

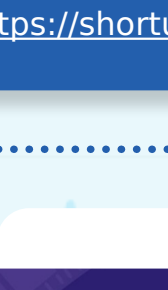


THE GEORGIAN NATIONAL COMPETITION AGENCY IS THE MAIN ORGANIZATION DEFINING AND IMPLEMENTING COMPETITION POLICY.

THE AGENCY PROMOTES FAIR COMPETITION ON THE MARKET, TO SUPPORT THE COUNTRY'S ECONOMIC GROWTH, BUSINESS COMPETITIVENESS AND CONSUMER WELFARE.



INVESTIGATION



The Georgian National Competition Agency has completed the investigation into five undertakings in the auto fuel market, which was launched on August 16, 2022, on the basis of the recommendation of the Prime Minister of Georgia and the results of the monitoring implemented by the Agency. The case concerns the maintenance of high prices in the retail market of motor fuel in the period of March-August 2022.



The investigation implemented by the National Competition Agency has confirmed the violation of Article 7 of the Law of Georgia on Competition by LLC "LUKOIL-Georgia", JSC "WISSOL Petroleum Georgia", LLC "San Petroleum Georgia", LLC "SOCAR Georgia Petroleum" and LLC "Rompetrol Georgia".

According to the Agency's decision, the five undertakings have been subjected to the relevant fine of up to 4 million GEL in total. Moreover, in order to improve the competitive environment in the market, the Agency issued necessary recommendations.

ACCORDING TO THE AGENCY'S DECISION, THE FIVE UNDERTAKINGS HAVE BEEN SUBJECTED TO THE RELEVANT FINE OF UP TO 4 MILLION GEL IN TOTAL. MOREOVER, IN ORDER TO IMPROVE THE COMPETITIVE ENVIRONMENT IN THE MARKET, THE AGENCY ISSUED NECESSARY RECOMMENDATIONS.

<https://shorturl.at/bfj18>



THE TBILISI COURT OF APPEALS GRANTED THE PETITION SUBMITTED BY THE NATIONAL COMPETITION AGENCY ON THE CINEMA TICKETS ONLINE SALE MARKET BEFORE THE END OF THE INVESTIGATION.

ACCORDINGLY, BY THE COURT'S ORDER, THE "EXCLUSIVE" CONDITION OF THE CONTRACT CONCLUDED ON DECEMBER 31, 2022, BETWEEN "DISTRIBUTION COMPANY" AND "ONLINE TICKETS" (LEGAL SUCCESSOR "TINETI") WAS SUSPENDED BY THE AGENCY.

<https://shorturl.at/fxcZ5>

THE NATIONAL COMPETITION AGENCY HAS REPEATEDLY FINED THE UNDERTAKINGS OPERATING IN THE FIELD OF INTERPRETATION AND TRANSLATION SERVICES DUE TO THE NON-FULFILLMENT OF THEIR OBLIGATIONS.

<https://shorturl.at/vghoT4>

IN THE MARITIME SHIPPING SECTOR, THE VIOLATION OF THE LAW OF GEORGIA ON COMPETITION WAS NOT CONFIRMED.

<https://shorturl.at/hikU0>



CONSUMER RIGHTS PROTECTION MECHANISMS AND OBTAINED RESULTS

FROM 1 NOVEMBER 2022, GEORGIAN NATIONAL COMPETITION AGENCY STARTED RECEIVING AND HANDLING CONSUMER COMPLAINTS

401 COMPLAINTS WERE RECEIVED FROM NOVEMBER TO SEPTEMBER

227 CASE INVESTIGATIONS STARTED

3853 INCOMING CALLS

72 AGREEMENT ON CONDITIONAL OBLIGATIONS WERE CONCLUDED (110 CASE)

27 BREACH WAS ESTABLISHED (41 CASE)

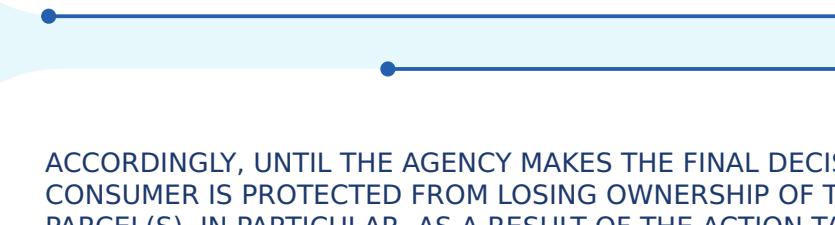
05 BREACH WAS NOT ESTABLISHED (6 CASE)

