NEWS LETTER

2025

JANUARY - MARCH | #1

Georgian Competition and Consumer Agency

THE GEORGIAN COMPETITION AND CONSUMER AGENCY CONTRIBUTES TO THE COUNTRY'S ECONOMIC PROGRESS BY CREATING A FAIR BUSINESS CLIMATE, BUSINESS COMPETITIVENESS, AND EFFECTIVELY ENFORCING CONSUMER RIGHTS.

- NO NEW GOVERNING BODY WILL BE ESTABLISHED WITHIN THE COMPETITION AND CONSUMER AGENCY
- THE ACTIVITIES OUTLINED IN THE NATIONAL CONSUMER PROTECTION STRATEGY FOR 2024 HAVE BEEN SUCCESSFULLY COMPLETED
- THE COMPETITION AND CONSUMER PROTECTION AUTHORITIES OF GEORGIA (GCCA) AND POLAND (UOKIK) HAVE INITIATED A PARTNERSHIP
- AN INTERIM REPORT ON THE MONITORING OF THE AUTO FUEL MARKET
- INVESTIGATION | DECISIONS ON INADMISSIBILITY
- IN THE FIRST QUARTER OF 2025, A TOTAL OF 2,552 CONCENTRATIONS WERE REGISTERED IN GEORGIA
- IN 2024, THE TOTAL AMOUNT OF INSIGNIFICANT AMOUNTS OF INDIVIDUAL STATE AID WAS 5,313,225 GEL.
- GCCA ESTABLISHES 10 STANDARDS FOR THE PROTECTION OF CONSUMER RIGHTS
- LOCAL AND INTERNATIONAL COOPERATION FORMATS
- SIGNIFICANT CASES IMPLEMENTED IN THE DIRECTION OF COMPETITION POLICY

NO NEW GOVERNING BODY WILL BE ESTABLISHED WITHIN THE COMPETITION AND CONSUMER AGENCY

Georgian Competition and Consumer Agency

Parliament of Georgia has approved, in its third reading, an amendment to the Law of Georgia on Competition, repealing the 2020 provision that required the establishment of a five-member council with a five-year mandate within the Agency.

The decision to retain the existing governance model ensures the prudent and efficient allocation of financial resources, both by avoiding one-time establishment costs and by reducing recurring annual expenditures.

Drawing on an in-depth analysis of international best practices, external evaluations, internal institutional capacity, operational processes, and practical experience, the effectiveness of the competition authority in enforcing competition and consumer protection policies has demonstrably improved in recent years. These advancements are evidenced by the agency's results and the scope of its activities.

In shaping its approach, the agency has taken into consideration leading European experiences—particularly those of Austria, Germany, Poland, the Czech Republic, Estonia, Sweden, and others, where similar governance models have proven effective in the enforcement of competition and consumer protection policy.

https://gcca.gov.ge/index.php?m=372&news_id=1665

THE ACTIVITIES OUTLINED IN THE NATIONAL CONSUMER PROTECTION STRATEGY FOR 2024 HAVE BEEN SUCCESSFULLY COMPLETED

National Bank of Georgia | INSURANCE STATE SUPERVISION SERVICE OF GEORGIA | Georgian Competition and Consumer Agency | GEORGIAN NATIONAL ENERGY AND WATER SUPPLY REGULATORY COMISSION | Communications Commission | LEPL NATIONAL FOOD AGENCY

Within the framework of the National Consumer Protection Strategy, the Strategy Steering Committee comprising representatives from the Competition and Consumer Protection Agency, the National Bank of Georgia, the National Energy and Water Supply Regulatory Commission of Georgia, the Communications Commission, the State Insurance Supervision Service of Georgia and the National Food Agency prepared the 2024 report, confirming the successful implementation of all planned activities under the Strategy.

The key activities carried out under the Strategy included improving the legal framework for consumer rights, enhancing consumer education, updating guidance documents, strengthening international cooperation, and establishing mechanisms for data collection and evaluation.

