

Unclassified

English - Or. English

16 May 2025

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

Working Party No. 2 on Competition and Regulation

Assessing the Impact of Competition Authorities' Activities – Note by Brazil

16 June 2025

This document reproduces a written contribution from Brazil submitted for Item 4 of the 79th meeting of Working Party 2 on 16 June 2025.

Federica MAIORANO
Federica.Maiorano@oecd.org

JT03566392

Brazil¹

1. Introduction

1. Since 2020, the Department of Economic Studies of CADE has developed annual studies on the benefits of the authority's enforcement in cases related to anticompetitive practices and mergers. These studies are published in a working paper on the expected benefits of CADE's performance "*Mensuração dos Benefícios Esperados da Atuação do Cade*", in Portuguese. The 7th edition was released in March 2025 with an estimation of the outcomes of the authority's activities during 2024².
2. The document quantitatively measured the benefits of CADE's decisions on anticompetitive conducts and mergers. The methodology standardises estimates, providing comparisons over time. Having an evidence-based analysis ensures a more objective and transparent assessment of the authority's activities.
3. Annual performance analyses estimate the benefits of CADE's activities, in accordance with global trends of impact assessment and a nonmandatory disclosure, reinforcing transparency. The outcomes are disclosed on CADE's website, in the hearing sessions, and in the DEE's bulletins, published every four months.
4. On 12 June 2023, Brazil submitted the contribution "*Assessing and Communicating the Benefits of Competition Interventions – Note by Brazil*".³ The document details the methodology, the outcomes of the 2018-2022 period sorted by case types, and discusses limitations, improvements, and disclosure strategies to promote the competition culture.
5. Nonetheless, this submission covers (1) CADE's current methodology for impact assessment, with highlights of the differences in relation to the OECD's guidelines; (2) suggestions of review of the OECD's principles considering cases investigated and possible methodological changes; and (3) suggestions to expand the OECD's recommendations integrating qualitative metrics, and promoting a comprehensive approach to measuring the benefits of the antitrust policies.

¹ This paper was written by Camila Cabral Pires-Alves, Vitor Jardim Barbosa, and Rafaela Benites Cáffaro, a Commissioner at the Tribunal of CADE, her Head of Office, and assistant, respectively. Nicole Chama dos Santos, from the Department of Economic Studies (DEE/CADE), also made an important contribution to this work. Tainá Leandro, Fernanda Machado, and Cristiane Albuquerque, from the Secretariat for Economic Reforms of the Ministry of Finance (SRE/MF), also contributed significantly. It was translated into English by Izabel Cristina Medina Brum and proofread by Karine Neumann Gonçalves, in-house translators at the International Unit of CADE.

² CADE. *Working Paper no. 01/2025. Mensuração dos benefícios esperados da atuação do Cade em 2024*. Available at: < <https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2025/DT%20Benef%C3%ADcios%20de%20atua%C3%A7%C3%A3o%20do%20Cade%20em%202024.pdf>>. Retrieved on: 30/03/2025.

³ OECD. *Assessing and Communicating the Benefits of Competition Interventions – Note by Brazil*. Available at: [https://one.oecd.org/document/DAF/COMP/WP2/WD\(2023\)18/en/pdf](https://one.oecd.org/document/DAF/COMP/WP2/WD(2023)18/en/pdf)

2. Methodology

6. CADE's current approach follows the "OECD Guide for helping competition authorities assess the expected impact of their activities"⁴ to estimate welfare net gain which would reflect the benefits of its activities. The basis of calculation considers the total sales of the market affected, overcharges removed or avoided and the duration of the effect on prices, varying according to the type of decision (mergers, cartels, and unilateral conducts).

