#### Memo

On the Bill on

**Competition Protection and** 

**Prohibition of Monopolistic Practices** 

the Submitted to

**Economic Committee of the** 

**National Democratic Party** 

By

Dr. Eng. Nader Riad

**Consultant for the People's Assembly** 

**Industrial and Energy Committee** 

April 2004

The Bill on Competition Protection and

**Prohibition of Monopolistic Practices** 

Dr. Eng.

**Nader Riad** 

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The Bill on Competition Protection and Prohibition of Monopolistic Practices represents a good framework for the application of a policy which regulates and protects competition and prevents harmful monopolies.

In order to attain the desired effectiveness of the law and to emphasize its viability, so that it can live up to expectations, it is important that it carefully abides by the following principles:

#### 1 - Defining the acquisition proportion in the concerned market

It is more appropriate to refer to double criteria in addition to the 35% criterion prescribed by the law. Many countries have referred to the double criteria of the European Union.

The minimum limit of the value of dealing, which lies within the scope of the definition of "acquisition", shall be increased for example by LE 200 million per year in the concerned market.

This criterion is stable and represents a separating, reasonable and appropriate limit. The Agency for Protection of Competition and Prohibition of Monopolistic Practices does not waste its energy following up with small value activities, and can focus on more important fields. The acquisitions that lie under this limit are so small that they do not have a significant effect on the general economic field.

# 2- Clearly determining the two elements (products and the geographical scope) on which the concerned market is based

#### 2/a- Defining products, commodities, and their alternatives

The commodities determining the concerned market shall be clearly described. This means similar commodities in terms of type, capacity, way and volume of packing, and usage shall be subject to one standard specification so that each of them shall constitute an independent commodity.

A practical example in this regard is soft drinks. As they have different volumes, ingredients and packs, they cannot be considered as one commodity; surely, it is not the same from the point of view of consumers.

#### 2/b- Determining the geographical scope of the market

It is important to determine what is meant by the term "geographical scope" or "geographical area" so that it is not applied on a narrow or limited scope. More appropriately, the geographic scope of the market is what lies within the boundaries of each governorate.

#### 3- Defining "competitors"

"Competitors" shall clearly mean: "people practicing the same type of activity in any field of production, distribution, marketing, sale, purchase, presentation, development, storing, inspection, or transportation of products that are similar to each other and mutually replaceable". This way, the concept of competition is connected neither with natural nor with juridical persons, but it is rather determined by its own field.

#### 4- Reporting on agreements or prohibited practices

It is recommended that the studies carried out by the Agency should be the basis for taking the appropriate procedures, as stated in article 20, upon a person's notification to the Agency on any agreements or prohibited practices that disturb the efforts of the Agency and open malicious practices, unless the actual mover of any procedure is pursuant to the completion of information and studies at the Agency.

#### 5- New industries which have precedence for the first time

The articles of the bill shall not impose any restriction on the new industries which have precedence to produce a certain commodity locally for the first time with no competition for this commodity in the market.

The Competition Law shall not be applied to these industries for five years, and it may be extended until a new local competitor appears.

#### 6- Emphasizing the Agency's neutrality

It is important for the Agency to work neutrally. To achieve this, the Agency shall not be financed due to the application of the provisions of the present law and the reconciliation of monies, in order to prevent conflict of interests which affects the complete neutrality of the Agency.

It is also appropriate that the Agency's budget be adequate to let it fulfill its job and to ensure appropriate revenues for its employees in order to guarantee their selection from the best available personnel.

#### **Appendices:**

- A detailed study on the bill on Competition Protection and Prohibition of Monopolistic Practices in light of the text of the government.
- A proposal on the bill on Competition Protection and Prohibition of Monopolistic Practices in light of a detailed study.

#### **Detailed Study**

### on the Bill on Competition Protection and Prohibition of Monopolistic Practices

in Light of the Bill Submitted by the Government the to

**National Democratic Party's Economic Committee** 

Submitted by

Dr. Eng. Nader Riad

Consultant for the People's Assembly

Industrial and Energy Committee

April 2004

# Detailed Study on the Bill on Competition Protection and Prohibition of Monopolistic Practices

Government Bill Text	Proposed Text	Amendment justification
Procedural articles     Article 1  The provisions of the attached law on protection of competition and prohibition of monopolistic practices shall be enforced.	Procedural articles     Article 1  The provisions of the attached law on protection of competition and prohibition of monopolistic practices shall be enforced.	No amendment
Article 2 The Prime Minister shall be the minister concerned with applying the provisions of the attached law.	Article 2 The Prime Minister shall be the minister concerned with applying the provisions of the attached law.	No amendment
Article 3 The executive regulations of the attached law shall be issued by decree of the Prime Minister within one month from the date of enforcing the present law.	Article 3 The executive regulations of the attached law shall be issued by decree of the Prime Minister within one month from the date of enforcing the present law.	No amendment
Procedural articles     Article 4  The present law shall be published in the official journal and shall come into force from the first of the month one year after the date of its publication.	Procedural articles     Article 4  The present law shall be published in the official journal and shall come into force from the first of the month one year after the date of its publication.	No amendment

#### In light of the bill submitted by the government

Government Bill Text	Proposed Text	Amendment justification
Bill on Competition Protection and Prohibition of Monopolistic Practices Article 1 Exercising economic activity shall be in a way that does not lead to preventing, restricting or prejudicing competition freedom, according to the provisions of the present law, without prejudice to what is required by the international agreements and treaties enforced in Egypt.	Bill on Protection of Competition and Prohibition of Monopolistic Practices Article (1) Exercising economic activity shall be in a way that does not lead to preventing, restricting or prejudicing competition freedom, according to the provisions of the present law, without prejudice to what is required by the international agreements and treaties enforced in Egypt.	No amendment
Article 2 In applying the provisions of the present law, the following expressions shall denote the meaning mentioned next to each of them:  a) Persons: natural and juridical persons, such as all types of companies, economic entities, associations, federations, institutions, and other establishments and leagues, financial groups or groups of persons of all	Article 2 In applying the provisions of the present law, the following expressions shall denote the meaning mentioned next to each of them:  a) Persons: natural and juridical persons, such as all types of companies, economic entities, associations, federations, institutions, and other establishments and leagues, financial groups or groups of persons of all	No amendment  No amendment  -Referring to double criteria to

methods.

