Annual Activity Report 2019

OECD-GVH Regional Centre for Competition in Budapest (Hungary)
The OECD-GVH Regional Centre for Competition in Budapest (Hungary) (“RCC”) was established by the Gazdasági Versenyhivatal (GVH, Hungarian Competition Authority) and the Organisation for Economic Co-operation and Development (OECD) on 16 February 2005 when a Memorandum of Understanding was signed by the parties.

The main objective of the RCC is to foster the development of competition policy, competition law and competition culture in the South-East, East and Central European regions and to thereby contribute to economic growth and prosperity in the involved regions.

The RCC provides capacity building assistance and policy advice through workshops, seminars and training programmes on competition law and policy for officials in competition enforcement agencies and other parts of government, sector regulators, and judges. The RCC also works to strengthen competition law and policy in Hungary and in the GVH itself.

The RCC’s work focuses on four main target groups. The first group of beneficiaries are the competition authorities of South-East Europe and the majority of the CIS countries, namely Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kosovo*, Kyrgyzstan, North Macedonia, Moldova, Montenegro, Romania, the Russian Federation, Serbia and Ukraine. The work targeting these economies is regarded as the core activity of the RCC. These economies have all progressed with the development of their competition laws and policies, but are at different stages in this process. As a consequence, the needs for capacity building differ among the involved non-OECD member economies and this necessitates a broad approach to competition outreach work. Major capacity building needs in these regions include (a) enhancing analytical skills in competition law enforcement, (b) raising the awareness of the judiciary regarding the specific characteristics of competition law adjudication, (c) pro-competitive reform in infrastructure sectors, (d) competition advocacy, (e) relations between competition authorities and sector regulatory agencies, (f) legal and institutional reform in the area of competition, and (g) building international co-operation and networking.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the Advisory Opinion of the ICJ on Kosovo’s declaration of independence. Hereafter referred to as Kosovo.
Judges represent the second target group of the RCC’s activities. The seminars for judges provide judges with an opportunity to improve their understanding of competition law and economics, to exchange views on the latest developments in EU competition law, and to discuss the key challenges arising in competition law cases.

The third group of beneficiaries of the work of the RCC are the competition authorities which belong to the Central European Competition Initiative (CECI). This Initiative aims to provide a forum for co-operation on competition matters and was established by the Central European competition authorities in 2003. It is a network of agencies and operates via workshops and informal meetings. Involved are the competition authorities of Austria, the Czech Republic, Poland, Slovakia, Slovenia and Hungary. These countries all belong to the same geographic region, share fundamentally similar cultural traditions and historical experiences and are, more or less, at the same stage of development. As a result, their competition authorities face several common challenges and difficulties. Moreover, from time to time these authorities deal with markets which are regional, overlapping or which are connected to each other, and they may also on occasion deal with the same parties (the same companies within the region).

The fourth beneficiary of the RCC’s work is the GVH itself. The agendas of the RCC workshops that are organised for the staff of the GVH are related to ongoing projects or “hot” topics and provide an excellent opportunity for staff to learn about state-of-the-art antitrust theory and enforcement practices.

Concerning the functioning of the RCC, the Memorandum of Understanding of the RCC provides that the GVH and the OECD are to make major decisions on their activities and work jointly. For this purpose, the parties meet on an annual basis to review the operation and performance of the RCC and to prepare the annual work plan.

Regarding the financing of the RCC, the GVH is responsible for providing most of the necessary funding for the functioning of the RCC, including an annual voluntary contribution to the OECD for the costs associated with the staff position in Paris. The OECD helps to co-finance the RCC’s operation and activities. In addition to this, both the GVH and the OECD co-operate in efforts to raise additional financial support for the RCC from third parties.

In May 2019, Sabine Zigelski handed over her role as the Coordinator of the Centre to a new OECD official, Renato Ferrandi. Sabine moved on to other duties and responsibilities still at the OECD. Renato Ferrandi, former Senior Competition Official for the Italian Competition Authority, has extensive experience in international affairs and capacity building. We would like to thank Sabine for the exceptional contribution she has made over the last 6 years.
II. Overview of the activities for the year 2019

The RCC organised nine events in 2019. Seminars focused on some important core competences of competition authorities as well as on best practices in the area of competition law. In addition to its regular seminars, the RCC continued with its special initiatives: a seminar organised in one of the beneficiary economies, and a seminar organised jointly with the FAS Russia.