Throughout the year, regulatory bodies conducted outreach initiatives across Georgia aimed at increasing public awareness. These efforts engaged a diverse range of target groups, including students, ethnic minorities, persons with disabilities, business representatives, non-governmental organizations, industry experts, and employees from both the public and private sectors. To support these activities, various awareness-raising tools - such as guidelines, video materials, and informational publications were developed and disseminated to promote consumer rights and awareness.

The strategy is designed to ensure the equal and effective protection of both individual consumers and consumer groups nationwide, in accordance with international standards. To support its implementation, a Steering Committee was established in 2024 with the backing of the Government of Georgia. In response to the challenges identified in the 2024 review, the Committee has developed and approved the Action Plan for 2025.

https://gcca.gov.ge/index.php?m=372&news_id=1659

THE COMPETITION AND CONSUMER PROTECTION AUTHORITIES OF GEORGIA (GCCA) AND POLAND (UOKIK) HAVE INITIATED A PARTNERSHIP

Georgian Competition and Consumer Agency

Urząd Ochrony Konkurencji i Konsumentów

To strengthen international cooperation and enhance the effectiveness of consumer protection in Georgia, the Georgian Competition and Consumer Agency (GCCA) has initiated a partnership with the Office of Competition and Consumer Protection of Poland (UOKiK).

As part of the International Consumer Protection and Enforcement Network (ICPEN) Mentoring Program, the first online workshop was held on February 20, 2025, with representatives from GCCA's Consumer Protection Department and UOKiK. The session focused on evidence collection tools in case studies, aiming to strengthen the expertise of GCCA employees. This, in turn, will enhance the detection of violations and improve the enforcement of consumer protection legislation.

https://gcca.gov.ge/index.php?m=372&news_id=1664

STRATEGIC MARKETS MONITORING

AN INTERIM REPORT ON THE MONITORING OF THE AUTO FUEL MARKET

According to the report, in 2024, 47 undertakings imported a total of 1,668,280 thousand liters of gasoline and diesel, valued at 2,781,481,558 GEL. This represents an 8.2% (totaled 1,541,612 thousand liters) increase compared to 2023. The market's import concentration index (HHI) was recorded at 959 units, indicating a low-concentration market. The three largest importers accounted for 44% of total imports, while the top five held a combined share of 62%. At the import level, no single undertaking was identified as dominant, and the market lacks the necessary concentration to establish a group dominant position based on market shares.

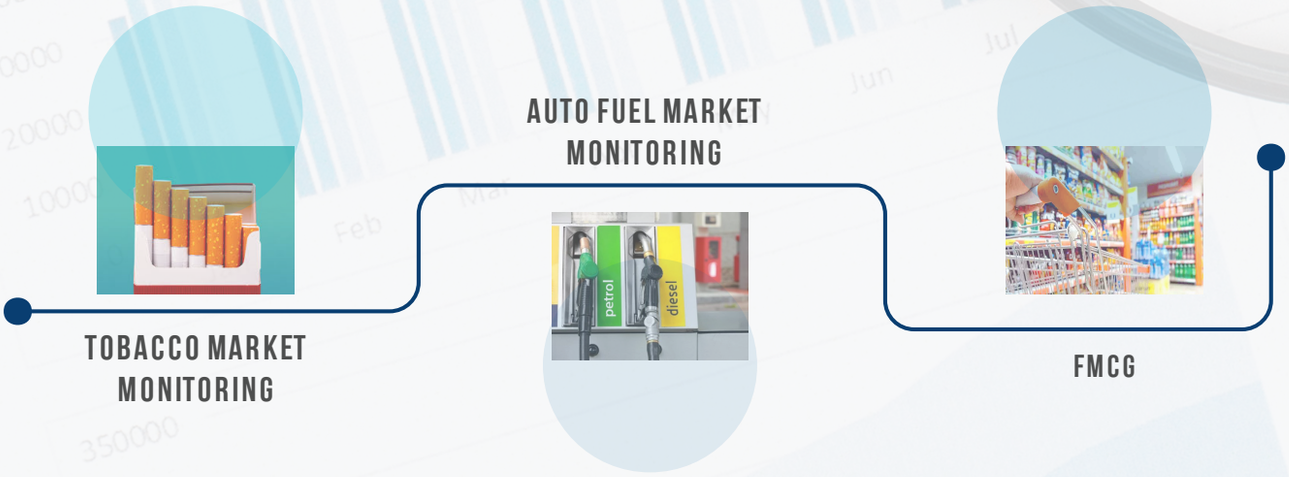
In 2024, the largest share of fuel imports came from the Russian Federation (54%), followed by Bulgaria (16.7%) and Romania (14.7%). Notably, compared to 2023, fuel imports from Russia have decreased, while the share of European fuel imports has increased.

