

International Cooperation, 2016

PROJECT SUPPORT TO THE COMMISSION

OLYMPUS DIGITAL CAMERAThe “Advanced economic training and support program for employees of the Commission for Protection of Competition” project is completed during 2016. In cooperation with the Center for Liberal-Democratic Studies (CLDS) and European Bank for Reconstruction and Development (EBRD), the Commission implemented related project containing the following basic elements: 1) procurement of econometric software and related training of the employees; 2) knowledge improvement on forensic software implementation and dawn raids implementation; 3) defining and implementing public relations strategy of the Commission; 4) seminars on economic regulation and related regulated sectors. The project is concluded by organizing the international conference: “Building institutional capacities of national competition authorities in the SEE region”. It is expected that the conference proceedings will be published during 2017.

A twinning project, as one of the IPA form of support provided by the EU to candidate countries, is pending approval. The Commission prepared a proposal of activities whose implementation is expected to be effected by late 2017, focus being placed on the following three key areas:

- further national regulatory compliance with the EU acquis;
- efficient implementation and administration of harmonized competition legislation; and
- raising awareness of the competition law and policy among all relevant actors.

The **PERFORM** project implemented by Helvetas Swiss Intercooperation SRB Representative Office, in cooperation with the Republic Secretariat for Public Policies of the Republic of Serbia, from April-October 2016, included the Commission as one of the project’s beneficiaries. The main goal of this project was implementation of the aftermarket sector inquiry that covered guarantees, aftersales services, turnover and use of motor vehicles spare parts and top selling home appliances, towards perceiving the structure and relationship between the main market entities, their market shares and relative power with the goal of detecting potential market weaknesses, that is, existence of conditions for conducting competition infringement investigations. The inquiry resulted in a series of conclusions and recommendations published on the Commission’s Internet page, pursuant to which a regulation on the conditions for group exemption of agreements in the motor vehicle sector will be prepared, thus transporting the EC Regulation 461/2010 into the Serbian legislative framework.

As part of the support program implemented by the Japan International Cooperation Agency – JICA, Head of the Department for Economic Inquiries visited Japan in September 2016 for attending the professional development program organized in cooperation with the Japanese competition authority – Japan Fair Trade Commission – JFTC.

The professional development program incorporated all segments of competition law and policy from the comparative practice perspective. The goal of this program was the advancement of competition law and policy administration, along with the implementation of acquired knowledge towards more efficient promotion of competition environment on the markets of participating countries.

RELATIONS WITH INTERNATIONAL ORGANIZATIONS

Although not a member of the Organization for Economic Cooperation and Development (OECD), Serbia holds a prominent role during the workshops organized by the Regional Competition Centre (RCC), founded in 2005 by the OECD and Hungarian competition authority. During previous period, designated representatives of the Commission attended several events and contributed through submitting written materials on the Commission's case studies, which presented the grounds for receiving expert's opinions and recommendations from other competition authorities. During 2016, the Commission took an active role in the RCC organized seminars, such are: "Competition Rules and the Financial Sector" and "Basic Concepts and Procedures in Competition Law for Young Authority Staff". The fact that despite of the significant number of submitted interests by various countries, the OECD senior management entrusted the Serbian Commission with the organization of one of the events during 2016, can be seen as an indicator of strengthened mutual cooperation and increased trust towards the Commission. The seminar is organized during last week of September in Belgrade – for more information, see Chapter 9.4. The Commission is also active in the OECD Secretariat implemented projects relating to data collection, performing analysis and providing expert assistance, and organization of seminars and workshops for the regional countries.

During 2016, the Commission continued to prepare and submit expert articles relating to the country-specific practice from the area of competition law and policy implementation, published in the RCC e-Bulletin.

An additional form of cooperation and exchange of experiences with the OECD is accomplished via active participation of the Serbian designated representatives during 15th OECD "Global Forum on Competition", held in December 2016 in Paris. For the purpose of this event which gathered representatives of numerous international competition authorities, the Commission submitted written contributions for the sessions "Sanctions in antitrust cases" and "Independence of competition authorities – from design to practice".

