



Organisation for Economic Co-operation and Development

DAF/COMP/AR(2018)16

Unclassified

English - Or. English

23 April 2018

**Directorate for Financial and Enterprise Affairs
COMPETITION COMMITTEE**

Annual Report on Competition Policy Developments in Sweden

-- 2017 --

6-8 June 2018

This report is submitted by Sweden to the Competition Committee FOR INFORMATION at its forthcoming meeting to be held on 6-8 June 2018.

JT03430576

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1. Executive summary

1.1. Competition Enforcement

1. A key focus for the Swedish Competition Authority (SCA) in its enforcement work during 2017 has been to enhance efficiency in its investigations and ensure that it prioritises and pursues the right cases, giving consideration to legal precedents handed down during the year. This will lay the groundwork for concrete results in future years.

1.1.1. Anti-competitive agreements

2. The SCA continued to prioritise the fight against cartels in its enforcement work in 2017. It conducted a number of dawn raids against companies in the construction and insurance sectors, and continues to investigate suspicions of collusion between the companies involved.

3. In two cases decided by the Patent and Market Court of Appeal during 2017 - in the healthcare and removals sectors - the court took a different view from the SCA and judged that there was no infringement of the competition rules. In another appeal case heard in 2017 and decided in 2018 relating to a procurement of data communication services, the Patent and Market Court of Appeal overturned the court of first instance's decision, and found that there was no infringement of the competition rules.

1.1.2. Abuse of dominance

4. The Patent and Market Court confirmed the Authority's position that Swedish Match had abused its dominant position by introducing a mandatory system for shelf labels in moist snuff (snus fridges), thus restricting its competitors' ability to communicate their prices and brands. The court issued fines of 38 million SEK against the company. Swedish Match has appealed the decision.

5. A case against the Stockholm Stock Exchange/Nasdaq OMX, where the Authority claimed a competitor has been denied access to a data centre, had its main hearing in September 2017. In January 2018 the Patent and Market Court held that Nasdaq had a dominant position, but did not consider that it had abused this position. The judgement has been appealed by the SCA.

6. Other abuse of dominance investigations continued throughout 2017. One case resulted in an infringement decision issued in February 2018 against a company in the waste management sector. The company has been ordered to revoke the termination of a contract with a competitor which had given the company access to recycling facilities. The decision comes with a penalty of 20 million SEK in the event of non-compliance. The company has appealed the decision.

1.1.3. Mergers

7. During 2017 the SCA received its highest number of merger notifications since 2008. It carried out three phase 2 investigations. The Authority was also granted enhanced decision-making powers in the area of mergers. As of 1 January 2018 it has the power to decide on merger prohibitions.

1.1.4. Anti-competitive public sales activities

8. The SCA issued a summons application against Hässleholm Municipality alleging that the municipality had infringed the competitive neutrality rules in the Swedish Competition Act. The SCA claims that the municipality breached the rules prohibiting anti-competitive public sales activities by refusing private companies access to land for laying fibre cables.

1.1.5. Advocacy and competition research

9. The SCA published several reports and replies to official consultations as part of its advocacy activities. One such report focused on *Competition and growth in digital markets*, which shed light on the impact of digitalization on competition policy and enforcement. Digitalisation was a prioritized issue throughout the year, and the Authority also organized a conference on the topic in November 2017.

10. The SCA furthermore continued to fund research into competition law and economics throughout the year.

2. Changes to competition laws and policies, proposed or adopted

11. In 2017 the Swedish parliament granted the SCA enhanced decision-making powers in merger cases. The changes took effect on 1 January 2018. The SCA is now the first decision-making instance in merger cases and is competent to prohibit a merger that is damaging to competition. Previously, the SCA was required to raise an action in the courts.

12. In September 2017 a new Nordic cooperation agreement was signed by the competition authorities in Sweden, Finland, Norway, Denmark, Iceland and Greenland. The cooperation agreement enhances the competition authorities' ability to gather information on behalf of one another, for example through dawn raids, and to exchange information in conjunction with investigations. The agreement must be ratified by each country's parliament.