7. The OECD recommends considering only mergers that were blocked or required remedies, assuming they did not harm the market. The total sales are estimated using the revenues of the companies involved or a market proxy. Regarding anticompetitive practices, CADE considers only companies that were convicted. The study analyses decisions annually and adjusts financial data carefully based on the SELIC⁵ rate, if necessary. The outcomes are also disclosed annually, as well as sorted by aggregated decisions. When data on total sales are not available, CADE searches within the sources of online public domain to create estimates.

8. Furthermore, CADE carries out sensitivity analyses of the outcomes by changing the parameters used for calculation according to the OECD's ones.⁶ The agency establishes a set of parameters for the main estimates, considering the standard scenario. Based on it, there are variations stemming from adjustments to overpricing and duration parameters. Taking more conservative directions into account, estimates are lower, contrary to the aggressive ones, which result in potentially higher estimates. These variations are meant to carry out sensitivity analyses, and test the robustness of the results.

9. Thus, CADE's impact assessment follows the OECD's premises, referring to particular data from each case.

2.1. Particularities of CADE's impact assessment

10. The estimates of CADE's benefits to society include closed investigations due to the Cease and Desist Agreements signed between the authority and the respondents prior to the final decisions. Hence, the impact assessment comprises (1) mergers subject to accepted remedies, unilateral restrictions, or blockage; (2) convictions for unilateral conducts, including uniform commercial practices; (3) convictions for cartel; and (4) cease and desist agreements executed during the investigations.

11. Conducts not precisely categorised according to the OECD criteria are classified on a case-by-case basis in the decision-making process. For instance, exchange of information is considered a cartel conduct when it occurs in a collusive practice. Anticompetitive vertical agreements can be either a cartel or unilateral conduct, depending on the relation established among the parties.

⁴ OECD. Guide for helping competition authorities assess the expected impact of their activities, 2014. Available at: < <https://www.oecd.org/content/dam/oecd/en/topics/policy-sub-issues/evaluation-of-competition-interventions/Guide-competition-impact-assessmentENG.pdf>>. Retrieved on: 30/03/2025.

⁵ "The SELIC rate is the reference interest rate for the Brazilian economy. It influences other rates, such as those used in loans, financing and investments." Available at: <<https://www.bcb.gov.br/en/monetarypolicy/selicrate>>.

⁶ OECD. Guide for helping competition authorities assess the expected impact of their activities, 2014, p. 5.

12. Moreover, conducts by inactive or non-operational entities (such as individuals, associations, professional councils, and unions), appeals, and withdrawn mergers are not part of CADE's impact assessment.

2.1.1. The non-use of ex-post analyses parameters

13. The OECD Guidelines suggest the use of overpricing rates obtained from ex-post analyses conducted by the antitrust authority, which CADE has not experienced yet. As outlined above, in the "Discussion of the Roundtable on Assessing and Communicating the Benefits of Competition Interventions"⁷, Brazil does not carry out regular ex-post assessments due to the need to channel limited human resources into other activities. Also, proper incentives for these analyses are insufficient.

14. Thus, despite CADE's publications of some studies of this nature, the amount is not enough to use the data obtained from the observation of real cases in the impact assessment. Consequently, the authority uses the proxies indicated by the OECD.⁸

2.2. Conclusions on the application of the methodology

15. In summary, CADE's impact assessment methodology represents a valuable learning process in applying the approach recommended by the OECD. One of the key adaptations made by CADE to the organisation's methodology is the inclusion of impact assessments for Cease and Desist Agreements in cases involving unilateral conducts and

⁷ OECD. Discussion of the Roundtable on Assessing and Communicating the Benefits of Competition Interventions. Available at: [https://one.oecd.org/document/DAF/COMP/WP2/M\(2023\)1/ANN1/FINAL/en/pdf](https://one.oecd.org/document/DAF/COMP/WP2/M(2023)1/ANN1/FINAL/en/pdf). Retrieved on: 01/04/2025.