Designated representative of the Commission that orally defended the Commission's positions before the conference plenum and during individual sessions held on the occasion, had opportunity to receive comments on presented positions from designated peers of participating competition authorities, as well as from representatives of academic institutions, in addition to holding a several bilateral meetings on the sidelines of the conference.

An exceptionally close cooperation established with the United Nations Conference on Trade and Development (UNCTAD) is continued during 2016 as well. Upon invitation of the UNCTAD representatives, designated representative of the Commission for Protection of Competition participated at the 15th Session of the Intergovernmental Group of Experts (IGE) on Competition Law and Policy, held in Geneva, from 19-21 October 2016. The Intergovernmental Group of Experts on Competition Law and Policy is an authority founded in accordance with the United Nations Set of Multilaterally Agreed Equitable Principles, and Rules for the Control of Restrictive Business Practices, so-called the UN Set, aimed at monitoring related implementation and administration. The IGE annual meetings, in addition to the International Competition Network (ICN) and OECD events, are one of the most prestige and important gatherings covering the issue of competition law and policy.

OLYMPUS DIGITAL CAMERA In addition to participating at the 15th Session of the Intergovernmental Group of Experts (IGE) on Competition Law and Policy, held in Geneva, and 7th Meeting of the UNCTAD Research Partnership Platform that is held on the sidelines of the main event, the Commission contributed by submitting papers to the "Project on State and Competition Law", implemented by New York University and University of New South Wales Faculty of Law, supported by UNCTAD Research Partnership Platform.

The Commission also traditionally participates at the Sofia Competition Forum event, organized by the SFC in cooperation with the UNCTAD. The Sofia Competition Forum (SFC) is founded during 2012 in Sofia, as a result of joint initiative between the UNCTAD and Bulgarian competition authority. The main purpose of this organization is to provide a non-formal platform for technical assistance, exchange of experiences and consultancies in the competition policy and law domain, with particular focus on the Balkans region.

During 2016, designated representatives of the Commission have on two occasions participated and presented materials at the SFC workshops. In June 2016, representatives of the Commission participated at the 8th Forum meeting, also attended by Ms. Margrethe Vestager, European Commissioner for Competition, UNCTAD representatives, representatives of the EU national competition authorities, as well as representatives of the Russian, Japanese and regional national competition authorities.

OLYMPUS DIGITAL CAMERA During the second week of November, designated representatives of the Commission participated at the 9th Forum meeting whose main focus was placed on discussing plenary topic "Pricing abuses of dominance in energy and telecommunications", and presenting the report "Comparative overview of the SCF competition regimes in the field of Procedural Fairness". The event presented an additional opportunity for achieving a highly valued exchange of regional and international experiences. Also, the event publicized the second edition of the SFC Newsletter published by the Sofia Competition Forum. The Newsletter included the expert article written by Mr. Čedomir Radojčić, a newly elected member of the Commission Council, as well as news concerning the work of the Commission for Protection of Competition of the Republic of Serbia, which considerably contributed to the Commission's overall efforts in raising awareness of the importance of competition policy and operational transparency.

International Competition Network (ICN) is a non-formal, global network of competition authorities, also gathering non-governmental sector representatives, such are business, academic community and legal profession representatives, etc., primarily focusing on the issues of anti-monopoly law and policy implementation. This organization gathers more than 100 members, whereas 104 national competition authorities take participation in its work.

During October 2016, the Commission participated at the workshop dedicated to the enhancement of cartel detecting knowledge, the ICN Cartel Workshop, organized for the 13th time in a row by the International Competition Network. The hosting institution of the workshop held in Madrid was Spanish competition authority – Comision nacional de los mercados y la competencia. During the workshop designed for representatives of various national competition authorities and non-governmental sector, the focus was placed on detecting and investigating cartel strategies, manners of potential preventable acting, as well as cooperation between competition authorities in detecting and preventing cartels.