3. Enforcement of competition laws and policies

3.1. Action against anti-competitive practices, including agreements and abuses of dominant positions and anti-competitive sales activities

3.1.1. Summary of activities of the SCA

Anti-competitive cooperation and abuse of dominant position

13. During 2017, the SCA made 9 decisions pursuant to Chapter 2, Articles 1 and 7 of the Swedish Competition Act and Articles 101 and 102 of the Treaty on the Functioning of the European Union (TFEU). Several investigations were closed due to the parties eliminating the competitive concerns in the course of the case being processed.

Anti-competitive sales activities by public entities

14. The SCA made 2 decisions on cases relating to anti-competitive sales activities by public entities.

Tip-offs and complaints

15. The SCA received approximately 600 competition-related tip-offs and complaints from companies, customers and consumers in 2017, which is a slight decrease compared to the year before. In late 2017 the SCA launched an anonymous whistle-blowing tool.

*3.1.2. Description of significant cases, including those with international implications**Anti-competitive cooperation**Aleris, Capio and Hjärtkärlgruppen*

16. In 2013 the SCA petitioned the Stockholm District Court to order Aleris Diagnostik, Capio St Görans Hospital and Hjärtkärlgruppen to pay fines totalling almost SEK 41 million. The SCA claimed that the companies had collaborated in an illegal manner in conjunction with Stockholm County Council's procurement of clinical physiology services. The Stockholm District Court ordered the healthcare companies to pay administrative fines totalling SEK 28 million. The companies appealed the judgment to the Patent and Market Court of Appeal. In April 2017 the appeal court overturned the District Court's verdict and rejected the SCA's petition. (Ref no.: 483/2013).

Removals sector

17. In July 2014, the SCA raised an action against removals companies for anticompetitive agreements in respect of international household removal assignments. The SCA petitioned the court to order the companies to pay SEK 42 million in administrative fines. Following the main hearing in Stockholm District Court in March 2016 the Court rejected the Authority's petition. The Authority appealed the judgment. The Patent and Market Court of Appeal rejected the SCA's appeal and found that there was no infringement of the competition rules. (Ref no.: 511/2014).

TeliaSonera and Gothnet

18. In December 2014 the SCA petitioned Stockholm District Court to order Telia Sonera Sverige and Göteborg Energi Gothnet to pay almost SEK 35 million in administrative fines for anti-competitive cooperation in conjunction with the City of Gothenburg's procurement of data communication services in 2009. In 2016, the Patent and Market Court ordered each company to pay SEK 8 million. Only Telia appealed the judgment. In February 2018 the Patent and Market Court of Appeal overturned the Patent and Market Court's judgement in respect of Telia, finding that there was no infringement of the competition rules. (Ref no.: 848/2014).

Ice Hockey players' agents

19. The SCA investigated whether the rules applying to Swedish ice hockey agents infringed the prohibition on anti-competitive agreements. According to the wording of the

ethical rules for agent activities and the rules governing the certification of agent activities, an agent was not allowed to contact players who already had a contract with another certified agent. Moreover, to become certified, an agent would be required to have assisted an athlete with their economic affairs for at least two years. After having been informed that these rules would be changed to open up the ice hockey agent market to competition and facilitate the certification of potential agents, the SCA decided to close the investigation in July 2017 (Ref no: 723/2016).

Catering equipment

20. The Authority investigated a suspected anti-competitive cooperation between companies active in a public procurement concerning catering equipment. Several of them had submitted identical or at least very similar bids. The procurement was designed in such a way that it was divided by county and none of the suspected companies had submitted tenders in the same county. The investigation showed that the suspected companies were exclusive retailers of Electrolux Professional AB, with exclusivity agreements that prohibited them from conducting active sales in a geographical area already assigned to another exclusive retailer. The geographic areas which had been assigned to these retailers coincided with the division of counties made in the procurement. Therefore, it was not clear whether or to which extent this conduct could damage competition and consumers. During the course of the investigation, Electrolux adopted new guidelines that clarified its and its retailers' actions in relation to public procurements. As a result of this, the SCA decided to close the investigation in December 2017 (Ref no: 741/2016).