<table>
<thead>
<tr>
<th>Country or institution</th>
<th>Number</th>
<th>Person-days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
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<tr>
<td>Belgium</td>
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<td>8</td>
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<tr>
<td>France</td>
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<td>8</td>
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<tr>
<td>Georgia</td>
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<tr>
<td>Germany</td>
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<tr>
<td>Greece</td>
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<td>3</td>
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<tr>
<td>Hungary</td>
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<td>Italy</td>
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<td>Luxembourg</td>
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<td>Portugal</td>
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<td>Romania</td>
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<tr>
<td>Ukraine</td>
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<td>United Kingdom</td>
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<td>19</td>
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<td>United States</td>
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<td>EU Commission</td>
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<td>GVKH</td>
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</tr>
<tr>
<td>OECD</td>
<td>13</td>
<td>30</td>
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<tr>
<td><strong>Aggregate</strong></td>
<td><strong>63</strong></td>
<td><strong>152</strong></td>
</tr>
</tbody>
</table>
Altogether, over the course of the year, the RCC invited 307 participants and 63 speakers to its events. Through the RCC’s core events it delivered 911 person-days of capacity building. All in all, participants from 36 economies and institutions attended the RCC’s programmes, coming from Albania, Armenia, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Finland, Georgia, Germany, Greece, Hungary, Italy, Kazakhstan, Kosovo, Kyrgyzstan, Latvia, Lithuania, North Macedonia, Malta, Moldova, Montenegro, the Netherlands, Poland, Portugal, Romania, Russian Federation, Serbia, Slovakia, Slovenia, Spain, Ukraine, Uzbekistan and the GVH. Meanwhile, experts from 18 countries and institutions attended as panel members: Austria, Belgium, France, Georgia, Germany, Greece, Hungary, Italy, Luxembourg, Portugal, Romania, Russian Federation, Ukraine, United Kingdom, United States of America, EU Commission, the GVH and the OECD.

*Person-days are defined as the number of days a person attended a RCC seminar. Thus, if 10 people attended a course for 5 days and 4 people attended a course for 3 days the number of person days delivered is 62 (10×5 + 4×3 = 62).
Table No2 provides a brief overview of the topics of the seminars held in 2019 as well as the participating economies and institutions.
<table>
<thead>
<tr>
<th>Event Topic</th>
<th>Date</th>
<th>Total Number of Participants and Speakers</th>
<th>Attending Economies/Institutions</th>
</tr>
</thead>
</table>
| Meeting of Heads of Agencies                         | 13 February| 13+6                                      | Participants: Albania, Belarus, Bosnia and Herzegovina, Croatia, Kosovo, Kyrgyzstan, North Macedonia, Moldova, Serbia, Ukraine  
Speakers: Georgia, Germany, Romania, Russian Federation, OECD                                                                                           |
| Seminar on Vertical Sales Restrictions and E-Commerce | 11-13 March| 37+5                                      | Participants: Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Croatia, Georgia, GVH, Kazakhstan, Kosovo, Kyrgyzstan, North Macedonia, Moldova, Montenegro, Romania, Russian Federation, Serbia, Ukraine  
Speakers: Austria, GVH, OECD, United Kingdom                                                                                                          |
| GVH Staff Training                                   | 16-17 April| 81+10                                     | Participants: GVH Staff  
Speakers: Germany, Lithuania, United Kingdom, GVH, OECD                                                                                                   |
| Seminar on European Competition Law for National Judges - Competition Economics | 10-11 May  | 26+8                                      | Participants: Albania, Belgium, Bulgaria, Croatia, Hungary, Italy, Latvia, Lithuania, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain  
Speakers: Belgium, France, OECD, GVH, Italy, Luxembourg, Portugal, United Kingdom                                                                 |
| OECD-GVH RCC – FAS Russia Joint Seminar in the Russian Federation | 28-30 May  | 18+8                                      | Participants: Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Uzbekistan  
Speakers: EU Commission, GVH, OECD, Russian Federation                                                                                                  |
| Competition Enforcement and Advocacy in the Pharmaceutical Sector, Ukraine | 10-12 Sept | 35+10                                     | Participants: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kyrgyzstan, North Macedonia, Moldova, Montenegro, Romania, Russian Federation, Serbia, Ukraine  
Speakers: GVH, Italy, OECD, Ukraine, United Kingdom, United States of America                                                                            |
| Remedies and Commitments in Competition Cases         | 22-24 Oct  | 37+5                                      | Participants: Albania, Armenia, Azerbaijan, Belarus, Bulgaria, Croatia, Georgia, GVH, Kazakhstan, Kosovo, Kyrgyzstan, North Macedonia, Moldova, Montenegro, Romania, Russian Federation, Serbia, Ukraine  
Speakers: France, Germany, Greece, GVH, United Kingdom                                                                                                  |
| Seminar on European Competition Law for National Judges - New Challenges for National Judges in the Application of Articles 101 & 102 TFEU | 22-23 Nov  | 29+7                                      | Participants: Albania, Belgium, Bulgaria, Croatia, Czech Republic, Finland, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Portugal, Slovenia, Spain  
Speakers: Belgium, France, GVH Hungary, Luxembourg, OECD                                                                                                 |
| Competition Rules and the Energy Sector              | 10-12 Dec  | 31+4                                      | Participants: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, GVH, Kazakhstan, Kosovo, Kyrgyzstan, North Macedonia, Moldova, Montenegro, Romania, Russian Federation, Ukraine  
Speakers: Italy, Portugal, United Kingdom                                                                                                                 |
1. Standard programmes in the framework of the core activity