Cooperation between the Energy Community Competition Network and Commission is based on the 2012 Declaration, a founding document of the Energy Community Competition Network. The Network is designed as a platform for the exchange of experiences between competition authorities as signatory parties to the Declaration and Energy Community Secretariat, in addition to developing a good practice examples when implementing competition regulations to energy sector issues, aimed at convergence of practices and regulations against the EU *acquis* in this specific domain.

medjunarodna-saradnja-2 During 2016, the Energy Community Competition Network's meeting was not held, but the Commission continued to actively cooperate with the Energy Community Secretariat by submitting the line ministry (Ministry of Mining and Energy) opinions and comments to the reports and communications of the Secretariat, including the opinion on the amendments to the Treaty Establishing the Energy Community. In addition, designated representatives of the Commission met with the Secretariat representatives in order to review current issues considered influential to the competition in the energy sector area, and have demonstrated their preparedness to be further engaged in the field, particularly in the light of revised "Energy Community Dispute Settlement Rules" and related corresponding rights of interested parties. During 2016, institutions reached an agreement on residency of designated staff of the Commission's Technical Service in the Office of the Energy Community Competition Network in Vienna during 2017.

BILATERAL COOPERATION – PROTOCOLS OF COOPERATION

medjunarodna-saradnja-10 In April 2016, Dr. Miloje Obradović, Commission President, and Blagoj Čurlinov, President of the Commission for Protection of Competition of Macedonia, signed the Memorandum of Mutual Understanding and Cooperation in the field of Competition Law and Policy Implementation. By signing this document, Serbian and Macedonian competition authorities made an important step in the direction of complying against the EU standards in competition law and policy implementation, which represents an important segment in the negotiation process aimed at attaining a full membership in the European Union, as it represents a strategic interest of both countries.

During 2013, the Commission signed the Memorandum of Understanding with the Slovenian competition authority – Slovenian Competition Protection Agency. During 2016, this cooperation is additionally improved by achieving participation of the Commission's designated representatives at the Slovenian Competition Day event, held in September 2016. The event primarily focused on the challenges deriving from the EU Damages Directive implementation, enacted with the goal of improved implementation of competition rules by providing rights to the damaged parties to exercise the right to compensation as a consequence of infringements of competition rules under national law. Also, the event represented an opportunity to exchange experiences concerning competition policy implementation and legislative framework practices, and continuation of good cooperation between these two institutions. President of the Slovenian competition authority visited the Serbian Commission for Protection of Competition in September 2016, and met with the Commission President and Council members where he had an opportunity to discuss positions on the current issues arising from the regional competition protection practices.

Memorandum of Cooperation between the Romanian Competition Council and Serbian Commission dates from 2012. During 2016, this cooperation is promoted by organizing a visit of the Romanian Competition Council President, Mr. Bogdan Marius Chiritoiu to the Serbian

Commission on the occasion of marking its 10th year founding anniversary. This event presented a preparation for the bilateral meeting of two authorities' representatives held in Romania in the form of a round table discussions on a numerous topics of joint interest, and particularly on the treatment of notifying parties and "whistleblowers", cases of rigged public bids, cartels in the oil and oil derivatives sector and sector inquiries.

In June 2016, the Commission received a visit of the Vice President of the Greek competition authority – Hellenic Competition Commission. Topics of discussion related to the exchange of experiences in the field of competition law and policy implementation, in addition to further advancing mutual cooperation between these two authorities, accompanied with the agreement on further cooperation steps.