⁸ CADE's ex-post assessments, highlighting the parameters used in each analysis, are described below:

Working Paper no. 007/2022. Overpricing in cartels in the city of Belo Horizonte⁸: The methodology to study the overpricing was "differences in differences" (Diff in Diff, or DiD), comprising prices and retail profit margins. Results indicate an average increase of BRL 0.0119/litre of petrol (0.52%), and BRL 0.211/litre of ethanol (1.53%).

Working Paper no. 005/2022. BVMF-CETIP ex-post assessment⁸: DID was applied to analyse the effects of the merger in the financial market fees. Results showed that the average fees decreased with no adverse competition effects;

Working Paper no. 003/2021. Gol-Webjet and Azul-Trip mergers in the airline market⁸ DID was applied to analyse the impacts of the merger in fare prices and seats sold from July 2010 to December 2019. Gol's fares decreased 8%, and seats sold increased 38%; Azul's seats sold increased 27%, without impact on fare prices;

Working Paper no. 004/2019 – Benefits of Fighting Cartels in the Federal District⁸: This study estimated overpricing in fuel cartels using DID and the synthetic control model, with multiple counterfactuals. Benefits ranged from BRL 206 million to BRL 2.15 billion depending on the cartel operational period;⁸

Working paper no. 003/2019 – Ex-post Review of the Sadia - Perdigão Merger⁸: DID was applied to pizza and lasagne prices between 2008 and 2013. There was price reduction between 3.92% and 12.19% with no evidence of anticompetitive effects.

Working Paper no. 002/2018 – Damage Estimation of the Cartel in the Fuel Supply Market in the city of Londrina⁸: The study compared the estimated overpricing (4.6% to 6.6% of petrol and up to 12% of ethanol) with the application of fines through the reduced equation and structural models of supply and demand.

cartels. These agreements account for a significant number of case closures and, as with infringement decisions, lead to the cessation of anticompetitive practices. This adjustment better reflects CADE's institutional reality, as the authority consistently promotes and relies on negotiated resolutions in cartel and unilateral conduct cases. In addition, CADE's case-by-case classification of conducts as unilateral or coordinated further reflects its practical experience, and allows for flexible methodological choices tailored to each case's specificities. The categorisation is not rigid but adapted to the nuances of each investigation.

16. Since CADE adopts a simplified version of the OECD methodology, the authority excludes cases that are hard to quantify — such as those involving entities with no turnover, competition advocacy efforts, dissuasive effects, intertemporal discounting, and withdrawn mergers or appeals. In addition, CADE relies entirely on the OECD's standard parameters for overcharge rates and effect durations, as it has not developed its own estimates due to limited experience with ex-post studies. This streamlined approach allows for a basic estimation of benefits, but it does not fully capture the complexity and nuances of the authority's actions. In particular, the exclusive focus on price-related criteria overlooks important qualitative dimensions, such as changes in innovation, service quality, market diversity, consumer information asymmetries, and access to essential goods and services. Therefore, additional guidance from the OECD would be particularly valuable in strengthening the methodology, according to the recommendations in the following sections.

3. 2024 CADE's impact assessment results

17. In 2024, the number of cases considered in the calculation of the benefits of CADE's enforcement decreased. The higher number of cartel cases in 2018 reflected the Operation Car Wash⁹. The average of mergers subject to remedies is still 6 cases per year, while unilateral conducts decreased, as illustrated in **Table 1**.

Table 1. Number of cases by type of decision

Year	Merger		Cartels		Unilateral Conducts		Total
	Number of mergers	%	Number of mergers	%	Number of mergers	%	
2018	7	9%	60	76%	12	15%	79
2019	5	14%	18	51%	12	34%	35
2020	7	22%	17	53%	8	25%	32
2021	6	21%	19	66%	4	14%	29
2022	7	14%	37	73%	7	14%	51
2023	7	28%	10	40%	8	32%	25
2024	4	21%	12	64%	3	15%	19
Total	43		173		54		270

Sources: CADE. Documento de Trabalho nº 001/2020 – Mensuração dos benefícios esperados da atuação do Cade em 2018, 2020. Available at: <<https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2020/documento-de-trabalho-n01-2020-mensuracao-dos-beneficios-esperados-da-atuacao-do-cade-em-2018.pdf>>. Retrieved on: 30/03/2025.