04 IMPROVED PENALTY (16 CASE)

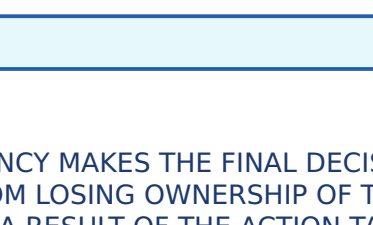


CONSUMER DEMANDS

- 136 RETURN OF THE MONEY
- 12 REPAIR/REPLACEMENT OF THE GOODS NOT IN CONFORMITY WITH THE CONTRACT
- 27 PROHIBITION OF MISLEADING COMMERCIAL PRACTICES
- 21 UNCONDITIONAL RETURN OF GOODS
- 15 PROVIDING INFORMATION IN GEORGIAN LANGUAGE
- 80 OTHER DEMANDS



- WHOLESALE TRADE 71%
- TRANSPORTATION AND STORAGE 14%
- ARTS, ENTERTAINMENT AND RECREATION 4%
- OTHER SECTORS 11%



- ONLINE PURCHASES 66%
- OFFLINE PURCHASES 34%



REGION

- IMERETI 4%
- MTSKHETA-MTIANETI 1%
- SHIDA KARTLI 1%
- KVEMO KARTLI 1%
- TBILISI 86%
- KAKHETI 1%
- ABKHAZIA 0%
- ABKHAZIA 0%
- ABKHAZIA 0%
- ABKHAZIA 0%

NOVEMBER 2022 - SEPTEMBER 2023

IN ACCORDANCE WITH THE LEGISLATION, CONSUMERS HAVE THE RIGHT TO REQUEST AND RECEIVE INFORMATION IN THE STATE LANGUAGE, AND NOT KNOWING IT CANNOT BE A REASON FOR REFUSING TO PROVIDE SERVICES.

<https://t.ly/eEln4>

COMPETITION AGENCY HAS ESTABLISHED A VIOLATION DUE TO THE NON-DELIVERY OF INFORMATION IN THE GEORGIAN LANGUAGE IN BATUMI, IN THE FOOD SERVICE SECTOR.

THE PURPOSE OF THE AGENCY'S DECISION IS TO PREVENT THE MANIPULATIVE MARKETING PLOY OF MISLEADING SPECIAL COMMERCIAL OFFER FAKE COUNTDOWN TIMERS AS AN UNFAIR COMMERCIAL PRACTICE.

<https://t.ly/PUnS2>

THE GEORGIAN NATIONAL COMPETITION AGENCY, IN ORDER TO PROTECT THE CONSUMER'S RIGHTS, ESTABLISHED THE FACT OF UNFAIR COMMERCIAL ACTIVITY AND THE STANDARD OF TIME-LIMITED OFFER FROM THE TRADER.

ACCORDINGLY, UNTIL THE AGENCY MAKES THE FINAL DECISION, EACH CONSUMER IS PROTECTED FROM LOSING OWNERSHIP OF THE PARCELS, IN PARTICULAR, AS A RESULT OF THE ACTION TAKEN BY THE AGENCY, IF THE CONSUMER DOES NOT TAKE OUT THE PARCEL FROM THE WAREHOUSE OF GEORGIA WITHIN 30 DAYS, HE/SHE WILL NOT AUTOMATICALLY LOSE THE OWNERSHIP RIGHT TO IT.

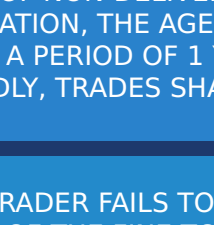
<https://t.ly/2aGcK>

TBILISI CITY COURT GRANTED THE PETITION OF THE GEORGIAN NATIONAL COMPETITION AGENCY IN THE CASE OF "FORSA".