At the retail level, 1,238 gas stations were operated by 383 companies in 2024. The market concentration, measured by the Herfindahl-Hirschman Index (HHI), stood at 1 190, indicating a low-concentration market. The five largest companies accounted for 67.1% of the market, operating a total of 500 gas stations. Compared to 2023, there were no significant changes in the number of operating gas stations, the HHI index, or the market shares of major companies in the gasoline and diesel retail sector.

Regarding retail prices, the market experienced a downward trend in January-February 2024. However, from March to June, the cost of fuel imported by major companies increased compared to the earlier months, leading to a rise in retail prices. In the July-September period, import costs for large companies declined relative to the previous quarter. Consequently, retail prices began to decrease from September 23 into October, which, according to the Agency, reflects a delayed adjustment in response to cost changes.

https://gcca.gov.ge/index.php?m=372&news_id=1656

IT REMAINS UNDER OBSERVATION WITHIN THE FRAMEWORK OF MONITORING BY THE AGENCY



INVESTIGATION

DECISIONS ON INADMISSIBILITY

CASE OF "DUTY FREE GEORGIA"

The complaint alleged that the National Agency of State Property and the Revenue Service had granted an undertaking an unfair advantage over competitors or potential competitors.

During the admissibility assessment, the agency concluded that the complaint did not meet the material admissibility standard set by law. Specifically, the actions in question were conducted in full accordance with Georgian legislation and fell under the exemption provided in Article 10 of the Law of Georgia on Competition. Consequently, the agency determined that there were no legal grounds to initiate an investigation.

https://gcca.gov.ge/index.php?m=372&news_id=1662

CASE OF "EURO PAK"

The complaint alleged a violation of Article 113 of the Law of Georgia on Competition by LLC "Kervan Ambalaj Matbaacılık Sanai ve Tijaret" (Georgia Representative Office) and LLC "Simetra".

During the admissibility assessment, after reviewing and assessing the submitted information and evidence, the agency concluded that the complaint did not meet the material admissibility standard set by law. Specifically, the matter raised in the complaint fell outside the GCCA's jurisdiction and authority, leaving no legal grounds for launching an investigation and the Agency considered it inappropriate to initiate an investigation.

https://gcca.gov.ge/index.php?m=372&news_id=1655

CASE OF "ARGO"

The complaint alleged a violation of Article 113 (Unfair Competition) of the Law of Georgia on Competition by JSC "Georgian Beer Company" and Swinkels Family Brewers N.V.

After reviewing the presented information and evidence, the Agency determined that the complaint did not meet the material ad-missibility criteria required by law. Specifically, the Agency concluded that there was no reasonable basis to suspect a violation of competition law, as the circumstances outlined by the complainant did not point to any breach. As a result, the Agency considered it inappropriate to initiate an investigation.

https://gcca.gov.ge/index.php?m=372&news_id=1685

CONTROL OF CONCENTRATIONS IMPLEMENTED WITH PRIOR MANDATORY NOTIFICATION

N THE FIRST QUARTER OF 2025, A TOTAL OF 2,552 CONCENTRATIONS WERE REGISTERED IN GEORGIA.

