Global Forum on Competition

INDEPENDENCE OF COMPETITION AUTHORITIES - FROM DESIGNS TO PRACTICES

Contribution from Georgia

-- Session III --

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-- Georgia --

1. Independence of the Agency

1. Establishment and effective functioning of the Competition Agency of Georgia is envisaged by the EU-Georgia Association Agreement. The Association Agreement underlines the importance of undistorted competition for the trade relations between its signatory parties and establishes the obligation to enact and maintain respective laws and regulations which effectively address anticompetitive agreements and abuse of dominant position on the market. For this purpose, article 204.2 of the Agreement envisages the establishment of the competition authority in Georgia, which would enforce competition legislation.

2. Georgia introduced significant amendments to the law on “Free Trade and Competition” in March 2014, based on which the Competition and State procurement agency was divided into two legal entities, and by the Government Resolution No 288 dated 14th April 2014 the new Competition Agency was established (hereinafter Agency). This decision marked a turning point, as a formally independent competition agency was for the first time introduced in the country. The Agency is accountable only to the Prime Minister of Georgia.

3. It should be noted that the principles of the EU law are followed by the Georgian legislation, but a number of issues, notably, in terms of procedural aspects and the powers of enforcement requires improvement. The Order of the Chairman of the Competition Agency N199 of December 16, 2015, “On Approval of the 2016-2018 Training Plan for the Agency” was issued exactly for this purpose. It aims to increase efficiency of the newly formed Agency, to raise public awareness with respect to competition policy issues, to train Agency staff and to enhance their qualification.