Meeting of the Heads of Beneficiary Agencies

Topic

This meeting enabled the heads of the beneficiary agencies of the RCC to reflect upon the relationship that exists between agencies and the judiciary and the ways in which competition law cases can be best presented at court. Furthermore, the heads were able to discuss the future training needs of their staff and the RCC Request for Information instrument.
Speakers

Jörg Nothdurft
Bundeskartellamt, Germany
—
on how to ensure success in courts

Frédéric Jenny
OECD, Paris
—
on the relationship between agencies and the judiciary

Identified training needs

• Trainings for dedicated groups of staff; young staff, lawyers and economists
• Sector specific seminars: Telecoms, Energy, Pharma/Healthcare and Retail
• Soft skills and practical skills training
• Exchange on cases and EU case law

15 heads or deputy heads from 13 beneficiary countries participated in the Meeting.

The Chairmen of the competition agencies of Georgia and Romania delivered short presentations on their agencies’ training needs and training efforts.
Selective and exclusive distribution systems, resale price maintenance, across platform parity agreements and various limitations on online sales can be ambiguous with regard to their competitive effects. This seminar provided a better understanding of the analysis of pro- and anti-competitive effects, and looked at the relevant case law with an emphasis on the EU experience and on e-commerce related questions. Experts from competition authorities introduced their case experience and practised the analysis of vertical sales restrictions with the participants in hypothetical case exercises.
Speakers

Birgit Schoißwohl
Bundeswettbewerbsbehörde, Austria
on RPM

Cleo Alliston
CMA, UK
on the economics of vertical restraints, RPM and hub&spoke, online sales prohibitions and APPA

Hugh Mullan
CMA, UK
on the economics of vertical restraints, RPM and hub&spoke, online sales prohibitions and APPA

Márk Pánczel
GVH, Hungary
on RPM and restaurant platforms

Sabine Zigelski
OECD, Paris
on the legal framework for vertical restraints and EU case law on online restraints

Main results:

• Vertical restraints in most cases are not harmful per se
• E-commerce raises new challenges for businesses and agencies
• The existing competition law toolbox remains inadequate
• Interesting developments in Europe – revision of the VBER

Hypothetical Exercises

Participants practised
• An RPM case
• Various online sales restrictions
• Platform restraints

35 Enforcers from 15 beneficiary countries and from the Eurasian Economic Commission participated in the seminar.

Georgia, Serbia, Russia and Ukraine presented vertical restraints cases, including online restrictions.
Seminar on Remedies and Commitments in Competition Cases

Topic

The seminar explored the use of structural and behavioural remedies and commitments, which may constitute a proportionate solution to competition problems in merger and abuse of dominance cases. After discussing the rationale and challenges of these tools, the speakers shared their experience on the considerations and the process involved in arriving at remedies and commitments that are appropriate for addressing competition concerns.
Speakers