THE COMPETITION AGENCY SIGNED A COMMITMENT AGREEMENTS IN FAVOR OF THE CONSUMER:



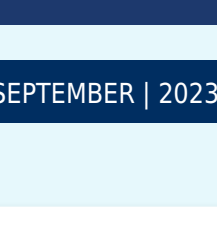
COMPANY "ICR"



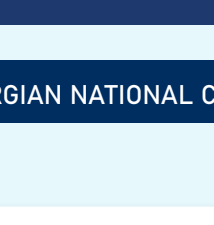
LTD "PRESTIGE" ICI PARIS



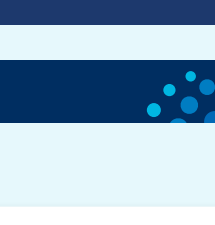
LTD "itechnics"



LTD "GORGIA"

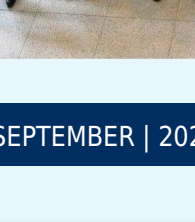


www.wishlist.ge



„VESTEL“

IN ACCORDANCE WITH THE AGREEMENT SIGNED BETWEEN THE AGENCY AND THE COMPANIES, THE TRADERS WAS OBLIGED TO RESTORE THE RIGHTS OF THOSE CONSUMERS WHO ALLEGEDLY SUFFERED DAMAGES DUE TO THE TRADER'S POLICY.



AMENDMENTS HAVE BEEN MADE TO THE LAW OF GEORGIA ON THE PROTECTION OF CONSUMER RIGHTS

01

IN THE CASE UNDER DISTANCE AND OFF PREMISES CONTRACTS PURCHASES, WITHOUT SPECIFYING ANY REASONS, THE CONSUMER HAS THE RIGHT TO RETURN THE SPORTS OR CULTURAL EVENT TICKET, UNLESS THE TRADER HIMSELF DETERMINES THE POSSIBILITY OF RETURNING THE TICKET AND TERMS AND CONDITIONS.

02

FROM AUGUST 1, 2023, IN CASE OF NON-DELIVERY OR INCOMPLETE DELIVERY OF INFORMATION FROM THE TRADER, AFTER PROPER NOTIFICATION, THE AGENCY WILL IMPOSE A FINE ON THE TRADER. THE AMOUNT OF THE FINE IS 500 GEL. IF, DURING A PERIOD OF 1 YEAR FROM THE IMPOSITION OF THE FINE, A TRADER COMMITS A VIOLATION REPEATEDLY, TRADES SHALL BE SUBJECT TO A PENALTY OF 1,000 GEL.

