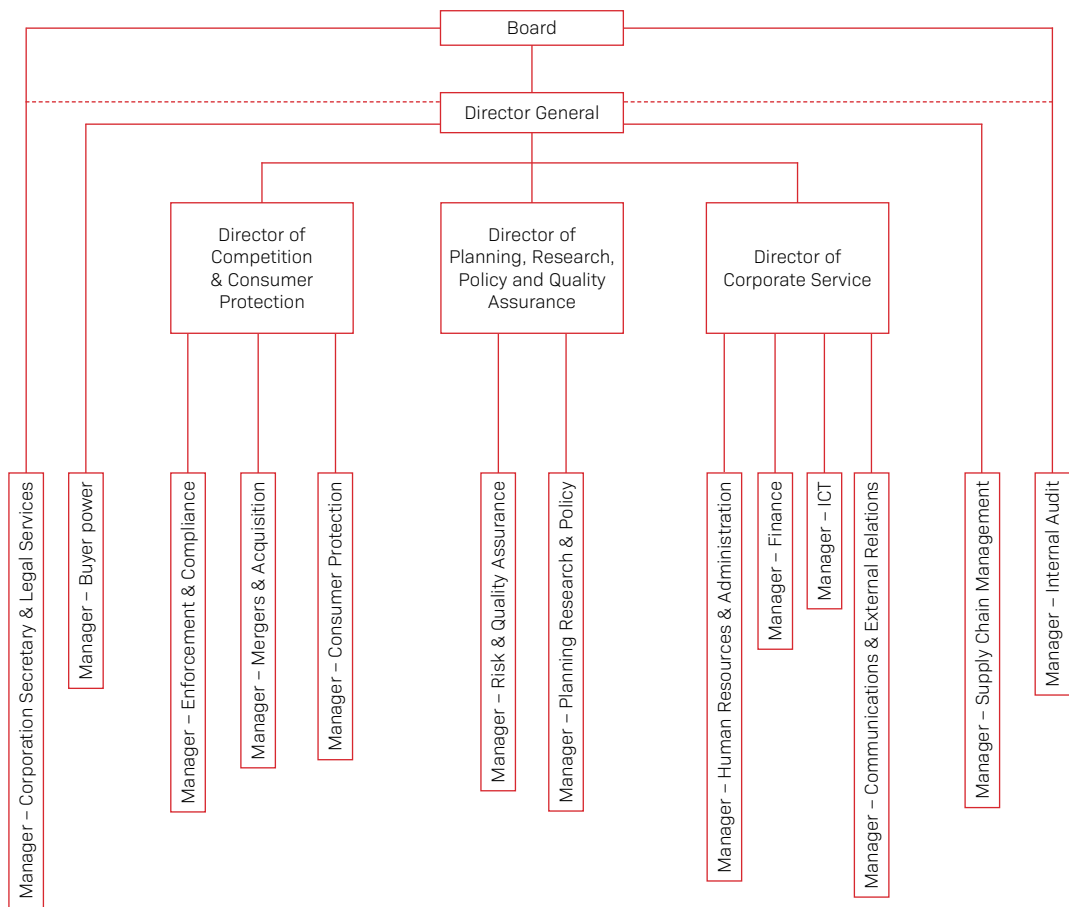
How much economics work is outsourced?

None. The Authority collaborates with institutions and other agencies to gather more knowledge and exchange ideas. For instance, the Authority has an agreement with the Competition Commission of South Africa as well as Japan Fair Trade Commission, both of whom support with capacity building and information exchange that may enable the Authority make more informed decisions.

What type of work is outsourced?

Market inquiries and studies are outsourced.

Organisation chart



Korea Fair Trade Commission

95 Dasom3-ro Sejong city, Korea, 30108

Tel: +82 44 200 4326

Fax: +82 44 200 4343

www.ftc.go.kr

Contacts

Mi-Kang Choi

Deputy Director of Economic
Analysis Division

Tel: +82 44 200 4376

kftc@korea.kr

Questions and answers

How many economists do you employ?

There are 119 economists in the Korea Fair Trade Commission.

Do you have a separate economics unit?

Yes, we have the Economic Analysis Division.

Do you have a chief economist?

Yes, the chief economist is Lee Seung-Kyu, director of the Economic Analysis Division.

To whom does the chief economist report?

The chief economist reports to the director general for Market Structure Policy.

Does the chief economist have the power to hire his or her own staff?

No.

How many of your economists have a PhD in industrial economics?

There are 11.

Does the agency include a specialist economist on every case team? If not, why not?

No, not on every case team. Economists are involved in selective cases that are influential, complicated or under rule-of-reason.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The Economic Analysis Division focuses more on providing economic evidence in case handlers until now. Sometimes economic evidence plays a key role in dropping cases during the investigation phase.

How much economics work is outsourced? What type of work is outsourced?

Sometimes the work is outsourced. There are no specific criteria for outsourcing.

Overview

Emmi Martikainen and Mindaugas Cerpickis

Copenhagen Economics

The Competition Council of Latvia (CC) currently employs two economists who provide economic support during case investigations and are involved in sector inquiries. The role of economic analysis seems to vary depending on the type of case and investigation; in merger control and in sector inquiries, economics has played an increasingly larger role in recent years. The number of mergers that move to Phase II investigation is still quite small. Merger prohibitions are very rare and unlike in many other jurisdictions, the CC seems to accept behavioural remedies. Abuse cases are often settled with the parties, meaning that there are few follow-on damages cases. The priority of the CC seems to be bid-rigging in public procurement and government activity in market operations. However, the role and importance of economic analysis in these cases is limited.

This article is based on interviews with prominent competition law practitioners from the law firms Cobalt, Ellex, Sorainen and TGS Baltic as well as with the economist team of the Competition Council of Latvia (CC).

Role of economic analysis is more pronounced in merger investigations

There are relatively many merger filings per year and the number of Phase I notifications has increased by more than 50 per cent in 2017–2018. However, only a few mergers move to Phase II investigations. Some of the interviewees saw economics having a more and more pronounced role in merger investigations. For example, recent mergers in the grocery retail sector have involved party appointed economists and a more economic-based methods from the CC (eg, to define relevant geographical and product markets). Two retail mergers were prohibited by the CC and are currently pending in court. Prohibiting a merger is, however, rare in Latvia: the two aforementioned prohibitions are the only prohibitions during the past decade.

The CC has a high success rate in court. Some interviewees postulate that the court might have become more willing to accept economic evidence presented

as part of argumentation and evidence. The court can itself appoint economic experts, to assess the economic analysis presented by CC and the parties. However, the lack of specialised, local economists trained specifically in competition economics was considered a barrier to the use of more economic reasoning by some interviewees, both in investigations and in court.

Abuse of dominance cases are often settled

Abuse of dominance investigations are relatively rare in Latvia. The competition authority seems to consider it more efficient to settle cases early rather than to conduct full inquiries that may lead to fines or taking cases to court. In 2017, the CC concluded six negotiation procedures, five of which concerned abuse of dominance. In 2018, the CC imposed a fine in an abuse of dominance case in the waste sector. The *AKKA/LAA* decision concerning excessive pricing in copyrighted music was cited among the interviewees as a significant abuse of dominance decision from recent years.

In terms of anticompetitive agreements, the CC has adopted several decisions, for instance, concerning public transport, the construction sector and public procurement. The CC seems to be fairly concerned about cartels in relation to public procurement as well as government (municipalities') involvement in market operations. Amendments in competition law taking place in 2020 gives the authority more power to act against public administrative bodies if they distort competition. The role and importance of economic analysis in bid-rigging cases seems, however, to be limited.

Market inquiries rely on economic analyses

The economists at the CC also contribute to the market inquiries. In recent years, there were at least three no-table market investigations: the vehicle inspection market, the pharmacies market and the market for waste management. The vehicle inspection market inquiry was mentioned as an example where economic analysis played an important role, including impact analysis of deregulation on prices and service quality.



Emmi Martikainen
Copenhagen Economics

Emmi Martikainen is an economic consultant at Copenhagen Economics helping clients with issues where competition law and economics intersect, including a wide variety of merger and abuse of dominance cases, damage estimations and compliance issues. She holds a PhD in economics from the University of Turku and has taught microeconomics and competition economics in Finnish universities. Before joining CE, Martikainen worked as an economist at the Finnish Competition and Consumer Authority.



Mindaugas Cerpickis
Copenhagen Economics

Mindaugas Cerpickis acts as an economic consultant at Copenhagen Economics, specialising in helping clients in competition and dispute resolution cases. Cerpickis has worked on a number of dispute, merger and abuse of dominance cases, including cases where sector regulation and competition economics intersect, for example, in postal and telecom sectors. Before joining Copenhagen Economics, he worked as a management consultant.



Copenhagen Economics Helsinki
Hämeentie 11
00530 Helsinki
Finland
Tel +358 40 016 3950

Langebrogade 1 (entrance B3)
DK-1411 Copenhagen
Denmark
Tel: +45 2333 1810

Emmi Martikainen
emm@copenhageneconomics.com

Mindaugas Cerpickis
mic@copenhageneconomics.com

www.copenhageneconomics.com

Copenhagen Economics is one of the leading economic consultancies in Europe. Founded in 2000, we currently employ more than 90 people operating from our offices in Copenhagen, Stockholm, Helsinki and Brussels. Based on established research methods and in-depth sector knowledge, we help our clients make better choices in their political and commercial reality. Our senior team provides pragmatic solutions founded in economics to law firms, private companies, regulators, and policy makers all over the world. We are particularly dedicated to 12 service areas, including competition, dispute support, digital economy, intellectual property valuation and transfer pricing, and postal and delivery. *Global Competition Review* lists Copenhagen Economics among the top 20 economic consultancies in the world and has done so since 2006.

Competition Council of Latvia

55 Brīvības Street, 1010, Rīga, Latvia

Tel: +371 6728 2865

Fax: +371 6724 2141

konkurence@kp.gov.lv

www.kp.gov.lv

Contacts



Skaidrīte Ābrama

Chairwoman of the Council



Māris Spička

Executive Director

Jānis Račko

Member, Deputy Chairman

Artūrs Kuka

Chief Economist

Līga Daugaviete

Member

Questions and answers

How many economists do you employ?

There is a chief economist and an economist working in the Economic Analysis Unit. In addition, nine case handlers have studied economics.

Do you have a separate economics unit?

Yes.

To whom does the chief economist report?

The chief economist reports to the executive director.

Does the chief economist have the power to hire his or her own staff?

The Economic Analysis Unit composed of the head of the unit (chief economist) and the economist supports case handlers in case investigation and sector enquiries, although in more complicated cases for deeper expertise they can enlist outside experts.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

In cases where an economic approach is necessary, economists usually support a case handler throughout the entire investigation. Due to restricted resources only in complicated cases is a project team consisting of leading case handler, two or more experts, lawyers and economist organised.

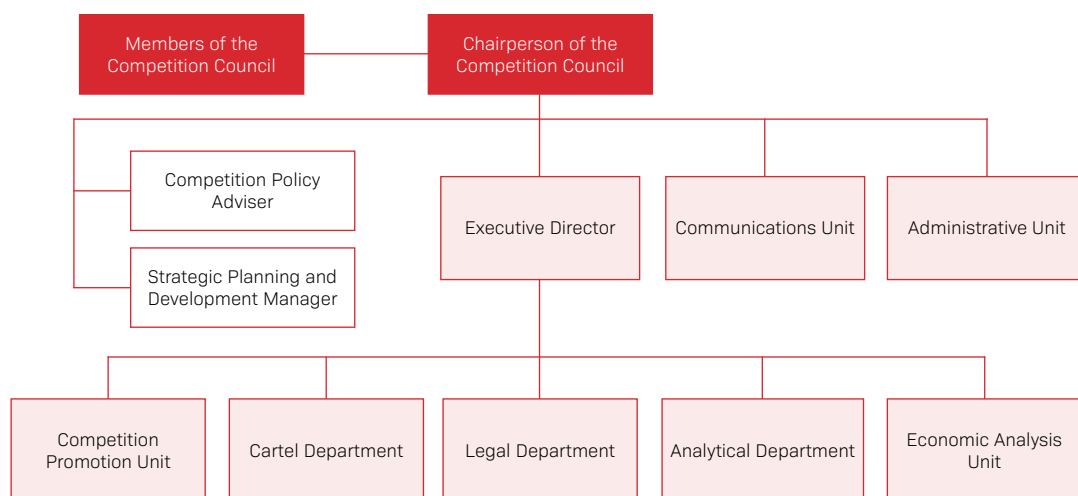
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

In economically complicated cases and market inquiries, economists are a second pair of eyes and, in addition, provide substantial added value to the case investigation. In other cases, the involvement of economists depends on the characteristics of the case. There are cases where legal analysis is more important than economic analysis or the economic analysis is not complicated enough to require an additional specialist from the Economic Analysis Unit, taking into account that many case handlers have graduated as economists, financial analysts etc.

How much economics work is outsourced? What type of work is outsourced?

Cases involving outsourced specialists are rare. The most recent (several years ago) task that was outsourced within the case investigation was an economic survey on the rating, availability and substitutability of international television channels in Latvia. The results were used in the case of alleged abuse of dominance in the market of the distribution of TV channels.

Organisation chart



Overview

Mindaugas Cerpickis and Emmi Martikainen
Copenhagen Economics

Three recent landmark decisions highlight the increasing use of economic methods in public and private competition law enforcement in Lithuania. First, in April 2018, the Lithuanian Competition Council (LCC) reported that UAB Rimi Lietuva (RIMI) failed to implement merger remedies that the authority approved as a condition when clearing the merger of large grocery chains in Lithuania. Second, in October 2017, the Supreme Administrative Court of Lithuania upheld the LCC's decision by which the merger of two major pilsner malt producers in Lithuania was prohibited. Third, in 2019, the preliminary findings of the LCC showed that the merger between a national and a local fixed internet access services and paid TV services providers (Cgates and Splius) would lead to a significant restriction of competition in a local market. Subsequently, the merger filing has been withdrawn by the acquirer. Extensive economic analysis preceded each decision.

This article is based on interviews with prominent competition law practitioners from the law firms Cobalt, Ellex, Sorainen, TGS Baltic and Walless, as well as with the legal and the economist team of the LCC.

The role of economic analysis is increasing in mergers

The number of cleared mergers ranged from 23–37 annually in the 2016–2018 period. In contrast, one to two merger cases per year were prohibited or withdrawn by merging parties due to concerns expressed by the LCC. The number of cases where the LCC moved to the second phase investigation was up to 10 each year. For the past several years, the LCC accepted only structural remedies, though the parties often offered behavioural commitments as well.

According to the interviewees, mergers are overall becoming more complex, one reason being that the market is more and more consolidated. Long investigation times and the extent of data required to submit to the LCC was mentioned by some of the interviewees as creating costs for the companies. A comparison was

made to other Baltic states where merger investigation times and information requests by the competition authorities are perceived to be less burdensome.

The LCC and the market participants are using economic methods in mergers more often than in the past. However, the economics used seems to rely more on qualitative arguments and questionnaires sent to market participants rather than, for example, econometric effects analysis. The use of economics has, however, increased as private parties have produced their own analysis. For example, catchment area analysis, small but significant and non-transitory increase in price test, price difference analysis and others have been used both by the private parties and the LCC in recent merger cases.

Abuse cases are relatively rare and focus is on cartels

Abuse of dominance cases are relatively rare. Cartel detection continues to be one of the LCC's focus points. One of the most prominent cases in 2017 concerned joint bidding in the construction market, which according to the LCC was a by object restriction of competition. The case is now pending in Supreme administrative court.

The EU Damages Directive has been fully transposed to the national law, but damages cases are still rare. There are two stand-alone pending damages cases and two follow-on damages cases.

LCC's economists have a role in prioritising investigations

All the LCC's economists are placed in the Economic Analysis Group, formed in 2018. The LCC expects to expand the unit in the future. In addition to case work, the economists play a role in prioritising which investigations the LCC launches. Specifically, the LCC prioritises and selects cases for further investigation based on three criteria: the impact on effective competition and consumer welfare, strategic significance and rational use of resources.



Mindaugas Cerpickis
Copenhagen Economics

Mindaugas Cerpickis acts as an economic consultant at Copenhagen Economics, specialising in helping clients in competition and dispute resolution cases. Cerpickis has worked on a number of dispute, merger and abuse of dominance cases, including cases where sector regulation and competition economics intersect, for example, in postal and telecom sectors. Before joining Copenhagen Economics, he worked as a management consultant.



Emmi Martikainen
Copenhagen Economics

Emmi Martikainen is an economic consultant at Copenhagen Economics helping clients with issues where competition law and economics intersect, including a wide variety of merger and abuse of dominance cases, damage estimations and compliance issues. She holds a PhD in economics from the University of Turku and has taught microeconomics and competition economics in Finnish universities. Before joining CE, Martikainen worked as an economist at the Finnish Competition and Consumer Authority.



Langebrogade 1 (entrance B3)
DK-1411 Copenhagen
Denmark
Tel: +45 5373 2454

Copenhagen Economics Helsinki
Hämeentie 11
00530 Helsinki
Finland
Tel +358 40 016 3950

Mindaugas Cerpickis
mic@copenhageneconomics.com

Emmi Martikainen
emm@copenhageneconomics.com

www.copenhageneconomics.com

Copenhagen Economics is one of the leading economic consultancies in Europe. Founded in 2000, we currently employ more than 90 people operating from our offices in Copenhagen, Stockholm, Helsinki and Brussels. Based on established research methods and in-depth sector knowledge, we help our clients make better choices in their political and commercial reality. Our senior team provides pragmatic solutions founded in economics to law firms, private companies, regulators, and policy makers all over the world. We are particularly dedicated to 12 service areas, including competition, dispute support, digital economy, intellectual property valuation and transfer pricing, and postal and delivery. *Global Competition Review* lists Copenhagen Economics among the top 20 economic consultancies in the world and has done so since 2006.

Lithuanian Competition Council

Jogailos str 14, 01116 Vilnius, Lithuania

Tel: +370 5 262 7797

Fax: +370 5 212 6492

taryba@kt.gov.lt

Contacts

Julius Bučys

Head of Economic Analysis Group

julius.bucys@kt.gov.lt

Questions and answers

How many economists do you employ?

The Council employs four dedicated economists. All of them are embedded within the Economic Analysis Group.

Do you have a separate economics unit?

Yes. Economic Analysis Group was established in 2018.

Do you have a chief economist?

Yes. Julius Bučys, head of Economic Analysis Group.

To whom does the chief economist report?

To the chairman.

Does the chief economist have the power to hire his or her own staff?

No.

How many of your economists have a PhD in industrial economics?

None. One of the economists has a PhD in economics.

Does the agency include a specialist economist on every case team? If not, why not?

No. Due to the limited number of economists, they are included only on the teams of complex cases, where there is a need of economic analysis.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes, the Economic Analysis Group reviews all the cases. As mentioned above, in complex cases the Economic Analysis Group is involved throughout the Investigation.

How much economics work is outsourced? What type of work is outsourced?

Owing to budgetary restrictions, the Lithuanian Competition Council does not outsource economic consultations. However, in more complicated cases the Council refers to competition experts from Queen Mary University of London, UK, and the European Commission.

Competition Council of Luxembourg

34-38, avenue de la Liberté, L-1930 Luxembourg
 PO Box 856, 2018 Luxembourg
 Tel: +352 24 78 41 74
 Fax: +352 26 20 12 18
 info@concurrency.public.lu
 www.concurrency.lu

Contacts

Pierre Barthelmé

President
 pierre.barthelme@concurrency.etat.lu
 Tel: +352 247 84750

Mattia Melloni

Councilor
 mattia.melloni@concurrency.etat.lu
 Tel: +352 247 88484

Jean-Claude Weidert

Councilor
 jean-claude.weidert@concurrency.etat.lu
 Tel: +352 247 88408

Agnès Germain

Councilor
 agnes.germain@concurrency.etat.lu
 Tel: +352 247 84344

Questions and answers

Do you have a chief economist?

Yes, Jean-Claude Weidert. He holds a master's in econometrics from Louis Pasteur University in Strasbourg.

He is also a certified European financial analyst and has spent a career of 20 years as an economist in the financial sector.

To whom does the chief economist report?

The chief economist reports as a counsellor to the president of the Competition Council.

Does the chief economist have the power to hire his or her own staff?

Staff recruitment takes place at the Competition Council, a process in which the chief economist actively participates.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

No. The case teams may seek the opinion and advice of the economics team if needed.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

No. The Council takes independent decisions on the cases prepared by the case teams.

How much economics work is outsourced? What type of work is outsourced?