Renato Ferrandi
Senior Competition Expert

Edith Müller
5th Decision Division (B5) Bundeskartellamt, Bonn, Germany

Steve Pantling
Assistant Director of Remedies, Business and Financial Analysis at the Competition and Markets Authority (UK)

Attila Dudra
Member of the Competition Council GVH the Hungarian Competition Authority

Lefkothea Nteka
Partner, D.K. Avgitidis & Associates Law Firm

Main results

• Analysis of rationale and challenges of remedies in merger review
• Factors to be considered in identifying appropriate remedies in merger cases
• Remedies in practice: discussion on case studies
• Exchange on the issues of implementation and monitoring of remedies
• Analysis of rationale and challenges of commitments in abuse of dominance cases
• Pros and cons of a settlement decision in cartel cases
• The road that leads to appropriate commitments
• Decisive factors in key commitment and settlement decisions

Sub-group discussions

Participants had the opportunity to actively engage in sub-group discussions, moderated by the experts, where they were able to share their challenges and receive suggestions on the adoption, implementation and monitoring of appropriate remedies, commitments and settlements.
Seminar on Competition Rules and Cases in the Energy Sector

Topic

This workshop provided participants with an opportunity to explore the common competition issues that can be found in the energy sector. The energy sector has a number of unique characteristics and specificities that need to be considered when analysing the way in which competition takes place in the sector. The goal of the workshop was to enable competition officials from the region to become more familiar with international practices relating to cartels, abuse of dominance, mergers and competition advocacy in this fundamental sector of modern economies.
Speakers

Nenad Njegovan
CMA, UK
on investigation into the energy market and on merger control

Claudia Ciarno
AGCM, Italy
on industry structure in electricity markets and on merger control and antitrust cases

Ricardo Junqueiro
Partner, Vieira de Almeida Associados, Portugal
on abuse of dominance and on anti-competitive agreements in energy markets

Ruben Maximiano
OECD, Paris
on market definition in the energy sector

Main results

- Analysis of the specificities of the energy sector and their implications on the competitive dynamics, with a particular focus on the gas and electricity markets
- Issues related to market definition and market dominance in the sector
- Common issues related to market studies and merger control in the sector

Sub-group discussions

Participants had the opportunity to actively engage in sub-group discussions, moderated by the experts, where they were able to share the challenges they faced when applying competition rules to the energy sector.
- National cases regarding exclusionary conduct in the energy sector (gas): market definition, theory of harm, assessment in light of the specificities of the sector
- Competition advocacy concerning the design of regulation in energy markets (gas and electricity)
Table №3 provides an overview of the number of participants at the seminars. This summary focuses on the participants of the seminars organised as part of the core activity of the RCC.

<table>
<thead>
<tr>
<th>Economy</th>
<th>Number of participants</th>
<th>Person-days</th>
<th>Events attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
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<td>Armenia</td>
<td>8</td>
<td>24</td>
<td>5</td>
</tr>
<tr>
<td>Azerbaijan</td>
<td>8</td>
<td>24</td>
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</tr>
<tr>
<td>Belarus</td>
<td>7</td>
<td>19</td>
<td>5</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>6</td>
<td>16</td>
<td>4</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>3</td>
<td>9</td>
<td>2</td>
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<tr>
<td>Croatia</td>
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<td>4</td>
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<tr>
<td>Georgia</td>
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<td>21</td>
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<tr>
<td>Kazakhstan</td>
<td>8</td>
<td>24</td>
<td>5</td>
</tr>
<tr>
<td>Kosovo</td>
<td>7</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>Kyrgyzstan</td>
<td>9</td>
<td>25</td>
<td>6</td>
</tr>
<tr>
<td>North Macedonia</td>
<td>9</td>
<td>23</td>
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</tr>
<tr>
<td>Moldova</td>
<td>9</td>
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<tr>
<td>Montenegro</td>
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<td>Romania</td>
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<td>Russian Federation</td>
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<tr>
<td>Serbia</td>
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<tr>
<td>Ukraine</td>
<td>25</td>
<td>73</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>163</strong></td>
<td><strong>463</strong></td>
<td><strong>82</strong></td>
</tr>
</tbody>
</table>
Chart №1 provides an overview of the number of participants per economy attending seminars organised as part of the core activity of the RCC.