Abuse of a dominant position

Swedish Match

21. In 2014 the SCA filed an action with the Stockholm District Court requesting the court to order Swedish Match North Europe to pay almost SEK 38 million in administrative fines as a result of an abuse of its dominant position. From June 2012 to April 2013 Swedish Match had introduced a compulsory system for shelf labels in wet snuff (snus) coolers, a system that limited the opportunities of its competitors to provide consumers with information about their brand and the price of their products. In February 2017 the Court issued its judgment, finding in the Authority's favour. Swedish Match appealed the judgement and the appeal will be heard in 2018. (Ref nos.: 415/2012, 815/2014).

Nasdaq OMX

22. In 2016, the SCA filed an action with the Stockholm District Court requesting that the court order three companies, Nasdaq OMX Stockholm, OMX AB and OMX Technology, to pay administrative fines totalling almost SEK 31 million. The SCA claimed that Stockholm Stock Exchange/Nasdaq OMX had abused its dominant position by exerting pressure on a data centre provider to prevent a competitor from placing computers for its trading system in the data centre. In 2017 the Patent and Market Court found that OMX was dominant, but had not abused its dominant position. The SCA has appealed the decision (Ref nos.: 629/2010, 406/2015).

FTI

23. The SCA received a complaint in 2016 that Svenska Förpacknings- och Tidningsinsamlingen AB (FTI) had abused its dominant position. FTI arranges the collection and recycling of waste packaging on the assignment of producers, and operates the only Sweden-wide and public infrastructure for collection of waste packaging from households. Since 2012, TMResponsibility AB has had an agreement with FTI to use the infrastructure to offer collection and recycling services in competition with FTI. In June 2016 FTI gave notice of termination of the agreement. In February 2018 the SCA adopted an infringement decision against FTI for abusing its dominant position. The company has been ordered to revoke the termination of the contract. The decision comes with a penalty of 20 million SEK in the case of non-compliance. The company has appealed the decision.

Blocket –BytBil

24. The SCA investigated a case concerning online marketplaces for cars, whereby the leading online marketplace enforced a condition forcing advertisers also to advertise on its sister company's website. The SCA considered that this could have limited the customer base for other advertising platforms. During the investigation, the companies decided to remove this condition, with the result that advertisements on the sister site became a voluntary add-on product. As a result, the SCA decided to close the investigation in June 2017 (Ref no. 601/2015).

Arla

25. The SCA investigated if Arla's new rules concerning the selling conditions of raw milk by its members could amount to an abuse of a dominant position. Based on the prevailing market conditions, the SCA decided not to prioritize this investigation. Nevertheless, the SCA found that this change of rules constituted a breach of a voluntary commitment made by Arla in a previous case in 2010 which had been accepted by the Authority. Therefore based on this finding, the SCA decided to revoke that decision to accept the commitment. This gives the Authority the possibility to investigate and intervene against Arla's rules on delivery obligations in the future if needed (Ref no. 630/2015 and 210/2017).

The gambling market

26. The SCA investigated whether certain terms and conditions within contracts concerning collaborations to organise a nationwide lottery were anti-competitive. After an extensive investigation as well as the removal of the clauses in the agreement between the parties, the SCA decided to close the investigation (Ref no.: 263/2013).

The market for lock products

27. During the course of the merger investigation of Assa Sverige's planned acquisition of Prokey, suspicions arose that companies within the Assa Abloy Group may potentially have abused their dominant positions. These companies were suspected of applying pricing to competing locksmith wholesalers which, along with the prices offered to locksmiths, could represent a margin squeeze. The SCA also investigated suspicions that exclusivity and loyalty terms in agreements with locksmiths and security companies could restrict competition on the market for locksmith wholesalers. The investigation and the economic analysis did not prove the existence of marginal squeeze; nor did it show

that the customer agreements had the ability to restrict competition. Therefore, the SCA decided to close the investigation (Ref no: 494/2013).

Anti-competitive sales activities by public entities

Municipality of Hässleholm

28. In September 2017, the SCA submitted an application to the Patent and Market Court to request that the court order the Municipality of Hässleholm to cease refusing private companies access to the Municipality's land by not granting land agreements and permits for the laying of fibre cables. This summons application was combined with a request of a penalty payment of 25 million SEK in the event of non-compliance (Ref no. 749/2015 and 469/2017).

