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Competition Agency"

Ref. Project title: Support to the Georgian Competition Agency:

**EU Project's assessment on proposed amendments
to the Law of Georgia on Competition**

The EU funded project "Support to the Georgian Competition Agency" started in January, 2017. The project is implemented by a Consortium led by Business and Strategies in Europe S.A. The project aims at strengthening the competition law enforcement and at ensuring effective functioning of the Competition Agency of Georgia.

Among the Project objectives there is the task to increase and strengthen the efficiency and effectiveness of legal, economic and technical capacities of the Competition Agency to implement and enforce the competition policy, in accordance with the EU best practices and DCFTA provisions (component 1 of the Project).

For reaching the cited target the enhancement of the legislative framework and in particular introducing necessary amendments to the Law of Georgia on Competition is a decisive factor.

In July 2018 the project has submitted to the beneficiary (GCA) a letter and a set of documents related to the proposal on legislative amendments to Georgian Competition Law (GCL), prepared under project activities 1.1.1 ("Gap analysis of competition legislation") and 1.1.2 ("Support the development of drafts and amendments of competition legislation and bylaws").

The objective of these activities, to which several senior European experts have taken part doing their best to contribute to the process, was to support CA in amending existing legislation in line with AA/DCFTA requirements and to bring Georgian competition and related legislation closer to EU Competition Legislation and best practices.

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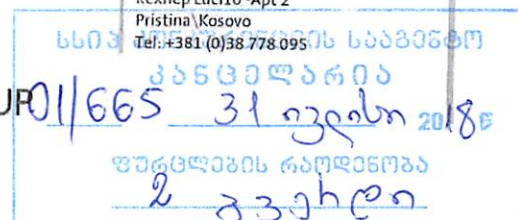
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The GCA has then prepared, based on the above mentioned activities and recommendations, an extensive set of amendments to Law of Georgia on Competition coherent also with Georgian legal specificities.

In particular, in the framework of art 204 AA ("*Antitrust and mergers legislation and its implementation*") principles, the draft amendments go in the direction of:

effectively address anti-competitive agreements, concerted practices and anti-competitive unilateral conduct of enterprises with dominant market power;

providing effective control of concentrations to avoid significant impediment to effective competition and abuse of dominant position;

strengthening the institutional position of the GCA as authority responsible and appropriately equipped for the effective enforcement of the competition law;

confirming the importance of applying competition law in a transparent and non-discriminatory manner, respecting the principles of procedural fairness and rights of defense of the enterprises concerned.

We strongly believe that this first step towards the legal reform will be very important for improving effective enforcement of competition in the country and a big step forward in the direction of the principles included in DCFTA and, more in general, in the framework of the EU approximation process.

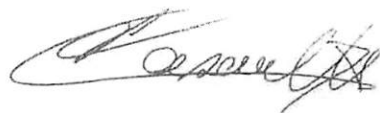
On this occasion, we would like to express the feelings of appreciation to the Competition Agency of Georgia and all the staff for the demonstrated dedication for supporting the process of upgrading of competition policy in Georgia.

Sincerely,

Aurelio La Torre
Project Team Leader



Mihaela Dascultu
Deputy Managing Director



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