- b) Products: commodities and services
- c) **Acquisition**: a condition that enables a person or a group of persons working together to control production markets by cornering more than 35% of the volume of the concerned market.

d) Competitors: persons who are producing, distributing, marketing, selling, buying, presenting, developing, storing, inspecting, or transporting products which are similar one to another or inter-

substitutable.

e) **Agency**: the Agency for Protection of Competition and Prohibition of Monopolistic Practices as founded according to the provisions of the

methods.

- b) Products: commodities and services
- c) Acquisition: a condition that enables a person or a group of persons working together to control production markets by cornering more than 35% of the volume of the concerned market, so that the value of dealing for a person or a group of persons shall be 200 million Egyptian pounds in the concerned market.
- d) Competitors:

persons practicing the same type of activity in any field of production, distribution, marketing, sale, purchase, presentation, development, storage, inspection, or transportation of products similar one to another or intersubstitutable.

**e) Agency**: the Agency for Protection of Competition and Prohibition of Monopolistic Practices as founded according to the

determine the percentage of acquisition inside the concerned market, this acquisition shall not only comprise the percentage but also a minimum limit for the value of dealing, for example LE 200 million in the concerned market. This criterion is stable and represents a separating, reasonable and appropriate limit. The Agency does not waste its energy following up with small value activities, and can focus on more important fields. The acquisitions that lie under this limit are so small that they do not have a significant effect on the general economic field. Many countries have referred to bilateral criteria of the European Union.

Clarifying what is meant by

- present law.
- f) **Board**: the board of directors of the Agency for Protection of Competition and Prohibition of Monopolistic Practices.
- a) Concerned Market: the market based on two elements, namely concerned products and geographical scope. The relevant products shall be those considered as mutual alternatives or replacements. The geographical scope shall mean a certain geographical area in which an economic activity is practiced and the conditions of competition are homogeneous, if these conditions are significantly different from the prevailing conditions in another close or neighboring area, all according to the criteria indicated in the executive regulations.

- provisions of the present law.
- f) Board: the board of directors of the Agency for Protection of Competition and Prohibition of Monopolistic Practices.
- g) Concerned Market: the market based on two elements, namely concerned products and geographical scope. The relevant products shall be those considered as mutual alternatives or replacements. If these products are commodities, this means similar commodities in terms of type, capacity, way of packing, type and volume of packs, and the type of usage subject to one standard specification so that each one of them shall constitute an independent commodity. The geographical scope shall mean a certain geographical area in which an economic activity is practiced and the conditions of competition are homogeneous, if these conditions are significantly different from the prevailing

"competitors". They are people practicing the same type of activity. This way, the concept of competition is not connected with persons. Its real criterion is indeed the field of competition

No amendment

No amendment

The relevant products, in terms of commodities, are those which are similar in type, capacity, way of packing, type and volume of the pack, and the type of usage, subject to one standard specification in a way that each of them shall constitute an independent commodity from the point of view of the consumers. A practical example in this regard is soft drinks. As thev have different volumes,

conditions in another close or neighboring area. The geographic scope of the concerned market shall lie within the boundaries of each governorate, according to the criteria indicated in the executive regulations.

ingredients and packs, they cannot be considered as one commodity; surely, it is not the same from the point of view of consumers.

- Determining what is meant by the terms "Geographical scope" or "Geographical area" in a way that shall not allow its application on a narrow or limited scope but indeed on an entire governorate.

Government Bill Text	Proposed Text	Amendment justification
Article 3 The provisions of the present law shall apply to the acts committed abroad which constitute crimes according to the present provisions and result in preventing, restricting or prejudicing competition in Egypt.	to the acts committed	No Amendment

Following are the agreements, contracts or practices that shall be prohibited as they harm freedom of competition:

- Raising, decreasing or stabilizing prices of products subject of dealing.
- 2. Creating a sudden abundance of products that leads to dealing with them at a price which affects the economies of the rest of the competitors.
- 3. Constraining or preventing any person from practicing his or her economic activity in the market, or discontinuing this activity at any time.
- 4. Depriving a certain person from the products available in the market, whether totally or partially, with no reasonable justification.
- 5. Restricting the production, manufacturing, distribution or marketing processes, and limiting the marketing of services, their type or their size, or setting conditions or restrictions on their

#### **Article 4**

Following are the agreements, contracts or practices that shall be prohibited as they harm freedom of competition:

- Raising, decreasing or stabilizing prices of products subject of dealing.
- 2. Creating a sudden abundance of products that leads to dealing with them at a price which affects the economies of the rest of the competitors.
- 3. Constraining or preventing any person from practicing his or her economic activity in the market, or discontinuing this activity at any time.
- 4. Depriving a certain person from the products available in the market, whether totally or partially, with no reasonable justification.
- 5. Restricting the production, manufacturing, distribution or marketing processes, and limiting the marketing of services, their type or their size, or setting conditions or restrictions on their

**No Amendment** 

availability.

- 6. Dividing or specializing products markets on the basis of the geographical zones, distributions centers, types of customers or commodities, seasons or periods and times.
- 7. Coordinating with regard to participating or refraining from entering in adjudications, bids, negotiations, and all supply offers.
- 8. Spreading false information on products or on their prices, knowing they are untrue.

- availability.
- 6. Dividing or specializing products markets on the basis of the geographical zones, distributions centers, types of customers or commodities, seasons or periods and times.
- 7. Coordinating with regard to participating or refraining from entering in adjudications, bids, negotiations, and all supply offers.
- 8. Spreading false information on products or on their prices, knowing they are untrue.

#### **Government Bill Text**

#### Article 5

Persons holding a dominant position are prohibited from abusing it by carrying out the following practices:

 Refraining from dealing with a product whether by buying or selling it or limiting or hampering its dealing in a manner that leads

#### **Proposed Text**

**Article 5** 

Persons holding a dominant position are prohibited from abusing it by carrying out the following practices:

1. Refraining from dealing with a product whether by buying or selling it or limiting or hampering its dealing in a manner that leads

## **Amendment** justification

-Adjusting the used term in a way that determines the intended persons included in this article: are the persons who shall hold the aforementioned dominant position define in article 2.

- to an unreal price being imposed thereon.
- 2. Reducing or increasing the available quantities of the product in a manner that leads to an unreal shortage or a surplus thereof.
- 3. Refraining from concluding contracts with any person for selling or buying a product at less than its real cost, or discontinuing dealing with him/her completely without any reasonable justification, in a way that leads to limiting the said person's freedom to enter or exit from the market at any time.
- 4. Suspending a contract or an agreement as a condition for the acceptance of obligations unrelated by their nature or commercial usage to the original dealing or agreement.
- agreement.