3.2. Mergers and acquisitions

3.2.1. Statistics on number, size and type of mergers notified and/or controlled under competition law

Mergers

29. The SCA adopted 80 decisions relating to concentrations between undertakings. Three mergers were subject to an in-depth investigation in 2017. Two of these were notified in 2017 and one was notified in 2016.

30. The following table shows the number of new cases registered during 2017 under the Competition Act and the number of decisions during the same period.

Table 1.

Year	Registered new cases		Decisions	
	2016	2017	2016	2017
Mergers	74	80	77	80

3.2.2. Summary of significant cases

Ahlsell AB Sverige - ViaCon AB

31. The SCA carried out an in-depth investigation of Ahlsell's planned acquisition of ViaCon. Both parties operated as wholesalers in the market for water and sewage materials to professional end-customers such as construction companies and municipalities. The investigation showed that the acquisition could lead to a reduced competitive pressure in the short term but not to a significant impediment to effective competition. Customers would still have several wholesalers to purchase from and there were no significant barriers to market entry or expansion for other wholesalers. The SCA did not consider that other manufacturers of water and sewage materials would lose the ability to sell their products in Sweden as a result of the merger. The Authority did not take any action against this merger (Ref no. 383/2017).

Nibes Industrier AB - Enertech Group

32. In January 2017, following an in-depth investigation, the SCA decided not to take any action against Nibe's proposed acquisition of Enertech. Both parties operated as producers in the market for heating technology and energy efficiency. The merger resulted in high market shares and the parties were close competitors. The SCA was also concerned that the merger could lead to an increase in prices or reduction in quality in the market for heat pumps. However, the investigation showed a number of circumstances that were expected to counteract the adverse effects on competition, including the potential for new market entry in the heat pump market and the ability and incentive for customers to change supplier in the event that prices increased. (Ref. no 630/2016).

Arla Food AB – Gefleortens Mejeriförening

33. In October 2017, following an in-depth investigation, the SCA decided not to take action against Arla Foods AB's proposed acquisition of Gefleortens Mejeriförening. At the time of the concentration Arla had a very strong position in the dairy market in Sweden, and the acquisition was expected to strengthen this position further. However, the SCA's investigation showed that Gefleortens did not exert a significant competitive pressure on Arla Foods. Gefleortens' reduced sales and declining profitability also indicated that the competitive pressure would weaken further irrespective of the concentration. The concentration was also not considered to limit the possibility for market entry or expansion. (Ref. no 393/2017).

4. The role of the SCA in the formulation and implementation of other policies, e.g. regulatory reform, trade and industrial policies

4.1. Advocacy

34. One of the tasks of the SCA is to identify obstacles to effective competition in public and private operations. The SCA is tasked with presenting proposals for the opening up of markets to competition and for regulatory reform, as well as with monitoring developments within the area of competition. The SCA makes proposals for improving competition in reports, responses to official consultations and official communications to the government. The SCA also provides comments and opinions to other public authorities that solicit the SCA's views on a particular investigation or changes to the regulatory framework.

4.1.1. Reports

Report on the Swedish Competition Authority's enforcement activities 2015-2016¹

35. The report contains information about the SCA's priorities and investigations. It is a part of the Authority's work to be clear and transparent about its enforcement activities, in order to increase foreseeability and promote compliance with the competition rules. (Report series 2017:5)

¹ http://www.konkurrensverket.se/globalassets/publikationer/rapporter/rapport_2017-5.pdf

Competition and growth in digital markets²

36. The SCA was commissioned by the government to describe and analyse the development of e-commerce and the sharing economy in Sweden as well as to describe the effect on the SCA's enforcement activities in the light of these developments. (Report series 2017:2)

The development of prices for over-the-counter pharmaceuticals following re-regulation³

37. The Swedish market for pharmacies was re-regulated in 2009. One of the aims of the reform was to ensure low prices for pharmaceuticals for consumers through increased competition. The report analyses how prices for over-the-counter pharmaceuticals have been affected by the increased competition from new sales channels. (Report series 2017:3)

The market for payment services in Sweden⁴

38. This report analyses the market for payment services in Sweden. The Swedish market for payment services is growing as consumers purchase more, especially online. This development has resulted in changed payment patterns and increased opportunities for actors in the market for payment services. (Report series 2017:7)