Depending on the cases, the counsellors seek outside expert opinions and advice on specific technical matters. There is no general rule.

Malaysia Competition Commission

Level 15, Menara SSM@Sentral, No.7 Jalan Stesen Sentral 5, Kuala Lumpur Sentral,
50623 Kuala Lumpur, Malaysia

Tel: +603 2273 2277

Fax: +603 2272 2293 / 1692

enquiries@mycc.gov.my

www.mycc.gov.my

Contacts



Mohd Hishamudin Md Yunus
Chairman



Iskandar Ismail
Chief Executive Officer

Questions and answers

How many economists do you employ?

There are five economists in the Business and Economics Division (BED) and two economists in the Investigation and Enforcement Division (IED).

Do you have a separate economics unit?

Yes.

Do you have a chief economist?

No.

To whom does the chief economist report?

The future chief economist will report to the chief executive officer.

Does the chief economist have the power to hire his or her own staff?

No. Only the Commission has the power to hire employees for the Commission.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

There are two economists in the IED, both of whom are well-versed in all areas of economics. While they are investigating cases, they will also work closely with the economists from the BED, especially in abusive dominant players' case and calculation of penalties in all cases.

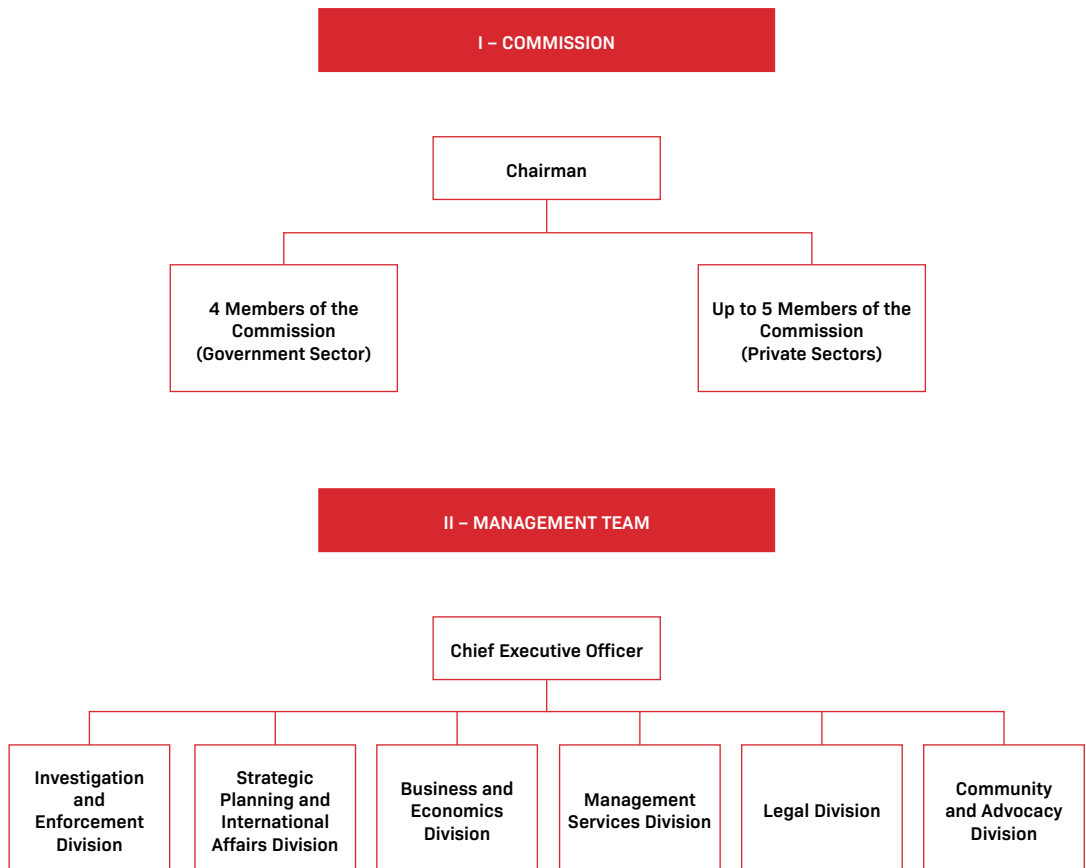
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes.

How much economics work is outsourced? What type of work is outsourced?

So far we only outsource market review task to consultants.

Organisation chart



Malta Competition and Consumer Affairs Authority

Mizzi House, National Road, Blata l-Bajda HMR 9010, Malta

Tel: +356 2395 2000

<https://mccaa.org.mt>

Contacts

Godwin Mangion

Director General (Competition)

godwin.mangion@mccaa.org.mt

Questions and answers

How many economists do you employ?

The Office for Competition employs three economists.

Do you have a separate economics unit, or 'bureau'?

No. The small size of the Office for Competition does not enable a separate economics unit.

Do you have a chief economist?

Yes.

To whom does the chief economist report?

The chief economist reports to the director general who has the responsibility for the overall functions of the Office for Competition.

Does the chief economist have the power to hire his or her own staff?

No.

How many economists have a PhD in industrial economics?

None of the economists have a PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

Usually, an economist is included in each case team.

How much economics work is outsourced? What type of work is outsourced?

The economics work that is outsourced depends on the workload and the complexity of the cases and concentrations being investigated and analysed by the Office for Competition.

Competition Commission of Mauritius

10th Floor, Hennessy Court, Pope Hennessy Street, Port Louis 11404, Mauritius

Tel: +230 211 2005

Fax: +230 211 3107

info@competitioncommission.mu

www.competitioncommission.mu

Contacts



Deshmuk Kowlessur

Executive Director

Questions and answers

How many economists do you employ?

We currently have seven members in the investigative team with an economics background; two of whom are heads of investigations.

Do you have a separate economics unit?

No. The Competition Commission's structure is organised into several working groups, each led by a head of investigations. Each group has a balanced mix of economists and legal persons.

Do you have a chief economist?

No.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

The power to hire staff lies with the Board of the Competition Commission, but the executive director and heads of working groups sit on the recruitment panel and have a say in the selection of his or her staff.

How many of your economists have a PhD in industrial economics?

One.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, at least one economist is included on every case team.

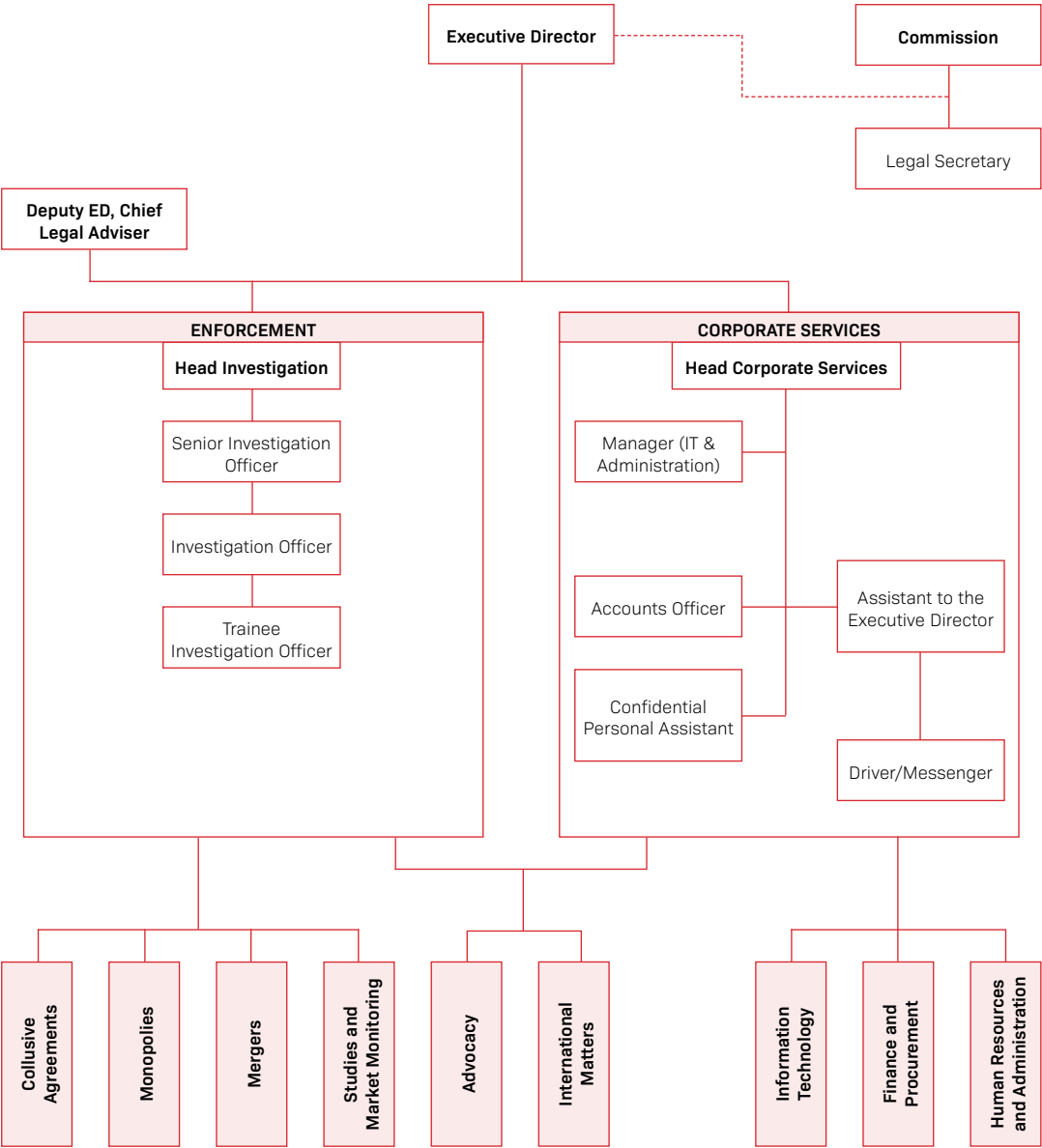
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

As we do not have an economics unit, economics matters are dealt within each working group, but complex matters and issues are brought up to the executive team comprising the executive director and heads of investigations.

How much economics work is outsourced? What type of work is outsourced?

So far all economics work has been carried out internally and none has been outsourced yet.

Organisation chart



Federal Economic Competition Commission

Av Revolución 725, Col Santa María Nonoalco, Alcaldía Benito Juárez, CP 03700, Mexico City, Mexico
 Tel: +52 55 2789 6500
www.cofece.mx

Contacts



Alejandra Palacios Prieto
 Chairwoman
 Tel: +52 55 2789 6666
apalacios@cofece.mx



Sergio López Rodríguez
 Head, Investigative Authority
 Tel: +52 55 2789 6554
slopezr@cofece.mx



Fidel Gerardo Sierra Aranda
 Head, Technical Secretariat
 Tel: +52 55 2789 6588
fsierra@cofece.mx

David Lamb de Valdés

Head, Planning,
 Institutional Relations and
 International Affairs
 Tel: +52 55 2789 6681
dlamb@cofece.mx

Juan Manuel Espino Bravo

Director General,
 Economic Studies
 Tel: +52 55 2789 6556
jespino@cofece.mx

Heidi Sada Correa

Executive Director,
 International Affairs
 Tel: +52 55 2789 6562
hsada@cofece.mx

Questions and answers

How many economists do you employ?

Mexico's Federal Economic Competition Commission (COFECE) employs 97 economists as of June 2019.

Do you have a separate economics unit?

Yes, the General Directorate of Economic Studies (the Directorate) serves as a stand-alone 'bureau of economics' within the agency. The Directorate provides technical assistance to several areas within COFECE (except for the Investigative Authority), particularly when they deal with complex cases. In addition, the Directorate is responsible for conducting market studies that could serve as grounds for COFECE's advocacy efforts or enforcement actions.

Do you have a chief economist?

The acting chief economist is Juan Manuel Espino Bravo, director general of Economic Studies.

To whom does the chief economist report?

To the head of the Technical Secretariat, Fidel Gerardo Sierra Aranda.

Does the chief economist have the power to hire his or her own staff?

Yes, subject to the requirements established by the General Directorate for Administration.

How many of your economists have a PhD in Industrial Economics?

Five. Three are commissioners, one works at the Technical Secretariat and another one in the Investigative Authority.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, each General Directorate carrying out substantive tasks has specialised economists assigned to a case team.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

COFECE's institutional arrangement provides that all enforcement cases are managed through two phases. The Investigative Authority is responsible for conducting the investigation phase, through its General Directorates of Investigation (cartels, markets and regulated sectors) and the General Directorate of Market Intelligence, which have economists working in all the respective case teams. In addition, the Investigative Authority has a Coordination Office which functions as a 'second pair of eyes' by reviewing the economic robustness of the investigated cases.

On the other hand, the Technical Secretariat oversees the adversarial phase whereby the Investigative Authority and the economic agent against which an accusation is filed are parties. In this administrative

process, evidence is submitted and arguments are heard (including economic arguments). The General Directorate for Economic Studies is part of the Technical Secretariat and as such may act as a 'second pair of eyes' to cases being conducted under an adversarial trial-like procedure.

In this sense, this arrangement does provide a checks and balances mechanism that seeks to guarantee impartiality and objectivity by separating the authority charged with investigating from the authority in charge of procedural oversight, and in both cases an economic unit does oversee the cases.

How much economics work is outsourced? What type of work is outsourced?

In selected cases, economic work may be outsourced. COFECE may use external experts when special expertise is required, but it is not the norm.

Agency for Protection of Competition

Svetlane Kane Radević 3, Podgorica 81000, Montenegro

Tel: +382 20 239 024

Fax: +382 20 239 015

www.azzk.me

Contacts

Bozidar Lopivic

International Cooperation I

Tel: +382 20 239 024

bozidar.lopicic@azzk.me

Questions and answers

How many economists do you employ?

The Agency for Protection of Competition (APC) employs eight economists.

Do you have a separate economics unit?

The Law on Amendments to the Law on Protection of Competition (the Law) was adopted and came into force on 8 March 2018. Amendments to the Law were derived from the process of accession to the European Union, through the obligation to establish an operationally independent state aid body, which must have the competencies and resources necessary for the full application of the state aid rules.

Further, the Law was approached with the aim of forming a single body that would perform tasks related to the protection of competition and state aid, by expanding the scope of activities and competencies that the APC currently has.

As envisaged in the Law, the APC shall harmonise the Act on Internal Organisation and Systematisation of Work Posts with the Law within 60 days from the date of appointment of the president and members of the Council. Activities on selection of the members of APC Council are in progress.

It is planned that the new Act on Internal Organisation and Systematisation of Work Posts form a separate unit for economic analyses.

Do you have a chief economist?

The new rulebook on internal organisation and systematisation of job positions (New Rulebook), which will form a separate unit for economic analyses, will have systematised job position for chief economist.

To whom does the chief economist report?

This will be defined in the New Rulebook.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, in merger and abuse of dominance cases, the APC includes economists.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes, the economists are a second pair of eyes during cases.

How much economics work is outsourced? What type of work is outsourced?

None of the work of the APC has been outsourced.

Netherlands Authority for Consumers and Markets

PO Box 16326, 2500 BH, The Hague, Netherlands

Tel: +31 70 722 20 00

Fax: +31 70 722 23 55

www.acm.nl

Contacts



Jarig van Sinderen

Chief Economist

Tel: +31 70 722 23 44

jarig.van.sinderen@acm.nl

Questions and answers

How many economists do you employ?

More than 40 economists worked on competition in 2018.

Do you have a separate economics unit?

Yes. A separate economics unit (Office of the Chief Economist) has been operational since 1 April 2006.

Do you have a chief economist?

Jarig van Sinderen was chief economist of the Netherlands Competition Authority (NMa) from 1 April 2006 until 1 April 2013, when he was appointed chief economist of the Authority for Consumers and Markets (ACM).

To whom does the chief economist report?

To the board of directors of ACM.

Does the chief economist have the power to hire his or her own staff?

Yes.

How many of your economists have a PhD in industrial economics?

The ACM employs 16 economists with PhDs in economics or econometrics. The chief economist is a part-time professor at the Erasmus School of Economics (ESE) of the Erasmus University Rotterdam, the Netherlands.

Our economic expert Erik Brouwer is a part-time professor at the University of Tilburg.

Does the agency include a specialist economist on every case team? If not, why not?

In most cases, at least one economist is on the case team. Depending on the complexity of the economic aspects of the case, additional economic experts or the Office of the Chief Economist are involved.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The Office of the Chief Economist is represented in most relevant ACM cases. It does provide checks and balances in the decision-making system of the agency.

How much economics work is outsourced? What type of work is outsourced?

The value of economics-related work outsourced in 2018 was approximately €510,000, of which approximately €145,000 was outsourced by the Office of the Chief Economist and approximately €365,000 by the ACM's competition department.

Data collection, market studies and elaborate studies needed for specific cases, such as cost or accounting studies, or consumer panel studies, tend to be outsourced.

In many Phase II merger cases, the ACM holds a tender for economic research. These tenders often include requirements for quantitative work such as economic modelling or econometric analyses. The ACM also outsources data collection, market studies and complex studies for specific cases, such as cost or accounting studies or consumer panel studies.

Moreover, economic expertise may be hired in for sectoral studies that may assist ACM in future merger cases.

Commerce Commission

Competition Branch, 44 The Terrace, PO Box 2351, Wellington 6140, New Zealand

Tel: +64 04 924 3600

Fax: +64 04 924 3700

www.comcom.govt.nz

Questions and answers

Please note that all of the questions have been answered with respect to the Competition Branch of the Commerce Commission. That is, the responses do not consider the Regulation Branch.

How many economists do you employ?

There are seven full-time economists within the Economics Unit. There are other staff members within the Competition Branch who have economics degrees (or some other economic training).

Do you have a separate economics unit?

Yes. The Competition Branch has an embedded economics team.

Do you have a chief economist?

Yes.

To whom does the chief economist report?

The general manager, Competition Branch.

Does the chief economist have the power to hire his or her own staff?

Yes, but he or she must operate with regard to budget constraints.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, with regard to cases that fall under the Commerce Act. Economists are only selectively assigned to matters that fall under the Fair Trading Act.

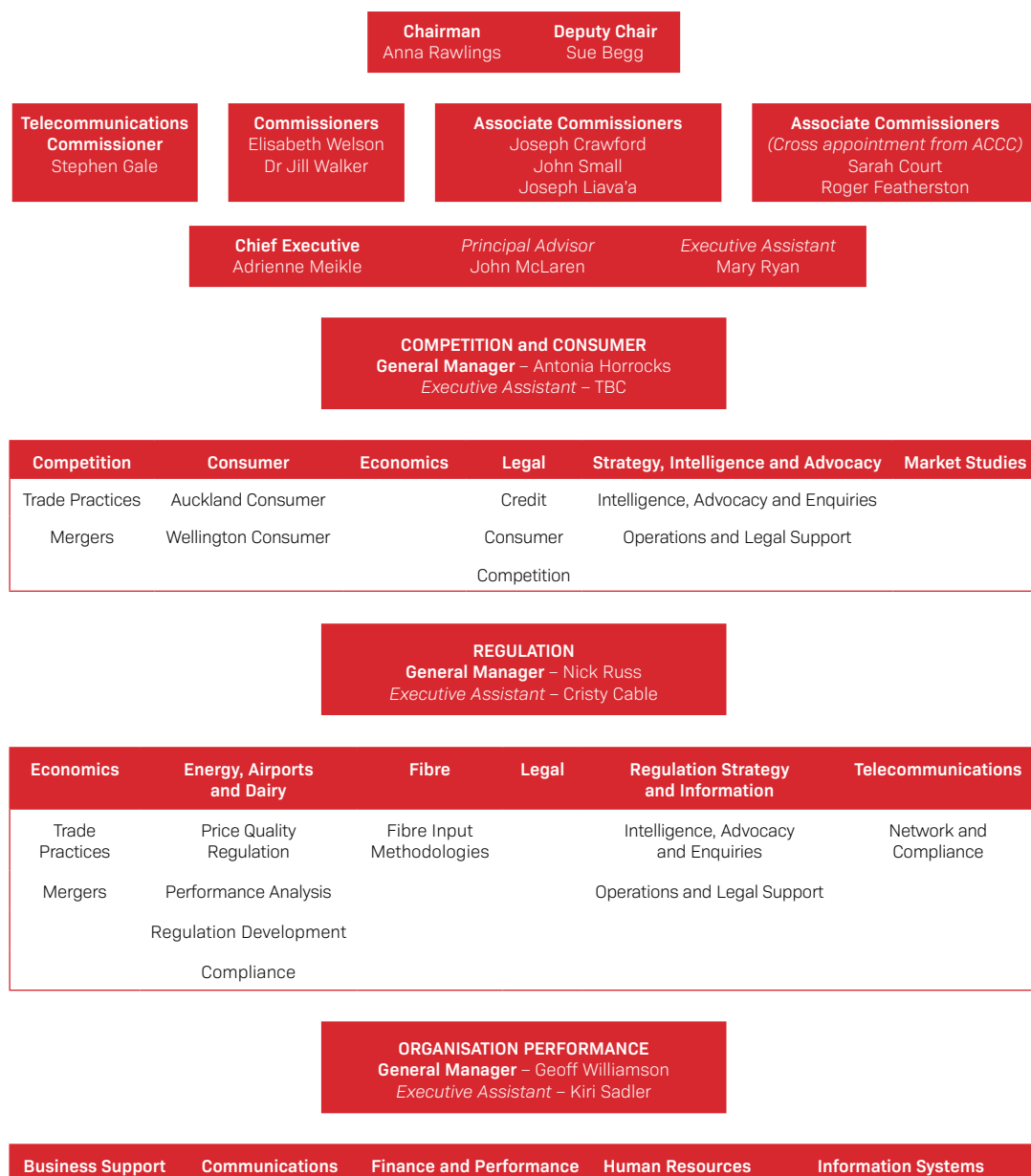
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Senior staff, which includes the chief economist, act as a second pair of eyes. As noted, economists are regularly assigned to Commerce Act matters and work with an investigation team. Economists work on matters in this way to help assure that economic reasoning (including the collection of information) is applied throughout an investigation.