  5. Wasting equal

- to an unreal price being imposed thereon.
- 2. Reducing or increasing the available quantities of the product in a manner that leads to an unreal shortage or a surplus thereof.
- 3. Refraining from concluding contracts with any person for selling or buying a product at less than its real cost. or discontinuing dealing with him/her completely without any reasonable justification, in a way that leads to limiting the said person's freedom to enter or exit from the market at any time.
- 4. Suspending a contract or an agreement as a condition for the acceptance of obligations unrelated by their nature or commercial usage to the original dealing or agreement.
- Wasting equal

opportunities among competitors by discriminating some of them concerning dealing conditions of purchase or sale with no reasonable justification.

opportunities among competitors by discriminating some of them concerning dealing conditions of purchase or sale with no reasonable justification.

#### **Article 6**

Upon the request of the concerned persons, the Agency shall exempt from the scope of the prohibitions prescribed in article 4 the practices. agreements or contracts restricting competition which shall give benefits to consumers more than restrict freedom of competition, according to the regulations and procedures determined by the executive regulations. The provisions of the present law shall not apply to strategic

#### Article 6

Upon the request of the concerned persons, the Agency shall exempt from the scope of the prohibitions prescribed in article 4 the practices, agreements, or contracts restricting competition which shall give benefits to consumers more than restrict freedom of competition according to the regulations and procedures determined by the executive regulations. The provisions of the present law shall not apply to strategic products if the state manages the utilities

Exempting new industries which have precedence in producing a certain commodity locally from applying the provision of the

products if the state manages the utilities producing these products, such as petroleum, drinking water, electricity, drainage, roads, and transports. producing these products, such as petroleum, drinking water, electricity, drainage, roads, and transports. New industries which have precedence in producing a certain commodity locally for the first time, with no competition for that commodity in the market, shall be exempted from applying the provisions of the present law for five years, and this exemption may be renewed until the appearance of a new local competitor.

present law for five years aims to prevent the present law from being a bond on the establishment of new industries. Five years are the period in which competitors for new industries are expected to appear.

Government Bill Text	Proposed Text	Amendment justification
Article 7	Article 7	
Persons who want to acquire assets, properties, usufruct rights or stocks, establish federations, amalgamations or merges, or combine the administration of two or more persons in a way that leads to controlling or maximizing the existing situation at the time of the enforcement of the present law, shall notify the Agency about this. The Agency shall examine the notification and decide	Persons who want to acquire assets, properties, usufruct rights or stocks, establish federations, amalgamations or merges, or combine the administration of two or more persons in a way that leads to acquiring or maximizing the existing situation at the time of the enforcement of the present law, shall notify the Agency about this. The Agency shall	-Adjusting the terms "usufruct rights - acquiring stocks".

thereon, according to the following provisions. The executive regulations shall determine the fees in return for this, and these fees shall not exceed ten thousand Egyptian pounds.	examine the notification and decide thereon, according to the following provisions. The executive regulations shall determine the fees in return for this, and these fees shall not exceed ten thousand Egyptian pounds.	
Article 8 The Agency shall examine the notification and shall issue a decision thereon within thirty days from the date of its presentation, whether by accepting, refusing or continuing the examination within a period not exceeding ninety days. The Agency shall inform the concerned parties of the decision immediately after its issuance. If the concerned parties are not notified in writing within the period of thirty days of a justified refusal or acceptance, or continuation of the examination, this shall mean acceptance.	Article 8 The Agency shall examine the notification and shall issue a decision thereon within thirty days from the date of its presentation, whether by accepting, refusing or continuing the examination within a period not exceeding ninety days. The Agency shall inform the concerned parties of the decision immediately after its issuance. If the concerned parties are not notified in writing within the period of thirty days of a justified refusal or acceptance, or continuation of the examination, this shall mean acceptance.	No amendment
Article 9	Article 9	
The persons mentioned in article 7 may not conclude the notified deals unless the Agency issues a decision to accept the said deals.  Nevertheless, they may proceed with the	The persons mentioned in article 7 may not conclude the notified deals unless the Agency issues a decision to accept the said deals. Nevertheless, they may proceed with the	No amendment

procedures of these deals without concluding them if they are notified of the decision of the Agency to continue examining the deals.

procedures of these deals without concluding them if they are notified of the decision of the Agency to continue examining them.

#### **Article 10**

The executive regulations shall determine the data of the request and the notification mentioned in articles nos. 6 and 7, the attached documents, the time and procedures of their presentation, the rules of their examination, the decision taken, and the reporting on the relevant decision issued.

#### Article 10

The executive regulations shall determine the data of the request and the notification mentioned in articles nos. 6 and 7, the attached documents, the time and procedures of their presentation, the rules of their examination, the decision taken, and the reporting on the relevant decision issued.

#### No amendment

#### Article 11

An Agency to be named "Agency for Protection of Competition and Prohibition of Monopolistic Practices" shall be established and shall have a public juridical personality, and be attached to the concerned minister. It shall assume the following responsibilities in particular:

 Receiving the requests for undertaking thorough examination, searching, gathering evidentiary facts; ordering these

#### Article 11

An Agency to be named "Agency for Protection of Competition and Prohibition of Monopolistic Practices" shall be established and shall have a public juridical personality, and be attached to the concerned minister. It shall assume the following responsibilities in particular:

1. Receiving the requests for undertaking thorough examination, searching, gathering evidentiary facts; ordering these procedures to be taken

#### No amendment

procedures to be taken with regard to cases of agreements and practices that are harmful to competition, according to the procedures to be determined by the executive regulations; and deciding what is appropriate for them.

with regard to cases of agreements and practices that are harmful to competition, according to the procedures to be determined by the executive regulations; and deciding what is appropriate for them.

- 2. Preparing an integral database on the economic activity, updating and developing it continuously to serve the work of the Agency in all the fields connected with competition protection. establishing a database, and performing the studies and researches necessary for discovering the cases harmful to competition.
- 3. Examining demands and notifications related to the cases of amalgamation, merging, acquisition, and administration of more than one competitive body, as prescribed in article 6 to article 9, and deciding thereon.
- 2. Preparing an integral database on the economic activity, updating and developing it continuously to serve the work of the Agency in all the fields connected with competition protection, establishing a database, and performing the studies and researches necessary for discovering the cases harmful to competition.
- 3. Examining demands and notifications related to the cases of amalgamation, merging, acquisition, and administration of more than one competitive body, as prescribed in article 6 to article 9, and

- 4. Taking measures as prescribed in article 21.
- 5. Proposing bills and regulations related to the organization of competition, and giving opinions on the projects presented thereto.
- Coordinating with counterpart agencies in other countries with regard to matters of common interest.
- Organizing training and cultural programs aimed at acquainting with the provisions of the present law and the principles of free market in general.
- 8. Issuing a periodical bulletin comprising the decrees, recommendations, procedures and measures to be taken by the Agency, and other matters concerned with its affairs.
- 9. Preparing an annual report on the Agency's activities and its future plans and recommendations for submission to the concerned minister after its approval by the board.