In June 2016, designated representatives of the Commission visited Rome during a three-day study visit to the Italian competition authority (Autorità Garante della Concorrenza e del Mercato), organized as a part of the program support provided by „TAIEX“ – Technical assistance and information exchange instrument of the Directorate-General for EU enlargement. The goal of this study visit was familiarization with the competition regulatory framework of the Republic of Italy, improvement of professional knowledge and skill sets from the most important areas of competition policy and law, in addition to the analysis of prominent case studies from the Italian competition authority's practice.

medjunarodna-saradnja-12A traditionally good cooperation between the Serbian Commission and Austrian Federal Competition Authority, formally established by signing the Memorandum of Cooperation in 2010, is also continued during 2016. Following the invitation of the Austrian competition authority's General Director, Dr. Theodor Thanner, a bilateral meeting is organized in Vienna, dedicated to discussing plans on the continuance of cooperation between two institutions, regional initiatives relating to increasing knowledge and harmonizing practices of competition law and policy with the EU acquis, in addition to prevailing topics currently considered by the Austrian and Serbian competition authorities. Directed at enhancing relations, it is agreed that in the period to come Austrian colleagues will conduct a training session and present a dawn raid simulation to their Serbian peers, which will enable them to acquire a set of new skills in utilizing this very important tool for data and information collection, used by all developed competition authorities.

During 2016, the Commission intensified cooperation with the British Embassy Belgrade. During the bilateral meetings is noted that conveying the good practice examples and rich experiences of the British experts, particularly of the British competition authority (Competition and Markets Authority), may represent a form of valuable support to the Commission during its further engagements. Other forms of support, via exchanging competition advocacy tools and advancing the regulatory framework and general economic environment in the Republic of Serbia are also touched upon, keeping in mind that the competition objectives are essentially directed toward achieving economic progress and overall well-being of the society.

The Commission implements cooperation with Japan via liaising with various institutions – foremost the Embassy of Japan to Serbia and Japan International Cooperation Agency – JICA. During 2016, this cooperation is marked by the Embassy delegation visit to the Commission, headed by the First Secretary at the Embassy, Mr. Kanno Yoshifumi. In addition to the aforementioned, via jointly organized program of the JICA and Japan Fair Trade

Commission – JFTC, designated representative of the Commission participated at the three-week professional development program in Japan, during September 2016.

The Commission also initiated talks on cooperation possibilities with the USA. The Commission representatives had a chance to welcome a new economic team of the Embassy, directed by the Head of Economic Affairs Section of the USA Embassy to Serbia, Ms. Carolina Hidea, and to introduce them to current issues concerning the competition policy and activities implemented by the Commission within the EU accession process. Also, talks included possibilities of further strengthening of expert and educational support to the Commission via competition policy related projects, organization of seminars, visiting lecturers, conferences, joint study programs on competition policy and alike.

CONFERENCES, SEMINARS AND WORKSHOPS

medjunarodna-saradnja-9 On the occasion of the Competition Day and marking ten years of operational work, on April 12, 2016, the Commission organized international conference dedicated to the competition policy topic. During the expert part of conference, the following participants addressed more than 120 guests, namely: Theodor Thanner, General Director of the Austrian competition authority, William Kovacic, Professor at the George Washington University, Hassan Qaqaya, former Head of the UNCTAD Competition and Consumer Policies Branch, Bogdan Marius Chiritoiu, President of the Competition Council of Romania, Yana Mikhailova, President of the Serbian Foreign Investors Council's Board of Directors, Mladen Cerovac, President of the Croatian Competition Council, and Andrey Tsyganov, Deputy Director of the Federal Antimonopoly Service of the Russian Federation. Representatives of the Serbian regulatory agencies also attended the conference, as well as Serbian MP's and Government officials, EU Delegation to Serbia representatives, and representatives of the Diplomatic Choir, scientific institutions, chambers of commerce, law offices and business associations.

medjunarodna-saradnja-11 Beginning June 2016, the Commission hosted another international event. In cooperation with the European Bank for Reconstruction and Development (EBRD) and with technical support of the Center for Liberal-Democratic Studies (CLDS), the Commission organized international conference titled "Institutional Building of National Competition Authorities in the South-East Europe". The conference was opened by the Commission President, Dr. Miloje Obradović, EBRD Director for Serbia, Daniel Berg, and Tanja Mišćević, Head of the Negotiating Team for Accession of the Republic of Serbia to the EU. The three-day event gathered more than 150 participants from the national competition authorities of the SEE region, international and domestic expert public representatives, in addition to related industry sectors and law profession representatives. The panelists were Dr. Russell Pittman, US Department of Justice, Lorenzo Chiari, EBRD, Gregor Langus, European Commission's DG Competition, as well as members of the Commission Council and employees.

