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**DIRECTORATE FOR FINANCIAL AND ENTERPRISE AFFAIRS
COMPETITION COMMITTEE**

Cancels & replaces the same document of 30 July 2025

Global Forum on Competition

COMPETITION LAW ENFORCEMENT IN INFORMAL MARKETS

Session III – Call for country contributions

2 December 2025

This document is a call for country contributions for Session III of the Global Forum on Competition to be held on 1-2 December 2025. GFC participants are invited to submit their written contributions by 24 October 2025 at the latest.

Mr. Paulo Burnier (Paulo.BURNIER@oecd.org) and Ms. Carolina Alessi (Carolina.ALESSI@oecd.org).

JT03570000

TO ALL GLOBAL FORUM PARTICIPANTS

Re: Roundtable on “Competition Law Enforcement in Informal Markets”

24th Global Forum on Competition (1-2 December 2025)

Dear GFC Participant,

This year, the [Global Forum Competition](#) (GFC) will hold a roundtable discussion on Competition Law Enforcement in Informal Markets. This letter provides background information on the topic and is an invitation for written submissions to this Roundtable.

Over the past years, the OECD has explored various facets of market dynamics and competition, including challenges that touch upon aspects of informal economic activities. This includes roundtables on [Competition Policy and the Informal Economy](#) in 2010 and [The Informal Economy in Latin America and the Caribbean: Implications for Competition Policy](#) in 2019, mainly focused on elements related to competition policy in the informal economy and less to competition law enforcement in related informal markets.

According to the International Labour Organization (ILO), the informal economy refers to “*all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements. Their activities are not included in the law, which means that they are operating outside the formal reach of the law; or they are not covered in practice, which means that – although they are operating within the formal reach of the law, the law is not applied or not enforced; or the law discourages compliance because it is inappropriate, burdensome, or imposes excessive costs.*” (ILO, 2012)¹.

This roundtable will not include informal activities of a criminal nature but it will focus exclusively on informal economic activities that are conducted outside the scope of full regulatory compliance (*i.e.* fiscal, safety, mandatory licensing, etc). These informal economic activities are not criminalised as such, but their delivery occurs in a way that circumvents formal regulatory frameworks.

In this context, examples of informal markets include certain transportation services (such as mini-vans and moto-taxis), street vendors of food or clothing, and home-based businesses (electricians, plumbers, home hairdressing, etc.). In these markets, informal businesses can compete with economic activities performed in formal markets, sometimes with a competitive advantage by not complying with regulations or tax obligations. Informal businesses can also compete between themselves, namely within the informal markets. Finally, informal businesses and formal businesses can be vertically integrated, for example in the agriculture sector when informal farmers sell fresh products to distribution in formal markets.

While national competition authorities apply their competition rules to protect competition within domestic markets, the existence and characteristics of informal markets raise specific challenges. These include difficulties in data collection, market definition, competition analysis and identification of anti-competitive practices, in addition to the effective enforcement of decisions and remedies. Furthermore, the interaction between formal and informal sectors can be complex, sometimes increasing competition but at other times limiting it, or even fostering anti-competitive practices within the informal sector itself.

The session will focus on issues related to competition law enforcement in informal markets and in markets where formal and informal economic actors coexist and interact. A central theme will be the interlink between formal and informal parts of the economy, including how informal businesses may exert a competitive constraint on formal firms, and how this dynamic affects key areas of competition analysis—such as market definition, the assessment of market power, and the design of remedies. The session will

¹ www.ilo.org/resource/informal-economy-and-atypical-forms-employment

explore the challenges that competition authorities face when addressing competition concerns in such mixed environments, and examine potential responses, including co-operation with other regulatory and administrative bodies. It will also consider experiences across jurisdictions on how to factor informality into enforcement decisions—both in fully informal sectors and in formally regulated sectors with significant informal participation. Finally, the session will address the dual role of informal businesses in competition enforcement: as actors that may engage in anticompetitive conduct, and as potential victims of such conduct, especially in contexts where formal firms exploit regulatory advantages or seek to exclude informal competitors.

The quality and utility of this session will be greatly strengthened by written contributions. In order to assist you with the preparation of your contribution, the Annex includes a suggested bibliography and a number of questions on which you may wish to focus. The list in the Annex is not exhaustive, and you are encouraged to raise and address other issues in your submissions and during the discussion. We also strongly encourage you to discuss and comment on your relevant enforcement experience in this area.