How much economics work is outsourced? What type of work is outsourced?

Very little economics work is outsourced. Work is most likely to be outsourced if the Commission believes that it will likely eventually require a testifying expert.

Organisation chart



Commission for Protection of Competition

Street 'Sv. Kiril i Metodij' No. 54, 1000 Skopje, Republic of North Macedonia

Tel: +389 2 3298 666

Fax: +389 2 3296 466

rozana.vankovska@kzk.gov.mk

karolina.andonovska@kzk.gov.mk

www.kzk.gov.mk

Contacts

Vladimir Naumovski

President

Questions and answers

How many economists do you employ?

There are two economists employed in the Analysis and Assessment of Concentration Department, two economists in the Department for International Cooperation and Approximation of EU Law and two economists in the Department for state aid control.

Do you have a separate economics unit, or 'bureau'?

No.

Do you have a chief economist?

No.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

Not applicable.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

Every case team includes at least one economist and one lawyer.

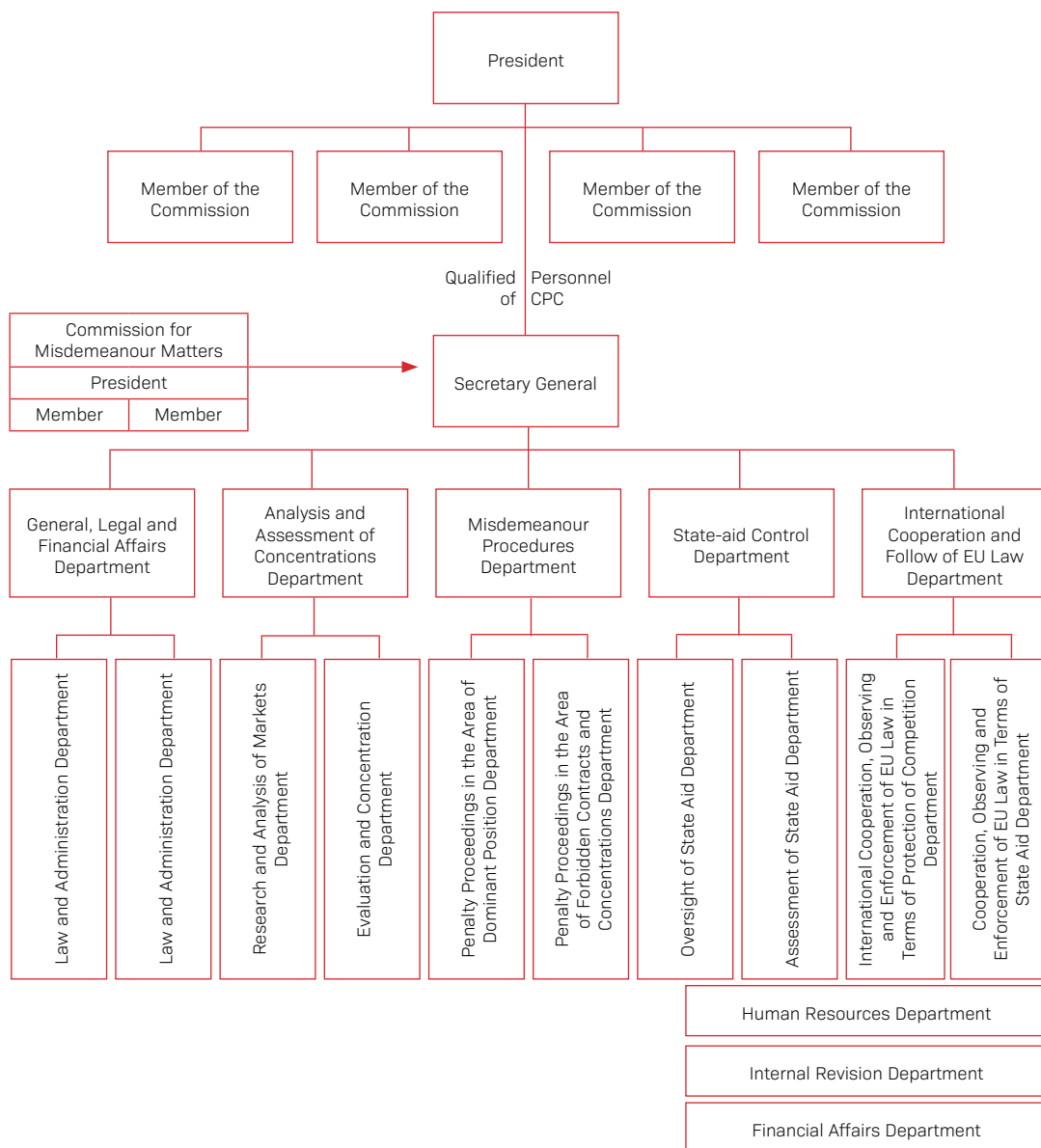
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes.

How much economics work is outsourced? What type of work is outsourced?

Economics work is not outsourced.

Organisation chart



Overview

Henrik Ballebye Okholm and Erik Lindén
Copenhagen Economics

The Norwegian Competition Authority (NCA) continues to emphasise economic analysis in their decision-making. The economists at the NCA, under the directions of Director-General and economist Lars Sørsgard, have substantial influence on the authority's investigations. This article reflects the use of competition economics in the Norwegian market and is based on interviews conducted in June 2019 with the law firms BAHR, Kvale, Thommessen, Wiersholm, Wikborg Rein and Arntzen de Besche.

The continued importance of economic analysis maintains the demand for advanced economic advice both in terms of stand-alone analysis and in terms of helping clients in the dialogue with the NCA during a case. The new development of significantly larger fines combined with notification obligations, even for minority acquisitions, may be the beginning of a new era of stricter competition law enforcement. This trend may increase the demand for economic analysis even further.

Merger analysis: the core of competition economics

Even though legal advice regarding competition law spans many areas, advice in mergers still stands out and continues to be a core service. The same is true for the economic advice and analysis performed by the economic experts. The NCA uses economic analyses extensively in mergers and continues to focus on the closeness of competition and screening tests (the 'upward pricing pressure' (UPP), 'gross upward pricing pressure' (GUPPI) and the 'indicative price rise' (IPR) test), while other issues, for example market definition, receive less attention.

In general, lawyers find that the NCA has become more efficient in its application of the screening tests. Even though merger filings have become more complex over the years, the NCA has become faster and more transparent in merger investigations. This has led the NCA to more quickly make decisions in cases where no indications of concerns can be identified in the proposed transactions. The lawyers agree that when parties perform screening analysis in the pre-notification phase themselves, it is generally appreciated by the authority and typically results in an even

faster decision. However, it is worth noting that the view that the NCA is efficient and transparent in their case handling primarily regards the authority's merger control and is not representative for all cases handled by the NCA.

Two mergers (one in the market for marine fuels and one in the market for digital payments solutions) were subject to in-depth investigations in 2018 after the NCA raised serious concerns about their effects on competition. Both mergers were approved with remedies. In another transaction, the NCA ordered a notification obligation for Sector Alarm AS for its minority acquisition of Nokas AS's alarm activities regarding small and medium-sized enterprises and private customers. The notification was ordered even though the acquisition (of 49.99 per cent of the shares in Nokas) did not give Sector Alarm control over Nokas. However, the NCA's assessment was that the minority shareholding would grant Sector both the ability and the incentive to influence Nokas's strategic market behaviour. Hence, the authority did not accept the acquisition without remedies. The remedies included a 25 per cent reduction in the shareholding position and exclusion from the takeover of Nokas Small Systems. This is the first time the NCA has intervened in a minority shareholder acquisition.

Anticompetitive agreements, abuse of dominance and damages: a costly game

The NCA's record fine of 788 million kroner (€83.5 million) to Telenor for abusing its dominant position in the Norwegian mobile telephony market, has become central in the competition policy discussion in Norway.

NCA Director-General Lars Sørsgard motivated the decision and the exceptionally high fines in a press release, stating that 'when dominant players prevent rivals from establishing themselves, it is a serious breach of competition law'. Further he added 'given the size and central position the market for services within telecommunications has for Norwegian consumers, the fine is motivated'.

Many interviewed lawyers found the size of the fine remarkable as well as the ex ante perspective and

the strong focus on Telenor's intentions in the NCA's investigation. The NCA (and subsequently the appeals tribunal) found that Telenor, through changes in the wholesale prices, had disincentivised further investments in the construction of a third mobile network. Lawyers believe that this will impact future investigations and decisions from the NCA.

Telenor's record fine in June 2019 was accompanied by an even higher fine of 1.21 billion kroner (€123.4 million) – 784 million kroner and 424 million kroner, respectively, to Verisure AS and Sector Alarm AS – for a nationwide illegal cooperation on sales of residential alarms. According to lawyers, this indicates a trend of high fines following competition law infringements, a trend that may be here to stay.

Although few damage cases have emerged in past years and trading partners are continuously believed to be reluctant to litigate, lawyers believe that private enforcement and class actions will become more prevalent. Litigation funders and other claim collectors have shown increasing interest in the Norwegian market in recent years and are now bringing claims to court. Another view shared among the lawyers is that the Consumer Authority and interest organisations such as Homeowners Association may become more interested in running class-actions on behalf of consumer groups.

Prioritisations: lack of digital dominants or lack of interest?

Competition in digital markets has rapidly come to the centre of competition policy at the international level. However, so far, this has had little impact on competition law enforcement in Norway. While the

competition authorities in Sweden and Denmark have been pursuing digitalisation and its effect on competition as a highly prioritised area, the NCA has been assigned to prioritise the retail sector. This is due to political decisions following the strong political focus on the high Norwegian retail prices.

The future: increased demand for economics and increased need for close collaboration

Most lawyers believe that the demand for high quality economic advice will continue to increase in the future. This is based on two observations. First, in recent years, economic analysis has played an increasingly prominent role in the analysis and decision-making of the NCA. Second, the recent record-breaking fines for competition law infringements raise the stakes and increase the need for strong economic analysis.

Lawyers also believe that closer cooperation between lawyers and economists will become more important in the future. This is driven by the complexity of the analysis carried out by the NCA. The lawyers interviewed express increased demand for two types of economic advice. First, increased demand for stand-alone economic analysis, for example in the pre-notification phase of mergers, in relation to unlawful cooperation or in relation to abuse of dominance cases. It is essential that such analysis can withstand the scrutiny of the authority or the court. Second, recent developments call for economic advice on a speed dial basis for guidance through the increased complexity of economic analysis required early on in merger filings, in investigations and in compliance work. Most competition lawyers recognise their need for such guidance, but not all lawyers use it.



Henrik Ballebye Okholm
Copenhagen Economics

Henrik Ballebye Okholm is partner in Copenhagen Economics. Henrik helps clients to get the best out of regulation in competition cases, disputes, auctions and the postal and delivery sector.

Henrik has a strong track record serving as expert witness in various European court cases. He is also an expert assessor at the Danish Maritime and Commercial Court and listed on the *Global Competition Review's* Who is Who of Competition Economists.



Erik Lindén
Copenhagen Economics

Erik works closely with clients and their legal advisers, facing or making allegations within the areas of antitrust, follow-on damages and merger-related issues. He is specialised in quantitative economic analysis and has a strong knowledge of industrial organisation, consumption and production theory as well as corporate finance. Erik has been engaged in a wide range of industries, advising both private and public stakeholders.



Langebrogade 1 (entrance B3)
DK-1411 Copenhagen
Denmark
Tel +45 2333 1810

Henrik Ballebye Okholm
hbo@copenhageneconomics.com

Erik Lindén
erl@copenhageneconomics.com

www.copenhageneconomics.com

Copenhagen Economics is one of the leading economic consultancies in Europe. Founded in 2000, we currently employ more than 90 people operating from our offices in Copenhagen, Stockholm, Helsinki and Brussels. Based on established research methods and in-depth sector knowledge, we help our clients make better choices in their political and commercial reality. Our senior team provides pragmatic solutions founded in economics to law firms, private companies, regulators, and policy makers all over the world. We are particularly dedicated to 12 service areas, including competition, dispute support, digital economy, intellectual property valuation and transfer pricing, and postal and delivery. *Global Competition Review* lists Copenhagen Economics among the top 20 economic consultancies in the world and has done so since 2006.

Norwegian Competition Authority

PO Box 439 Sentrum, 5805 Bergen, Norway

Contacts



Kurt Richard Brekke

Chief Economist

Tel: +47 55 59 75 10

kubr@kt.no

Questions and answers

How many economists do you employ?

There are 41 economists in total (including people in the management team and on leave) at the Norwegian Competition Authority (NCA) as of 1 January 2019, which effectively amounted to 36.1 person-years (when accounting for leave and other things) in 2018.

Do you have a separate economics unit?

There is a separate chief economist team with six to eight experienced economists (6.61 person-years in 2018) with the majority holding a PhD in economics. The rest of the economists are placed at the three market divisions that handle the cases at the NCA. There are about 50 per cent economists and lawyers working together in case teams at the market divisions.

Do you have a chief economist?

Yes. The chief economist is Kurt Richard Brekke who is also professor in economics at the Norwegian School of Economics (NHH).

To whom does the chief economist report?

The chief economist reports directly to the director general.

Does the chief economist have the power to hire his or her own staff?

Yes, to a large extent. If there is an opening for a new position at the chief economist team, the chief economist will be responsible for the hiring process and provide a recommendation (ranking of candidates) to the director general.

How many of your economists have a PhD in industrial economics?

There are in total 12 people with a PhD in economics at the NCA, eight of them in the field of industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, all case teams include at least one economist, as well as a dedicated person from the chief economist team who provides guidance on the economic analyses to the case team.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

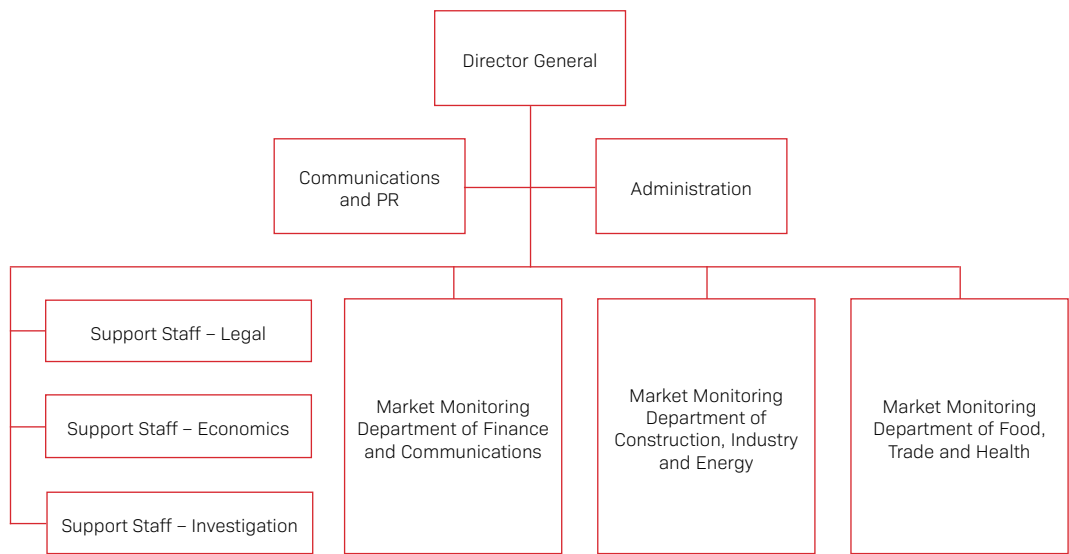
Yes, the chief economist team provides a second pair of eyes during cases and thus one of the agency's checks and balances. Occasionally, someone from the chief economist team has to head or actively take part in the economic analyses. In this case, this person is transferred to the case team, and a new person from the chief economist team is appointed to review the economic analyses.

How much economics work is outsourced? What type of work is outsourced?

The vast majority of economics work is conducted internally by the NCA. In merger case, the NCA uses a specialist company when data needs to be collected by questionnaire surveys, but the economic analyses based on these data are done by the NCA. In some

complicated cases, the NCA may ask external experts to provide an opinion note or a report at initial stages. In cases that go to court, the NCA often uses external experts to give an independent testimony on the case at hand. Finally, the NCA provides funding for research, workshop and conferences in competition policy through a research fund.

Organisation chart



Competition Commission of Pakistan

7-9 & 11 Floors, ISE Towers 55-B, Jinnah Avenue, Islamabad, Pakistan

Tel: +92 51 9100260 3

Fax: +92 519100251

www.cc.gov.pk

Contacts

Vadiyya S Khalil

Chairperson

Tel: +92 51 9100244

vkhalil@cc.gov.pk

Omar Farooq

Director General (Office of International &
External Affairs)

Tel: +92 519100238

ofarooq@cc.gov.pk

National Institute for the Defense of Competition and Protection of Intellectual Property

South Lima Headquarters: 104 Calle de la Prosa, San Borja, Peru

North Lima Headquarters: 988 Av Carlos Izaguirre, Urb Las Palmeras, Los Olivos, Peru

Tel: +511 224 7777

Fax: +511 224 7800

rcabello@indecopi.gob.pe

www.indecopi.gob.pe

Questions and answers

How many economists do you employ?

The National Institute for the Defense of Competition and Intellectual Property (Indecopi) currently employs 23 economists:

- 14 in the Technical Secretariat of the Commission for the Defense of Free Competition;
- two in the Commission for the Defense of Free Competition;
- four in the Technical Secretariat of the Court Room (Division with Jurisdiction over Defense of Competition); and
- three in the Management of Economic Studies.

The Technical Secretariat is the body with technical autonomy to initiate investigation proceedings and to propose sanctions to anticompetitive conducts. The Technical Secretariat also conducts market studies. The Technical Secretariat evaluates, investigates and prepares decision resolutions disposing of complaints that have been filed or proceedings that have been initiated ex-officio.

The Technical Secretariat enjoys full autonomy in the adoption of its decisions and in how it prioritises its investigations and administrative proceedings.

On the other hand, the Commission for the Defence of Free Competition is a body with technical and operational autonomy in charge of deciding whether investigated conducts are anticompetitive and applying the corresponding sanctions. It has the autonomy to decide on the cases filed by the Technical Secretariat and to impose administrative sanctions (fines), as well as to decide on the number and subjects of advocacy studies to be pursued by the Technical Secretariat.

The Commission is a collegiate body comprising four members. They are part-time officials. The position of commissioner is for a fixed five-year term, extendable once for an additional five years. The Commissioners might require the assistance of the Technical Secretariat, but they do not have assigned assistants.

Do you have a separate economics unit?

We don't have an economic unit dedicated to free competition cases or advocacies. The Management of Economic Studies supports various areas of Indecopi related to consumer protection, intellectual property and competition (including free competition).

Do you have a chief economist?

Yes.

To whom does the chief economist report?

To the chief of the Technical Secretariat.

Does the chief economist have the power to hire his or her own staff?

No.

How many of your economists have a PhD in industrial economics?

We do not have an economist with a PhD degree.

Does the agency include a specialist economist on every case team? If not, why not?

Usually the case team includes an economist or more than one.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Not applicable.