- deciding thereon.
- 4. Taking measures as prescribed in article 21.
- 5. Proposing bills and regulations related to the organization of competition, and giving opinions on the projects presented thereto.
- Coordinating with counterpart agencies in other countries with regard to matters of common interest.
- 7. Organizing training and cultural programs aimed at acquainting with the provisions of the present law and the principles of free market in general.
- 8. Issuing a periodical bulletin comprising the decrees, recommendations, procedures and measures to be taken by the Agency, and other matters concerned with its affairs.
- 9. Preparing an annual report on the Agency's activities and its future plans and recommendations for submission to the concerned minister after its approval by the board.

Government Bill Text	Government Bill Text Proposed Text	
Article 12 A board of directors to be formed by decree of the	Article 12 A board of directors to be formed by decree of the	No amendment
concerned minister shall	concerned minister shall	
assume the management	assume the management	
of the Agency as follows:  1. A full-time	of the Agency as follows:  1. A full-time	
chairman with	chairman with	
distinguished	distinguished	
expertise.	expertise.	
2. A member from the	2. A member from the	
judicial authority	judicial authority	
with the grade of counselor at least.	with the grade of counselor at least.	
3. Three persons	3. Three persons	
representing the	representing the	
concerned	concerned	
ministries.	ministries.	
4. Three specialists	4. Three specialists	
with expertise. 5. Five persons	with expertise. 5. Five persons	
representing the	representing the	
General Federation of	General Federation of	
Chambers of	Chambers of	
Commerce, the	Commerce, the	
Federation of Egyptian	Federation of Egyptian	
Industries, the Banks Federation, the	Industries, the Banks Federation, the	
General Federation of	General Federation of	
Consumers	Consumers	
Protection, and the	Protection, and the	
General Federation of		
Egyptian	Egyptian Workers,	
Workers, providing that each federation	providing each federation choose its	
chooses its own	own representative.	
representative.	The term of the board	

The term of the board shall be four years. The formation decree shall determine the financial treatment of the chairman and the board members.

shall be four years. The formation decree shall determine the financial treatment of the chairman and the board members.

#### **Article 13**

The board shall meet by invitation from its chairman at least once a month and whenever needs be. Its meetings shall be valid with the attendance of ten of its members. Its decisions shall be issued with the majority of eight of its members, and if votes are equal, the decision of the side in which the president is shall be taken.

No member of the board shall participate in the deliberations or in the voting of a case submitted to the board where that member has an interest, or a relationship links between him or her and one of its parties up to the fourth degree, or he or she has represented or is representing one of its parties.

The board may invite specialists to attend its meetings if it decides to resort to their assistance, providing they do not have a counted vote in

#### **Article 13**

The board shall meet by invitation from its chairman at least once a month and whenever needs be. Its meetings shall be valid with the attendance of ten of its members. Its decisions shall be issued with the majority of eight of its members, and if votes are equal, the side in which the president is shall be chosen. No member of the board shall participate in the deliberations or in the voting of a case submitted to the board in which that member has an interest, or a relationship links between him and one of its parties up to the fourth degree, or he has represented or is representing one of its parties. The board may invite specialists to attend its meetings if it decides to resort to their assistance, providing they do not have a counted vote in

the deliberations.

No amendment

the deliberations.
The executive regulations shall determine the invitation procedures, the competences of the board, and the working system therein. The decisions of the board shall come into force without adoption or ratification.

The executive regulations shall determine the invitation procedures, the competences of the board, and the working system therein. The decisions of the board shall come into force without adoption or ratification.

#### Article 14

The Agency shall have an independent budget and the resources of the Agency shall be formed of the following:

- The appropriations allocated to the Agency in the general state budget.
- 2. The grants and gifts to be accepted by the board of the Agency.
- 3. Fines issued for crimes prescribed in the present law.

#### **Article 14**

The Agency shall have an independent budget and the resources of the Agency shall be formed of the following:

- 1. The appropriations allocated to the Agency in the general state budget.
- 2. The grants and gifts to be accepted by the board of the Agency.

It is important that the work of the Agency be neutral. In order to achieve this, the Agency should not be financed by the fines due to the application of the provisions of the present law, and cases of reconciliation should not be devolved to it, in order to prevent conflict of interests which would affect its complete neutrality. Furthermore, the fines might be unconstitutional and jeopardize the neutrality of the Agency.

#### Article 15

The Agency shall have a full-time executive manager for whom a decree of the concerned minister shall be issued appointing him or her and determining his or her financial treatment and competences.

#### **Article 15**

The Agency shall have a full-time executive manager for whom a decree of the concerned minister shall be issued appointing him or her and determining his or her financial treatment and competences.

The executive manager shall represent the Agency with third parties and before any court. The board of the Agency shall set the statutes regulating work therein and the financial and administrative affairs of its workers without being restricted by the rules and systems prescribed for civil servants. These statutes shall be issued by decree of the concerned minister.

The executive manager shall represent the Agency with third parties and before any court. The board of the Agency shall set the statutes regulating work therein and the financial and administrative affairs of its workers without being restricted by the rules and systems prescribed for civil servants. These statutes shall be issued by decree of the concerned minister.