- Based on identified data, 2,540 cases did not meet the criteria that would give rise to the obligation of prior notification. This determination was made following a thorough assessment of the market share involved and/or the combined annual turnover of the transaction parties.
- Among the remaining 12 cases, 9 fell under exemptions provided by the competition legislation, thereby releasing the relevant parties from the obligation to submit prior notification to the Agency.
- In the remaining 3 cases, the GCCA determined that the transactions likely required prior notification, which was not submitted by the parties. Accordingly, the Agency has initiated formal proceedings concerning these cases.

CONCENTRATIONS RECEIVED APPROVAL

THE ACQUISITION OF A 90% SHARE IN "EVERCRAFT INTERNATIONAL" LLC BY "G.D. ALCOS" LLC.

https://gcca.gov.ge/index.php?m=370&news_id=1650

THE ACQUISITION OF A 67% SHARE IN "EUROLINES" LLC BY "BMS" LLC.

https://gcca.gov.ge/index.php?m=370&news_id=1650

THE ACQUISITION OF A 100% SHARE IN "COSMOS" LLC BY "GEOTECH DISTRIBUTION" LLC.

https://gcca.gov.ge/index.php?m=370&news_id=1658

THE ACQUISITION OF A 50% SHARE IN "DOMUS SEASIDE" LLC BY "DOMUS DEVELOPMENT" LLC.

https://gcca.gov.ge/index.php?m=372&news_id=1672

INSIGNIFICANT AMOUNTS OF INDIVIDUAL STATE AID

In 2024, the total amount of insignificant amounts of individual state aid was

5,313,225 GEL

BASED ON DATA COMPILED BY THE GEORGIAN COMPETITION AND CONSUMER AGENCY (GCCA), A TOTAL OF 28 INSTANCES OF INSIGNIFICANT AMOUNTS OF INDIVIDUAL STATE AID WERE GRANTED IN GEORGIA BY VARIOUS PUBLIC INSTITUTIONS IN 2024, WITH THE CUMULATIVE VALUE AMOUNTING TO GEL 5 313 225.

IN 2024, THE LARGEST PROVIDER OF INSIGNIFICANT AMOUNTS OF INDIVIDUAL STATE AID IN 2024 WAS OZURGETI MUNICIPALITY, FOLLOWED BY THE MINISTRY OF FINANCE AND ECONOMY OF THE AUTONOMOUS REPUBLIC OF ADJARA AND LANCHKHUTI MUNICIPALITY. THE PRIMARY FORMS OF STATE AID CONSISTED OF DIRECT FINANCIAL ASSISTANCE (73%) AND THE WAIVER OF CONTRACTUAL PENALTIES (27%).

FOR COMPARATIVE PURPOSES, THE TOTAL VOLUME OF DE MINIMIS INDIVIDUAL STATE AID AMOUNTED TO GEL 8 337 803 IN 2023, GEL 3 010 036 IN 2022, AND GEL 14 744 673 IN 2021.

https://gcca.gov.ge/index.php?m=372&news_id=1680

CONSUMER RIGHTS PROTECTION

GCCA ESTABLISHES 10 STANDARDS FOR THE PROTECTION OF CONSUMER RIGHTS

The Agency has introduced 10 key standards aimed at fostering a fair and transparent marketplace, preventing unfair commercial practices, and empowering consumers to make informed decisions while protecting their rights.