How much economics work is outsourced? What type of work is outsourced?

Outsourcing is considered rarely and only in special circumstances. For example, we have hired consultants for some market studies within the advocacy activities.

Philippine Competition Commission

25/F, Vertis North Corporate Center 1, North Avenue, Quezon City 1105, Philippines

Tel (Office of the Chairman): +632 87719 722 (local 103)

Tel (Economics Office): +632 87719 722 (local 262)

queries@phcc.gov.ph

otc@phcc.gov.ph (Office of the Chairman)

www.phcc.gov.ph

Contacts

Arsenio M Balisacan

Chairman

ambalisacan@phcc.gov.ph

Johannes Benjamin R Bernabe

Commissioner

jrbernabe@phcc.gov.ph

Benjamin E Radoc Jr

Department of

Economics Director

beradocjr@phcc.gov.ph

Amabelle C Asuncion

Commissioner

acasuncion@phcc.gov.ph

Macario R De Claro

Commissioner

mrdeclarojr@phcc.gov.ph

Source: Agency website

Office of Competition and Consumer Protection

Pl. Powstańców Warszawy 1, 00-950 Warsaw, Poland

Tel: +48 22 826 37 59

Fax: +48 22 826 11 86

www.uokik.gov.pl

Contacts



Marek Niechciał

President

Tel: +48 22 826 34 14

Fax: +48 22 826 61 25

sp@uokik.gov.pl



Michał Holeksa

Vice President

Tel: +48 22 826 44 20

Fax: +48 22 826 10 30

sw1@uokik.gov.pl



Wojciech Szymczak

Chief Economist/Director,

Department of Market Analysis

Tel: +48 22 55 60 281

Fax: +48 22 826 13 53

dar@uokik.gov.pl

Wojciech Dorabialski

Director, Department of

Competition Protection

Tel: +48 22 55 60 299

Fax: +48 22 826 30 51

dok@uokik.gov.pl

Robert Kamiński

Director, Department of
Concentration Control

Tel: +48 22 55 60 122

Fax: +48 22 827 97 23

dkk@uokik.gov.pl

Piotr Pełka

Director, Department of State
Aid Monitoring

Tel: +48 22 32 32 402

Fax: +48 22 32 32 500

dmp@uokik.gov.pl

Monika Poboży

Deputy Director for International
Relations, Executive Office

Tel: +48 22 55 60 167

Fax: +48 22 826 11 86

monika.pobozy@uokik.gov.pl

Questions and answers

How many economists do you employ?

As of 30 June 2018, the Office of Competition and Consumer Protection (UOKiK) employs 51 economists, nine of whom work in the Market Analysis Department.

At first, UOKiK's economists only had an advisory role in a limited number of cases. Over the years they have become an increasingly important voice in case selection and internal decision evaluation.

Do you have a separate economics unit?

We have a separate economics unit – the Market Analysis Department. This department analyses markets that, owing to distortions of competition, are the object of UOKiK proceedings, and those that are at risk because of their vulnerable structure. Furthermore, the team assists other UOKiK departments, preparing economic analyses for their proceedings. They provide analytical input on individual cases as well as broader policy positions. The importance of economics in UOKiK's enforcement practice has increased significantly since the department was created in 2002.

Do you have a chief economist?

In order to put economic analysis at the centre of the decision-making process, in 2014 the head of the Market Analysis Department, Wojciech Szymczak, assumed the post of chief economist. Prior to this, he was effectively performing the function of UOKiK's lead economist.

Wojciech Szymczak is a graduate of the Faculty of Economics and Management from Nicholas Copernicus University of Torun, Poland, where he also obtained his PhD in economics. He is a post-graduate in Contemporary European Studies at the Sussex

European Institute – University of Sussex in Brighton, United Kingdom, and the International Faculty Programme at the IESE Business School of University of Navarra in Barcelona, Spain.

To whom does the chief economist report?

He reports directly to the president of the Office of Competition and Consumer Protection.

Does the chief economist have the power to hire his or her own staff?

Yes, within the recruitment process of the UOKiK.

How many of your economists have a PhD in industrial economics?

Five employees of the UOKiK hold a PhD in economics. Two of them have a PhD in industrial organisation.

Does the agency include a special economist on every case team? If not, why not?

In principle, all proceedings involving complex economic issues include an economist. Economists

are seconded to significant cases depending on their particular expertise (eg, more elaborate theory of harm, data analysis or knowledge of a given industry).

Is the economics unit a 'second pair of eyes' during cases – is it one of the Agency's checks and balances? If not, why not?

Yes. Economic analysis is at the centre of UOKiK's decision-making process – administrative decisions are issued only after the case has been analysed from an economic point of view.

How much economic work is outsourced? What type of work is outsourced?

Economic work may be outsourced if a specialist and complicated analysis is necessary for a given case, but outsourcing is rare.

Portuguese Competition Authority

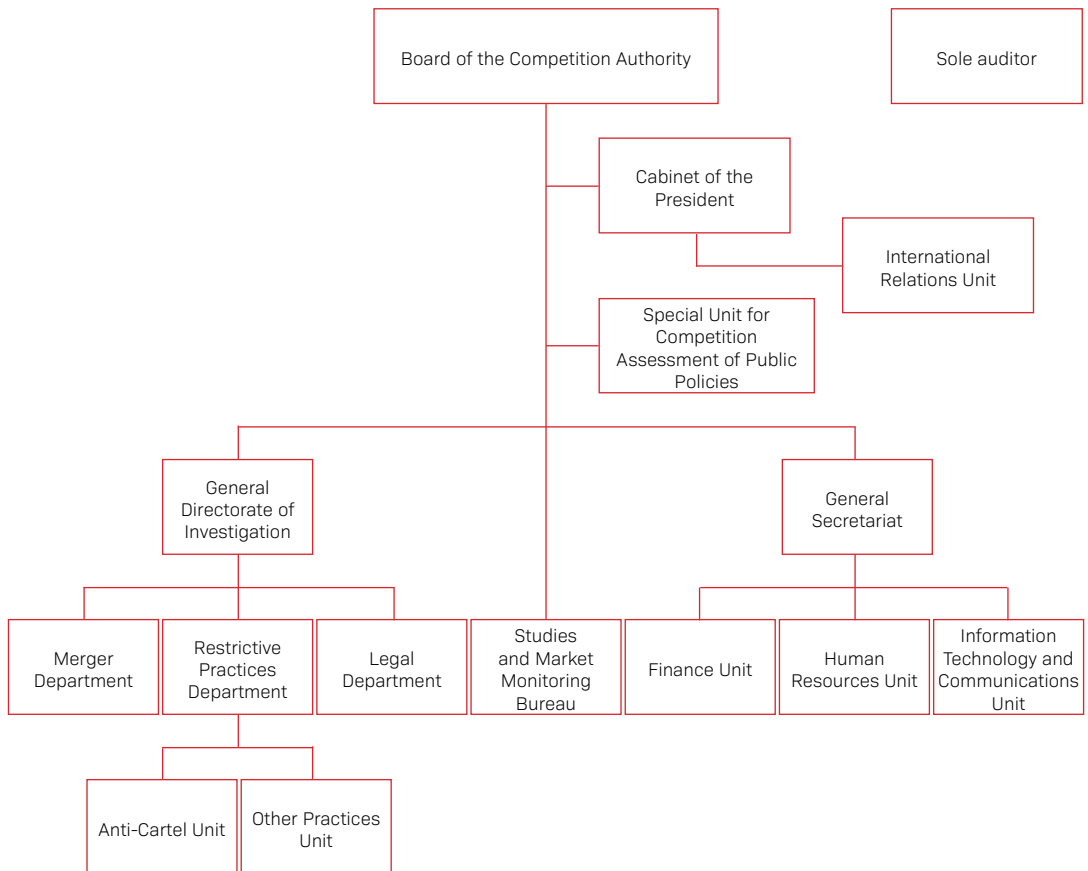
Avenue de Berna, 19, 1050-037, Lisbon, Portugal

Tel: +351 21 790 20 00

adc@concorrenca.pt

www.concorrenca.pt

Organisation chart



Source: Agency website

Romanian Competition Council

Piața Presei Libere, No.1, D1 building, 013701, Bucharest, Romania

Tel: +40 21 405 44 87

Fax: +40 21 318 26 11

presa@consiliulconcurentei.ro

www.consiliulconcurentei.ro

www.competition.ro

Contacts



Bogdan Marius Chirițoiu

President

Tel: +40 21 405 44 24 / 45 81

Fax: +40 21 318 49 08



László Gyerkó

Competition Councillor

Tel: +40 21 405 45 39 / 06

Fax: +40 21 405 45 05

Daniela Victoria Bădilă

General Director

Tel: +40 21 405 45 79

Fax: +40 21 405 45 90

[daniela.badila@](mailto:daniela.badila@consiliulconcurentei.ro)

consiliulconcurentei.ro



Elena Kleininger

Vice President

Tel: +40 21 405 45 37 / 02

Fax: +40 21 318 49 10



Dragoș Constantin Vasile

Competition Councillor

Tel: +40 37 212 97 30 /

+40 21 405 45 26

Fax: +40 21 405 44 12



Dan Ionescu

Competition Councillor

Tel: +40 21 405 44 11 / 49

Fax: +40 21 405 44 12



Cosmin Belacurencu

Competition Councillor

Tel: +40 21 405 45 22 / 38

Fax: +40 21 405 45 05

Questions and answers

How many economists do you employ?

By the end of 2018, there were 180 economists employed by the Romanian Competition Council (RCC) – 53 per cent of the total number of RCC employees. From the total number of competition inspectors, 139 are economists, which represents 60 per cent of the total number of inspectors. The Chief Economist Unit employs seven economists, including the chief economist, six of whom have PhDs.

Do you have a separate economics unit?

The Chief Economist Unit is part of the Research Directorate.

Do you have a chief economist?

Yes. He is the deputy director of the Research Directorate.

To whom does the chief economist report?

The chief economist reports directly to the general director of the RCC.

Does the chief economist have the power to hire his or her own staff?

The chief economist does not have the power to hire his own staff.

How many of your economists have a PhD in industrial economics?

Twelve of the RCC's economists have a PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

We have an internal procedure for including a member of the chief economist's team in the most complex cases or cases that have a high anticipated effect. In the past few years, the Chief Economist Unit has been involved in all of the RCC's most important cases. The chief economist's team is also involved in the most important merger cases and in defending the RCC's cases before the Romanian courts. This latter type of involvement implies using economic and financial analysis in helping the RCC's internal lawyers defending competition cases.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes, it is. The procedure mentioned above also covers the 'checks and balances' function. The chief economist team's involvement is mandatory for validating the methodologies used in market inquiries. The 'checks and balances' function of the chief economist also covers theories of harm, effects analyses, market definitions and all other relevant aspects for infringement or merger cases.

How much economics work is outsourced? What type of work is outsourced?

Economics work is not outsourced. We prefer to deal with economic analysis inside the RCC, but we sometimes consult academics or other stakeholders on certain economic instruments that we use.

Federal Antimonopoly Service of Russia

11 Sadovaya-Kudrinskaya Street, 125993, Moscow, D-242, GSP-3, Russia

Tel: +7 499 755 2323

Fax: +7 499 254 7521

international@fas.gov.ru

<http://en.fas.gov.ru>

Contacts



Igor Artemiev

Head



Andrey Kashevarov

Deputy Head



Sergey Puzyrevskiy

Deputy Head



Andrey Tsarikovskiy

Stats Secretary, Deputy Head



Andrey Tsyganov

Deputy Head



Alexander Redko

Deputy Head



Vitaly Korolev

Deputy Head



Alexey Dotsenko

Deputy Head



Mikhail Evraev

Deputy Head



Anatoly Golomolzin

Deputy Head



Rachik Petrosyan

Deputy Head



Daniil Fesyuk

Deputy Head

Questions and answers

How many economists do you employ?

Currently, the structure of the Federal Antimonopoly Service (FAS) consists of a central office and 84 regional offices. The number of officers of the central office of the FAS is 1,189 and the number of officials of the regional offices of the FAS is 2,315.

It is hard to specify the exact number of economists at the FAS because many employees have several higher education qualifications, including economics, as well as due to the employee turnover. We estimate the number of economists (with a diploma or degree in economics) to be 1,050. It should also be mentioned that many employees have completed special professional courses, including in economics.

Do you have a separate economics unit, or 'bureau'?

There is no separate economics department at the FAS. However, owing to the authority's divisional structure (with departments responsible for particular sectors of the economy), every department's staff includes economists. Moreover, a methodological division responsible for the organisation of market studies and methodological support to regional offices makes part of the administrative department of the FAS.

Besides this, a special institution inside the FAS, the Methodological Council, is in charge of the following functions in the economics field:

- economic research;
- consideration of drafts of methodological recommendations on implementation of legislation, elaborated by structural units of the FAS Central Office and the FAS Regional Offices;
- request of economic information from external parties;
- summarisation of enforcement practice, provision of methodological support to the FAS's officers; and
- approval of the annual Report on State of Competition in the Russian Federation.

Experts of the FAS in the field of economics, heads of departments of the FAS Central Office and officials of the FAS Regional Offices participate in the Methodological Council. The Council may invite members of the Public Advisory Council and expert councils, established under the FAS, representatives of federal executive authorities and executive authorities of Russian subjects to its meetings. The Council may

also engage with business alliances, non-profit institutions, non-governmental and scientific organisations. Since 2012, the Commission for the Analysis of Commodity Markets operates at the FAS, which includes representatives of the structural units of the central and regional offices of the FAS, in cooperation with the Public Advisory Council and expert councils of the FAS, all other government authorities, as well as representatives of business, public associations and scientific organisations. The Commission's functions include consideration of proposals by representatives of the FAS and drafting plans of the agency's work for the analysis of commodity markets, guidelines for the relevant analyses and their approval, as well as reviewing the materials of the analysis of commodity markets.

The Commission approves the FAS Work Plan for analysing the state of competition in commodity markets, which specifies the list of commodity markets for an annual survey.

The head of the FAS Methodological Council and the FAS Commission for the analysis of commodity markets is Andrey Tsyganov, the deputy head of the FAS.

Do you have a chief economist?

The Methodological Council and the Commission for the Analysis of Commodity Markets are chaired by deputy head Andrey Tsyganov, who has a PhD in economics.

To whom does the chief economist report?

To the head and to the presidium of the FAS.

Does the chief economist have the power to hire his or her own staff?

Every employee is appointed by the head of the FAS. However, each deputy head and department head can fill vacancies from a list of candidates on a competitive selection basis and can express his or her own opinion about candidates to the department's team.

Members of the Methodological Council and the Commission for the Analysis of Commodity Markets are nominated by an order of the FAS head.

How many economists have a PhD in industrial economics?

A total of 29 employees have a PhD in economics.

Does the agency include a specialist economist on every case team? If not, why not?

Yes. In every particular antitrust case there is at least one economist in all case considerations by the FAS.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

According to the FAS's orders, every case team should have at least one lawyer, one economist and a specialist in the relevant economic sector. Decisions on cases are reached through joint discussions with all the case team members, hence economic considerations are always taken into account during investigations and the decision-making process.

How much economics work is outsourced? What type of work is outsourced?

Some research for issues determined by the FAS is outsourced. Most of these concern general research and development.

The types of research and development that are outsourced are determined by internal documents of the FAS Russia on an annual basis.

Commission for Protection of Competition

25 Savska street, 11000 Belgrade, Serbia

Tel: +381 11 3811 911

Fax: +381 11 3811 911

Contacts



Sinisa Milosevic

Head of Economic
Analysis Division

Tel: +381 11 3811 931

sinisa.milosevic@kzk.gov.rs



Ana Vasić

Adviser at Economic
Analysis Division

Tel: +381 11 3811 957

ana.vasic@kzk.gov.rs



Ivana Cvijović

Senior Adviser at Assessment of
Concentrations Division

Tel: +381 11 3811 926

ivana.cvijovic@kzk.gov.rs



Jelena Popovic Markopoulos

Senior Adviser at Economic
Analysis Division

Tel: +381 11 3811 901

jelena.popovic@kzk.gov.rs



Nebojša Milenković

Special Adviser at Assessment of
Concentrations Division

Tel: +381 11 3811 903

n.milenkovic@kzk.gov.rs

Marko Vujanović

Adviser at Assessment of
Concentrations Division

Tel: +381 11 3811 926



Sunčica Djordjević

Senior Adviser at Restrictive
Practices Division

Tel: +381 11 3811 912

suncica.djordjevic@kzk.gov.rs



Jelena Grahovac

Senior Adviser at Economic
Analysis Division

Tel: +381 11 3811 915

jelena.grahovac@kzk.gov.rs



Saša Pešić

Senior Adviser at Assessment of
Concentrations Division

Tel: +381 11 3811 944

sasa.pesic@kzk.gov.rs



Gordana Bulatović

Head of the Division for
Competition Advocacy
and International Affairs

Tel: +381 11 3811 954

gordana.bulatovic@kzk.gov.rs



Aleksandra Ravic

Senior Adviser at Economic
Analysis Division

Tel: +381 11 3811 952

aleksandra.ravic@kzk.gov.rs

Questions and answers

How many economists do you employ?

In the case handler staff, there are 10 economists and an economist who specialises in competition advocacy.

Do you have a separate economics unit?

Yes, the Economic Analysis Division.

Do you have a chief economist?

In our organisation structure there is no chief economist systematisation, but the head of the Economic Analysis Division has the role of chief economist.

To whom does the chief economist report?

The head of the Economic Analysis division reports to the president and the secretary of the Commission.

Does the chief economist have the power to hire his or her own staff?

Only the president of the Commission has the official power to hire staff, but the head of the Economic Analysis Division usually gives recommendations.

How many of your economists have a PhD in industrial economics?

There are two economists with PhDs and two who are PhD candidates in the case handler team.

Does the agency include a specialist economist on every case team? If not, why not?

Yes. There are two types of cases and, therefore, two ways economists from Economic Analysis Division are involved.

The first type of case is one that does not require quantitative analysis. Here the problems are only theoretical, and economists give an opinion from the economics point of view.

The second type of case is a complex one that usually requires quantitative and qualitative analysis. In this type of case, the economists' conduct requires analysis.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Only the head of the Economic Analysis Division performs a checks and balances function during cases. Other staff members from the Economic Analysis Division are included in cases.

How much economics work is outsourced? What type of work is outsourced?

The Commission usually does not use outsource economics work, especially with investigation cases. However, the Commission may outsource for sector inquiries and merger analysis.

The Commission outsourced for a sector inquiry in an aftermarkets case because it was financed by the Perform project in 2016. Additionally, two sector inquiries are currently being performed by the Word Bank experts under a wider-scale project.

For merger analysis, the Commission has outsourced because it is obliged to enact a decision in concentrations within four months from the date of initiation of the ex officio procedure, and there are not enough staff to conduct complex analysis.

Since staff capacity was improved a few years ago, the need for outsourcing has lessened. In future there may be outsourcing in cases when markets involved require specific economics knowledge (eg, the banking sector, pharmaceutical sector).

Fair Trading Commission Seychelles

Block B, 03rd Floor, Room 301-306, Unity House, Victoria, Mahe, Seychelles

Tel: +248 432 5250

Fax: +248 432 5240

www.ftc.sc

Contacts



Francis Lebon

Chief Executive Officer

Tel: +248 432 5250

francislebon@ftc.sc

Natalie Edmond

Deputy Chief Executive Officer

Tel: +248 432 5250

natalieedmond@ftc.sc

Questions and answers

How many economists do you employ?

Two.

Do you have a separate economics unit?

No.

Do you have a chief economist?

No.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

Not applicable.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

Yes.