CADE. Documento de Trabalho nº 007/2020 – Mensuração dos benefícios esperados da atuação do Cade em 2019, 2020. Available at: <<https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2020/documento-de-trabalho-n07-mensuracao-dos-beneficios-esperados-da-atuacao-do-cade-em-2019.pdf>>. Retrieved on: 30/03/2025.

⁹ A major investigation in Brazil focused on uncovering irregularities in contracts and financial dealings involving public and private entities.

CADE. Documento de Trabalho nº 005/2021 – Mensuração dos benefícios esperados da atuação do Cade em 2020, 2021. Available at: < https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2021/Documento-de-Trabalho_Mensuracao-dos-beneficios-esperados-da-atuacao-do-Cade-em-2020.pdf>. Retrieved on: 30/03/2025.

CADE. Documento de Trabalho nº 001/2022 – Mensuração dos benefícios esperados da atuação do Cade em 2021, 2022. Available at: < https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2022/DOC_001-2022_Mensuracao-dos-beneficios-esperados-da-atuacao-do-Cade-em-2021.pdf>. Retrieved on: 30/03/2025.

CADE. Documento de Trabalho nº 001/2023 – Mensuração dos benefícios esperados da atuação do Cade em 2022, 2023. Available at: <https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2023/DT_001-Beneficios-de-atuacao-do-Cade-em-2022.pdf>. Retrieved on: 30/03/2025.

CADE. Documento de Trabalho nº 001/2024 – Mensuração dos benefícios esperados da atuação do Cade em 2023, 2024. Available at: < https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2024/DT_001-Beneficios-de-atuacao-do-Cade-em-2023.pdf>. Retrieved on: 30/03/2025.

CADE. Documento de Trabalho nº 001/2025 – Mensuração dos benefícios esperados da atuação do Cade em 2024, 2025. Available at: < https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2024/DT_001-Beneficios-de-atuacao-do-Cade-em-2023.pdf>. Retrieved on: 30/03/2025.

18. CADE’s expected benefits rate is closely related to the types of cases analysed each year. Should any case of anticompetitive conducts, cartels, and cease and desist agreements occur, the main variable considered in the methodology is the turnover of the companies involved. However, for merger review cases, the turnover of the relevant market is considered. As each sector has different economic characteristics, the values associated with the benefits may also vary.

19. Regarding the reduction of the expected benefits in the last 3 years, it is important to highlight that this result comes primarily from the decrease of cases considered for the basis of calculation of the impact assessment. In 2024, for example, most of the Tribunal’s decisions were unrelated to the methodology adopted by the Department of Economic Studies (DEE/CADE), such as cases regarding price-fixing unilateral conducts by unions, professional councils, and trade associations.

20. CADE publishes annual and three-year moving averages, following the OECD’s recommendations¹⁰ to mitigate unusual fluctuations, and to assess long-term effects. Thus, it reduces the influence of discrepancies, as observed in 2019, and provides a clearer reflection of the impact of its decisions over time. **Table 2** illustrates the expected benefits with values updated to December 2024. Despite the drop in the number of cases in 2024, the expected benefits are still much higher than the amount of fines and financial contributions levied (BRL 305.8 million).

Table 2. Benefits from CADE’s activities over the years

Year	Benefits in USD	3-Year Moving Average
2018	5,280,103.319	-
2019	8,940,674.312	-
2020	808,409.869	31,783,983.772
2021	852,158.649	22,884,762.267
2022	2,387,681.959	2,387,681.959
2023	3,365,012.971	13,581,751.024
2024	628,793.102	12,610,233.190

¹⁰ OECD. Guide for helping competition authorities assess the expected impact of their activities, 2014, p. 5.

