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

Working Party No. 2 on Competition and Regulation

**Market Studies and other Market Analysis Tools for Competition Authorities – Note by
Paraguay**

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Paraguay

1. Introduction

1. This paper aims to present cases in which the National Competition Commission of Paraguay (CONACOM)¹ studied issues related to the banking sector.

2. Law and authority

2. Paraguay's 1992 Constitution sets out the guarantee for competition in the market².

3. Paraguay's competition law was enacted in 2013 under No. 4956 and the name of *Ley de Defensa de la Competencia* (LDC for its acronym in Spanish)³. In addition to setting the first legal framework in the country on matters of mergers and anticompetitive practices (abuse of dominance and anticompetitive agreements or cartels), it established a national competition authority for the first time: CONACOM. There was no prior institution or office that filled the role of a competition authority in the country.

4. CONACOM operates through two main bodies. The Board of Directors, comprised by three members, leads the institution on administrative matters, performs the role of competition advocacy and makes the decision on all enforcement cases⁴.

5. The enforcement cases, which could pertain to merger control, abuse of dominance or anticompetitive agreements, are all brought to the attention of the Board of Directors by the Directorate for Investigation, which has functional autonomy⁵.

6. On merger control, the Directorate for Investigation studies merger operations and issues technical opinions. Merger review is focused on whether the operation would significantly restrict competition due to the creation or reinforcement of dominance in the market.

7. When it comes to anticompetitive practices, the Directorate is in charge of investigating and filing charges against the alleged infringers of the LDC before the Board of Directors.

8. The Law also provides for advocacy mechanisms such as regulatory opinions and market studies which are, in both cases, entrusted to the Board.

9. Cases can be brought on to the attention of the Commission by third parties or be started *ex officio*.

¹ Document prepared by Pablo Ramírez Ayala, Head of Advocacy of CONACOM.

² Constitution of the Republic of Paraguay, article 107.

³ The LDC is available in Spanish at <https://www.bacn.gov.py/leyes-paraguayas/4775/ley-n-4956-defensa-de-la-competencia> (Accessed 21 Oct 2025).

⁴ LDC, art. 17.

⁵ LDC, art. 30.

3. General framework and prioritization

10. In 2021, CONACOM issued a resolution that recognized priority areas for market and economic studies in general. These sectors were picked after extensive surveys to market participants and staffers of CONACOM⁶.

11. The sectors that were chosen were construction, financial, energy, health insurance, public procurement, telecommunications, supermarkets and pharmaceuticals.

12. The surveys considered criteria such as the social impact of the sector, the interrelation with other sectors of the economy, the importance of the consumption of the goods or services, the volatility of prices, among others, measuring the perception of the targeted audience.

13. The survey was carried out by the Economic Advisory and Studies Department.

14. The decision to declare that the aforementioned sectors were prioritized was not meant to prevent CONACOM from starting action on any other sector.

15. Before the decision of the prioritization, CONACOM had already acted on several of those sectors in terms of its enforcement and regulatory advocacy actions, including antitrust cases on telecommunications and public procurement, merger cases in the financial sector, and regulatory opinions related to public procurement and construction.

16. After the prioritization, CONACOM focused on working on the selected topics without prejudice to day-to-day cases.

17. Merger cases are mostly driven by the notifications of market participants arising from the obligation to request the authorization of the competition authority, so the effects of the prioritization can best be measured by *ex officio* work in the fields of cases of anticompetitive practices, regulatory opinions and market and economic studies.

18. Since prioritization, CONACOM has started *ex officio* cases related to anticompetitive practices in the energy sector, such as the disciplinary proceedings against three guilds that united companies operating in different stages of the supply chain of fuel and natural gas⁷. All of these cases resulted in sanctions imposed to the guilds for infringing provisions related to anticompetitive agreements.

19. In the field of regulatory opinions⁸, the records of CONACOM point to *ex officio* opinions related to the energy, public procurement, telecommunications, financial and construction sectors.

20. As of October 2025, the competition authority has published two public economic studies: a market study on the public procurement of pharmaceuticals and an economic study on the supermarket sector, both responding to priority sectors.

21. The preceding evidence demonstrates that prioritization has allowed the Commission to focus resources when deciding on *ex officio* cases.

⁶ CONACOM: Resolución D/52/2021, *Por la cual se aprueban los sectores prioritarios determinados por el Área de Estudios Económicos de la CONACOM*.

⁷ Resolutions on all cases are available at <https://conacom.gov.py/historial>.

⁸ All opinions are available at <https://conacom.gov.py/opiniones>.