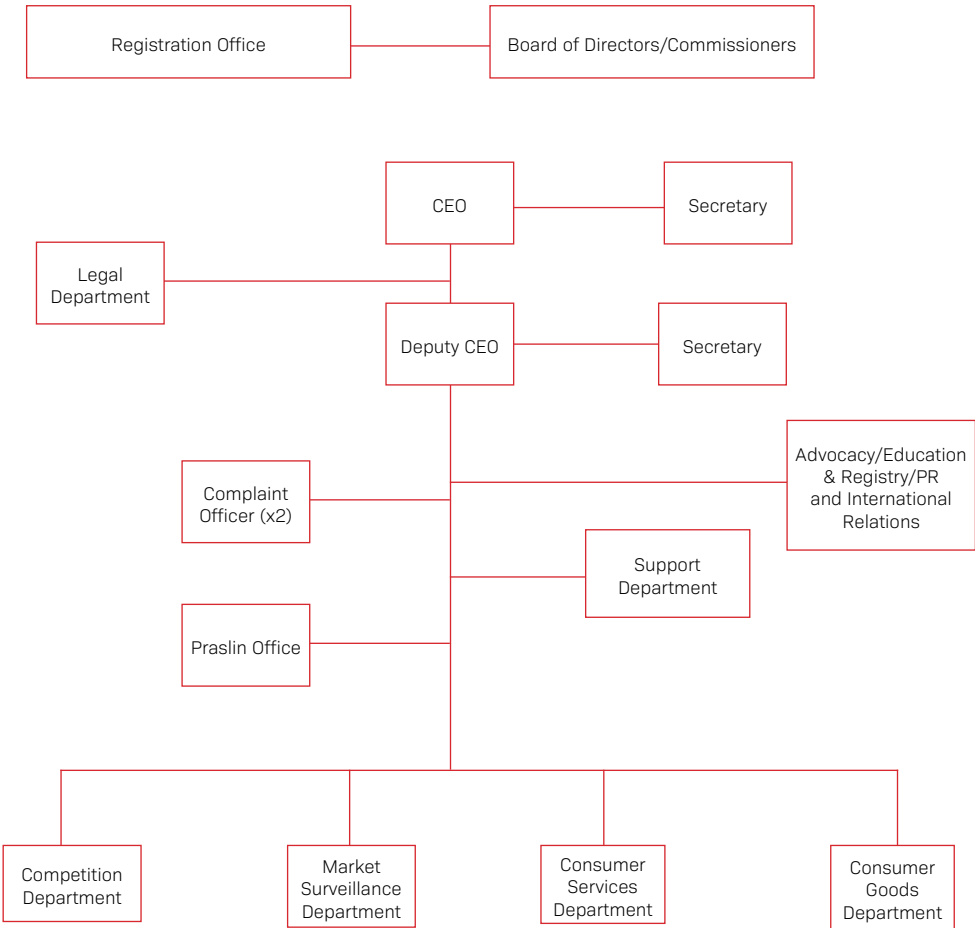
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Not applicable.

How much economics work is outsourced? What type of work is outsourced?

Not applicable.

Organisation chart



Competition and Consumer Commission of Singapore

45 Maxwell Road, #09-01, The URA Centre, Singapore 069118

Tel: +1800 325 8282

Fax: +65 6224 6929

cccs_feedback@cccs.gov.sg

www.cccs.gov.sg

Questions and answers

How many economists do you employ?

There are currently about 25 economists in the Competition and Consumer Commission of Singapore (CCCS). In addition, one Commission member is a professor of economics at Nanyang Technological University.

Do you have a separate economics unit, or 'bureau'?

The Business and Economics (BE) Division and the Policy and Markets (PM) Division are staffed with economists. The BE Division provides expert economic inputs and analysis to competition and consumer cases, while the PM Division engages other government agencies closely and advises them on competition matters. In addition, the PM Division conducts market studies and collaborates with academic and research institutions and think tanks on research relating to competition and consumer protection policy, economics and law.

The CCCS does not consider economists as separate, independent advisers. Economists can be appointed to senior management positions. They also work together with lawyers and policy generalists to carry out investigation work, conduct market studies, and to reach out to businesses, government bodies and other key stakeholders.

Do you have a chief economist?

The CCCS does not have such a post but does have the post of assistant chief executive of the Policy, Business and Economics Division. The assistant chief executive oversees the work of the BE Division and PM Division.

To whom does the chief economist report?

The assistant chief executive reports directly to the chief executive of the CCCS.

Does the chief economist have the power to hire his or her own staff?

The hiring of any economist is decided by an interview panel comprising:

- the chief executive;
- the assistant chief executive of the Policy, Business and Economics Division;
- senior director of the Business and Economics Division or the director of the Policy and Markets Division;
- the director of the Corporate Affairs Division; and
- any other management staff whom the chief executive may assign to be in the interview panel.

How many economists have a PhD in industrial economics?

One.

Does the agency include a specialist economist on every case team? If not, why not?

Generally, every case team comprises personnel from the Legal and Enforcement Division and, depending on the nature of the case, economists from either the BE Division or the PM Division will be included to ensure professional inputs from both the legal and economic perspectives.

How much economics work is outsourced? What type of work is outsourced?

The CCCS hires external consultants as necessary, such as for a market study in an industry requiring specialised and technical expertise or to get an independent expert's assessment of certain aspects of a competition or consumer case.

Antimonopoly Office of the Slovak Republic

Drienova 24, 826 03 Bratislava, Slovakia
www.antimon.gov.sk

Contacts

Tibor Menyhart

Chairman
 Tel: +421 2 43337 305
 Fax: +421 2 48297 365

Boris Gregor

Deputy Chairman
 Tel: +421 2 43331 126
 Fax: +421 2 43333 572

Zuzana Bonova

Secretary General
 Tel: +421 2 43336 103
 Fax: +421 2 43333 572

Michaela Nosa

Director, Legislative, Legal and
 Foreign Relations Division
 Tel: +421 2 43331 092
 Fax: +421 2 43333 572

Emil Vojtko

Director, Division of Abuse of
 Dominant Position and
 Vertical Agreements
 Tel: +421 2 43330 149
 Fax: +421 2 43333 572

Zuzana Minarovjech

Director, Division of Cartels
 Tel: +421 2 43334 045
 Fax: +421 2 43333 572

Erika Lovasova

Director, Division of
 Concentrations
 Tel: +421 2 43334 072
 Fax: +421 2 43333 572

Sona Drobova

Director, Division of State Aid
 Tel: +421 2 43333 393
 Fax: +421 2 43333 572

Jana Krivosudska

Director, Division of Economics
 and Division of the Chairman
 Tel: +421 2 48297 380
 Fax: +421 2 43333 572

Questions and answers

How many economists do you employ?

Twenty-seven.

Do you have a separate economics unit, or 'bureau'?

Employees providing economic analyses are integrated in executive divisions and are directly involved in case management. Such solution means also the elimination of the administrative burden for the office.

Do you have a chief economist?

The chief economist is in a position of advisor and provides his assistance to the executive divisions.

To whom does the chief economist report?

The chief economist is an independent advisor and coordinates answers to all economic questions with other divisions.

Does the chief economist have the power to hire his or her own staff?

New staff are hired according to the Act on Civil Service and based on a selective procedure in which the chief economist takes part.

How many of your economists have a PhD in industrial economics?

One.

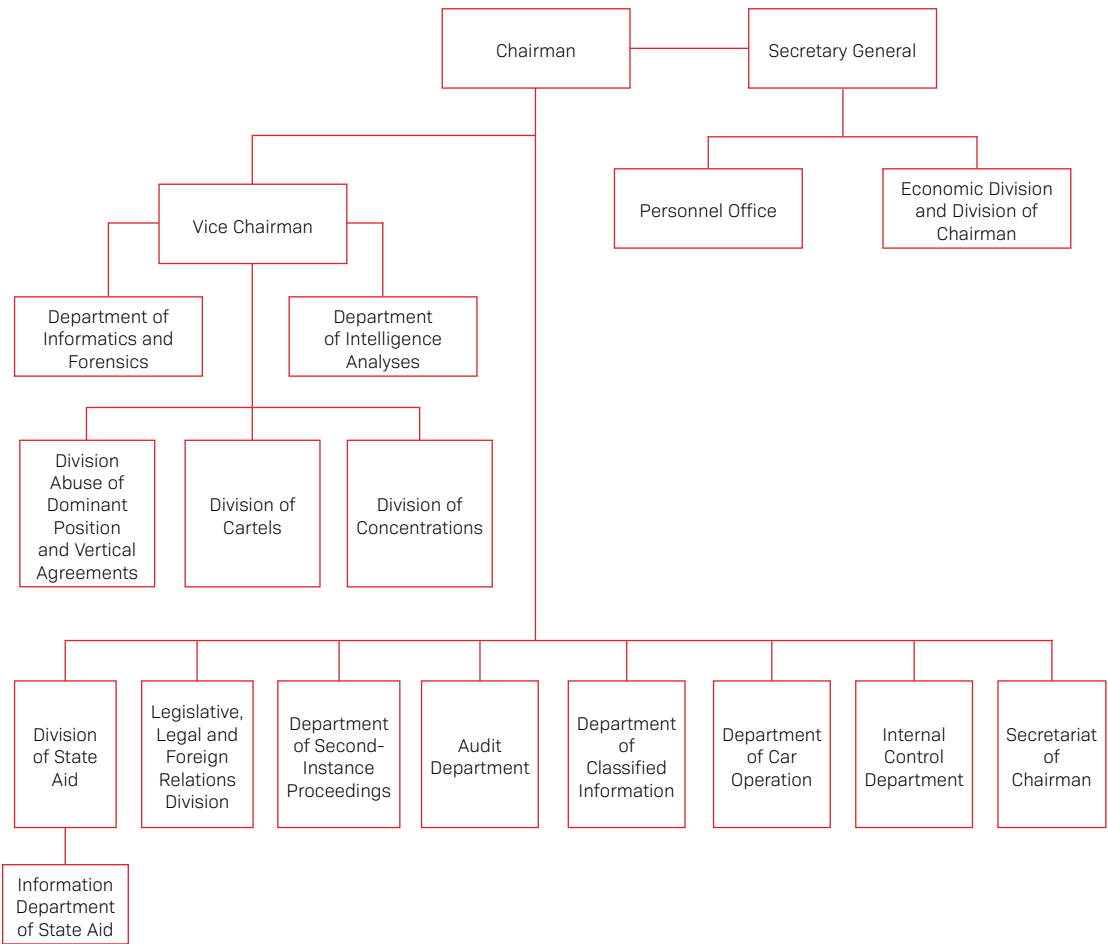
Does the agency include a specialist economist on every case team? If not, why not?

Usually, the responsible director of the relevant division considers particular case and decides and determines the role of specialist economist in the case. The role and engagement of specialist economist is then approved by internal comment procedure. During the procedure, the role of specialist economist can be updated.

Is the economics unit a ‘second pair of eyes’ during cases – is it one of the agency’s checks and balances? If not, why not?
Yes, among others, the Chief Economist plays this role.

How much economics work is outsourced? What type of work is outsourced?
None.

Organisation chart



Slovenian Competition Protection Agency

Dunajska 58, 1000 Ljubljana, Slovenia

Tel: +386 1 478 3597

Fax: +386 1 478 3608

www.varstvo-konkurence.si

Contacts

Mirjam Mocnik

Secretary, International Affairs

Tel: +386 1 478 3509

mirjam.mocnik@gov.si

Questions and answers

How many economists do you employ?

The Slovenian Competition Protection Agency currently employs 12 economists.

Do you have a separate economics unit, or 'bureau'?

Yes, there is a separate economics unit.

Do you have a chief economist?

No.

To whom does the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

Not applicable.

How many of your economists have a PhD in industrial economics?

Among the employed economists, none have a PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

The members of the economics unit are always seconded to case teams. They are mainly responsible for the economic analysis in the preparation of final decisions.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The economics unit plays a role in providing checks and balances in most important cases, like Phase II investigations in merger procedures and demanding cases in antitrust.

How much economics work is outsourced? What type of work is outsourced?

Currently, no economics work is outsourced, due to insufficient financial resources and budgetary constraints.

Competition Commission of South Africa

The DTI Campus, Mulayo (Block C), 77 Meintjies Street, Sunnyside, Pretoria, South Africa

Tel: +27 12 394 3200 / 3320

Fax: +27 12 394 0166

ccsa@compcom.co.za

Contacts

James Hodge

Chief Economist and Divisional Manager, Economic Research Bureau

Tel: +27 12 762 6944

jamesh@compcom.co.za

Khalirendwe Ranenyeni

Principal Economist, Economic Research Bureau

Tel: +27 12 762 6953

khalirendwer@compcom.co.za

Hariprasad Govinda

Principal Economist, Economic Research Bureau

Tel: +27 12 763 8632

hariprasadg@compcom.co.za

Thembaletu Sithebe

Principal Economist, Economic Research Bureau

Tel: +27 12 763 8610

thembaletus@compcom.co.za

Jason Aproskie

Principal Economist, Economic Research Bureau

Tel: +27 12 762 6981

jasona@compcom.co.za

Yongama Njisane

Principal Economist, Economic Research Bureau

Tel: +27 12 763 8658

yongaman@compcom.co.za

Questions and answers

How many economists do you employ?

There are 72 economists employed at the Competition Commission (the Commission); 18 of which are specialist economists working directly with the chief economist in the Economics Research Bureau.

Do you have a separate economics unit?

Yes. It is called the Economics Research Bureau. The unit is responsible for:

- providing economic guidance and methodological assistance in complex cases, market inquiries and competition policy issues;
- conducting economic research of a general economic nature, as well as studies related to the Commission's work, such as impact assessments and scoping studies;
- giving expert economic evidence in the Competition Tribunal of South Africa during case litigations; and
- shaping competition policy framework through the drafting of guidelines, discussion papers and Initiating though provoking debates.

Do you have a chief economist?

Yes. The chief economist is James Hodge, who is also the executive manager of the Economics Research Bureau and a deputy commissioner.

To whom does the chief economist report?

The chief economist reports to Commissioner Tembinkosi Bonakele in his capacity as chief economist and to Minister Ebrahim Patel in his capacity as acting deputy commissioner.

Does the chief economist have the power to hire his or her own staff?

No. The chief economist together with a panel makes a recommendation to the Commissioner, who is the employer of all Commission staff.

How many of your economists have a PhD in industrial economics?

There is currently one economist with a PhD in industrial economics. Several other economists are also currently enrolled for a PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

No. Specialist economists will only be included in case teams that deal with complex economic issues.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The Economics Research Bureau is a stand-alone division. It provides economic guidance to the case teams throughout the duration of complex cases and market inquiries. The chief economist advises the commissioners on all cases, market enquiries and

policy issues, and hence the chief economist is part of the Commission's checks and balances'.

How much economics work is outsourced? What type of work is outsourced?

Economics work is only outsourced in limited circumstances where the internal resources have no capacity. This includes specialist economic work regarding the provision of expert economic evidence before the Competition Tribunal of South Africa, as well as, in market inquiries. No economic expert evidence work was outsourced in the past year.

National Authority for Markets and Competition

47 Alcalá, 28014 Madrid, Spain

Tel: +34 914 329 600

www.cnmc.es

Contacts

José María Marín Quemada

President

Tel: +34 914 329 602

presidencia@cnmc.es

Joaquín López Vallés

Director for Advocacy

Tel: +34 917 876 950 / 951

dp@cnmc.es

Beatriz de Guindos Talavera

Director for Competition

Tel: +34 917 876 841 / 842

dc@cnmc.es

Javier García-Verdugo

Chief Economic Adviser

Tel: +34 917 931 604

javier.garciaverdugo@cnmc.es

Questions and answers

How many economists do you employ?

Fifty-eight, plus four econometricians and statisticians.

Do you have a separate economics unit, or 'bureau'?

Yes, there is a separate economic unit. There are also economists working for different directorates.

Do you have a chief economist?

Yes, although the specific name of the position in the Spanish Authority is chief economic adviser.

To whom does the chief economist report?

The chief economic adviser reports to the president. He works in close cooperation with the advocacy director, the competition director and the other sectorial directors. The chief economic adviser may also work directly with members of the Council, at their request.

Does the chief economist have the power to hire his or her own staff?

The chief economic adviser has his own staff, which currently comprises four economists and one statistician. Hiring rules are the same as for other units of the National Authority for Markets and Competition (CNMC).

How many of your economists have a PhD in industrial economics?

The chief economic adviser has a PhD in applied economics, since he not only supports the Competition Directorate but also the three regulatory directorates. There are other six PhD in economics. There are also more than 20 state economists that currently work at the CNMC Competition Directorate. State economists are the elite public officials of the Spanish public administration specialised in economics.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, there are economists in every unit of the Competition Directorate and each case team includes at least one specialist economist. The members of the Chief Economist Unit take part in specific cases when requested by the Competition Director.

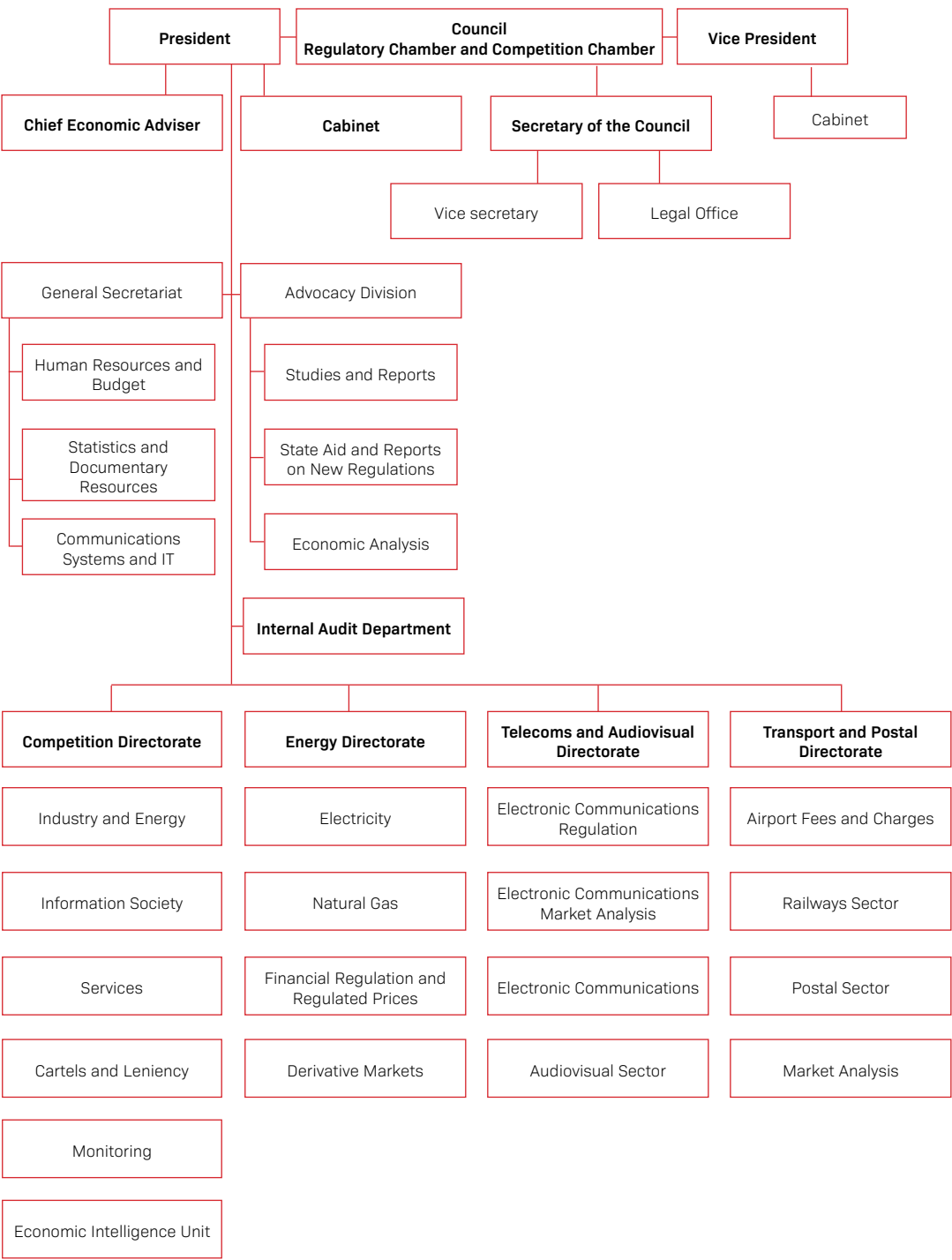
Additionally, in the second term of 2018, the CNMC set up the Economic Intelligence Unit, which has now five people (cartel experts as well as statisticians and IT profiles) fully dedicated to the ex officio detection of anticompetitive practices.

How much economics work is outsourced? What type of work is outsourced?

For budgetary reasons, no economics work is currently outsourced to private companies. However, in order to

improve the economic work done within the CNMC, part of the economic analysis is carried out with the input of public officials working for other departments of the public administration and input from university professors.

Organisation chart



Swaziland Competition Commission

Golf Course Park, Eveni, PO Box 1976, Mbabane, Swaziland, H100

Tel: +268 2404 0111 / 0421

Fax: +268 2404 0342

info@compco.co.sz

Contacts

William Sukati

Acting Chief Executive Officer

williams@compco.co.sz

Terence Mabaso

Manager Policy and Research

terencem@compco.co.sz

Questions and answers

How many economists do you employ?

Five economists.

Do you have a separate economics unit?