The market for care homes or residences for unaccompanied minors and other children and young people⁵

39. The SCA was commissioned by the government to describe the market conditions on the market for care homes or residences for children and young people. The report encompasses care homes or residences run both by privately-owned companies and by the public sector. (Report series 2017:8)

Pricing models on the market for pharmaceuticals⁶

40. The market for pharmaceuticals in Sweden can be divided into several sub-markets, each with its own set of rules and conditions for competition. The report analyses the conditions for competition that exist on the different sub-markets and compares the price levels in Sweden with other countries. (Report series 2017:9)

Legal services and consumers⁷

41. This report analyses the market for legal services offered to consumers. The market is characterized by a large number of market participants with different areas of specialisation and has been found to be one of the most problematic markets for

² http://www.konkurrensverket.se/globalassets/publikationer/rapporter/rapport_2017-2.pdf

³ http://www.konkurrensverket.se/globalassets/publikationer/rapporter/rapport_2017-3.pdf

⁴ http://www.konkurrensverket.se/globalassets/publikationer/rapporter/rapport_2017-7.pdf

⁵ http://www.konkurrensverket.se/globalassets/publikationer/rapporter/rapport_2017-8.pdf

⁶ http://www.konkurrensverket.se/globalassets/publikationer/rapporter/rapport_2017-9.pdf

⁷ http://www.konkurrensverket.se/globalassets/publikationer/rapporter/rapport_2017-10.pdf

consumers. Technical developments can, however, lead to lower costs and increase transparency, making it easier for consumers to compare legal services and make well-informed choices. (Report series 2017:10)

4.1.2. Responses to official consultations

42. The SCA responded to 159 official consultations during 2017. By commenting on proposals made in reports and other inquiries the SCA can assist the government and other agencies in the preparation of proposals and decisions. Staff from the SCA have participated as experts in a number of inquiries during the year. The Authority has also had contacts and consultations with various authorities such as the Swedish Consumer Agency, the National Agency for Public Procurement, the Energy Markets Inspectorate, the Swedish Transport Agency, the Post and Telecom Authority, the Press and Broadcasting Authority and the Dental and Pharmaceutical Benefits Agency. Below is a selection of the Authority's responses to official consultations on the subject of competition in 2017.

Negative position on limits on profits of private social welfare companies

43. The SCA has taken a primarily negative view on proposals from the government regarding a limit on profits of private companies providing social welfare services, but has mainly endorsed proposals regarding improved quality. In its responses, the SCA has pointed out that issues raised by the governmental inquiries have almost exclusively concerned operations where private companies are given public funds without any preceding competition in accordance with the rules on public procurement. Therefore, the SCA put forward the view that the inquiry's proposals for a special authorisation to receive public funds, as well as limits on profits within the area of social welfare, should at least not encompass contracts that have been awarded in accordance with the public procurement rules. (Ref no.: 710/2016, 299/2017, 499/2017 and 370/2017)

Proposals with the potential to improve competition

44. The SCA has endorsed several proposals with the potential to improve competition. Among these are a more effective right to transfer insurance savings, increased opportunities to exchange pharmaceuticals for cheaper options, a new more supplier-centric model for the Swedish market for electricity, a re-regulation of the gambling sector, increased opportunities to set up pharmacy agents, and modernised rules for taxis and ride-sharing. (Ref. no.: 435/2017, 398/2017, 380/2017, 242/2017, 219/2017 and 739/2016)

Negative views on aid to the media and financial taxes

45. The SCA has taken a negative view on proposals regarding aid to the media and a tax on financial operations, known as the "bank tax". (Ref. no.: 771/2016 and 682/2016)

Proposals related to the competition rules

46. The SCA has endorsed the abolishment of the block exemption for the insurance sector, a partial tightening-up of secrecy provisions regarding competition cases in the courts, and the implementation of minor amendments as a result of the increased decision-making powers for mergers that have been granted to the SCA. The SCA has however, taken a negative view of the proposal to amend the competition rules for the

agricultural sector currently being considered by the EU. (Ref. no.: 695/2016, 263/2017, 80/217 and 487/2017)