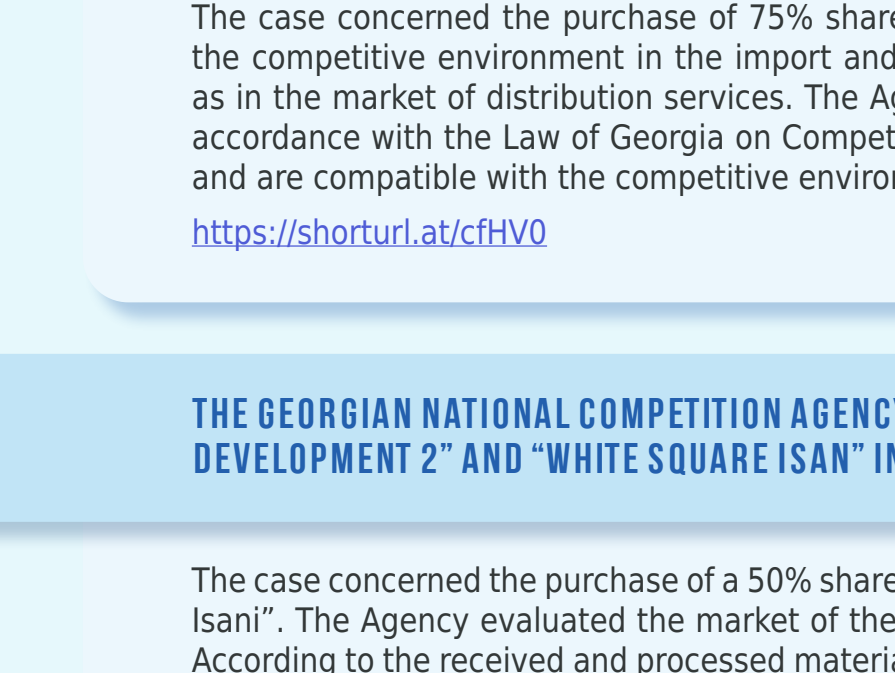
03

IT WAS DETERMINED - WHEN A TRADER FAILS TO EXECUTE OR IMPROPERLY EXECUTES A DECISION OF THE AGENCY, THE MINIMUM AMOUNT OF THE FINE TO BE IMPOSED ON THE TRADER SHALL BE 600 GEL (THE AMOUNT OF THE FINE SHOULD NOT EXCEED 2 PERCENT OF THE TRADER'S ANNUAL TURNOVER DURING THE PREVIOUS FINANCIAL YEAR).

<https://shorturl.at/psuJ>



THE GEORGIAN NATIONAL COMPETITION AGENCY HAS BECOME A PARTNER OF THE INTERNATIONAL CONSUMER PROTECTION AND ENFORCEMENT NETWORK (ICPEN), AN ORGANISATION COMPOSED OF CONSUMER PROTECTION AUTHORITIES FROM OVER 80 COUNTRIES AND MEMBER ORGANIZATIONS WORLDWIDE.

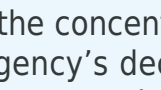


A NECESSARY CRITERION FOR JOINING ICPE IS RECEIVING THE VOTES AND SUBMISSIONS OF MEMBER ORGANIZATIONS, WHICH THE GEORGIAN NATIONAL COMPETITION AGENCY HAS ALREADY OBTAINED AS A RESULT OF INCOMPLETE 1 YEAR WORK IN THE DIRECTION OF PROTECTION OF CONSUMER RIGHTS.

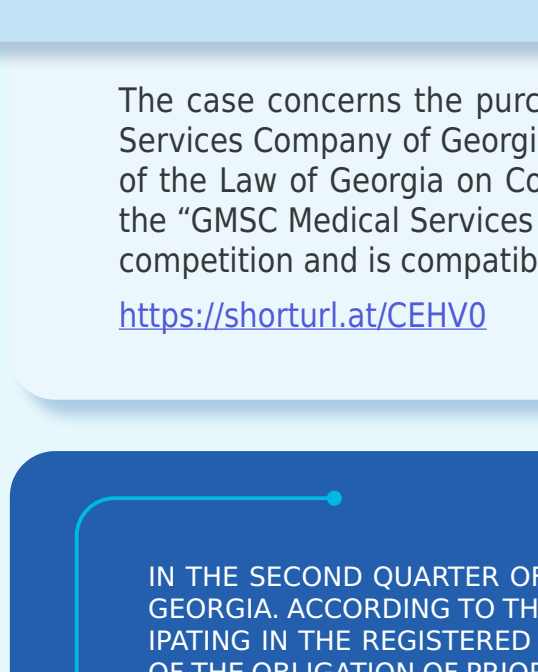
ACCORDINGLY, ON THE WEBSITE OF THE ICPE, GEORGIA IS ALREADY PRESENT NEXT TO THE UNITED STATES OF AMERICA, POLAND, TURKEY, GERMANY, THE UNITED KINGDOM, SWITZERLAND, FRANCE AND ABOUT 80 OTHER COUNTRIES.

<https://shorturl.at/jm523>

<https://shorturl.at/IKM23>



ANTI-DUMPING



The Georgian National Competition Agency terminated the ongoing study on the alleged dumping prices of filter cigarettes imported from Armenia after the withdrawal of the statement by the local industry, which, according to the applicant, is supported by the rapid progress in the market and the improvement of the competitive environment in relation to the problematic issues raised by the applicant.

The Georgian National Competition Agency has completed the first case on dumping. The case concerns the case study started on the basis of the application by the local industry, according to which the dumping of filter cigarettes was being imported from Armenia in the period of May 14, 2022 - May 14, 2023.