Yes. We have a Policy and Research Department.

Do you have a chief economist?

Yes, although the position is currently vacant.

To whom does the chief economist report?

To the chief executive officer.

Does the chief economist have the power to hire his or her own staff?

The chief economist forms part of the panel that interview candidates for posts in the unit.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a specialist economist on every case team? If not, why not?

Yes.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes, they are involved during cases.

How much economics work is outsourced? What type of work is outsourced?

So far only one. The retail banking market inquiry.

Overview

Karl Lundvall and Mattias Almqvist

Copenhagen Economics

What role will competition economics have in Sweden in the future?

The answer seems to be a tale of two extremes. First, to provide rock-solid and robust economic evidence for courts, and second, to support lawyers with quick and pragmatic economic advice early on in merger filings, investigations and compliance work. The two extremes require different types of economic analysis as well as different types of collaboration between lawyers and economists.

This article is based on interviews with prominent Swedish competition lawyers from the law firms Bokwall Rislund, Cederquist, Cirio, Delphi, Eric Ericsson, Front Advokater, Gernandt & Danielsson, Hannes Snellman, Kastell, Lindahl, Mannheimer Swartling, Roschier, Setterwalls, Vinge, as well as with the management of the Swedish Competition Authority (SCA).

Mergers: still the core of competition economics

Competition economics still has its most pronounced role in merger cases. Lawyers agree that having a complex merger filing without economists involved is unlikely. Additionally, Swedish competition lawyers see a continued and increasing need for economic analysis and advice in the early preparations of merger cases. However, actual or perceived high barriers for engaging economists seem to limit the use of economic analysis in early stages or for small tasks for some law firms.

The SCA has taken two mergers to Phase II since the SCA gained prohibitional powers on 1 January 2018. The first, in which a company providing security services acquired another security services company, was cleared without remedies in November 2018. In the second, in which three dairy companies acquired a company managing certain cheese brands, the SCA exercised its prohibitional powers for the first time in April 2019. The prohibition was at the time of writing appealed to the Patent and Market Court, a specialised first instance court in Sweden. Economic analysis played significant roles in both investigations by the SCA.

Swedish competition lawyers praise the SCA's efficiency and accessibility in uncomplicated merger

filings. This praise has been consistent over several years of interviews. However, in complicated merger filings and investigations, lawyers sometimes experience limited transparency about the SCA's work and a lack of clarity about the direction of the case.

Abuse of dominance and anticompetitive public sales activities: several judgments

Several judgments have come since the summer of 2018 and the SCA has won two victories in the Patent and Market Court. In the first, the court obliged a packaging recycling company to grant a competing recycling company access to their recycling stations. In the second, the court prohibited a municipality to prevent private companies from installing underground fibre cables for high-speed internet.

In June 2019, the Patent and Market Court of Appeal confirmed the lower court's previous judgment clearing a stock exchange from the SCA's charges of abuse of dominance by preventing a competing stock exchange from using a data centre.

Digital dominants: competition law or regulation?

A case concerning price parity clauses of an online travel agency (OTA) received its final judgment in the Patent and Market Court of Appeal in May 2019. The appellate court overturned the lower court's judgment and concluded that it was not demonstrated that the vertical price parity clause, which bans hotels from offering lower prices on their own websites than on the OTA's website, had anticompetitive effects. A German court reached a similar conclusion a month later in a related case.

In June 2019, the SCA decided to close an investigation into the Swedish state-owned train company's online ticket sales platform. The investigation was based on complaints from two commercial train operators arguing that their inability to access the platform restricted competition. The SCA identified competition issues but decided not to prioritise the case because the SCA believed that the issues could be solved more effectively by measures other than competition law, for example by the regulation of online sales of commercial passenger train tickets. In

relation to the case, the Swedish government decided in August 2019 to initiate a Commission of Inquiry to investigate the case for a national ticket system for public transport.

The judgement in the OTA case, the possible regulation of ticket sales and the fact that digitalisation is a prioritised area for the SCA in 2019–2021 has stirred a discussion about the limits of competition law on digital markets. Is there a case for regulating certain digital platforms? In Austria, Belgium, France and Italy, for example, price parity clauses of OTAs are banned or regulated. Swedish competition lawyers give no unanimous answer as to whether competition law or regulation is most effective in dealing with the (potential) issues.

From an economic point of view, competition issues can go beyond the reach of competition law, thereby motivating sectoral regulation. After all, the regulation of price terms and access are common features in regulated sectors like telecoms, postal and energy and could potentially be used to solve the (potential) issues on digital platforms. However, motivating regulation requires clear documentation of the competition issues and the expected effects of the proposed measures since regulation could bring excessive administrative burden and regulatory intervention.

Anticompetitive agreements and damages: limited presence of economic analysis

Several long-lived investigations into potential anticompetitive agreements are currently ongoing. The investigations consume large amounts of resources, both for the SCA and for the parties, but have so far not resulted in any judgements of convictions.

Few damage cases following competition law infringements have emerged in recent years. The few findings of infringements in the appellate court as well

as the Swedish business culture of resistance towards suing for damages seem to be the main reasons. Few lawyers believe that the implemented damages directive will have a substantial effect until any of these two things change.

The future for competition economics: robust evidence in courts and quick advice on speed dial

The two judgments in the appellate court, adding to previous years' judgments, in favour of the defendant have also sparked a debate about the standards of proof in the appellate court. Is it possible to win a case while having the burden of proof? Most lawyers believe that it is possible but emphasise that it is difficult. Economic evidence needs to live up to high standards and be robust to alterations of uncertain assumptions. High standards increase predictability and robustness of judgments but could make it too difficult for the SCA and private plaintiffs to win cases. The high standards on precision challenges empirical economics, which is uncertain by nature, and may limit what can be proven as well as increase the amount of resources necessary for economic evidence to withstand the scrutiny of courts.

On the contrary, recent developments call for economists on speed dial to guide competition lawyers through the increasingly complex economic analysis required early on in merger filings, investigations and in compliance work. While most competition lawyers recognise their need for such guidance, not all use it. High barriers, in terms of actual and perceived effort and cost could be one reason why this is not common practice at all Swedish law firms. We expect to see closer collaboration between lawyers and economists in the future to enable evidence to meet the high standards of courts as well as to enable high-quality and quick advice to clients at a reasonable cost.



Karl Lundvall
Copenhagen Economics

Karl Lundvall helps clients with economic arguments and analysis in competition law cases, providing support that helps them present their cases convincingly. He specialises in competition and regulation cases where he excels at clearly arguing, for example, the value creation that stems from sound competition in various markets. He is listed in the *Who's Who Legal: Competition Economists*. Karl spent seven years working for the Swedish Competition Authority prior to Copenhagen Economics and taught economics at the University of Gothenburg.



Mattias Almqvist
Copenhagen Economics

Mattias specialises in economic analysis in competition law, regulation and disputes. He has experience from a range of industries such as payments, postal, telecommunications, electricity and healthcare. Mattias has an MSc in economics from Stockholm School of Economics and from University of St. Gallen.



Kungsgatan 38, 5tr
SE-111 35 Stockholm
Sweden
Tel +46 7 6181 8820

Karl Lundvall
kl@copenhageneconomics.com

Mattias Almqvist
maa@copenhageneconomics.com

www.copenhageneconomics.com

Copenhagen Economics is one of the leading economic consultancies in Europe. Founded in 2000, we currently employ more than 90 people operating from our offices in Copenhagen, Stockholm, Helsinki and Brussels. Based on established research methods and in-depth sector knowledge, we help our clients make better choices in their political and commercial reality. Our senior team provides pragmatic solutions founded in economics to law firms, private companies, regulators, and policy makers all over the world. We are particularly dedicated to 12 service areas, including competition, dispute support, digital economy, intellectual property valuation and transfer pricing, and postal and delivery. *Global Competition Review* lists Copenhagen Economics among the top 20 economic consultancies in the world and has done so since 2006.

Swedish Competition Authority

Konkurrensverket, SE-103 85 Stockholm, Sweden
 Visiting address: Ringvägen 100, 8th floor, Stockholm
 Tel: +46 8 700 16 00
 Fax: +46 8 24 55 43
 konkurrensverket@kkv.se
 www.konkurrensverket.se

Contacts



Rikard Jermsten
 Director General
 rikard.jermsten@kkv.se



Karin Lunning
 Deputy Director General
 Tel: +46 8 700 1642
 karin.lunning@kkv.se



Arvid Fredenberg
 Chief Economist
 Tel: +46 8 700 1541
 arvid.fredenberg@kkv.se

Questions and answers

How many economists do you employ? How many have PhDs in industrial economics?

The Swedish Competition Authority has around 38 economists (in the field of competition). Fourteen have PhDs, four of them in industrial organisation.

How are these economists distributed within the organisation? Do you have a separate economics unit, or 'bureau'?

There is a separate Chief Economist's Unit that comprises nine economists.

Do you have a chief economist?

Yes, Arvid Fredenberg is the chief economist and director of the Chief Economist's Unit.

To whom does the chief economist report?

To the director general.

Does the chief economist have the power to hire his or her own staff?

Yes.

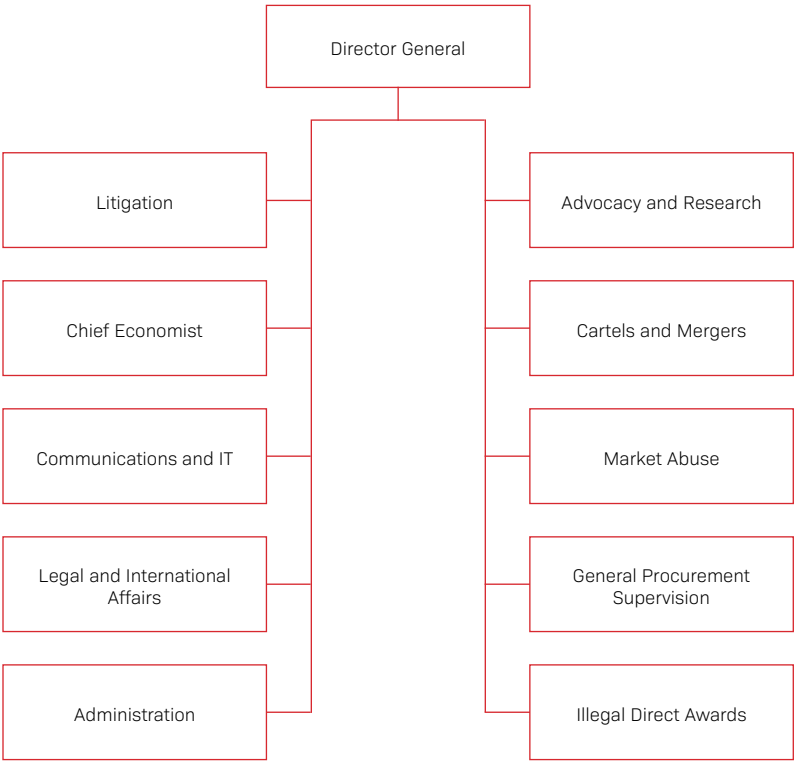
In addition to having or not having a unit, does the agency include a specialist economist on every case team?

Yes, in general.

How much economics work is outsourced? Of this outsourcing, what percentage is specific to particular cases, and what percentage is part of general research and development?

The authority has a special government appropriation for general research in economics and law, including public procurement (approximately 14 million kronor (€1.3 million)). The bulk of the funds are distributed following a peer review process, undertaken by a scientific council attached to the authority. In certain cases the authority procures services from economic (and other) experts to support the case teams. The percentage varies, depending on the cases.

Organisation chart



Competition Commission

Hallwylstrasse 4, Berne 3003, Switzerland

Tel: +41 58 462 20 40

Fax: +41 55 462 20 53

www.weko.admin.ch

Contacts

Patrik Ducrey

Director

rafael.corazza@weko.admin.ch

Stefano Dozio

Senior Economist

stefano.dozio@weko.admin.ch

Frank Stüssi

Deputy Director

frank.stuessi@weko.admin.ch

Niklaus Wallimann

Chief Economist

Tel: +41 58 462 38 84

niklaus.wallimann@weko.admin.ch

Andrea Graber

Vice Director

andrea.graber@weko.admin.ch

Questions and answers

How many economists do you employ?

We employ 18 economists.

Do you have a separate economics unit, or 'bureau'?

There is no separate economics unit. Two economists, including the chief economist, report directly to the director. All other economists belong to one of the four divisions in the Secretariat of the Competition Commission. Each of those divisions deals with specific markets.

Do you have a chief economist?

Yes, Niklaus Wallimann.

To whom does the chief economist report?

The chief economist reports to the director of the Secretariat of the Competition Commission.

Does the chief economist have the power to hire his or her own staff?

No.

How many of your economists have a PhD in industrial economics?

Eleven.

Does the agency include a specialist economist on every case team? If not, why not?

Typically, all case teams include at least one economist.

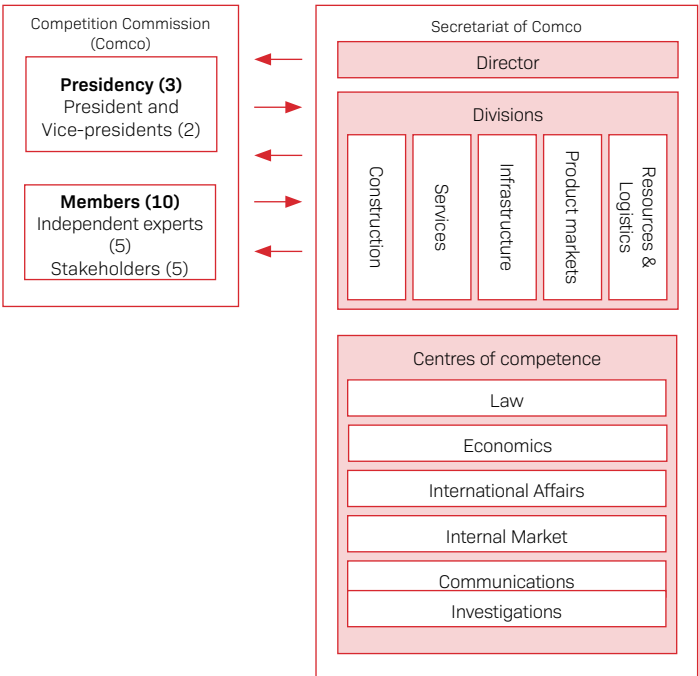
Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Work carried out by the divisions is checked by the staff of the director and therefore also by the chief economist prior to being sent to the Competition Commission or third parties. The chief economist reports directly to the director. If the chief economist considers it necessary, he can also consult with the Economics Competence Centre, which comprises all economists working at the Secretariat of the Competition Commission.

How much economics work is outsourced? What type of work is outsourced?

In general, no economics work is outsourced. Exceptions are possible when special expertise is required.

Organisation chart



Tunisia Competition Council

Conseil de la Concurrence, Rue du LAC BIWA, Les Berges du Lac, 1053 Tunis

Tel: +216 71 962 754 / 962 118 / 961 887

kitabac@ccct.gov.tn

www.cct.gov.tn

Source: Agency website

Turkish Competition Authority

Üniversiteler Mahallesi 1597, Cadde No. 9 Bilkent Çankaya 06800, Ankara, Turkey

Tel: +90 312 291 4444 / 4000

Fax: +90 312 266 7920

webmaster@rekabet.gov.tr

Contacts



Adem Bircan

Acting Chairman, Member of the
Competition Board

Tel: +90 312 291 4036

abircan@rekabet.gov.tr



Hasan Hüseyin Ünlü

Member of the
Competition Board

Tel: +90 312 291 4034

hunlu@rekabet.gov.tr



Ali Arıöz

Head of Supervision and
Enforcement Department I

Tel: +90 312 291 4403

aarioz@rekabet.gov.tr



Sükran Kodalak

Member of the
Competition Board

Tel: +90 312 291 4026

skodalak@rekabet.gov.tr



Kürsat Ünlüsoy

Vice President, Acting Head
of Administrative Services
Department

Tel: +90 312 291 4032

kunlusoy@rekabet.gov.tr



Ferhat Topkaya

Head of Supervision and
Enforcement Department II

Tel: +90 312 291 4410

ftopkaya@rekabet.gov.tr



Ahmet Algan

Member of the
Competition Board

Tel: +90 312 291 4022

aalgan@rekabet.gov.tr



Abdulgani Güngördü

Vice President

Tel: +90 312 291 4406

agungordu@rekabet.gov.tr



Hakan Karakoç

Head of Supervision and
Enforcement Department III

Tel: +90 312 291 4407

hdkarakoc@rekabet.gov.tr

**Ali Fuat Koç**

Head of Supervision and
Enforcement Department IV
Tel: +90 312 291 4306
afkoc@rekabet.gov.tr

**Recep Gündüz**

Head of External Relations,
Training and Competition
Advocacy Department
Tel: +90 312 291 4401
rgunduz@rekabet.gov.tr

**M Nazlı Önal**

Head of the Office of the Legal
Adviser Department
Tel: +90 312 291 4259
naksoy@rekabet.gov.tr

**Remzi Özge Arıtürk**

Head of Supervision and
Enforcement Department V
Tel: +90 312 291 4301
roariturk@rekabet.gov.tr

**Harun Gündüz**

Head of Strategy Development,
Regulation and Budget
Department
Tel: +90 312 291 4203
hgunduz@rekabet.gov.tr

**Haluk Recai Bostan**

Head of Information
Management Department
Tel: +90 312 291 4304
hrbostan@rekabet.gov.tr

**Onur Yelda Toy**

Head of Decisions Department
Tel: +90 312 291 4023
ytoy@rekabet.gov.tr

As of 2 September 2019, the appointment of three members of the Board, including the chair, is still in process according to relevant legal provisions.

Questions and answers

How many economists do you employ?

As of 1 July 2019, the Turkish Competition Authority (TCA) employs a total of 160 non-administrative staff working on competition enforcement. They are currently in charge of handling cases, carrying out investigations, preparing reports and drafting decisions for the Competition Board, the decision-making body of the TCA.

Of these case handlers, 39 have a background in economics and 13 hold a master's degree in economics, including universities located in Turkey and abroad.

We have seven economists in our Economic Analysis and Research Department, four of whom have a master's degrees in economics and two of whom has a master's degree in other areas. We also have two PhD candidates in our department.

Do you have a separate economics unit?

The TCA has a separate department for economic analysis.

Do you have a chief economist?

The TCA does have a chief economist.

To whom the chief economist report?

Not applicable.

Does the chief economist have the power to hire his or her own staff?

No.

How many of your economists have a PhD in industrial economics?

Currently, none of the economists in the Department of Economic Analysis and Research have a PhD in industrial economics.

Does the agency include a specialist economist on every case team? If not, why not?

According to Act No. 4054 on the Protection of Competition, case teams can only be composed of staff with the professional and legal status of 'competition expert'. As such, there is no possibility of including a specialist economist on every case team unless he or she is a competition expert. Case teams involve several competition experts from different backgrounds and there is no obligation in the legislation to include an economist in each case.

However, case teams can ask for theoretical and quantitative support from the Department of Economic Analysis and Research if they need in-depth economic analysis. The TCA is still building its capacity to employ more economic analysis in its investigations and decisions.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not? To whom does the chief economist report?

The economics unit's function is different to the one mentioned above: the unit performs necessary market searches and quantitative analysis whenever deemed beneficial or necessary upon request from the enforcing departments in charge of on-the-spot inspections and investigations.

How much economics work is outsourced? What type of work is outsourced?

There is no obstacle to outsource economics work. However, very limited economics work is outsourced and these are mostly works related to data collection. Other than that, the analysis based on the data collected is done by competition experts in the enforcing departments or by the staff of the Economics Analysis and Research Department.

Antimonopoly Committee of Ukraine

45, Lypkivskoho Vasylia Mytropolyta str, 03035 Kiev, Ukraine

Tel: +38 44 251 6262

Fax: +38 44 520 0325

slg@amcu.gov.ua

www.amc.gov.ua

Contacts



Yuriy Terentyev

Chairman



Svitlana Panaiotidi

State Commissioner



Dar'ya Cherednichenko

Chief Economist

Tel: +38 044 251 6027

cherednichenko@amcu.gov.ua



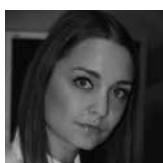
Nina Sydorenko

Deputy Chairman and State
Commissioner



Mariia Protsyshen

State Commissioner



Anna Artemenko

State Commissioner

Nataliia Buromenska

State Commissioner

Olha Nechytailo

State Commissioner

To be appointed

State Commissioner

To be appointed

State Commissioner

Questions and answers

How many economists do you employ?