The competition and consumer rules are fit for purpose for the sharing economy

47. The SCA took the position that the development of the sharing economy does not constitute a reason to amend consumer law. Along the same lines, the SCA stated in a government assignment⁸ that the competition rules are fit-for-purpose for the development of the new economy, despite the fact that the development may bring about challenges for authorities. (Ref. no.: 283/2017 and report series 2017:2)

4.2. Research

48. The SCA has a mandate to conduct research connected with its areas of operation. In 2017, the appropriation allocated to research in competition and procurement was approximately SEK 14 million. The research appropriation is divided up into funding for researchers at higher education institutions and funding for projects that the researchers initiate themselves. The SCA primarily finances research within law and economics. It also arranges conferences, seminars and workshops where information is provided about the research and its findings. In addition to this, each year the Authority organises an essay competition for students.

4.2.1. Projects that received funding in 2017

49. During the year, the SCA received 42 applications requesting funding for research within the fields of competition and procurement. The SCA granted funding to ten new projects, of which six were in the field of competition research. The 2017 funding amounted to a total of nearly SEK 4.7 million. In total the SCA paid over SEK 11.1 million to different projects.

50. The following is an account of new research projects in the area of competition law and economics.

- Karl Wennberg, “The impact of competition on the working environment in schools.”
- Mark Bernard, “Structural links in vertical markets with free entry: An investigation in light of recent regulatory developments in telecommunications.”
- Ragnhildur Helgadóttir, “The Nordic Competition Law Network’s 10th anniversary conference in Reykjavik 2018.”
- Julian Nowag, “Conference: Corporate law and finance meets antitrust policy: Old and new questions.”
- Matilda Orth, “Investments, productivity and competition in the broadband market.”
- Mathias Herzing, “Cost-effectiveness of actions against anti-competitive agreements.”

4.2.2. Commissioned research

51. The SCA commissions research when it sees a direct need to investigate or highlight specific issues within competition and/or procurement. The results are then

⁸ See the report *Competition and growth on digital markets* (Report series 2017:2).

reported in a special report series for commissioned research. We assign a reference group to each project to provide quality assurance for the study. The reference groups consist of individuals with special expertise in the field in question. The SCA's ambition is for the reports to be founded on solid academic grounds and to be written in such a way that the content can also be understood by non-specialists. In 2017 around SEK 2 million was allocated for commissioned research within the fields of competition and procurement.

52. In 2017 the SCA published the following commissioned research reports on competition:

- Carl-Johan Petri & Nils-Göran Olve, (2017), "Accounting separation for costs in municipal activities" (Konkurrensverkets uppdragsforskning 2017:3).
- Christian Sandström, (2017), "Disruptive digitalisation in the market for legal services. Fast evolution or technical revolution?" (Konkurrensverkets uppdragsforskning 2017:4).

4.2.3. Conferences and workshops

53. To share and advance knowledge about current competition-related matters, the SCA holds an annual international research seminar entitled "Pros and Cons". Since the first seminar in 2002, researchers and experts have discussed the pros and cons of compelling questions in the field of competition law. The theme of 2017's seminar, which was held on 3 November, was "The Pros and Cons of the Market Definition". Around 120 researchers, academics, lawyers and representatives of competition authorities participated in the conference.

54. On 2 November, the SCA's Research Council held its annual Swedish Workshop in Competition and Procurement Research (SWCR).

4.2.4. Essay contest

55. In an effort to promote interest in competition and procurement matters among students, the SCA holds an annual essay contest. The contest is open for all topics that are relevant to the activities of the Authority. In 2017 there were 29 entries submitted and five of these were awarded prizes and shared a total of SEK 100,000. Three of the essays addressed competition-related issues.

4.2.5. Council for Research Issues

The SCA has a designated research council. The Council consists primarily of external academic researchers within the fields of economics, law and business administration. The Council is tasked with stimulating research in the fields of competition and procurement, and providing the SCA and the National Agency for Public Procurement with findings from developments, primarily in the economic and legal sciences, which may be of significance to our activities.

4.3. Communication and knowledge

56. Part of the SCA's task is to promote competition and provide appropriate information for companies and other stakeholders regarding important decisions, implementation of the rules and the content of these rules.