**Chart №1**

Total number of participants per economy attending seminars organised as part of the core activity of the RCC.
2. Special events in the framework of the core activity

GVH Staff Training

Topic

The seminar provided an overview of recent developments in European competition law on the first day. On the second day, different groups of staff received tailor-made trainings.
Speakers

Day 1

John Ratliff
Partner, WilmerHale, Brussels
Presentation on developments in European competition law in 2017

Frédérik Jenny
Chairman of the OECD Competition Committee
on the relationship between competition agencies and the judiciary

Dries Cuijpers
OECD, Paris
on zero price markets and price discrimination in consumer protection

Sabine Zigelski
OECD, Paris
on the OECD’s work on gun jumping in merger control

Alice Delavergne
Autorité de Concurrence, Paris
on gun jumping in merger control and Training for the merger section on merger remedies

Day 2

Zsuzsa Cserhalmi
European Commission, Brussels
Presentation for the Competition Council on developments in e-commerce enforcement

Borbala Szathmary
CMA, London
Training for the antitrust section on effects based analysis in vertical restraints cases

Ana Sofia Rodrigues
Autorité de Concurrence, Portugal
Presentation for the chief economist team on institutional and practical aspects of the integration of the chief economist in the work of a competition agency

Maximilian Diem
Bundeswettbewerbsbehörde, Austria
Training for the cartel section on dawn raids, leniency and interrogations

Lauriane Lépine-Sarandi
Autorité de Concurrence, Paris
on gun Jumping in merger control and Training for the merger section on merger remedies

Main Results

- Active enforcement work at EC level on abuse of dominance
- Increased global interest in gun jumping in merger control
- Presenting economic evidence in courts is possible
- Digital markets present new consumer protection challenges for competition agencies
The seminar explored the main theories of harm for merger cases and the economic methods used in merger review. It also addressed the investigative steps and measures adopted in some key jurisdictions and examples of effective merger remedies. The seminar highlighted the sensitivities raised by market concentration in highly innovative markets, while providing advice about the possible ways in which appropriate consideration can be given to all of the interests at stake in the merger review process.
Main results

- Discussion on legal and economic issues in merger review
- Experience sharing on case management and procedures
- Reflection on non-price effects in merger control
- In-depth review of experiences with merger remedies in innovation cases

Hypothetical exercises

Participants engaged in lively discussions on:
- How to deal with requests for information in merger proceedings
- Which non-price theories of harm might need to be considered
- What remedies might address non-monetary competition concerns

Speakers

**Birthe Panhans**  
European Commission  
---  
on merger remedies and on the EC experience on mergers and innovation

**Sabine Zigelski**  
OECD, Paris  
---  
on merger economics

**Zsófia Nagy**  
GVH, Hungary  
---  
on requests for information in merger proceedings

**Renato Ferrandi**  
OECD, Paris  
---  
on case management and procedures and on non-price effects in merger control

**Sergey Vershinin**  
FAS Russia  
---  
on integration in the markets of agro-technologies

**Sergey Dyachenko**  
FAS Russia  
---  
on practical aspects of merger industry control

**Andrey Shaposhnikov**  
FAS Russia  
---  
on mergers in multilateral digital market with network effect
The seminar covered a variety of competition topics concerning the pharmaceutical sector, including market definition and market power, the role of generics and IP rights, merger control and abuse cases. In addition, the seminar provided an overview of regulatory frameworks affecting the pharmaceutical sector and an introduction to competition assessment.
Main results

- Analysis of the specificities of the pharma sector and their implications on the competitive dynamics
- Issues related to market definition and market dominance in the sector
- Framework for assessing whether the prices of medicines are excessive
- Procedural fairness in the pharma sector
- Opportunities to advocate to improve public procurement of drugs
- Overview of competition assessment initiatives targeted to pharmaceutical distribution

Sub-group discussions

Participants had the opportunity to actively engage in sub-group discussions, moderated by the experts, where they were able to share the challenges they faced when applying competition rules to the pharma sector.

- National cases regarding exclusionary conduct in the pharma sector: market definition, theory of harm, assessment in light of the specificities of the pharma sector
- Merger cases: market definition, main competition concerns, efficiency arguments, role of IP, outcome of the review
- Hard-core cartels or vertical/other forms of agreements: main obstacles to proving the infringement, how the specificities of the pharma sector complicate the assessment, outcome of the case
- Competition advocacy concerning pharmaceutical distribution
- An engaging final quiz provided a quick recap of the main topics discussed in the seminar and enhanced the interaction between the members of each sub-group.