The structure of the Antimonopoly Committee of Ukraine (AMCU) consists of the Central Office and 26 Regional Offices. As of 13 August 2019, 26 per cent of the total Central Office's staff and 53 per cent of the total Regional Offices' staff have bachelors, masters or PhDs in economics.

Do you have a separate economics unit?

Yes, it consists of nine economists (as of 13 August 2019). The chief economist unit is an autonomous unit, with the main responsibilities as follows:

- economic analysis in antitrust, merger control and State Aid monitoring and control cases;
- the AMCU's economic impact assessment;
- participation in methodological documents development;
- summarisation, analysis and planning of the AMCU's activities; and
- the AMCU's annual reports preparation.

Do you have a chief economist?

Yes. Mrs Dar'ya Cherednichenko was appointed as chief economist in May of 2016. She has more than 15 years of experience on managerial positions in international business entities (management, strategic project management, finance and accounting, tax management); a masters in economics for competition law (2017/18, King's College, London); and also teaches industrial organisation while delivering lectures on competition matters at Ukrainian universities.

To whom does the chief economist report?

The chief economist directly reports to the AMCU chairman and to the chief of staff of the AMCU (on administrative questions).

Does the chief economist have the power to hire his or her own staff?

New employees of the AMCU are hired according to Ukrainian legislation, which dictates a competitive procedure that the chief economist may take part in.

How many of your economists have a PhD in industrial economics?

Two members of the chief economist's unit are students of the PhD programmes in economics.

Does the agency include a specialist economist on every case team? If not, why not?

The most substantial cases are considered by case teams with participation of the chief economist unit's employee, an employee of the legal department and the respective industrial or investigations department. Economists can also be involved in the investigation process, committee meetings and court hearings.

Is the economist unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes, it is.

How much work is outsourced? What type of work is outsourced?

Some market studies are outsourced to the AMCU's Complex Research Centre.

Overview

Peter Davis, Vivek Mani, Can Celiktemur and Vikram Kumar
Cornerstone Research

Collective proceedings claimants' entry bar lowered (but cases put on hold)

The past year has seen important developments for the UK's new Collective Proceedings (CPO) regime. Following the Competition Appeal Tribunal's (CAT) 2017 decision to dismiss the CPO application in *Walter Hugh Merricks CBE v MasterCard Incorporated and Others*, the Court of Appeal (CoA) permitted Mr Merricks to appeal the CAT's decision and on 16 April 2019 the CoA handed down a decision to uphold Mr Merricks' appeal. In doing so, the CoA lowered the hurdle for claimants seeking a CPO and revitalised the prospects of the wider collective proceedings regime.

With respect to assessing the evidence and the strength of the case on pass-on, the CoA held that at the certification stage 'the CAT demanded too much of the proposed representative' and, in effect, carried out a mini-trial. The CoA considered that the proposed representative must at least be able to demonstrate that the claim has a 'real prospect' of success.

In relation to distribution, the CoA considered that 'the approach taken by the CAT was too narrow' and that it was 'premature and wrong' for the CAT to have refused certification on the basis that the proposed method for assessing damages. The proposed method did not show how an aggregate award would be distributed in a manner that reflected individuals' actual losses, but the CoA found it did not matter since the CAT Rules (CAT Rule 79(2)(f)) did not require that.

Although the CoA's decision has lowered the bar for claimants at the initial stage, the proposed class representative and its funder may find it less helpful that the CoA highlighted that the making of a CPO does not 'prevent the CAT from terminating the collective proceedings if it subsequently transpires, for example, that the proposed representative is unable to access sufficient data to enable the experts' method [to be performed].'

In addition to *Merricks*, there are four other pending CPO applications. Two are the European truck manufacturer cartel follow-on damages cases, namely *Road Haulage Association Limited v Man SE and Others*, and *UK Trucks Claim Limited v Fiat Chrysler Automobiles NV and Others*. The CAT held its

preliminary issues hearing in relation to funding for these two competing CPO applications in June 2019. A third CPO, *Michael O'Higgins FX Class Representative Limited v Barclays Bank PLC and Others* (registered on July 2019), is a follow-on damages case combining the claims relating to two cartel infringement decisions in the spot foreign exchange market adopted by the European Commission. The fourth CPO, *Justin Gutmann v London & South Eastern Railway Limited*, is the first stand-alone application for a CPO issued under the new regime and concerns alleged abuses committed by train companies regarding boundary fares.

Now that the Supreme Court has agreed to hear MasterCard's appeal in *Merricks*, there is likely to be a pause of 12 to 18 months until there is more certainty on the new CPO regime.

Competition and Markets Authority prevents a supermarket merger and shines spotlight on killer acquisitions

The Asda/Sainsbury's merger

On 25 April 2019, after a Phase II investigation, the Competition and Markets Authority (CMA) prohibited the anticipated merger between Sainsbury's and Asda. The merger would have created the largest grocery retailer in the UK, with a market share of 29 per cent (surpassing Tesco's 27 per cent). The CMA assessed local- and national-level competition for in-store groceries, online delivered groceries, general merchandise and fuel sales. In addition, the CMA assessed the impact of the merger on the merged entity's buyer power.

A significant point of contention during the merger evaluation assessment was the CMA's decision rule for identifying local areas where the merger should be expected to result in a substantial lessening of competition (SLC). For in-store groceries, the CMA calculated a well-known indicator of whether a merger would provide merging parties with an incentive to raise prices. Specifically, it calculated gross upward pricing pressure indices (GUPPI) for each of the more than 1,000 'local areas' where the parties operated stores. The CMA found that the merger was more likely than

not to give rise to an SLC in 537 areas where the GUPPI exceeded a 2.75 per cent threshold, which was markedly lower than a more familiar 5 per cent threshold. Moreover, the CMA's 2.75 per cent threshold included an efficiency 'credit' of 1.25 per cent, which meant that the CMA allowed only a net price pressure of 1.5 per cent, which, according to the CMA, 'takes into account the need for any lessening of competition to be substantial, and allows for uncertainty'. The parties argued that not only was it inappropriate for the CMA to use a GUPPI threshold as a decision rule rather than a screen, but that the 2.75 per cent threshold itself was unjustifiably low and a departure from convention. While there is clearly precedent for evaluating price effects of less than 5 per cent in groceries, it is nonetheless striking that a GUPPI threshold of 1.5 per cent (ie, net of the 1.25 per cent efficiency credit) would not allow a 14 to 13 merger in a market with symmetric firms each with 20 per cent variable margins. Alternatively, if margins are around 20 per cent – and we believe that relative prices at Asda and Sainsbury's are not dissimilar – then a 1.25 per cent GUPPI threshold would correspond to a diversion ratio of around 7 per cent (ie, around half that adopted by the Competition Commission in the *Somerfield/Morrison* merger).

The CMA did not accept the parties' claims in this respect and so, when it considered their proposed remedies package, it also rejected their proposed divestiture of 125–150 supermarkets as inadequate.

The CMA's merger review procedure was also the subject of a CAT ruling, which found that the CMA's requirements that the parties, while also preparing for a hearing, respond to 15 working papers published between 9–28 November 2018 by 7 December 2018 was unreasonable.

Focus on nascent (killer?) acquisitions

In October 2018, the CMA announced the launch of its merger inquiry into the completed acquisition of iZettle by PayPal. Both companies provide payment services to businesses through mobile point of sale (mPOS) devices. The CMA's concern was that, 'while iZettle is a relatively recent entrant to payment services, [it] was well-placed to compete against PayPal in other emerging markets [raising concerns] that PayPal's takeover could lead to higher prices or reduce the quality of the services available to customers.' The CMA's decision to investigate the transaction was consistent with its recently released 'Digital Markets Strategy', in which it notes that it is likely to pay closer attention 'to the risks of "killer acquisitions" – big companies buying smaller innovative ones with a view to extinguishing them as

potential rivals'. Demonstrating clearly that a case-by-case analysis is always required to decide the impact of any given transaction, the CMA cleared the iZettle/PayPal merger after a Phase II investigation. The CMA found that while the merging parties were two of the largest suppliers of mPOS devices, their customers were willing to switch to 'traditional' point of sale devices so that the merged entity would continue to be constrained by major competitors such as Worldpay and Barclaycard among others.

CAT rejects restrictive agreements in two notable cases: Ping and Achilles

In *Ping*, the CAT considered online sales restrictions in selective distribution agreements between Ping Europe, a manufacturer of golf clubs and accessories, and a number of its UK authorised retailers. The agreements prohibited those retailers from selling Ping golf clubs online. The CAT concluded that Ping's online sales ban amounted to an object restriction under article 101(1) and did not benefit from any individual exclusion or exemption under article 101(3).

In particular, the CAT applied the criteria developed in the Court of Justice of the European Union's (CJEU) judgment in *Metro* (Case 26/76 *Metro SB-Großmärkte v Commission* EU:C:1977:167), which asked 'whether the [online sales] ban is necessary for non-price competition to exist' (CAT Judgment in *Ping*, paragraph 200). The CAT concluded that the restriction was not objectively justified (noting in particular that neither competitors in the UK nor the parent company in the US, Ping Inc, operated online sales bans). Moreover, while the CAT considered that the online sales ban did pursue the legitimate aim of promoting custom fitting, it did not do so in a proportionate manner. The CAT found that less restrictive measures proposed by the CMA were viable alternatives to Ping, which would have been 'comparably effective at achieving the benefits of the ban' (CAT Judgment in *Ping*, paragraph 211). While Ping contended that the alternative measures would give rise to a 'free-rider' problem, the CAT notably found that there 'was no sound basis' for that contention. Overall, the CAT concluded the online sales ban could not be considered 'indispensable' to attaining the efficiency to which Ping claimed entitled it to an individual exemption under article 101(3).

In *Achilles*, the CAT considered the restrictions that Network Rail (the owner and operator of most of the mainline rail infrastructure in Great Britain) imposes on supplier assurance schemes in the railway industry. Network Rail required its and other buyers' suppliers who need access to that infrastructure (such as

contractors who subcontract tasks requiring trackside access) to use a particular supply assurance scheme known as the Railway Industry Supplier Qualification Scheme (RISQS). The CAT found that this 'RISQS-only' rule breached the Chapter 1 and Chapter 2 prohibitions.

The case arose after Network Rail ran a procurement process to operate RISQS in which Achilles, the sole operator of the precursor to RISQS between 2014 and 2018, was replaced. Achilles argued that RISQS meant that it was prevented from continuing to supply a rail assurance scheme to the rail industry and had lost 101 buyers and 4,414 suppliers as customers of its own rail assurance scheme.

In evaluating whether the RISQS-only restriction was an object restriction, the CAT applied the logic of the European Court of Justice (ECJ) decision in *Cartes Bancaires* (Case C-67/13P *Groupeement des cartes bancaires* (CB) v Commission EU:C:2014:2204), focusing on the question of whether the RISQS-only rule 'by its very nature reveal[s] a sufficient degree of harm to competition' (CAT Judgment in *Achilles*, paragraph 108) to amount to an object restriction. Looking 'at the content of its provisions, its objectives and its economic and legal context' (CAT Judgment in *Achilles*, paragraph 108), the CAT concluded that it was not an object restriction and therefore proceeded with an 'effects' analysis. This required the following.

- An evaluation of market definition (the market for supplier assurance services in the UK rail industry) and an understanding that the market for supplier assurance services was two-sided (CAT Judgment in *Achilles*, paragraph 125).
- A consideration of the counterfactual since if the two-sided market 'tipped' to the point where only RISQS survived in the situation absent the RISQS-only rule, then there could be no exclusionary effect. Whereas, if competition between Achilles and RISQS occurred for at least a limited period of time before one of the schemes exited, then there could be. The CAT considered that the correct counterfactual was one in which Achilles would compete with RISQS for at least a period of time and that its competition would lead to some benefits in terms of lower prices and product differentiation. In doing so, the CAT attached significant weight to the fact that Achilles, with its experienced and detailed knowledge of the market, wished to compete with RISQS and believed that it could do so (CAT Judgment in *Achilles*, paragraphs 150–151).
- A consideration of whether the RISQS-only rule had actual appreciable effects – a question the CAT evaluated by reference to the state of the market

as it would have been had the rule never existed rather than by the reference to the state of the market at the time of the litigation.

The CAT concluded that the RISQS-only rule does cause significant foreclosure of demand in a significant segment of the market for supplier assurance schemes in the UK railway sector and that the RISQS-only rule has an appreciable effect on competition in that market (CAT Judgment in *Achilles*, paragraph 154). In doing so, it noted that: 'It is fundamentally not for Network Rail to make the decision for other buyers and suppliers that they would prefer RISQS to other supplier assurance services' (CAT Judgment in *Achilles*, paragraph 152).

Another important issue in the case was whether there was an objective justification for the RISQS-only restriction, namely safety. Network Rail, which had the burden to establish any objective justification, argued that the RISQS-only rule gave rise to eight specific safety benefits and the CAT considered each in turn. In doing so, the CAT emphasised its belief that Achilles would likely be the only other supplier assurance provider and highlighted that there was limited evidence that safety was historically the motivation for the rule (CAT Judgment in *Achilles*, paragraph 230). In summary, the Tribunal found that Network Rail had not established that the safety purposes would be impossible to achieve without the RISQS-only rule.

Finally, we turn to whether the RISQS-only rule benefited from an exemption under Section 9 of the 1998 Act. The CAT's assessment was that the incremental cost savings would be small (£65,000 to £85,000) and 'insufficient to outweigh the benefits of competition, either in terms of price or other benefits'. (CAT Judgment in *Achilles*, paragraph 275). As such, the RISQS-only rule was not exempt from the Chapter 1 prohibition.

Consideration of as-efficient competitor test in article 102 cases

In *Royal Mail*, Ofcom ruled that Royal Mail's decision to introduce a price differential between its bulk delivery schemes under the Contract Change Notice (CCN) in January 2014 was an abuse of a dominant position in violation of article 102, resulting in a fine of £50 million. The regulator contended that Royal Mail attempted to leverage an 'overwhelmingly dominant' position to reduce competition in the relevant market for bulk mail deliveries by significantly deterring expansion from Whistl, its first and only competitor in the market.

Whistl, an access operator, planned to enter the market for end-to-end deliveries of bulk mail with an aim to cover 40 per cent of all UK addresses by 2017. In January 2014, Royal Mail introduced a price differential by increasing the price of two schemes under which access operators like Whistl could use Royal Mail's bulk mail delivery services. Ofcom found that, although the third national level scheme did not see a price increase, its contractual requirements would effectively preclude access operators from using it if they planned to compete with Royal Mail by gradually expanding in the market for bulk deliveries. Consequently, Ofcom's claim that the introduction of the price differential was motivated by a desire to either incentivise competitors like Whistl to switch to one of the two schemes that had seen price increases leading to higher costs, or limit or altogether curtail their expansions in the bulk delivery market.

Notably, Ofcom also rejected the need to carry out an as-efficient competitor (AEC) test for two reasons. First, Ofcom claimed that the AEC is appropriate in cases where a dominant undertaking employed either low pricing strategies or 'margin squeezes', while Royal Mail had raised its scheme prices. Second, Ofcom argued that Royal Mail held a dominant position in a market with high barriers to entry. It was an 'unavoidable trading partner' for any firms seeking to compete in the market for end-to-end deliveries and the AEC was not relevant in identifying the foreclosure effects

that would potentially harm consumers by reducing a source of competition.

Another article 102 case where the AEC test could have been considered is *Unlocked et al v Google et al*. In that case, Unlocked alleged that Google's threat to both remove apps developed by third parties that contained Unlocked's software product from the Google Play Store, as well as to exclude Unlocked from Google's AdMob network, amounted to a violation of article 102. Unlocked ultimately withdrew its damages claim, citing a lack of litigation funding. This resulted in a CAT ruling requiring Unlocked to pay Google's costs associated with the withdrawn litigation claim.

While the case was prematurely terminated, prior to a full consideration of the merits of the competition claims, this case raises some interesting issues with respect to applying the AEC test. Specifically, the CAT may have considered Google an 'unavoidable trading partner' for Unlocked. It would have been interesting to see where the CAT may have landed with respect to the appropriateness of the AEC test and whether they would have considered a more dynamic perspective on the competitive constraints offered by less efficient competitors.

The views expressed in this article are solely those of the authors, who are responsible for the content, and do not necessarily represent the views of Cornerstone Research.



Peter Davis
Cornerstone Research

Peter Davis leads Cornerstone Research's European competition practice and is head of its London office. Dr Davis is an industry-leading expert in competition economics with a practice which focuses on merger inquiries, cartel damages and market investigations (sector inquiries). He has provided expert testimony in matters before the UK High Court, DG Competition, Competition and Markets Authority and Financial Conduct Authority and also been involved in cases in China, the Netherlands and South Africa.

In addition to his consulting work, Dr Davis is a former deputy chairman of the Competition Commission (now integrated into the UK's Competition and Markets Authority) and has served as a faculty member at the London School of Economics and MIT's Sloan School of Management. His academic work is published widely and he is a co-author of two books: *Quantitative Techniques for Competition and Antitrust Analysis* (Princeton University Press) and *Damages Claims for the Infringement of EU Competition Law* (Oxford University Press).

Dr Davis is listed in *AC Black's Who's Who* as well as *Who's Who Legal: Competition Economics* as 'highly recommended for his impressive knowledge of anti-trust investigations and litigation proceedings' and in *Who's Who Legal: Thought Leaders – Competition*, where *WWL* says: 'The "excellent" Peter Davis secures extensive recommendations from peers for his excellent work on mergers analysis, follow-on damages actions and market investigations.'



Vivek Mani
Cornerstone Research

Vivek Mani has over a decade of experience leading teams and consulting to clients on regulatory and litigation issues involving competition. His expertise includes collective actions, cartels and mergers in Europe and the United States. Mr Mani has analysed relevant markets, competitive effects and damages in numerous competition matters.

Mr Mani also has experience in sampling and survey design, conducting and critiquing surveys as part of Phase II merger inquiries in Europe. In financial markets, Mr Mani has addressed allegations of price fixing in various financial instruments. His competition experience covers a range of sectors, including automobiles, healthcare, pharmaceuticals, retail, telecommunications and trucks. In intellectual property matters, Mr Mani has addressed issues related to market analysis, lost profits assessments, damages and determination of reasonable royalty rates.

Mr Mani has coauthored articles on competition analysis in local markets, economic analysis in class certification, economic approaches to remedies in trade secrets cases, and the economics of excessive pricing. He has also spoken on panels on collective actions and the pharmaceutical sector.



Can Çeliktemur
Cornerstone Research



Vikram Kumar
Cornerstone Research

Can Çeliktemur applies advanced economic modeling and statistical techniques in complex litigation and arbitration matters. He has analysed issues related to merger control, abuse of dominance and cartel follow-on damages, as well as market investigations. Dr Çeliktemur's industry expertise covers agribusiness, automobiles, consumer electronics, energy (natural gas and solar), healthcare and online retail. He has consulted on disputes before the Competition and Markets Authority in the United Kingdom, the Competition Commission of South Africa and the European Commission.

Vikram Kumar is a senior manager in the London office of Cornerstone Research. He is a competition economist with experience in merger control, European Commission article 101 cases, damages litigation arising from infringements of competition law and market investigations.

Dr Kumar has worked on cases from a variety of industries, such as automotive, telecommunications, medical supplies and healthcare, and energy. As a consultant, Dr Kumar has executed and overseen complex analyses, including developing theoretical and numerical models, analysing complex datasets, and conducting consumer surveys. In addition, he has provided critical support in drafting expert reports and papers.

CORNERSTONE RESEARCH

4 More London Riverside, 5th Floor
London SE1 2AU
United Kingdom
Tel: +44 20 3655 0900
Fax: +44 20 3655 0999

Peter Davis
pdavis@cornerstone.com

Vivek Mani
vmani@cornerstone.com

Can Çeliktemur
cceliktemur@cornerstone.com

Vikram Kumar
vkumar@cornerstone.com

www.cornerstone.com

Cornerstone Research provides economic and financial consulting and expert testimony in all phases of complex disputes and regulatory investigations. The firm works with an extensive network of prominent academics and industry practitioners to identify the best-qualified expert for each assignment. Cornerstone Research has earned a reputation for consistent high quality and effectiveness by delivering rigorous, state-of-the-art analysis for thirty years. The firm has 700 staff and offices in Boston, Chicago, London, Los Angeles, New York, San Francisco, Silicon Valley and Washington, DC.