Source: Working Paper no. 01/2025 – The expected benefits of CADE’s performance in 2024

4. Benefits of updating the OECD assumptions

21. Although the OECD guidelines are highly useful and frequently applied by CADE, the parameters suggested by the organisation for calculating the benefits of the authority's actions have certain limitations. Expanding these parameters would enhance their applicability and make the measurement more accurate.

4.1. Turnover of non-business entities

22. Data about the turnover (either of the companies or the total market), for example, disregards entities with no commercial activities such as unions, and professional councils. Consequently, a significant number of cases is not properly reflected in the impact analyses, compromising the accuracy of the results of the antitrust authority performance.

23. In 2024, out of the 21 administrative proceedings judged by CADE's Tribunal, only 16 resulted in convictions. Among these cases, six were excluded from the impact assessment: two involved only labour unions (Cases No. 08700.002160/2018-45 and No. 08700.004093/2020-18), one involved solely a professional council (Case No. 08700.000284/2022-72), and three involved exclusively individuals (Cases No. 08700.001805/2017-41, No. 08700.002070/2019-35, and No. 08700.004558/2019-05). In the same year, among the five Cease-and-Desist Agreements approved, three were also excluded, as they were requested solely by professional councils, associations, or individuals (Requests No. 08700.006557/2023-73, No. 08700.007594/2023-07, and No. 08700.007495/2023-17). As a result, a significant portion of CADE's enforcement actions was not considered for the purpose of measuring the benefits that the agency brings to society.

24. In light of this, it is recommended that the OECD proposes alternative metrics to revenue, to improve its impact assessment methodology and more accurately reflect the diversity of cases handled by CADE.

4.2. Considering parameters unrelated to pricing

25. Moreover, the OECD’s guidance focuses on the benefits assessment based exclusively on price-related criteria. This approach exempts other relevant aspects such as variations of indicators associated with innovation, quality of goods or services, diversity in the market, information to consumers asymmetry, and impacts on the access to essential goods and services.

26. Nonetheless, the development of specific indicators to measure the influence of the decisions in strategic sectors, such as health and digital markets, would certainly be a promising approach.

27. The experience of other jurisdictions¹¹ demonstrates that mergers in some sectors, such as the hospital segment, can compromise the quality of the services, and hinder innovation. Similarly, concentration in the publishing industry may limit different types of publications and impact the authors compensation.

¹¹ OECD. *Discussion of the Roundtable on Assessing and Communicating the Benefits of Competition Interventions*, 2024, p. 06-07.

4.3. Promotion and assessment of competition advocacy initiatives

28. Unlike antitrust enforcement activities – such as investigations of anticompetitive conducts and merger control – which benefit from the OECD – recommended methodologies for estimating their expected impact, competition advocacy initiatives lack consolidated guidelines for the monetary quantification of their effects.

29. Competition advocacy plays a fundamental role in promoting more efficient, inclusive, and dynamic markets by preventing the approval of laws or regulations that harm competition or, at the very least, by mitigating their negative effects. These actions help prevent regulatory distortions, reduce entry barriers, and foster innovation.

30. Currently, the Secretariat for Economic Reforms of the Ministry of Finance (SRE/MF) and the Department of Economic Studies (DEE) of CADE¹² report advocacy activity indicators – such as the number of contributions submitted to legislative or regulatory projects, the number of published studies, or the proportion of recommendations accepted by regulatory agencies in their Annual Management Reports¹³⁻¹⁴. The agency fosters competition and transparency through the publications of yearbooks¹⁵ and other works, seminars, and an exchange programme for university students, in addition to the online broadcasting of the Tribunal hearings. It is crucial to increase the participation of the civil society to develop the assessment of the impact of CADE's activities.