#### No amendment

Government Bill Text	Proposed Text	Amendment justification
Article 16	Article 16	
shall be prohibited to divulge information, data and their sources connected with the cases	and their sources connected with the cases which concern the application of the provisions of the present law and which are submitted or negotiated while these cases are examined, taking the relevant procedures and	No amendment

thereon.	thereon.	
This information and	This information and	
data as well as their	data as well as their	
sources shall not be	sources shall not be	
used for other purposes	used for other purposes	
than those for which they	than those for which they	
were given.	were given.	
Article 17	Article 17	
Workers of the Agency,	Workers of the Agency,	
as determined by a	as determined by a	
decree of the Minister of	decree of the Minister of	
Justice to be issued in	Justice to be issued in	No amendment
agreement with the	agreement with the	
concerned minister upon	concerned minister upon	
a proposition of the	a proposition of the	
board, shall have the	board, shall have the	
quality of law officers in	quality of law officers in	
applying the provisions	applying the provisions	
of the present law.	of the present law.	
The workers shall be	The workers shall be	
entitled to have access	entitled to have access	
to books and documents	to books and documents	
and to obtain from any	and to obtain from any	
governmental or non	governmental or non	
governmental body	governmental body	
information and data	information and data	
necessary for examining	necessary for examining	
the cases submitted to	the cases submitted to	
the Agency.	the Agency.	
Article 18	Article 18	
Challenges to	Challenges to	
administrative decisions	administrative decisions	No amendment
issued according to the	issued according to the	
provisions of the present	provisions of the present	
law and its executive	law and its executive	
regulations shall be filed	regulations shall be filed	
before an administrative	before an administrative	
court; these challenges	court; these challenges	
shall be quickly	shall be quickly	
examined.	examined.	
Article 19	Article 19	
The executive	The executive	
THE EVECUTIVE	THE EVECUTIVE	

regulations of the present law shall determine the rates of fees payable to the Agency in return for the services it performs. These fees shall not exceed ten thousand pounds for each case.

# regulations of the present law shall determine the rates of fees payable to the Agency in return for the services it performs. These fees shall not exceed ten thousand pounds for each case.

#### No amendment

#### Article 20

Any person may notify the Agency of any prohibited agreements or practices prescribed in articles nos. 4, 5 and 7, so that necessary action shall be undertaken.

#### Article 21

The Agency, in regards to violations of one of the provisions prescribed in articles nos. 4, 5 and 7 of the present law, shall charge the violator with modifying his/her situation and removing the violation immediately or within a time limit to be determined by the board of the Agency. The board may issue a decision for ceasing the prohibited practices immediately or after the lapse of the said time limit.

This shall be without prejudice to the liability provisions about these violations.

#### Article 20

Any person may notify the Agency of any prohibited agreements or practices prescribed in articles nos. 4, 5 and 7, so that necessary action shall be undertaken once the Agency is provided with complete information

#### Article 21

The Agency, in regards to violations of one of the provisions prescribed in articles nos. 4, 5 and 7 of the present law, shall charge the violator with modifying his/her situation and removing the violation immediately or within a time limit to be determined by the board of the Agency. The board may issue a decision for ceasing the prohibited practices immediately or after the lapse of the said time limit

This shall be without prejudice to the liability provisions about these violations.

Any person may report practices that are prohibited by law. which is a constitutional right for every citizen. The necessary procedures against any person subject to the law shall be undertaken once the Agency is provided with complete information in order to prevent malicious practices and to promote the stability of productive society.

No amendment

Criminal actions shall not be filed nor shall procedures be taken regarding the crimes prescribed in the present law, except by a written request from the concerned minister or whoever he delegates. The concerned minister or whoever he delegates may arrange conciliation in any of these acts before a final judgment is passed thereon against paying an amount of money for the Agency of not less than twice the minimum fine and not more than its maximum.

The conciliation shall consider the dismissal of the criminal case.

#### **Article 22**

Criminal actions shall not filed nor shall procedures be taken the regarding crimes prescribed in the present law, except by a written from request the concerned minister or whoever he delegates. The concerned minister or whoever he delegates may arrange conciliation in any of these acts before a final judgment is passed thereon against paying an amount of money of not less than twice the minimum fine and not more than its maximum. The conciliation shall consider the dismissal of the criminal case.

- The reconciliation should not be devolved to the Agency for the same justifications for amending article 14.

#### **Article 23**

Subject to any stricter penalty prescribed in any other law, any violation of the provisions of articles nos. 4, 5, 7, 9 and 10 of the present law shall be liable to a fine of not less than thirty thousand Egyptian pounds and not more than ten million Egyptian pounds.

#### Article 23

Subject to any stricter penalty prescribed in any other law, any violation of the provisions of articles nos. 4, 5, 7 and 9 of the present law shall be liable to a fine of not less than thirty thousand Egyptian pounds and not more than ten million Egyptian pounds.

-Article 9 includes provisions the violation of which shall be subject to fines, but article 10 does not include such provisions.

#### Article 24

Subject to any stricter penalty prescribed in any other law, violating any

#### Article 24

Subject to any stricter penalty prescribed in any other law, violating any

-Article 16 includes provisions the violation of

provision of article 15 of the present law shall be liable to a fine of not less than five thousand Egyptian pounds and not more than twenty thousand Egyptian pounds.

provision of article 16 of the present law shall be liable to a fine of not less than five thousand Egyptian pounds and not more than twenty thousand Egyptian pounds. which shall be subject to fines, but article 15 does not include such provisions.

Article 25 A ruling shall be awarded for publishing the final judgments passed in condemnation of the acts referred to in article 21 of the present law in the official journal and in two daily widespread  Article 25 A ruling shall be awarded for publishing the final judgments passed in condemnation of the acts referred to in article 21 of the present law in the official journal and in two daily widespread  No amendment  No amendment  No amendment  in the present law in the official journal and in two daily widespread	Government Bill Text	Proposed Text	Amendment justification
newspapers at the expense of the condemned person.  newspapers at the expense of the condemned person.	A ruling shall be awarded for publishing the final judgments passed in condemnation of the acts referred to in article 21 of the present law in the official journal and in two daily widespread newspapers at the expense of the	A ruling shall be awarded for publishing the final judgments passed in condemnation of the acts referred to in article 21 of the present law in the official journal and in two daily widespread newspapers at the expense of the	No amendment

Article 26	Article 26
The person in charge of	The person in charge of
the actual management	the actual management
of the violating juridical	of the violating juridical
person shall be liable to	person shall be liable to
the same penalties	the same penalties
prescribed for the acts	prescribed for the acts
perpetrated in violation of	perpetrated in violation of
the provisions of the	the provisions of the
present law, if it is	present law, if it is
established that he/she	established that he/she
knew of these acts and	knew of these acts and
his/her default on the	his/her default on the
duties imposed thereon	duties imposed thereon
by that management has	by that management has
contributed to the	contributed to the

No amendment

#### Dr. Eng. **Nader Riad**

occurrence of the crime. The juridical person shall be jointly responsible for settling the financial penalties and compensations ruled by the court if the violation was committed by one of its workers in the name or in favor of the juridical person.

occurrence of the crime. The juridical person shall be jointly responsible for settling the financial penalties and compensations ruled by the court if the violation was committed by one of its workers in the name or in favor of the juridical person.

# Decree of the President of the Arab Republic of Egypt on the bill on Competition Protection and Prohibition of Monopolistic Practices

#### The President of the Republic,

After reviewing the Constitution,

The Civil Law.