Speakers

Michael Moiseyev
FTC, US
- on mergers and on exclusionary conduct

Pedro Caro de Sousa
OECD, Paris
- on the specificities of the pharmaceutical sector and on public procurement

Claudia Berg
CMA, UK
- on procedural fairness in investigations and on excessive pricing

Renato Ferrandi
OECD, Paris
- moderator

Andrea Minuto Rizzo
AGCM, Italy
- on excessive pricing and on using the full set of tools in the pharmaceutical sector

Olena Shevchuk
AMCU, Ukraine
- on collusive conducts

Ms Svitlana Panaiotidi
AMCU, Ukraine
- on public procurement

Zoltán Ay
GVH, Hungary
- on collusive and on exclusionary conducts
The seminar aimed to make national judges more familiar with basic economic concepts and the legal and procedural challenges they might face when applying them in competition law cases due to the increased relevance of economic analysis across all fields of antitrust law. The judges were provided with specific knowledge and practice related to the competition economic issues they might face when handling economic questions in court proceedings.

**Events for the RCC’s special audience**

**Seminar on European Competition Law for National Judges**

“Competition Economics”

10-11 May 2019
Budapest
Hungary
Main results

- Discussion on the notion of market definition (supply and demand, elasticity, substitutability, Hypothetical Monopoly Test and Critical Loss Analysis)
- Reflection on the challenges of assessing market power, particularly in technological markets and in relation to sharing-economy activities
- Experience sharing on the principles and procedures concerning the assessment of economic evidence applied to specific types of infringement
- Focus on the use of economic evidence in the context of damage claims

Hypothetical exercises

Participants brainstormed on:
- Economics and market definition
- Economics and market power in abuse cases
- Economics and anticompetitive conducts
- Use of economic evidence in the context of actions for damages

Speakers

**Miguel De La Mano**
Compass Lexecon, Brussels
- on economics & market power/dominance in abuses cases

**Ana Sofia Rodrigues**
Autorité de Concurrence, Portugal
- on market definition, on economic analysis of dominance and on economics and exclusionary abuses

**Iestyn Williams**
RBB Economics, London
- on economics and anticompetitive conducts and on the use of econometrics in antitrust damage claims

**Nóra Váczi**
GVH, Hungary
- on market definition, on economic analysis in horizontal agreements and on economics and exclusionary abuses

**Jean-Francois Laborde**
Minds & Hearts, Paris
- on the use of economic experts by the courts and on economics in antitrust damage claims

**Renato Ferrandi**
OECD, Paris
- on economic evidence and standard of proof and on market definition

**Antonio Buttà**
AGCM, Italy
- on rights of defence, confidentiality and economic evidence, on demand-side substitutability and on economics and exploitative abuses

**Vivien Terrien**
Référendaire, General Court of the European Union
- on economic evidence before the EU courts
Seminar on European Competition Law for National Judges

New Challenges For National Judges In The Application Of Articles 101 & 102 TFEU

The seminar was designed to present several of the new challenges that national judges may face in the application of Articles 101 and 102 TFEU, mainly due to the fast-growing importance of the digital sector and innovative markets. The objective of the seminar was to raise the awareness of national judges dealing with competition law cases as to the new legal issues arising in this field and to provide them with a common understanding of the problems, in order to foster a coherent and consistent approach within the EU by national courts.
Main results

- Analysis of vertical relationships in the field of e-commerce
- Focus on recent challenges involving the interaction between intellectual property and antitrust rules
- Discussion on procedural issues: recent developments concerning the tools used in competition law enforcement and debates before the EU Court of Justice concerning potential violations of the rights of the defence in antitrust proceedings
- Review of national competition authorities’ decisions regarding exclusionary and exploitative abuses, particularly in the digital realm

Hypothetical exercises

Participants brainstormed on:
- Main current issues that are the focus of antitrust enforcement
- Practical difficulties that may occur in the judges’ areas of practice, both regarding economic topics and procedural issues
- Concrete issues and the ways in which they should be approached
- Assessment of novel issues in national competition authorities’ decisions