4. Different types of studies and challenges

22. Having been created in 2013 but staffed since 2015, CONACOM is a relatively new competition authority. Staffing numbers have been progressively increasing over the years, although the Commission remains short-staffed in several fields.

23. The Economic Advisory and Studies Department had no staffers from 2022 to 2025 due to administrative and budgetary constraints. During that time, staffers from other departments took over some of the duties but the lack of a proper department ultimately prevented the conclusion of work in progress.

24. The lack of staffers led to the alternative of seeking international cooperation for a consulting firm to be hired for a market study on the public procurement of pharmaceuticals. The Inter-American Development Bank stepped in and supported the project, which was carried out by external consultants with the support of the Board of CONACOM.

25. Since the incorporation of staffers to the Economic Advisory and Studies Department, work has resumed on existing market studies that were in progress.

26. Also in 2025, changes in the commercial policies of a major supermarket chain in the country led to an economic study of the impact of said policies.

27. While **market studies** are wide-encompassing studies of a specific market that seek to provide an objective outlook of how it functions, its barriers to competition and the relationships within it; **economic studies** are more focused on specific topics, aiming to analyze the impact of a specific measure or decision by market participants. Neither tool is a binding document, serving only as advocacy instruments that may guide the actions of market participants and regulators. However, their results may promote the starting of specific antitrust or merger cases.

5. Experiences from the market study on public procurement of pharmaceuticals

28. As stated in preceding paragraphs, CONACOM published a market study on the public procurement of pharmaceuticals that was prepared by external consultants through the support of the Inter-American Development Bank⁹.

29. The study aimed to understand the regulatory framework, the level of industry concentration, the risks associated with collusion, and potential market failures, as well as to propose recommendations that will help improve competition in the sector.

30. The results of the study demonstrated the difficulties and challenges faced when undergoing a major study.

31. The consultancy agreement had a term of 6 months for the preparation of the study whereby the appointed consultants had to process the information coming mostly from the public procurement authority, which is not structured and had to be checked beforehand.

32. The study focused on data on an “aggregate level”, with some levels of disaggregation of submarkets. Though it observed some degree of concentration in the submarkets, it concluded that monitoring was needed at even more disaggregated submarket levels to establish a watch list to assess the need for measures.

⁹ Inter-American Development Bank, Estudio de Mercado sobre el sector farmacéutico y de insumos médicos en contrataciones públicas. Available at <https://conacom.gov.py/estudios>.

33. The short term also meant that, while some participation from the private sector was recorded, it focused mostly on structural problems related to contractual payments and bureaucracy and concentration issues could not be properly covered. Difficulties in collecting subsequent information were also reported.

34. The study provides sufficient information to serve as the starting point for further market studies and to assist in the analysis of merger and antitrust cases. However, the challenges in its preparation underscore the significance of having internal resources and time planning for improved results.

6. Experiences from the supermarket competition conditions study

35. In 2025, CONACOM started an economic study on the decision by a major supermarket chain to change its supplier policy. This also aligned with the prioritization declared in 2021.

36. The supermarket company had been declared dominant in the purchasing market within the context of a merger case in 2022.

37. The study was carried out jointly by the Advocacy and Economic Advisory and Studies departments. The study had the voluntary participation of the supermarket company and some suppliers.

38. While the study took only some weeks, the collaboration of market participants allowed for information to flow and inform the positions of CONACOM. The more targeted approach to the study, which covered only the impact of the policy change in the market, and the experience of staffers in internal proceedings also proved vital in the timely conclusion of study.

39. The study concluded with recommendations to the supermarket chain and suppliers to promote competition in the sector, aiming to prevent anticompetitive practices that may affect the prices of goods¹⁰.

40. The study and its conclusions were submitted to the supermarket company, some suppliers and published in the Commission's website. The study was also provided to the Directorate for Investigation, which decided to start a case for the alleged infringement of conditions for the 2022 merger authorization.

7. Conclusions

41. Market and economic studies can be effective advocacy tools that provide information on the structure, dynamics and conditions of competition of markets.

42. Both tools can assist antitrust, merger and regulatory advocacy cases and can also be sufficient on their own when they inform policymakers, stakeholders and the general public, helping them understand the functioning of the market.

43. Prioritization can guide the intervention of the competition authority in specific sectors by encouraging *ex officio* actions, based on predetermined criteria, helping with the planning and assessment of the impact of the actions of the Commission.

¹⁰ CONACOM, Estudio de Condiciones de Competencia D/01/2025, *Retail S.A.* Available at <https://conacom.gov.py/estudios>.