The Penal Law,

The Criminal Procedures Law,

The Law of Trade,

The Law on Judicial Authority (Law No. 46 of the year 1972),

The Law on State Council (Law No. 47 of the year 1972),

The Law on Suppressing Fraud and Swindle (No. 48 of the year 1941),

The Decree by Law No. 95 of the year 1945 concerning supply affairs,

The Decree by Law No. 163 of the year 1950 concerning obligatory pricing affairs.

The Law on Public Bodies (Law No. 61 of the year 1963),

The Law No. 159 of the year 1981 on shareholding, stock liabilities and limited companies,

And the Law No. 89 of the year 1998 on Tenders,

And after the approval of the Cabinet of Ministers

#### **Decrees**

# The following text of the bill shall be submitted to the People's Assembly and the Shura Council

#### **Article 1**

The provisions of the attached law on protection of competition and prohibition of monopolistic practices shall be enforced.

#### **Article 2**

The Prime Minister shall be the minister concerned with applying the provisions of the attached law.

#### **Article 3**

The executive regulations of the attached law shall be issued by decree of the Prime Minister within one month from the date of enforcing the present law.

#### **Article 4**

The present law shall be published in the official journal and shall come into force from the first of the month one year after the date of its publication.

#### **Law on Competition Protection and Prohibition**

#### **Of Monopolistic Practices**

#### Article 1

Exercising economic activity shall be in a way that does not lead to preventing, restricting or prejudicing competition freedom, according to the provisions of the present law, without prejudice to what is required by international agreements and treaties enforced in Egypt.

#### **Article 2**

In applying the provisions of the present law, the following expressions shall denote the meaning mentioned next to each of them:

- a) Persons: meaning natural and juridical persons such as all types of companies, economic entities, associations, federations, institutions, and other establishments and leagues or financial groups or groups of persons of all different formation methods.
- b) **Products:** commodities and services.
- c) Acquisition: a condition that enables a person or a group of persons working together to control production markets by cornering more than 35% of the volume of the concerned market. The value of dealing for a person or a group of persons shall be 200 million Egyptian pounds in the concerned market.

- d) **Competitors**: persons practicing the same type of activity in any field of production, distribution, marketing, sale, purchase, presentation, development, storage, inspection, or transportation of products similar to each other or inter-substitutable.
- e) **Agency**: the Agency for Protection of Competition and Prohibition of Monopolistic Practices as founded according to the provisions of the present law.
- f) **Board**: the board of directors of the Agency for Protection of Competition and Prohibition of Monopolistic Practices.
- g) Concerned Market: the market based on two elements, namely products and geographical scope. Relevant products shall be those considered as mutual alternatives or replacements. If these products are commodities, this means similar commodities in terms of type, capacity, way of packing, type and volume of packs, and the type of usage subject to one standard specification so that each one of them shall constitute an independent commodity. The geographical scope shall mean a certain geographical area in which an economic activity is practiced and the conditions of competition are homogeneous, if these conditions are significantly different from the prevailing conditions in another close or neighboring area. The geographic scope of the concerned market shall lie within the boundaries of each governorate, according to the criteria indicated in the executive regulations.

The provisions of the present law shall apply to the acts committed abroad which constitute crimes according to the present provisions and result in preventing, restricting or prejudicing competition in Egypt.

#### **Article 4**

Following are the agreements, contracts or practices that shall be prohibited as they harm freedom of competition:

- 1. Raising, decreasing or stabilizing prices of products subject of dealings.
- 2. Creating a sudden abundance of products that leads to dealing with them at a price which affects the economies of the rest of the competitors.
- 3. Constraining or preventing any person from practicing his or her economic activity in the market, or discontinuing this activity at any time.
- 4. Depriving a certain person from the products available in the market, whether totally or partially, with no reasonable justification.
- 5. Restricting the production, manufacturing, distribution or marketing processes, and limiting the marketing of services, their type or their size, or setting up conditions or restrictions on their availability.
- 6. Dividing or specializing products markets on the basis of geographical zones, distribution centers, types of customers, seasons or periods of time.

- 7. Coordinating with regard to participating or refraining from entering in adjudications, bids, negotiations, and all supply offers.
- 8. Spreading false information on products or on their prices, knowing they are untrue.

## Persons holding a dominant position are prohibited from abusing it by carrying out the following practices:

- 1. Refraining from dealing with a product whether by buying or selling it or limiting or hampering its dealing in a manner that leads to an unreal price being imposed thereon.
- 2. Reducing or increasing the available quantities of the product in a manner that leads to an unreal shortage or a surplus thereof.
- 3. Refraining from concluding contracts with any person for selling or buying a product at less than its real cost, or discontinuing dealing with him/her completely without any reasonable justification, in a way that leads to limiting the said person's freedom to enter of exit from the market at any time.
- 4. Suspending a contract or an agreement as a condition for the acceptance of obligations which are unrelated by their nature or commercial usage to the original dealing or agreement.
- Wasting equal opportunities among competitors by discriminating some of them concerning dealing conditions of purchase or sale with no reasonable justification.

Upon the request of the concerned persons, the Agency shall exempt from the scope of the prohibitions prescribed in article 4 the practices, agreements or contracts restricting competition which shall give benefits to consumers more than restrict freedom of competition, according to the regulations and procedures determined by the executive regulations.

The provisions of the present law shall not apply to strategic products if the state manages the utilities producing these products, such as petroleum, drinking water, electricity, drainage, roads and transports.

New industries which have precedence in producing a certain commodity locally for the first time, with no competition for that commodity in the market, shall be exempted from applying the provisions of the present law for five years, and this exemption may be renewed until the appearance of a new local competitor.

#### Article 7

Persons who want to acquire assets, property, usufruct rights or stocks, establish federations, amalgamations or merges, or combine the administration of two or more persons in a way that leads to controlling or maximizing the existing situation at the time of the enforcement of the present law, shall notify the Agency about this.

The Agency shall examine the notification and decide thereon, according to the following provisions. The executive regulations shall determine the fees in return for this, and these fees shall not exceed ten thousand Egyptian pounds.

The Agency shall examine the notification and shall issue a decision thereon within thirty days from the date of its presentation, whether by accepting, refusing or continuing the examination within a period not exceeding ninety days.

The Agency shall inform the concerned parties of the decision immediately after its issuance. If the concerned parties are not notified in writing within the period of thirty days of a justified refusal or acceptance, or continuation of the examination, this shall mean acceptance.