The Agency processed the information based on both local and exporting country sources. At the stage of the study, a high involvement of stakeholders and a cooperation were highlighted. The case study was based on the research report related to the verification of the admissibility of the application of JSC Tbilisi Tobacco dated May 15, 2023.

<https://shorturl.at/jmmpR1>



MONITORING

THE AGENCY, BASED ON THE FARMER'S APPLICATION, STARTED MONITORING THE BLUEBERRY MARKET. THE PURPOSE OF THE MONITORING IS TO ASSESS THE CURRENT SITUATION IN THE MARKET IN TERMS OF THE COMPETITION LEGISLATION, TO ANALYZE THE MARKET AND POSSIBLE NON-MARKET FACTORS ON PRICE FORMATION DURING THE PERIOD OF PRODUCTION.

WITHIN THE FRAMEWORK OF MONITORING, THE NATIONAL COMPETITION AGENCY WILL ASSESS THE COMPETITIVE ENVIRONMENT BOTH AT THE LEVEL OF BLUEBERRY PRODUCTION AND ITS EXPORT. WITHIN THE COMPETENCE, IF NECESSARY, RECOMMENDATIONS WILL BE PROVIDED BY THE AGENCY.

<https://shorturl.at/qmDd4>

2 MONITORINGS ARE IN PROGRESS: MONITORING OF INSURANCE PRODUCTS OFFER/SALE IN BANKS AND NUT MARKET.



CONTROL OF CONCENTRATIONS IMPLEMENTED WITH PRIOR MANDATORY NOTIFICATION

THE GEORGIAN NATIONAL COMPETITION AGENCY HAS APPROVED THE CONCENTRATION OF "DIPLOMAT GEORGIA" AND "KANT" IN THE FMCG MARKET.

The case concerned the purchase of 75% share of "Kant" by "Diplomat Georgia". The Agency assessed the competitive environment in the import and wholesale trade of food and beverage products, as well as in the market of distribution services. The Agency determined that the implemented concentration in accordance with the Law of Georgia on Competition, does not substantially restrict effective competition and are compatible with the competitive environment.

<https://shorturl.at/cfhV0>

THE GEORGIAN NATIONAL COMPETITION AGENCY HAS APPROVED THE CONCENTRATION OF "ANAGI DEVELOPMENT 2" AND "WHITE SQUARE ISAN" IN THE CONSTRUCTION MARKET.

The case concerned the purchase of a 50% share of "Anagi Development 2" from "Anagi" by "White Square Isani". The Agency evaluated the market of the construction of residential and non-residential buildings. According to the received and processed material, the volume of the mentioned market in 2022 amounted to 8,084,435,501 GEL, the market concentration index Herfindahl-Hirschman Index (HHI) is 61.41, which is an indicator of a low concentration market. As a result of the implementation of the concentration, the HHI is 64.14, and the index change according to HHI is 2.73. According to the Agency's decision, as a result of the planned concentration, there is no significant change in the concentration index in the relevant market, and its compatible with the competitive environment.

<https://shorturl.at/ixPU3>

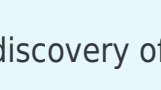
THE GEORGIAN NATIONAL COMPETITION AGENCY HAS APPROVED THE PLANNED CONCENTRATION IN THE MEDICAL INPATIENT AND OUTPATIENT SERVICES SECTOR.

The case concerns the purchase of a 50% share of "PSP Pharma" in "MedCapital" by GMS Medical Services Company of Georgia. According to the received and processed information, and the Article 11 of the Law of Georgia on Competition, the Agency determined that the planned concentration between the "GMS Medical Services Company of Georgia" and "MedCapital" does not substantially limit effective competition and is compatible with the competitive environment.

<https://shorturl.at/CEHV0>

IN THE SECOND QUARTER OF 2023, 5808 CONCENTRATIONS (UNIONS) OF UNDERTAKINGS WERE REGISTERED IN GEORGIA. ACCORDING TO THE IDENTIFIED DATA, IN 6800 CASES, THE ANNUAL TURNOVER OF THE PARTIES PARTICIPATING IN THE REGISTERED CONCENTRATIONS DID NOT MEET THE CRITERIA NECESSARY FOR THE ORIGINATION OF THE OBLIGATION OF PRIOR NOTIFICATION IN THE PART OF THE ANNUAL TURNOVER. 8 CASES MET THE CRITERIA, ALTHOUGH ALL FELL UNDER THE EXCEPTIONS DEFINED BY THE COMPETITION LEGISLATION.