Speakers

Thomas Vinje
Partner, Co-chair, Clifford Chance, Brussels
on intellectual property and antitrust laws and on exclusionary and exploitative practices

Gábor Gál
GVH, Hungary
on e-commerce, on retail MFNs and on interim measures

Henri Piffaut
Autorité de Concurrence, Paris
on pay-for-delay agreements, on exclusionary practices and on exclusivity rebates

Viktor Łuszcz
HIPO, Hungary
on intellectual property and antitrust laws

Jérémie Jourdan
White & Case, Brussels, Paris
on patent settlement agreements and on pay-for-delay agreements

Vivien Terrien
Référendaire, Court of Justice of the European Union
Chair of the seminar

Sabine Zigelski
OECD, Paris
on online sales restrictions and on exploitative practices
Participants are always asked to provide feedback on RCC seminars so that the standard of the events can be maintained and even possibly improved. According to the feedback, participants found that the seminars provided theoretical and practical information that was highly relevant to their day-to-day work and that the seminars also provided a good opportunity for the exchange of opinions between participants and experts. The average value of all of the answers for the entire year was 4.5 out of a maximum of 5.

Participants considered the overall usefulness of the programmes to be either very high or high – 94 percent of respondents rated the seminars on this basis. Based on the feedback, the current distribution of the topics was well received.

Table №4: Participants’ evaluation of events organised by the RCC in the year 2019

<table>
<thead>
<tr>
<th>Distribution of answers</th>
<th>Very low</th>
<th>Low</th>
<th>Moderate</th>
<th>High</th>
<th>Very high</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall usefulness of the event</td>
<td>0%</td>
<td>1%</td>
<td>2%</td>
<td>33%</td>
<td>64%</td>
</tr>
<tr>
<td>Overall usefulness of the topics</td>
<td>0%</td>
<td>1%</td>
<td>8%</td>
<td>43%</td>
<td>48%</td>
</tr>
<tr>
<td>Quality of presentations</td>
<td>0%</td>
<td>1%</td>
<td>6%</td>
<td>35%</td>
<td>58%</td>
</tr>
<tr>
<td>Usefulness and quality of materials</td>
<td>0%</td>
<td>1%</td>
<td>2%</td>
<td>37%</td>
<td>60%</td>
</tr>
<tr>
<td>Workshop preparations</td>
<td>0%</td>
<td>1%</td>
<td>5%</td>
<td>36%</td>
<td>58%</td>
</tr>
<tr>
<td>Usefulness of hypothetical cases/country contributions/ case studies</td>
<td>0%</td>
<td>0%</td>
<td>8%</td>
<td>44%</td>
<td>48%</td>
</tr>
<tr>
<td>Overall quality</td>
<td>0%</td>
<td>1%</td>
<td>5%</td>
<td>38%</td>
<td>56%</td>
</tr>
<tr>
<td>Event</td>
<td>Overall usefulness of the event</td>
<td>Overall usefulness of the topics</td>
<td>Quality of presentations</td>
<td>Usefulness and quality of materials</td>
<td>Workshop preparations</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------</td>
<td>---------------------------------</td>
<td>---------------------------------</td>
<td>--------------------------</td>
<td>-----------------------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>Seminar on Vertical Sales Restrictions and E-Commerce</td>
<td>4.6</td>
<td>4.1</td>
<td>4.8</td>
<td>4.7</td>
<td>4.7</td>
</tr>
<tr>
<td>GVN Staff Training</td>
<td>4.4</td>
<td>4.0</td>
<td>4.3</td>
<td>4.4</td>
<td>4.6</td>
</tr>
<tr>
<td>Seminar on European Competition Law for National Judges - Competition Economics</td>
<td>4.7</td>
<td>4.4</td>
<td>4.8</td>
<td>4.7</td>
<td>4.7</td>
</tr>
<tr>
<td>RCC – FAS Joint Seminar in Russia</td>
<td>4.7</td>
<td>4.3</td>
<td>4.7</td>
<td>4.7</td>
<td>4.4</td>
</tr>
<tr>
<td>Competition Enforcement and Advocacy in the Pharmaceutical Sector</td>
<td>4.5</td>
<td>4.7</td>
<td>4.7</td>
<td>4.7</td>
<td>4.4</td>
</tr>
<tr>
<td>Remedies and Commitments in Competition Cases</td>
<td>4.6</td>
<td>4.5</td>
<td>4.6</td>
<td>4.7</td>
<td>4.5</td>
</tr>
<tr>
<td>Seminar on European Competition Law for National Judges - New Challenges for National Judges in the application of Articles 101 &amp; 102 TFEU</td>
<td>4.8</td>
<td>4.4</td>
<td>4.6</td>
<td>4.7</td>
<td>4.5</td>
</tr>
<tr>
<td>Competition Rules and the Energy Sector</td>
<td>4.5</td>
<td>4.4</td>
<td>4.6</td>
<td>4.7</td>
<td>4.5</td>
</tr>
</tbody>
</table>