The OECD webpage for this roundtable will be the primary vehicle for conveying documentation and related links on this subject (see the GFC website: <https://www.oecd.org/en/events/2025/12/global-forum-on-competition-2025.html>). Unless explicitly requested not to do so, the Secretariat will reproduce all written contributions on the site.

In order to ensure an effective preparation of the roundtable discussion, we would be grateful if you could let the Secretariat know by **19 September 2025** at the latest if you are planning to make a written contribution on the topic. Written submissions are due by **24 October 2025** and failure to meet this deadline may result in your contribution not being distributed to delegates via O.N.E. in a timely fashion in advance of the meeting.

All communications regarding the documentation for this roundtable should be sent to Ms. Angélique Servin (Angelique.SERVIN@oecd.org). Please address all substantive queries relating to this discussion to Mr. Paulo Burnier (Paulo.BURNIER@oecd.org) and Ms. Carolina Alessi (Carolina.ALESSI@oecd.org).

Annex - Suggested questions for consideration in the written contributions

24th Global Forum on Competition Law Enforcement in Informal Markets

This Annex provides a list of questions for consideration in preparing a written contribution. A contribution does not need to cover every listed question, and you may wish to address issues not listed here. You are encouraged to refer to relevant cases or initiatives where appropriate to illustrate your answers. Please prepare your contribution as an integrated essay rather than a list of answers to questions. You may wish to include an annex with short case references.

A. How to Measure the Size of Informal Markets

- How are informal markets identified and measured in your jurisdiction?
- How do competition authorities typically identify the existence and scope of informal economic activities within markets? What are the main challenges in obtaining reliable data and information on informal firms and their activities?
- What are the sources of information that could inform competition authorities on the existence and structure of the informal sector? Are there cooperation agreements between your competition authority and other administrative bodies (e.g., tax authorities, licensing authorities, statistical offices, trade authorities for import data) that possess data or insights on informal firms?

B. How to Factor Informal Markets into Competition Analysis

- Have you had cases dealing with informal markets in your assessment? Please describe the context and the impact of the informal economy in your competition analysis (e.g., regarding market definition, competitive effects and remedies). We are also particularly interested in cases where the formal and informal segments of the market coexist and compete with each other. For instance, where informal players were considered as a competitive constraint in merger assessments or other enforcement contexts.
- When defining the relevant market for competition analysis, do you consider the possibility of including segments of the informal economy? If so, what methodologies do you employ (e.g., SSNIP test² and factors related to quality differences, technology standards, or legality)? In particular, how do you approach cases where informal suppliers compete directly with formal actors, and how is that reflected (or not) in the market definition?
- How do you assess the exercise of market power in informal markets? And the interplay between formal and informal markets when applicable?
- How do you factor the specificities of a given sector in the analysis of informal markets (e.g., whether informality concerns the import of substitutable goods, or if informal activity is characterized by small firms unable to grow, or unable to produce goods/services of the same quality as formal firms)? Do such sectoral features affect your assessment of the competitive dynamics between formal and informal actors?

² The SSNIP test ('Small but Significant and Non-transitory Increase in Price') is a hypothetical test used to define the relevant market by assessing whether a hypothetical provider of a product or service could profitably impose a small (typically 5–10%), significant, and non-transitory price increase without losing so many sales that the price increase would be unprofitable.

- Have you had cases in which remedies were designed or implemented, taking into account the presence or specific characteristics of informal markets or actors? What were the challenges in designing, implementing, or monitoring such remedies?

C. How to Enforce Competition Law in the Informal Markets

- Do you enforce competition law in informal markets? Please reply and justify your answer considering the definition of informal markets indicated in the introduction of this call for contributions.
- Have you faced specific legal or procedural challenges (e.g., service of process, due process compliance, right of defense) when initiating or conducting investigations involving informal economic actors?
- Have you faced legal challenges when applying fines to individuals or companies in informal markets (e.g. lack of data to inform the calculation of fines)?
- Can a distinction be made between cases dealing with *per se* or by object violations (where market definition might be less critical) and cases dealing with effect violations (where the size and structure of the informal market needs to be more thoroughly considered)?
- How do you perceive the interplay between a potential competition law infringement and other law violations in the informal markets (e.g. tax law infringement)?
- Have you had cooperation with other government bodies or international organizations to enhance competition law enforcement in informal sectors? What are the factors that have succeeded or impeded such cooperation so far?
- What tools or reforms (legal, institutional, or methodological) do you think would be helpful to improve competition authorities' ability to effectively enforce competition law in markets with significant informal components?

Suggested bibliography

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