In September 2016, the Commission hosted a traditional, esteemed seminar of the OECD Regional Centre for Competition. The topic of this event, as per initiative of the Commission, was how to enhance competition culture, competition advocacy and perform estimates of the competition policy effectiveness in the SEE region. The seminar was attended by more than 30 participants from 21 regional competition authorities, European Union and Euro-Asian region, while the main panelists were Sabine Zigelski, OECD competition expert, Šarunas Keserauskas, Chairman of the Competition Council of the Republic of Lithuania, and Kay

Weidner, Spokesman for the German Federal Cartel Office. Designated representatives of the Commission also participated as expert professionals during the seminar.

During the first and second conference day, participants had a chance to be introduced with the methods implemented by competition authorities aimed at improvement of competition culture, in addition to analyzing a hypothetical case referring to presenting the media with a set of competition measures imposed on cartel participants, as well as the effects of campaigns directed toward enhancing general public knowledge of the competition policy implemented by competition authorities of the participating countries. The third conference day was dedicated to the market monitoring instruments (sector inquiries, studies, hypothetical cases, reports, researches, etc.) with the aim of identifying possible market weaknesses or existence of conditions for competition infringements. Representatives of Lithuania, Germany, Ukraine, Romania and Serbia presented their case related experiences.

In May 2016, a seminar organized by the Regional Centre for Competition – OECD and Hungarian competition authority held in Budapest covering the topic “Exchange of Information”, represented an additional opportunity for the Commission employees to achieve professional advancement.

medjunarodna-saradnja-1The Commission for Protection of Competition took part at the 14th Annual Conference of the Association of Competition Economics – ACE, held in Amsterdam in October 2016, which presented an opportunity to discuss on a considerable number of case studies coming from the practice of various European competition authorities. During the stay in the Netherlands, the Commission representatives also attended the conference organized by the Netherlands Authority for Consumers and Markets – ACM, honoring the tenth year operating anniversary of the Department for Economic Inquiries.

Following the invitation sent by the Federal Antimonopoly Service of the Russian Federation, the Commission representatives attended “The Russian Competition Week” event held in Moscow. The motto of this manifestation and topic of one of the plenary sessions was “New reality. New challenges. New competition policy”. On the sidelines of this three-day conference, the Commission delegation also held an extremely useful bilateral meeting with the Vice-President of the Federal Antimonopoly Service of the Russian Federation, Anatoly Golomolzin, on the improvement of relations and cooperation efforts between the Serbian and Russian competition authorities. Furthermore, the Commission and Federal Antimonopoly Service of the Russian Federation have signed the Agreement of cooperation in the field of competition policy implementation, in December 2012, which was followed by a series of trainings, seminars and study visits – all directed at intensifying and achieving more substantial cooperation between these two competition authorities.

In November 2016, the Commission participated at the TAIEX Regional Workshop held in Podgorica, as the EC implemented project for strengthening the Western Balkan countries institutional capacities, whereas the co-organizer of the Workshop was the Agency for Protection of Competition of Montenegro. The workshop was dedicated to the advancing and intensifying cooperation efforts between competition authorities operating in the Western Balkans region, and thus was attended by the representatives of competition authorities from Serbia, Bosnia and Herzegovina, Macedonia and Montenegro, in addition to experts from numerous countries which all shared related experiences with workshop participants.

In December 2016, following the invitation of the Serbian Anti-Corruption Agency, the Commission took part at the conference “Cooperation of the Anti-Corruption Agency with public institutions in the fight against corruption”, held on the occasion of marking the International Anti-Corruption Day. The event presented an opportunity to showcase activities that are regularly implemented by the Commission, in line with its legal competences.