Competition and Markets Authority

The Cabot, 25 Cabot Square, London, E14 4QZ, United Kingdom
 One Lochrin Square, 92 Fountainbridge, Edinburgh, EH3 9QA, United Kingdom
 Tel: +44 20 3738 6000
general.enquiries@cma.gov.uk
www.gov.uk/government/organisations/competition-and-markets-authority

Contacts

Rt Hon Lord Andrew Tyrie
 Chair

Jonathan Scott
 Non-executive Director

**Office of the Chief
 Economic Adviser**

Andrea Coscelli
 Chief Executive

Martin Coleman
 Non-executive Director
 and Panel Chair

Mike Walker
 Chief Economic Adviser

Michael Grenfell
 Executive Director

Kirstin Baker
 Non-executive Director
 and Inquiry Chair

Julie Bon
 Deputy Chief Economic Adviser

Erik Wilson
 Executive Director

Stuart McIntosh
 Inquiry Chair

Stefan Hunt
 Chief Data and Technology
 Insights Officer

Andrea Gomes da Silva
 Executive Director

Kip Meek
 Inquiry Chair

Cynthia Dubin
 Non-executive Director

Frances Barr
 Procedural Officer

Amelia Fletcher
 Non-executive Director

Sarah Cardell
 General Counsel

William Kovacic
 Non-executive Director

Questions and answers

How many economists do you employ?
 We employ about 100 economists.

Do you have a chief economist?
 Yes, Mike Walker.

Do you have a separate economics unit?
 Yes, but it contains relatively few of our economists. The Office of the Chief Economic Advisor contains our econometricians and statisticians, along with economists working on research projects and ex post evaluation projects. The vast majority of our economists work in the two front-line directorates (the Enforcement Directorate and the Markets and Merger Directorate). However, all Competition and Markets Authority (CMA) economists are staff managed by economists.

To whom does the chief economist report?
 To the chief executive.

Does the chief economist have the power to hire his or her own staff?
 Yes.

How many of your economists have a PhD in industrial economics?
 About 30.

Does the agency include a specialist economist on every case team? If not, why not?

Yes.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes, we carry out peer reviews of the economics on all our cases. This review is carried out by economists who are not already involved in the case.

How much economics work is outsourced? What type of work is outsourced?

We seldom outsource economics work in cases. We frequently use academics or consultants to quality assure

our work, principally through our panel of academic associates or as expert witnesses. We may also employ consultants when caseload is high, but these consultants work on a secondment basis within the CMA and we do not commission reports from them. In addition, we commission one or two research reports per year from consultants or academics on economic topics of relevance to the CMA. We also commission one ex post evaluation each year of a past CMA intervention in order to learn from our past cases.

Overview

Henry J Kahwaty and Cleve B Tyler
Berkeley Research Group

Antitrust developments stemming from federal agency actions, state actions and private litigation have continued on several fronts in the United States, including:

- the Department of Justice (DOJ) and Federal Trade Commission (FTC) actively investigating the technology sector, including Big Tech;
- the DOJ being active in intervening in other litigations, including in the FTC litigation against Qualcomm;
- an increased focus on labour issues;
- the DOJ has brought a merger challenge that may be resolved via binding arbitration; and
- a coalition of states suing to block the merger of Sprint and T-Mobile, even though the parties have settled with the DOJ and the sector regulator (the Federal Communications Commission (FCC)).

Big Tech investigations

Broad concerns have been expressed regarding increasing concentration, margins and lack of entry across a range of technology-related industries, and whether antitrust enforcement to date has played a sufficient role in these industries. Particular criticism has focused on Big Tech. At least partly in response to these expressed concerns, the FTC and DOJ have become markedly more proactive in this sector.

The DOJ announced in July 2019 that it was conducting a review of ‘whether and how market-leading online platforms have achieved market power’ and whether they have ‘reduced competition, stifled innovation, or otherwise harmed consumers’. The FTC announced in February 2019 the establishment of a task force ‘dedicated to monitoring competition in US technology markets’, including investigating potential anticompetitive behaviour and taking enforcement action. The agencies reportedly have divided up responsibilities for the four firms receiving the most scrutiny, with the DOJ taking Google and Apple, and the FTC taking Facebook and Amazon. Furthermore, states’ Attorneys General are conducting their own investigations into the competitive implications of Big Tech business practices.

The FTC recently completed a slate of 14 Hearings on Competition and Consumer Protection in the 21st

Century, including several topics related to technology markets and online platforms, such as ‘Privacy, Big Data, and Competition’, ‘Algorithms, Artificial Intelligence, and Predictive Analytics’ and ‘Data Security’. The impact of these hearings will depend to a large extent on how the information accumulated is evaluated and internalised at the FTC. In its investigations, the FTC can consider the use of FTC Act Section 5’s prohibition of unfair methods of competition, which provides a more flexible legal framework for addressing potential concerns than the Sherman Act’s proscriptions against monopolisation and attempted monopolisation. Also, the FTC potentially could seek the unwinding of previous mergers, such as Facebook’s acquisitions of Instagram and WhatsApp.

Relatedly, the FTC levied a US\$5 billion fine against Facebook in July 2019 for violating consumer privacy – in particular, for violating a prior FTC order from 2012 by ‘deceiving users about their ability to control the privacy of their personal information’.

Department of Justice amicus programme

The DOJ has placed renewed emphasis on its amicus programme, which involves exercising its discretion to make filings in antitrust cases in which the DOJ is not a party. The DOJ’s intervention in such cases has expanded substantially in the past two years and it is now common for private litigants to make submissions to the DOJ regarding such litigation. The programme is designed to promote the proper application and development of antitrust law, and it may temper litigant claims for fear of seeing an opposition brief filed by the United States.

The DOJ and FTC have concurrent authority in many areas and it is very unusual for one to oppose the other. An unusual example where this did happen is in the FTC’s litigation against Qualcomm. The FTC brought a case against Qualcomm in January 2017. Qualcomm is a seller of baseband chips used to connect cellular phones to networks and a leading developer of wireless communications technology. The FTC challenged Qualcomm’s practice of selling modem chips for cellular phones or tablets only to buyers that also have a licence to Qualcomm’s

portfolio of standard-essential patents, a practice the FTC alleged to be a means of maintaining Qualcomm's monopoly over baseband processors.

The FTC's case has been controversial. One of the three FTC commissioners at the time the case was authorised issued a dissent to the filing of the lawsuit claiming, among other things, it would undermine intellectual property rights and harm innovation. The DOJ had sought to intervene with regard to remedies, but its request was denied. The FTC won at trial, the court imposed remedies and Qualcomm has appealed.

The DOJ has intervened to support Qualcomm's appeal, seeking a stay of some of the remedies imposed. The DOJ also told the Appellate Court that Qualcomm's appeal 'has a likelihood of success' with regard to liability, criticising the analysis of the Trial Court with regard to both liability and remedies. Its filing included affidavits from senior officials at the Departments of Defense and Energy attesting to harm to innovation and to these Departments arising from the Trial Court's remedies. In staying the remedies during the appeal process, the Appellate Court cited to the opposing views of the DOJ and FTC as a reason for its decision – demonstrating the impact a DOJ intervention can have.

Labour issues

The focus on labour-related issues has grown in recent years. The DOJ, FTC and states have investigated and settled 'no-poach' cases whereby entities agree not to solicit each other's employees and there has been private no-poach litigation as well. Cases have involved a wide variety of occupations, including doctors working in academic medical centres, railway workers, fast food restaurant staff and movie studio animators, directors, software engineers and visual effects artists. The DOJ recently submitted amicus briefs indicating its view that no-poach agreements among horizontal competitors are per se illegal unless they are ancillary to a separate legitimate transaction or collaboration.

Another recent DOJ amicus filing in a different litigation explained that the per se rule would not apply in the case of a franchise agreement. A requirement that prevents one franchise location from poaching the employees of another location of the same franchise could be ancillary to the establishment of the franchise's business and enable the overall organisation to compete with other organisations. In this example, the DOJ stated that a no-poach agreement should be considered under a rule of reason analysis. In addition, non-compete agreements are undergoing closer scrutiny at the state level, as several states have

imposed restrictions on the enforcement of such agreements.

DOJ Merger Challenge Arbitration

In early September 2019, the DOJ challenged the proposed acquisition of Aleris by Novelis. In its complaint filed in US District Court, the DOJ alleged this transaction would harm competition in the North American market for aluminium autobody sheet, which is rolled aluminium sheet used in automotive applications. In conjunction with its complaint, the DOJ issued a press release stating that the parties had agreed to use binding arbitration if certain conditions are met. The arbitration would address the issue of product market definition, which was described by DOJ as being 'dispositive' and would represent the first time the DOJ has used arbitration to resolve an antitrust matter.

Merger litigations and appeals can take more than a year to resolve. For example, the DOJ's challenge to the *AT&T/Time Warner* merger occurred in November 2017, but the final appellate ruling was not until February 2019. In addition, litigation is costly for both the merging parties and the government. The use of binding arbitration is a procedural innovation that is expected to reduce litigation costs and to resolve the case more rapidly. Instead of fully litigating all the issues implicated by a merger analysis, the use of arbitration to resolve one 'dispositive' issue narrows the focus of the dispute, which lowers the cost of litigation and allows for more rapid adjudication. In addition, the use of binding arbitration limits appeal opportunities, which tends to result in quicker resolution.

State action to Block Sprint/T-Mobile

T-Mobile (majority owned by Deutsche Telekom) agreed in April 2018 to acquire Sprint (majority owned by Softbank) in a transaction valued at over US\$26 billion. T-Mobile and Sprint are the third and fourth largest cellular carriers in the country. They had attempted to merge in 2014, but that transaction was called off due to opposition from the DOJ and other regulators. The DOJ, FCC and many states investigated the current merger proposal and the parties were able to reach agreements on divestitures and other remedies with the DOJ, FCC and five states to resolve their concerns.

Fifteen other states and the District of Columbia, however, have sued to block the transaction in federal court and also view the remedies as insufficient. The merits of the transaction will be litigated in federal court and the transaction could be blocked, even though it is national in scope and was approved by

national authorities. States often analyse transactions, but this is the first time a collection of states has tried to block a national transaction approved by the DOJ or FTC, as opposed to seeking remedies to resolve competitive effects specific to particular states (eg, in local markets).



Henry J Kahwaty
Berkeley Research Group

Henry J Kahwaty is a managing director at Berkeley Research Group's Washington, DC office and co-head of BRG's antitrust and competition policy practice. His areas of expertise include microeconomics, industrial organisation, antitrust economics and econometrics. He has completed antitrust reviews of mergers and horizontal and vertical contractual arrangements, and studies of monopolisation and abuse of dominance in the context of government investigations and private litigation. His merger work includes studies in metals, solid and hazardous waste, industrial products, avionics and pharmaceuticals. He has analysed competition issues in industries including mining, luxury goods, banking, chemicals and gem diamonds. He has completed studies of vertical restraints and vertical integration, and the impact of such vertical relationships on competition. His work also includes analysis of merger efficiencies, price-fixing allegations, class certification and competition damages.

Dr Kahwaty has presented analyses to the US Department of Justice, the Federal Trade Commission, the Directorate-General for Competition of the European Commission, the Canadian Competition Bureau, the Competition Tribunal of Canada and other agencies. He has prepared studies for the Competition Authority in Ireland. He started his career as an economist with the US Department of Justice, where he specialised in market power analysis for merger and monopolisation cases with a focus on the computer software, banking, manufacturing and defence industries. He spent 15 years as an economist, principal and director with LECG in both Washington, DC and London. He received his PhD in economics from the University of Pennsylvania in 1991.



Cleve B Tyler

Berkeley Research Group

Cleve B Tyler is a managing director at Berkeley Research Group. For more than 20 years, he has applied economic analyses to competition, intellectual property and damages issues in matters before federal and state courts, administrative law judges and regulatory commissions, and in merger investigations. Dr Tyler has testified at deposition and trial in federal court and at arbitration. He has developed or analysed damages models in a range of industries pertaining to various allegations including intellectual property infringement, antitrust, breach of contract and fraud. Dr Tyler's competition work includes evaluation of market definition and competitive effects using regression analysis and economic modelling. He has evaluated horizontal and vertical competition issues in many industries including waste collection and disposal, pharmaceuticals, electricity, insurance,

avionics, medical devices, video games, paid search advertising, automobile components, home appliances, software, and food and beverages.

Dr Tyler holds a PhD in economics from Clemson University specialising in industrial organisation, finance, and the economics of the public sector. He is an adjunct professor of economics at Johns Hopkins University's applied economics programme, teaching graduate-level courses in industrial organisation and microeconomics for nearly a decade. He taught economics at Clemson University, has published papers and made presentations on competition and damages issues, and is the managing editor of *BRG Review*. Dr Tyler is a member of the American Economic Association and American Bar Association.



Berkeley Research Group

1800 M Street NW, second floor
Washington, DC 20036
United States
Tel: +1 202 480 2700
Fax: +1 202 419 1844

Henry J Kahwaty
hkahwaty@thinkbrg.com

Cleve B Tyler
ctyler@thinkbrg.com

www.thinkbrg.com

Berkeley Research Group, LLC is a leading global strategic advisory and expert consulting firm that provides independent advice, data analytics, authoritative studies, expert testimony, investigations, and regulatory and dispute consulting to Fortune 500 corporations, financial institutions, government agencies, major law firms, and regulatory bodies around the world.

BRG experts and consultants combine intellectual rigour with practical, real-world experience and an in-depth understanding of industries and markets. Their expertise spans economics and finance, data analytics and statistics, and public policy in many of the major sectors of our economy, including healthcare, banking, information technology, energy, construction and real estate.

BRG is headquartered in Emeryville, California, with offices across the United States and in Asia, Australia, Canada, Hong Kong, Latin America and the United Kingdom.

BRG provides to counsel, corporations and governments throughout the world independent and objective testimony in matters involving antitrust litigation, mergers and acquisitions, and agency competition reviews. BRG experts combine a deep understanding of actual market behaviour with relevant economic and statistical theory, principles of finance and accounting and sound empirical research. They have provided testimony and made presentations concerning antitrust issues in courts and in meetings and hearings before the Federal Trade Commission, the US Department of Justice, the European Commission, other competition agencies and tribunals, and sector-specific regulators.

Federal Trade Commission

Bureau of Economics, 600 Pennsylvania Avenue, NW, Washington, DC 20580, United States

Tel: +1 202 326 3429

reportrequests@ftc.gov

www.ftc.gov

Contacts

Bruce Kobayashi

Bureau Director

Tel: +1 202 326 3052

bkobayashi@ftc.gov

Alison Oldale

Deputy Director for Antitrust

Tel: +1 202 326 3600

aoldale@ftc.gov

Questions and answers

How many economists do you employ?

Eighty-one PhD economists. About 65 per cent of economists' time is spent on antitrust matters and 35 per cent on consumer protection matters. We also employ 11 research analysts with an undergraduate or master's degree in economics.

Do you have a separate economics unit?

Yes, the Bureau of Economics (the Bureau).

Do you have a chief economist?

Yes, Bruce Kobayashi joined the Bureau as director in May 2018. He came to the Federal Trade Commission (FTC) from the Antonin Scalia Law School at George Mason, where he has been a professor of law and a faculty member since 1992. He has previously served as associate dean for research and faculty development at Scalia Law, as a senior economist in the Division of Economic Policy Analysis of the Federal Trade Commission, as a senior research associate at the United States Sentencing Commission, and as an economist for the Antitrust Division of the US Department of Justice. He has served as the founding director of the Global Antitrust Institute and as an instructor in the Global Antitrust Institute's Economics Institutes for Judges and for Competition Law Officials, and the Law and Economics Center's Economics Institutes for Judges, Attorneys General, and Law Professors.

The Bureau of Economics has a deputy director responsible for antitrust matters: deputy director Alison Oldale joined the FTC from Compass Lexecon, where she served as an executive vice president. She previously worked for the FTC as deputy director for antitrust on a detail from the United Kingdom's

Competition Commission, where she was chief economist.

To whom does the chief economist report?

To the chairman of the FTC, currently Joseph Simons.

Does the chief economist have the power to hire his or her own staff?

Yes, subject to review by the chairman.

How many of your economists have a PhD in industrial economics?

All 81 economists of the Bureau have a PhD in economics. Most of the economists specialise in industrial organisation, but some specialise in labour economics or other microeconomics subfields. Several also have some specialisation in econometrics.

Does the agency include a specialist economist on every case team? If not, why not?

Yes, on all competition investigations.

Is the economics unit a 'second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

The FTC's investigations of competition matters integrate legal and economic analysis. The economists work with the lawyers as a team. The Bureau, however, provides its own recommendation to the FTC on virtually all matters.

UNITED STATES

How much economics work is outsourced? What type of work is outsourced?

Expert witnesses for litigation are often, but not always, external. The vast bulk of other economic and accounting work is done in-house, including support for external economic experts.

Competition and Consumer Protection Commission

4th Floor, Main Post Office Building, Cairo Road, PO Box 34919 Lusaka 10101, Zambia

Tel: +260 211 222 787 / 222 775 / 232 657 / 236 766

Fax: +260 211 222 789

zcomp@ccpc.org.zm

Kitwe Regional Office, PO Box 20158 10101 Kitwe, Zambia

Tel: +260 212 221 115

Fax: +260 212 221 067

ccpckitwe@zamnet.zm

www.ccpc.org.zm

Contacts



Chilufya Sampa

Executive Director

Tel: +260 955 786 634

c.sampa@ccpc.org.zm



Luyamba Mpamba

Director, Mergers
and Monopolies

Tel: +260 977 949 796

l.mpamba@ccpc.org.zm

Naomi Fulaza

Director, Restrictive
Business Practices

Tel: +260 977 872 733

n.fulaza@ccpc.org.zm



Brian Lingela

Director, Consumer Protection

Tel: +260 977 745 720

b.lingela@ccpc.org.zm



Maureen Mwanza

Director, Legal and Corporate
Affairs

Tel: +260 973 709 650

m.mwanza@ccpc.org.zm

Beene Siyumbwa

Director, Human Resource
and Administration

Tel: +260 977 718 363



Vestus Chungu

Director, Finance

Tel: +260 977 748 950

v.chungu@ccpc.org.zm

Naomi Banda Nguni

Manager, Internal Audit

Tel: +260 977 693266

n.nguni@ccpc.org.zm

Marian Mwalimu Mulenga

Manager, Legal and
Corporate Affairs

Tel: +260 0977 342209

m.mwalimu@ccpc.org.zm

Eunice Hamavhwa

Chief investigator, Consumer
Protection (Southern region)

Tel: +260963 755333

e.hamavhwa@ccpc.org.zm

Shakayobo Shandavu

Manager, Finance

Tel: +260 979519160

s.shandavu@ccpc.org.zm

Patrick Chengo

Chief Investigator, Mergers
and Monopolies

Tel: + 260 971778155

p.chengo@ccpc.org.zm

Parret Muteto

Chief Analyst, Research
and Education

Tel: +260 966449681

p.muteto@ccpc.org.zm

Masautso Phiri

Chief Investigator, Consumer
Protection (Northern region)

Tel: +260 977201042

m.phiri@ccpc.org.zm

Questions and answers

How many economists do you employ?

There are 31 economists (investigators) employed at the Competition and Consumer Protection Commission (the Commission).

Do you have a chief economist?

Yes. The chief economist (chief analyst) heads the Economics Unit (Research and Education Unit).

To whom does the chief economist report?

The chief economist (chief analyst) reports to the executive director.

Does the chief economist have the power to hire his or her own staff?

No. The staff reporting to the chief economist (chief analyst) are employed in the same manner as any other employee of the Commission.

How many of your economists have a PhD in industrial economics?

None.

Does the agency include a Specialist Economist on every case team? If not, why not?

Yes. The Office of the Chief Economist (Chief Analyst) offers technical and specialised opinions and advice on cases. This is usually done in bi-weekly meetings with investigators. However, any investigator can also seek the advice of the Office of the Chief Economist whenever need arises. It should also be noted that the investigator is also an economist specialised in investigations.

Is the chief economist a second pair of eyes' during cases – is it one of the agency's checks and balances? If not, why not?

Yes, the Office of the Chief Economist provides specialised opinions and advice during cases. It is therefore a second pair of eyes in this sense.

How much economic work is outsourced? What type of work is outsourced?

Specific professional advice on particular cases is outsourced from industry experts, where need arises.

Competition and Tariff Commission

Unit L | Block 1 | 2nd Floor | Celestial Office Park, 1908 Borrowdale Road, Borrowdale, Harare, Zimbabwe

Tel: +263 4 853 127 31

WhatsApp: +263 71 590 5651

director@competition.co.zw

www.competition.co.zw