4.3.1. Ongoing focus on digital communication

57. We have continued to prioritise digital communication throughout 2017. We have communicated via our website, through digital newsletters and social media, through traditional media, meetings and industry forums, and in several different arenas both in Sweden and internationally.

4.3.2. Electronic newsletter: Procurement and competition

58. During the year the SCA has published a newsletter that addresses both procurement and competition issues. The newsletter is published bi-weekly and provides almost 3,000 subscribers with up-to-date information.

4.3.3. Interactive guidance

59. Our interactive digital guidance is a fast way for us to help our target audience with various different issues. The guidance promotes a better understanding of rules and regulations and is greatly appreciated by its users. During 2017 we published an English version of our digital guidance package addressing distribution agreements, which explains what suppliers and resellers should think about when entering into agreements to buy or sell a product or service.

4.3.4. Video

60. During 2017 the Authority developed its usage of video. Besides our real time webcast seminars, the SCA also uploaded various videos and clips on its website and made material available via YouTube.

4.3.5. Podcasts

61. As part of its efforts to develop and refine its digital communication, the SCA continued to develop its podcasts throughout 2017. Entitled “Konkurrenten” (The Competitor), the podcasts address competition and procurement-related issues. A total of eight episodes were broadcasted in 2017. In total, the podcast episodes have had around 9000 listeners. In addition to the participation of staff from the authority, the SCA has on three occasions invited external guests to participate.

4.3.6. Web-based customer service

62. Questions and complaints to the Authority are primarily conducted via the SCA’s “tip-off” function. To make it easier for the SCA’s target audience to find the right answers to its questions, the Authority has, during the year, continued to develop its work with a web-based question forum. The SCA has also launched an anonymous whistleblower tool.

4.3.7. Almedal week

63. The SCA arranged seminars in Visby during a week dedicated to public policy discussions called Almedal Week in July 2017. The theme of the seminars was “welfare and markets”. Two seminars were arranged with the National Procurement Agency and one in collaboration with the Swedish Anti-Corruption Institute and various other parties.

4.3.8. Media

64. The SCA has actively taken part in the public debate of competition related issues. The Authority distributed 34 press releases during 2017, and was mentioned in 5414 articles⁹.

4.3.9. Stakeholders' views

65. The SCA conducted its 25th consecutive survey on stakeholders' perception of the SCA's supervision, their knowledge of applicable rules and their confidence in the SCA. The stakeholders surveyed were: large companies (200 employees or more), SMEs (fewer than 200 employees), trade associations, municipal authorities and county councils, corporate lawyers, financial journalists and a group comprising public authorities and agencies. These findings are used when prioritising information initiatives and other activities for the coming year. The survey involved around 800 participants.

66. In a weighting of the various stakeholder groups, the majority, 59 per cent, responded that they have a high or very high level of confidence in the SCA, which is slightly lower than the previous two years. Answering the question of whether the SCA is an accessible and open authority, 23 per cent agreed, 28 per cent gave a neutral response, and 42 per cent did not have an opinion. The responses may suggest that several of the respondents have no experience of the SCA.

67. A little over half of those surveyed (56 per cent) have a positive attitude to the Competition Act. Large companies are the most positive, whilst financial journalists are the most negative. 80 per cent think that it is good that the Authority communicates clearly which cases it prioritises.

68. All stakeholder groups still have a very positive attitude toward competition. 96 per cent believe that competition is good. 45 per cent believe that there are operators that consciously violate competition laws quite or very often. The majority, 57 per cent, believe that the Authority actively works to counteract serious infringements of competition laws. This is a slight decrease compared with 2016 (61 per cent).

69. The general level of awareness of competition legislation remains high. 61 per cent answered that they know that the SCA is responsible for the enforcement of the Competition Act. This is a slight increase on 2016, when it was 55 per cent. 90 per cent responded that they are aware of the Competition Act.

70. Knowledge of the main areas covered by competition legislation remains high. For example, 94 per cent of respondents stated that they were aware that there are prohibitions against anti-competitive agreements. 95 per cent know that mergers can be prohibited, and 89 per cent are aware that there are prohibitions against abuses of a dominant position.

71. Amongst those who have contacted us in connection with competition and procurement cases, the percentage that has a positive overall view of how the Authority handled the case is 49 per cent. The overall perception of the Authority is at a lower level than recent years.