These standards address critical issues identified during GCCA case reviews and incorporate best international practices. Developed in accordance with the Law of Georgia on the Protection of Consumer Rights and aligned with relevant European directives, they represent a significant step forward in strengthening consumer protection in Georgia.

https://gcca.gov.ge/uploads_script/user_rights/tmp/phpmOdFj0.pdf

CONSUMER COMPLAINTS INCREASED BY 40% IN THE FIRST QUARTER OF 2025 COMPARED TO THE SAME PERIOD LAST YEAR

In the first quarter of 2025, the Georgian Competition and Consumer Agency (GCCA) identified 19 violations of consumer group rights in 40 cases. Companies involved in these cases included:

- LLC “Wolt Georgia”
- JSC “Borjomi Likani International”
- LLC “Dilsi”
- LLC “Inex Group”
- LLC “Personal Post”
- LLC “K.N.G Wellness”

Due to non-compliance with obligations established by the Agency, 13 traders were fined in 25 cases, resulting in total fines of 13,573 GEL. Sanctioned companies included:

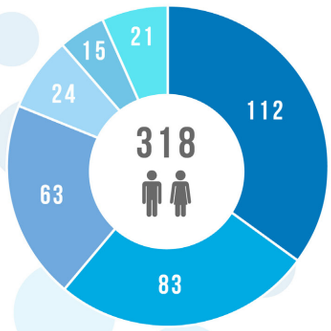
- LLC “Ecommerce.Georgia 2023”
- LLC “Cargo Georgia”
- LLC “K.N.G Wellness”
- LLC “Glass Studio 1”
- LLC “Geo World Shopping”
- LLC “Sneaker Studio”
- LLC “Infinity Energy SK”

In In the first quarter of 2025, 44 commitment agreements were concluded in 49 cases between the GCCA and traders, in favor of the consumers. The companies include:

- LLC “Grifoni”
- LLC “New Classic”
- LLC “New Retail Group”
- LLC “Thermo Center”
- LLC “Max Drive”
- LLC “Camex International”
- LLC “Comforter”
- LLC “Postal Group”
- LLC “Gigo-Tour”
- Individual Entrepreneur “Podire”
- JSC “Hyundai Auto Georgia”
- LLC “Autoparts”
- LLC “Elite Service”
- LLC “Omega”
- LLC “Gelit Electronics”
- LLC “TuzMotors Shop”
- LLC “Timeless”
- LLC “ 555”
- LLC “BeeMobi”
- LLC “Healthy Clinic and Company”
- LLC “Tsinandali”
- LLC “Ebuyshop”
- LLC “Technoshop”
- LLC “Roniko”
- LLC “Play Store 22”
- LLC “Kivi International Veterinary Institute”

IN ACCORDANCE WITH THE COMMITMENT AGREEMENT SIGNED WITH THE GCCA, THE TRADERS AGREED TO AMEND THEIR INTERNAL BUSINESS POLICIES AND RESTORE THE RIGHTS OF CONSUMERS WHO WERE ALLEGEDLY HARMED BY THEIR PREVIOUS TRADING PRACTICES.

318	COMPLAINTS WERE RECEIVED FROM JANUARY TO MARCH
943	INCOMING CALLS
44	CONDITIONAL OBLIGATION (49 CASE)
19	BREACH WAS ESTABLISHED (40 CASE)
13	IMPOSED PENALTY (25 CASE)

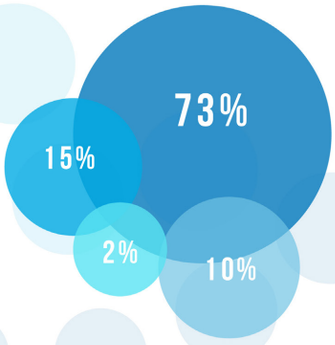


CONSUMER DEMANDS

112	RETURN OF THE MONEY
83	REPAIR/REPLACEMENT OF THE GOODS NOT IN CONFORMITY WITH THE CONTRACT
63	RESTORATION OF RIGHT IN CASE OF DEFECTIVE SERVICE
24	PROHIBITION OF MISLEADING ACTIVITIES
15	ON TIME DELIVERY
21	OTHER DEMANDS