<https://shorturl.at/torwz>



LOCAL AND INTERNATIONAL COOPERATION FORMATS

THE II INTERNATIONAL CONFERENCE ON COMPETITION AND CONSUMER PROTECTION WILL BE HELD BY THE COOPERATION OF THE FIVE REGULATORY BODIES.

COMPETITION AND CONSUMER PROTECTION II INTERNATIONAL CONFERENCE

NOVEMBER 16-18 | 2023 | TBILISI, GEORGIA



THE CONFERENCE WILL BE OPENED BY LEADERS OF INTERNATIONAL ORGANIZATIONS THAT HEADED THE DIRECTIONS OF COMPETITION AND CONSUMER RIGHTS PROTECTION.

A SPECIAL PANEL IS PLANNED WITH THE PARTICIPATION OF THE HEADS OF FIVE REGULATORY BODIES, WHERE THE RESULTS, ACHIEVEMENTS, AND CHALLENGES IN THE DIRECTION OF COMPETITION AND PROTECTION OF CONSUMER RIGHTS WILL BE PRESENTED. OVER 20 DELEGATIONS FROM DIFFERENT COUNTRIES WILL PARTICIPATE IN THE CONFERENCE. AMONG THEM, REPRESENTATIVES OF COUNTERPART AUTHORITIES, LOCAL AND INTERNATIONAL EXPERTS, REPRESENTATIVES OF PUBLIC AGENCIES, REGULATORY BODIES, ACADEMIA AND BUSINESS SECTOR.

DETAILED INFORMATION REGARDING THE CONFERENCE CAN BE FOUND AT: www.gnca.gov.ge

Irakli Lekvinadze presented a report on reforms and achievements in the direction of competition policy in Geneva at the invitation of UNCTAD.

<https://rb.gy/v37f8>

The Chairman of the National Competition Agency presented a report at the 7th session of the Intergovernmental Group of Experts on Consumer Protection Law and Policy of UNCTAD.

<https://rb.gy/3kbgc>

Irakli Lekvinadze met with Teresa Moreira, Head of the Competition and Consumer Policies Branch at the United Nations Conference on Trade and Development (UNCTAD), within the framework of a working visit to Geneva.

<https://tinyurl.com/mhwzpuw2>

The Georgian National Competition Agency has updated its website www.gnca.gov.ge, where the interested person can easily and in detail search for any decision made by the Agency, implemented activity or application form.

<https://tinyurl.com/2h6t4ub5>

Irakli Lekvinadze met with the Senior Case Manager of the Federal Cartel Office of Germany, former OECD expert, Sabine Zigelski and the Director of Strategic Issues of the Austrian Regulation Authority for Broadcasting and Telecommunications, Paul Pisjak.

<https://tinyurl.com/bdf9fzj8>

Together with foreign experts, the development of the 2023-2025 advocacy strategy of the National Competition Agency has started.

<https://tinyurl.com/yfns8fdr>

Irakli Lekvinadze presented the report of the Agency's activities at the session of the Human Rights and Civil Integration Committee in the Parliament of Georgia.

<https://tinyurl.com/yckze7ys>

Employees of the National Competition Agency, together with foreign experts, discussed the fine calculation mechanisms.

<https://tinyurl.com/436wjs3c>

The representative of the Georgian National Competition Agency participated in the seminar organized by the OECD-GVH RCC.

<https://tinyurl.com/7sxab2p>

Study visit of the employees of the National Competition Agency was implemented in Lithuania.

<https://tinyurl.com/mr2fanzp>

In Brussels, the training course for resident advisers of "TWINNING" projects was held, where participated GNCA representative.

<https://tinyurl.com/ym58ccsb>

The sixth meeting of the steering committee was held in the frame of the EU-funded Twinning Project.

<https://tinyurl.com/4z9m26jm>

The representative of the Georgian National Competition Agency participated in the forum organized by the WTO.

<https://tinyurl.com/3qjbpckj>



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