#### **Article 9**

The persons mentioned in article 7 may not conclude the notified deals unless the Agency issues a decision to accept the said deals.

Nevertheless, they may proceed with the procedures of these deals without concluding them if they are notified of the decision of the Agency to continue examining the deals.

#### Article 10

The executive regulations shall determine the data of the request and the notification mentioned in articles nos. 6 and 7, the attached documents, the time and procedures of their presentation, the rules of their examination, the decisions taken, and the reporting on the relevant decision issued.

An Agency to be named "Agency for Protection of Competition and Prohibition of Monopolistic Practices" shall be established and shall have a public juridical personality, and be attached to the concerned minister.

It shall assume the following responsibilities in particular:

- Receiving the requests for undertaking thorough examination, searching, gathering evidentiary facts; ordering these procedures to be taken with regard to cases of agreements and practices that are harmful to competition, according to the procedures to be determined by the executive regulations; and deciding what is appropriate for them.
- 2. Preparing an integral database on the economic activity, updating and developing it continuously to serve the work of the Agency in all the fields connected with competition protection, establishing a database, and performing the studies and researches necessary for discovering the cases harmful to competition.
- 3. Examining demands and notifications related to the cases of amalgamation, merging, acquisition, and administration of more than one competitive body, as prescribed in article 6 to article 9, and deciding thereon.
- 4. Taking measures as prescribed in article 21.
- 5. Proposing bills and regulations related to the organization of competition, and giving opinions on the projects presented thereto.
- 6. Coordinating with counterpart agencies in other countries with regard to matters of common interest.
- 7. Organizing training and cultural programs aimed at acquainting with the provisions of the present law and the principles of free market in general.
- 8. Issuing a periodical bulletin comprising the decrees, recommendations, procedures and measures to be taken by the Agency, and other matters concerned with its affairs.

9. Preparing an annual report on the Agency's activities and its future plans and recommendations for submission to the concerned minister after its approval by the board.

#### Article 12

A board of directors to be formed by decree of the concerned minister shall assume the management of the Agency as follows:

- 1. A full-time chairman with distinguished expertise.
- 2. A member from the judicial authority with the grade of counselor at least.
- 3. Three persons representing the concerned ministries.
- 4. Three specialists with expertise.
- 5. Five persons representing the General Federation of Chambers of Commerce, the Federation of Egyptian Industries, the Banks Federation, the General Federation of Consumers Protection, and the General Federation of Egyptian Workers, providing that each federation chooses its own representative.

The term of the board shall be four years.

The formation decree shall determine the financial treatment of the chairman and the board members.

#### Article 13

The board shall meet by invitation from its chairman at least once a month and whenever needs be. Its meetings shall be valid with the attendance of ten of its members. Its decisions shall be issued with the majority of eight of its members, and if votes are equal, the decision of the side in which the president is shall be taken.

No member of the board shall participate in the deliberations or in the voting of a case submitted to the board where that member has an interest, or a relationship links between him or her and one of its parties up to the fourth degree, or he or she has represented or is representing one of its parties.

The board may invite specialists to attend its meetings if it decides to resort to their assistance, providing they do not have a counted vote in the deliberations.

The executive regulations shall determine the invitation procedures, the competences of the board, and the working system therein. The decisions of the board shall come into force without adoption or ratification.

#### Article 14

The Agency shall have an independent budget and the resources of the Agency shall be formed of the following:

- **1.** The appropriations allocated to the Agency in the general state budget.
- **2.** The grants and gifts to be accepted by the board of the Agency.

#### **Article 15**

The Agency shall have a full-time executive manager for whom a decree of the concerned minister shall be issued appointing him or her and determining his or her financial treatment and competences.

The executive manager shall represent the Agency with third parties and before any court.

The board of the Agency shall set the statutes connected with regulating work therein and with the financial and administrative affairs of its workers

without being restricted by the rules and systems prescribed for civil servants. These statutes shall be issued by decree of the concerned minister.

#### **Article 16**

Workers at the Agency shall be prohibited to divulge information, data and their sources connected with the cases which concern the application of the provisions of the present law and which are submitted or negotiated while these cases are examined, taking the relevant procedures and issuing decisions thereon.

This information and data as well as their sources shall not be used for other purposes than those for which they were given.

#### Article 17

Workers of the Agency, as determined by a decree of the Minister of Justice to be issued in agreement with the concerned minister upon the proposition of the board, shall have the quality of law officers in applying the provisions of the present law.

The workers shall be entitled to have access to books and documents and to obtain from any governmental or non governmental body the information and data necessary for examining the cases submitted to the Agency.

#### Article 18

Challenges to administrative decisions issued according to the provisions of the present law and its executive regulations shall be filed before an administrative court; these challenges shall be quickly examined.

The executive regulations of the present law shall determine the rates of fees payable to the Agency in return for the services it performs. These fees shall not exceed ten thousand pounds for each case.

#### Article 20

Any person may notify the Agency of any prohibited agreements or practices prescribed in articles nos. 4, 5 and 7, so that necessary action shall be undertaken once the Agency is provided with complete information.

#### **Article 21**

The Agency, in regards to violations of one of the provisions prescribed in articles nos. 4, 5 and 7 of the present law, shall charge the violator with modifying his/her situation and removing the violation immediately or within a time limit to be determined by the board of the Agency. The board may issue a decision for ceasing the prohibited practices immediately or after lapse of the said time limit. This shall be without prejudice to the liability provisions about these violations.

#### **Article 22**

Criminal actions shall not be filed nor shall procedures be taken regarding the crimes prescribed in the present law, except by a written request from the concerned minister or whoever he delegates. The concerned minister or whoever he delegates may arrange conciliation in any of these acts before a final judgment is passed thereon against paying an amount of money not inferior to twice the minimum fine and not more than its maximum.

The reconciliation shall consider the dismissal of the criminal case.

#### **Article 23**

Subject to any stricter penalty prescribed in any other law, any violation of the provisions of articles nos. 4, 5, 7 and 9 of the present law shall be liable to a fine of not less than thirty thousand Egyptian pounds and not more than one million Egyptian pounds.

#### Article 24

Subject to any stricter penalty prescribed in any other law, violating any provision of article 16 of the present law shall be liable to a fine of not less than five thousand Egyptian pounds and not more than twenty thousand Egyptian pounds.

#### Article 25

A ruling shall be awarded for publishing the final judgments passed in condemnation of the acts referred to in article 21 of the present law in the official journal and in two daily widespread newspapers at the expense of the condemned person.