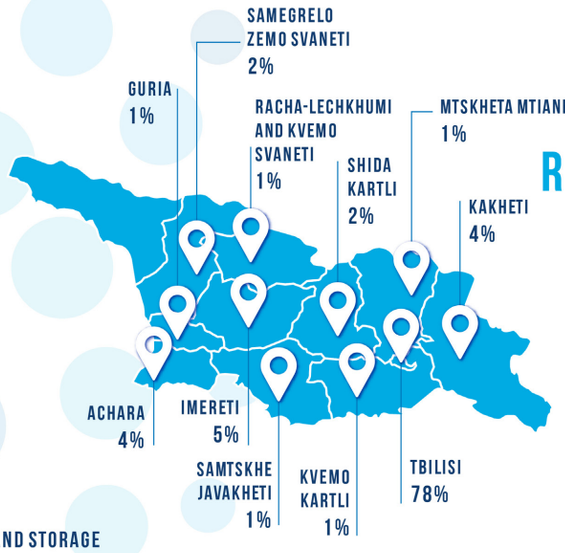
SECTOR

ONLINE PURCHASES OFFLINE PURCHASES



73%	WHOLESALE TRADE
15%	TRANSPORTATION AND STORAGE
2%	ARTS, ENTERTAINMENT AND RECREATION
10%	OTHER SECTORS

REGION



JANUARY - MARCH 2025

TRAINING RESEARCH CENTER ACTIVITIES

In line with its commitment to fostering inclusivity and informed civic participation, the Georgian Competition and Consumer Agency (GCCA), through its Training Research Center, has prioritized raising awareness of competition and consumer rights among persons with disabilities, ethnic minorities, and consumers residing in the regions.

During the first quarter of 2025, the Agency organized a series of targeted outreach activities aimed at promoting the protection of consumer rights for vulnerable groups. Dedicated sessions were held with students of Tbilisi Public School N 203 for children who are deaf or hard of hearing, and Tbilisi Public School N 202 for blind students. In parallel, educational meetings were conducted with representatives of ethnic minorities, including students from Rustavi's Georgian-Azerbaijani Public School N 18, Darakovi village school in Tsalka Municipality, Tbilisi Public School N 98, and Gardabani Public School N 4.

These awareness-raising initiatives were implemented with the support of the Ministry of Education, Science, and Youth of Georgia and represent a key component of the Agency's broader strategy to promote equitable access to information and foster active civic participation across all segments of society.

INFORMATION SESSION WITH GCCA STAFF AND REPRESENTATIVES OF THE PERSONAL DATA PROTECTION SERVICE

The session focused on best practices for the processing of personal data, highlighting the importance of implementing robust security measures throughout the investigation process and the subsequent disclosure of findings. Participants examined in detail the core principles of data processing, mechanisms for verifying legal compliance, recent amendments to the Law of Georgia on Personal Data Protection, relevant international standards, and other critical regulatory aspects.

Aligned with the Agency's commitment to continuous professional development and the effective execution of its mandate, the Training Research Center continues to implement a comprehensive program of training courses and workshops throughout 2025. These initiatives are designed to enhance staff expertise and ensure they remain informed about current trends and developments at both the national and international levels within their respective fields.

LOCAL AND INTERNATIONAL COOPERATION FORMATS

The III International Consumer Protection Week was held in Georgia from March 10 to 15, 2025. The event was organized by the Competition and Consumer Agency, the State Insurance Supervision Service of Georgia, the National Bank of Georgia, the Communications Commission, the National Energy and Water Supply Regulatory Commission of Georgia and the National Food Agency.

The official opening took place on March 10 at the Pullman Hotel in Tbilisi, where six regulatory bodies responsible for consumer rights protection presented their achievements, address key challenges, and outline enforcement mechanisms.

As part of the week, one of the key focuses was on enhancing accessibility and empowering consumers with disabilities. Six regulatory bodies presented specially developed materials on consumer rights protection, designed to empower individuals with disabilities and ensure equal access to information.