31. Even so, it is essential to advance the debate on how to adopt more robust methodologies – such as quantitative estimates of expected benefits – to enable a more precise assessment of the impacts generated by competition advocacy activities. Measuring the expected monetary benefit of antitrust policies, including advocacy efforts, is fundamental to clearly and convincingly communicate their relevance to society. The economic quantification of impacts allows for the translation of often technical or abstract concepts into tangible outcomes, thereby facilitating the dialogue with policymakers, oversight bodies, and the general public.

¹² The law that established the Brazilian Competition Policy System (SBDC) in its current form (Law No. 12,529/2011) assigns the responsibility for carrying out competition advocacy actions to two bodies: CADE (Article 9, items VIII, XV, and XIX) and the Secretariat for Economic Reforms (SRE) of the Ministry of Finance (Article 19).

¹³ The 2023 Management Report of the Secretariat for Economic Reforms of the Ministry of Finance (SER/MF) is available at: <https://www.gov.br/fazenda/pt-br/composicao/orgaos/secretaria-de-reformas-economicas/relatorio-das-acoas-de-acompanhamento-economico/rel-gestao-seae-2023-final.pdf/view>

¹⁴ The 2023 Integrated Management Report of CADE is available at:

<https://cdn.cade.gov.br/Portal/aceso-a-informacao/Transpar%20e%20Presta%20a%20de%20Contas/2023/RIG-2023.pdf>

CADE's 2024 Yearbook is also noteworthy and can be accessed at:

<https://indd.adobe.com/view/89a82010-1734-43f2-954b-0318eb218ed1>

¹⁵ CADE's yearbook is an annual publication that provides statistics and relevant cases on competition advocacy, mergers and acquisitions reviews, and antitrust investigations. Additionally, it details institutional partnerships, events, investments in infrastructure, and human resources.

32. In 2023, the Department of Economic Studies (DEE) published a document on methodologies to assess competition advocacy activities,¹⁶ which conducts international benchmarking and highlights the experiences of Canada, the United Kingdom, and Spain in applying quantitative methods to measure the expected benefits of competition advocacy. The study suggests a methodology that combines both qualitative and quantitative approaches, also using criteria such as website traffic, media coverage, and economic analyses. Effectiveness should be measured by public engagement and the extent to which recommendations are incorporated into regulations, including the use of econometric methods to assess broader impacts.

33. Although some of these methodologies have been put into effect, antitrust agencies have no standardised model to follow and evaluate the impacts of the competition advocacy initiatives. Given the relevance of the topic to CADE and SRE/MF, expanding the OECD guidelines to include parameters that provide a quantitative estimation of the benefits of advocacy activities represents a valuable opportunity to strengthen the communication of results, providing greater legitimacy and visibility for these initiatives.

34. A possible approach would be to apply a methodology analogous to that proposed by the OECD for estimating the benefits of enforcement actions in cases of anticompetitive conduct and merger control to competition advocacy activities.¹⁷ Similar parameters could also be used to estimate the expected impacts of competition advocacy, especially when aiming to prevent or reverse regulatory measures that would have similar effects to anticompetitive practices.

35. There could be a standardised strategy of estimation methods – grounded in the principles set forth in the OECD's *Competition Assessment Toolkit*,¹⁸ to quantify the impact of the antitrust authority recommendations that prevented or modified regulations that restricted competition. Such an approach would allow for more accurate projections of the expected economic benefits, while strengthening the importance of these initiatives among institutional stakeholders and the general public.

36. Alternatively, the methodology from the report *OECD Competition Assessment Reviews: Brazil* (2022) could be used, which would allow for the evaluation of the effects of regulatory changes proposed by the authority in its advocacy opinions. This approach promotes an analysis towards mitigating competition barriers that negatively affect the country's economic growth by identifying rules that unduly restrict¹⁹.

¹⁶ Available at: <https://cdn.cade.gov.br/Portal/centrais-de-conteudo/publicacoes/estudos-economicos/documentos-de-trabalho/2023/DT_004-Avocacia-da-Concorrencia.pdf>.