Table No5: Detailed evaluations by events and by categories.
Financial and intellectual contributions

According to the Memorandum of Understanding that was signed by the parties in 2005, it is the task of the founding parties, namely the GVH and OECD, to ensure that the RCC operates at the highest level. Both institutions provide financial and intellectual contributions towards the operation of the RCC. The accumulated experience and expertise of the OECD members also contributes to the training programmes offered by the RCC.

The RCC had a budget of 457115 EUR for 2019. This includes funds provided by the GVH and the OECD as well as grants received from the European Commission, the latter of which were used to fund the seminars on European Competition Law for National Judges.

The following tables provide details on the total costs of the operation of the RCC in 2019 by sources of funds, by events and by major categories of costs.
### Table №6: The sources of funds

<table>
<thead>
<tr>
<th>Sources of funds (EUR)</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gazdasági Versenyhivatal (Hungarian Competition Authority)</td>
<td>385927</td>
</tr>
<tr>
<td>European Commission (grants for the judges seminars)</td>
<td>41188</td>
</tr>
<tr>
<td>OECD</td>
<td>30000</td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td><strong>457115</strong></td>
</tr>
</tbody>
</table>

### Table №7: Breakdown of total expenses by items

<table>
<thead>
<tr>
<th>Breakdown of total expenses (EUR)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>A) Direct organisational costs</strong></td>
<td></td>
</tr>
<tr>
<td>Meeting of Heads of Agencies</td>
<td>15858</td>
</tr>
<tr>
<td>Seminar on Vertical Sales Restrictions and E-Commerce</td>
<td>38470</td>
</tr>
<tr>
<td>GVH Staff Training</td>
<td>17793</td>
</tr>
<tr>
<td>Seminar on European Competition Law for National Judges - Competition Economics</td>
<td>28032</td>
</tr>
<tr>
<td>RCC – FAS Joint Seminar in Russia</td>
<td>12288</td>
</tr>
<tr>
<td>Competition Enforcement and Advocacy in the Pharmaceutical Sector OUTSIDE</td>
<td>35749</td>
</tr>
<tr>
<td>Remedies and Commitments in Competition Cases</td>
<td>45993</td>
</tr>
<tr>
<td>Seminar on European Competition Law for National Judges - New challenges for National Judges in the application of Articles 101 &amp; 102 TFEU</td>
<td>31340</td>
</tr>
<tr>
<td>Competition Rules and the Energy Sector</td>
<td>42568</td>
</tr>
<tr>
<td><strong>Total direct organisational costs</strong></td>
<td><strong>268091</strong></td>
</tr>
<tr>
<td><strong>B) Overhead and operational costs of the RCC</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3937</td>
</tr>
<tr>
<td><strong>C) Staff costs transferred by the GVH to the OECD[1]</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>185087</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES in 2019</strong></td>
<td><strong>457115</strong></td>
</tr>
</tbody>
</table>
VI. RCC Dedicated Staff

The RCC is a “virtual” centre, thus it does not have a central office but is accommodated in the headquarters of the GVH. The virtual existence of the RCC allows it to concentrate funds on the real purpose of its establishment, that is, organising seminars and inviting and training participants. The virtual structure also facilitates adaptation to changing situations. The RCC is run by a senior competition expert at the OECD headquarters in Paris and by a consultant and an assistant who are at the same time employees of the GVH in Budapest.

The work of the RCC is based on the expertise of both the GVH and the OECD. The GVH is responsible for inviting participants and organising all of the practical arrangements for the RCC’s programmes. The expert at the OECD sets up the content of the programmes and invites speakers to the seminars. The GVH provides speakers or panellists for each seminar. Other speakers are invited from different OECD member states.
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