⁹ Source: Retriever

4.3.10. The general public's attitudes to competition

72. During November and December 2017 the SCA carried out a survey of the general public's attitudes to competition for the first time. The survey was based on 2050 interviews with randomly selected participants via an online form. The results were weighted with regard to sex and age. Among the results, the survey showed the following:

- More than two-thirds of people have a positive view of competition between companies. Despite this, knowledge of the Competition Act is low. A clear majority consider that they have low knowledge of the Act, and only one in ten consider they have good knowledge of the Act.
- Low prices are the primary motivation behind having a positive view of competition. From the open responses, it is clear that those interviewed consider that competition leads to lower prices and better choice, but at the same time there was some concern about poorer quality as a result of lower prices, as well as some concern about smaller competitors being squeezed out leading to poorer choice.
- There is a positive view of the SCA among the public. One in five had insufficient knowledge to make an assessment of the SCA. Of those that had an opinion, the majority were positive. Of those that had heard of the SCA in the last year, nearly all considered that the information they had seen or heard was neutral or positive.

4.4. International work

4.4.1. European Competition Network

73. Within the European Competition Network (ECN), the SCA maintains a close working relationship with the European Commission and the competition authorities of the member states in the application of Articles 101 and 102 of the TFEU.

74. The national competition authorities are obligated to consult the Commission before reaching decisions under Articles 101 and 102 of the TFEU. In 2017, the Authority consulted with the Commission on one such matter.

4.4.2. Cooperation on merger control

75. During 2017 the SCA participated in five of the Advisory Committee's meetings regarding the Commission's merger controls. The national competition authorities have a special working group that is charged with promoting greater cooperation on merger controls. In 2016 the Authority took part in three meetings organised by the working group.

4.4.3. Nordic cooperation

76. The Nordic competition authorities have enjoyed close cooperation for many years. At the most recent Nordic competition meeting in Helsinki in September 2017, Sweden, Denmark, Norway, Iceland, Finland and Greenland signed a new Nordic cooperation agreement on competition matters. The agreement replaces a previous, more limited agreement. Ratification by the countries' parliaments is now required for the agreement to come into force.

77. At the meeting in Helsinki the Nordic competition authorities also held seminars discussing topics such as competitive closeness, the payment services market and joint bidding.

78. Within the framework of the Nordic cooperation there are also special working groups, such as the cartel network, whose members are authority employees who work specifically with cartel investigations.

4.4.4. OECD

79. During 2016, the Competition Committee within the Organisation for Economic Cooperation and Development (OECD) held two meetings in which the SCA participated.

4.4.5. ICN

80. The SCA actively participates in the ICN's five working groups. From May 2015 to March 2018, Sweden was chair of the Advocacy Working Group. The chairmanship during 2017-2018 was shared with the competition authorities in Singapore and Mexico. During 2017 the focus of the SCA's work in the working group was, among other things, on the production of guiding principles for market studies, as well as an update of the ICN's Market Studies Information Store.

81. The SCA was represented in workshops arranged by the Merger Working Group, the Unilateral Conduct Working Group and the Cartel Working Group, as well as at the ICN's Annual Conference in Porto.

5. Resources of the SCA

5.1. Resources overall

5.1.1. Annual budget¹⁰

- 2016: SEK 140.9 million.
- 2017: SEK 143.3 million.

5.1.2. Number of employees

82. There were 134 full-time equivalents at the SCA during 2017. 112 worked on competition issues, of whom 96 were non-administrative staff.

5.2. Human resources (person years) applied to:

83. Enforcement against anti-competitive practices and merger review: 96 non-administrative staff (no. of employees in competition enforcement department, department for communications and international affairs, legal department and chief economist's department)

84. Advocacy efforts: 10 (no. of employees in Advocacy Department)

¹⁰ The figures represent the budget allocation to the SCA as stipulated in the Government Appropriation Directive for 2017 as well as 2016.

5.3. Period covered by the above information

- 2017.

6. Summaries of or references to new reports and studies on competition policy issues

85. Reports issued during 2017 with references to where they can be downloaded and a brief description of their contents can be found in section 3.1.1 Reports.