The court may rule for confiscating the commodities subject of the violation and shall prohibit practicing the activity in which the crime has been perpetrated, because of the violation, for a period not exceeding three years. The ruling shall be obligatory in the case of repetition.

#### Article 26

The person in charge of the actual management of the violating juridical person shall be liable to the same penalties prescribed for the acts perpetrated in violation of the provisions of the present law, if it is established that he/she knew of these acts and his/her default in the duties imposed thereon by that management has contributed to the occurrence of the crime.

The juridical person shall be jointly responsible for settling the financial penalties and compensations ruled by the court if the violation was committed by one of its workers in the name or in favor of the juridical person.

<sup>\*</sup> Translated from Arabic Original

#### Memorandum im Zusammenhang mit dem Entwurf eines Gesetzes zum Schutz der Konkurrenz und zur Unterbindung des monopolistischen Vorgehens

Zur Vorlage beim Wirtschaftskomitee der National Democratic Party

#### **Eingereicht durch**

#### Dr. Ing. Nader Riad

#### Berater im Komitee für Industrie und Energie im ägyptischen Parlament

Der Entwurf des Gesetzes zum Schutz der Konkurrenz und zur Unterbindung des monopolistischen Vorgehens bildet insgesamt einen angemessenen Rahmen, um eine Politik zur Organisation und zum Schutz der Konkurrenz sowie zur Unterbindung schädlichen Monopolismus umzusetzen.

Um die erhoffte Effektivität des Gesetzes zu erreichen und seine Eignung zur Umsetzung zu garantieren, so dass der erwünschte Ehrgeiz verwirklicht werden kann, müssen einige Grundsätze berücksichtigt werden:

1. Der Prozentsatz der Bemächtigung auf dem betreffenden Markt: Es ist eigentlich besser zwei Standards anzuwenden. Zusätzlich zu dem im Gesetz erwähnten Prozentsatz (35%), finden wir es angemessen das Richtmaß des Minimums vom Geschäftswert anzuwenden, der in den Bereich der "Überhand" tritt, so dass jährlich zum Beispiel 200 Millionen im betreffenden Markt zirkulieren. Der Vorteil an diesem Standard ist die Stabilität; außerdem bildet er eine akzeptable und angemessene Grenze, so dass die Bemühungen der zuständigen Institution nicht im Sande vergehen bei der Betreuung von Gewerben mit geringem Wert und andererseits Errungenschaften in wichtigeren Bereichen verdrängen. Geschäftsverkehr unter der erwähnten Grenze wird zu gering angesehen, und somit hat er keine erwähnenswerte Wirkung auf den allgemeinen

wirtschaftlichen Bereich. Diese doppelten Standards wurden in vielen Ländern der EU angewandt.

#### 2. Die genaue Definition der beiden Elemente, auf denen der betreffende Markt basiert, und zwar die Produkte und der geographische Bereich:

2.a. Die Sorgfalt bei der Definition und Beschreibung der Produkte und Waren und deren Ersatz:

Die Definition der Ware innerhalb des betreffenden Markts soll eine genaue Beschreibung der Ware beinhalten, mit der sich der Markt abgrenzt. Es sollte klar sein, dass man damit von der Art, Größe, Verpackung, Schachtelgröße und Art des Gebrauchs gleiche Waren meint, die mit demselben Kriterium und Standard beurteilt werden, so dass jedes Teil eine unabhängige Ware bildet.

Das beste Beispiel dafür sind kohlensäurehaltige Getränke, die in verschiedenen Größen, Zutaten und Behältern nicht als eine Ware bezeichnet werden können, da sie auch nicht als die gleiche Ware aus der Käuferperspektive betrachtet wird.

2.b.Die Festlegung der geographischen Region des Markts: Es ist wichtig, dass die geographische Region eines Marktes nicht zu eng oder begrenzt ist; besser wäre es, wenn sich der geographische Bereich eines betreffenen Markts innerhalb eines ganzen Governats befindet.

#### 3. Die Definition der "Konkurrenten":

Die Definition der Konkurrenten sollte eindeutig sein, und zwar sind es diejenigen, die das gleiche Geewerbe betreiben, sei es im Bereich der Produktion, des Vertriebs, des Marketings, des Ankaufs, der Präsentation, der Weiterentwicklung, der Lagerung, der Prüfung oder des Transports einiger ähnlichen Produkte oder deren Ersatze, so dass der Begriff Konkurrenz nicht mit Personen, seien es natürliche und unnatürliche, verbunden ist, sondern mit dem Bereich der Konkurrenz.

#### 4. Die Meldung von widerrechtlichen Abkommen oder Vorgehen:

Die Studien, die die Institution leitet, sind die Grundlagen für die nötigen Maßnahmen. Sollte man den § 20 beim Ergreifen von Maßnahmen anwenden, so müsste man bei jeder Meldung an die Institution, dass ein widerrechtliches Vorgehen stattfindet, der Sache nachgehen. Es bringt nur Unfug und könnte eine hinterlistige Machenschaft sein, wenn man sich in der Institution nicht auf klare Fakten und Studien stützt.

5. Die neuen Industrien, in der Eigenschaft als Ersterscheinung:

Wir sind der Meinung, der Gesetzesentwurf soll eindeutig vermeiden, dass das Gesetz solchen neuen Industrien Steine in den Weg legt. Industrien, die zum ersten Mal auf dem Markt erscheinen und keinen Konkurrenten haben, sollten von diesem Gesetz für fünf Jahre befreit werden. Die Befreiung könnte auch verlängert werden, bis ein lokaler Konkurrent auf dem Markt erscheint.

6. Die Sicherung der Neutralität der Institution:

Die Vorgänge in der Insitution müssen fair gehandhabt werden. Um dies zu erreichen, dürfen die Strafgelder aufgrund der Umsetzung des Gesetzes nichts mit der Finanzierung der Institution zu tun haben; sowie die Gelder, die durch Aussöhnung zufließen.

Das zugeteilte Kontingent für die Institution sollte zureichend sein, um den Mitarbeitern ein angemessenes Entgeld zu gewährleisten, eine Voraussetzung für Fairness, Arbeitsqualität und kompetente Mitarbeiter.

#### **Anlagen:**

- Detaillierte Studie des Gesetzesentwurfs für den Schutz der Konkurrenz und der Unterbindung monopolistischen Vorgehens im Rahmen der durch die Regierung eingereichte Texte.
- Vorschlag des Gesetzes für den Schutz der Konkurrenz und der Unterbindung monopolistischen Vorgehens aufgrund der detaillierten Studie.