¹⁷ The OECD proposes as benchmarks an estimated price reduction of 10% in cartel cases, 5% for abusive conduct, and an average reduction of 3% for each blocked merger.

¹⁸ *Competition Assessment Toolkit Volume I: Principles*. Access at: https://www.oecd.org/content/dam/oecd/en/publications/reports/2010/03/competition-assessment-toolkit-principles-version-2-0-volume-i_bd08493b/9c0a92de-en.pdf

¹⁹ The OECD methodology aims to identify regulations that unduly restrict competition, harming productivity, investment, and consumer welfare, while also fostering innovation, reducing prices, and expanding consumer choice. CADE's cooperation with the OECD demonstrated significant benefits of this approach, particularly in the civil aviation and port sectors. The project helped identify regulations that: (1) are vague and may be applied arbitrarily; (2) hinder the entry of new players, including small and medium-sized enterprises; (3) grant excessive profits to a few economic agents without a link to productivity or quality; and (4) impose additional costs on consumers. Applying this methodology in these sectors revealed estimated annual benefits ranging from BRL

4.4. Ex-post studies or directed research support

37. Partnerships with academic institutions and contracts with specialised consultancies from the United Nations Development Programme (UNDP) would enable a more systematised practice, increasing the analytical capacity of the agency.

38. Furthermore, the definition of strategic sectors for more careful analyses would allow better resource allocation, focusing on where competition effects are more relevant.

4.5. Intertemporal discount rate

39. Integrating intertemporal discount rates into the OECD's guidelines would provide dynamic features to the assessment of the impacts of CADE's decisions. This type of estimate allows the analysis of benefits over time, contributing to mitigate the risks of overestimating the effects. The main caveat on this approach is the need to align with the methodological premise that the decision originally made is always considered correct in such a way that the calculation should be based on this assumption. In this context, the OECD could deem relevant to create specific instructions to guide the application of this method.

4.6. Dissuasive effects estimate

40. Estimates on dissuasive effects are particularly challenging due to the need to consider the sector's understanding about the competition authority's actions, and the companies' perceptions of anticompetitive behaviour risks. In this context, to have OECD recommendations about how to measure those dissuasive impacts, based on the exchange of international experiences²⁰, would be valuable to increase the competition policy efficacy assessment.

4.7. Mergers and appeals dismissed

41. Appeals and mergers that are withdrawn are not considered for the impact assessment of CADE's activities. It would be useful to get suggestions for an efficient analysis, without duplicates, considering rates of changes to decisions.

42. For withdrawn mergers²¹, it is especially hard to determine whether the withdrawal resulted from external factors – such as changes in market conditions or business strategies – or from signals provided by CADE, for example, during the review process. In certain cases, when the Tribunal of CADE indicates possible restrictions or blockage, the pressure becomes unbearable, and the parties end up withdrawing. However, as there is neither a

700 million to BRL 1 billion, with particular emphasis on measures related to aviation fuel supply, maritime pilotage, and the management of port workers.

²⁰During the “Discussion of the Roundtable on Assessing and Communicating the Benefits of Competition Interventions” (2024), Professor Ilzkovitz mentioned a macroeconomic modelling approach to understand the dissuasive effects.

²¹ In November 2024, the case was dismissed due to Gerdau Açominas' withdrawal. The company held the external control of the Fundação Ouro Branco (FOB), which would be acquired by the cooperatives Unimed Conselheiro Lafaiete, Unimed Inconfidentes, and Unimed São João del Rei. General Superintendence Technical Note revealed capacity and incentives to foreclose, from input to customer foreclosure, in vertical integration involving general hospital health insurance, and in medical diagnosis-related services in Ouro Branco.

final decision nor an executed commitment, these transactions are not usually part of the impact assessment. Thus, it might be worth considering that the OECD develops guidelines to tackle similar contexts, enabling the impact assessment to include dissuasive and indirect effects of the performance of the antitrust authority.