Throughout the week, a series of working and informational meetings with consumers were held: March 12 in Akhalkalaki, March 14 in Zugdidi, and March 15 in Batumi. During these sessions, representatives from six regulatory bodies engaged with consumers in panel discussions, offering valuable insights into consumer rights. Attendees learned how to protect their rights, where to seek assistance in case of violations, and the proper procedures for filing complaints.

The week's initiative brought together representatives from regulatory authorities, members of parliament, central and regional governments, international organizations, as well as the Georgian Union of the Deaf and the Georgian Union.

During the week, the Georgian Competition and Consumer Agency and the Ministry of Education, Science, and Youth of Georgia signed a Memorandum of Cooperation.

Irakli Lekvinadze, presented a comprehensive report on the Agency's consumer protection activities during a joint session of the EU Integration Committee and the Sector Economy and Economic Policy Committee of the Parliament of Georgia.

https://gcca.gov.ge/index.php?m=372&news_id=1686

GCCA Representatives Participated in UNCTAD Working Group Meeting

https://gcca.gov.ge/index.php?m=372&news_id=1669

Head of GCCA's Strategic Markets Monitoring Department Participated in ICN Webinar

https://gcca.gov.ge/index.php?m=372&news_id=1667

GCCA held a meeting with the Retail Association

https://gcca.gov.ge/index.php?m=372&news_id=1661

Irakli Lekvinadze Attended Budapest Conference at the Invitation of the OECD-GVH RCC

https://gcca.gov.ge/index.php?m=372&news_id=1670

GCCA Announced Student Contest on Consumer Rights Protection

https://gcca.gov.ge/index.php?m=370&news_id=1652

GCCA Representatives Attend OECD-GVH RCC Seminar in Spain

https://gcca.gov.ge/index.php?m=372&news_id=1682

SIGNIFICANT CASES IMPLEMENTED IN THE DIRECTION OF COMPETITION POLICY INTERNATIONAL REVIEW

The National Commission on Markets and Competition (CNMC) has fined Corporación Alimentaria Peñasanta, SA (CAPSA) €135,000 for acquiring Lácteas Flor de Burgos SL in December 2023 without prior notification

https://www.cnmc.es/prensa/multa-capsa-20250103

Coca-Cola Among Firms Targeted in EU Antitrust Raids

https://www.pymnts.com/cpi-posts/coca-cola-among-firms-targeted-in-eu-antitrust-raids/

The Italian Competition Authority has imposed a 400.000 euro sanction on Interflora Italia S.p.A. for an unfair commercial practice in breach of the Consumer Code

https://en.agcm.it/en/media/press-releases/2025/1/PS12717

The European Commission's decision to impose a record €4.3 billion fine on Google

https://0fj.cc/gjQtSdGAOmz

UOKiK has imposed fines on Jura Poland and the largest stores distributing electronic devices

https://0fj.cc/5IDfHu5RqM

The Croatian Competition Authority imposed fines totaling €1,170,968.24 on six companies for engaging in a prohibited agreement in the sale and technical servicing of private branch exchange (PBX) systems.

https://0fj.cc/bRy1kBrmxHD

Italian Competition Authority: Shiseido Italy S.p.a. To Pay A 400 Thousand Euro Sanction For Unfair Commercial Practice

https://en.agcm.it/en/media/press-releases/2025/3/PS12788

FTC Sends More Than $19.8 Million in Refunds to Consumers Harmed by Aqua Finance's Deceptive Sales Tactics

https://www.ftc.gov/news-events/news/press-releases/2025/02/ftc-sends-more-198-million-refunds-consumers-harmed-aqua-finances-deceptive-sales-tactics

CMA to investigate Google's search services

https://www.gov.uk/government/news/cma-to-investigate-googles-search-services

The Italian Competition Authority has found that Mulpor Company S.r.l. and IBCM - International Business Convention Management Ltd. repeatedly failed to comply with its decision and fined them for 3.5 million

https://en.agcm.it/en/media/press-releases/2025/1/IP367_

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