

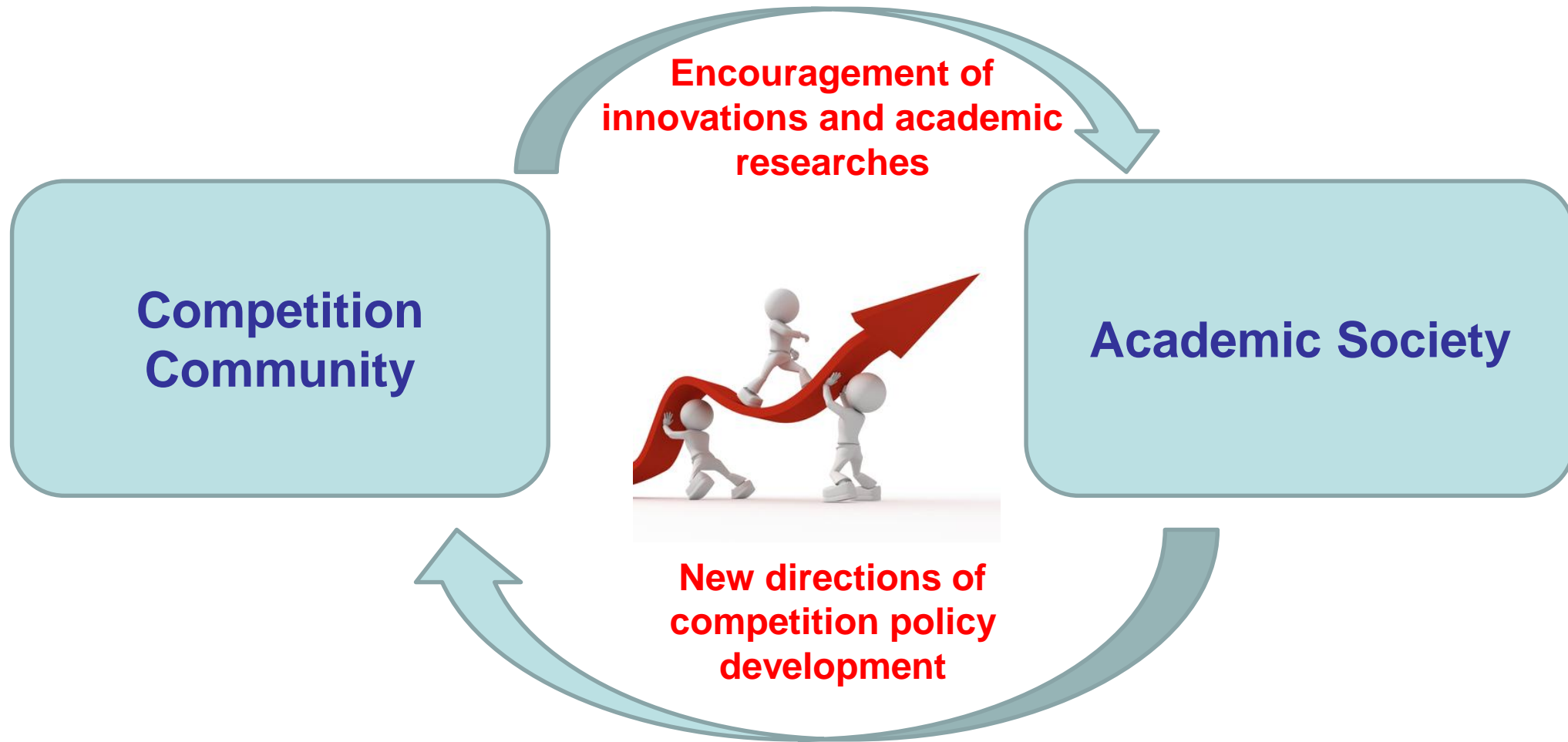


**FEDERAL ANTIMONOPOLY SERVICE**

# **Antitrust in the New Economy**

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**High activity of global transnational companies on new markets**

**Global transborder nature of violations of antimonopoly legislation, heavy influence on economic situation in various countries**

**Enhancing role of Intellectual Property, abuse of patents**



➤ **Establishing global IT market**

- **Appearance of various high-technological and innovation markets**
- **“Disruptive innovations” factor**
- **Development of pharmaceutical, food, industrial, etc. markets (patent protection)**

## Anticompetitive practices of pharmaceutical companies:

- abuse of patent protection;
- monopolization of the market;
- price dictate.



It is necessary to create competition environment on pharmaceutical market and ensuring the availability of medicines to the consumers.

International Working Group on for Research on the Competition Issues in the Pharmaceutical Sector was created

Co-chaired by Italy and Russia

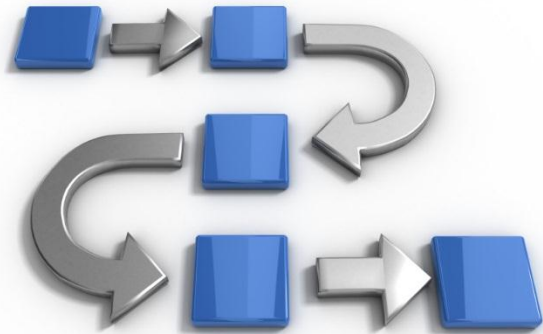




## **Implementation of mandatory licensing of medicines on the territory of the Russian Federation in emergency situations.**

Two types of emergency situations:

- 1) Setting of monopolistically high prices on medicines under epidemic conditions.
- 2) Setting of monopolistically high prices and refuse to supply unique life-saving medicines.



## Proposed procedure of mandatory licensing:

- 1) The FAS Russia conducts market analysis.
- 2) Issue on mandatory licensing is raised.
- 3) Government of the Russian Federation makes a decision:
  - Who will be provided with the license?
  - For which period?
  - Volume and terms of payment of compensation
- 4) Right holders can appeal a decision of the Government of the Russian Federation in the Supreme Court of the Russian Federation.
- 5) The final decision is made by the Supreme Court of the Russian Federation.

## Dominance of import genetic material on the Russian agricultural market:

- ✓ Genetic material is protected by biological and technological patents;
- ✓ **Seeds are sold not by purchase and sale contracts but by license agreements;**



## **This leads to:**

- ✓ Monopolization of key positions by large transnational companies;
- ✓ Agricultural market's reliance on foreign suppliers;
- ✓ Cross flow of significant share of added value from agricultural producers to suppliers of genetic material



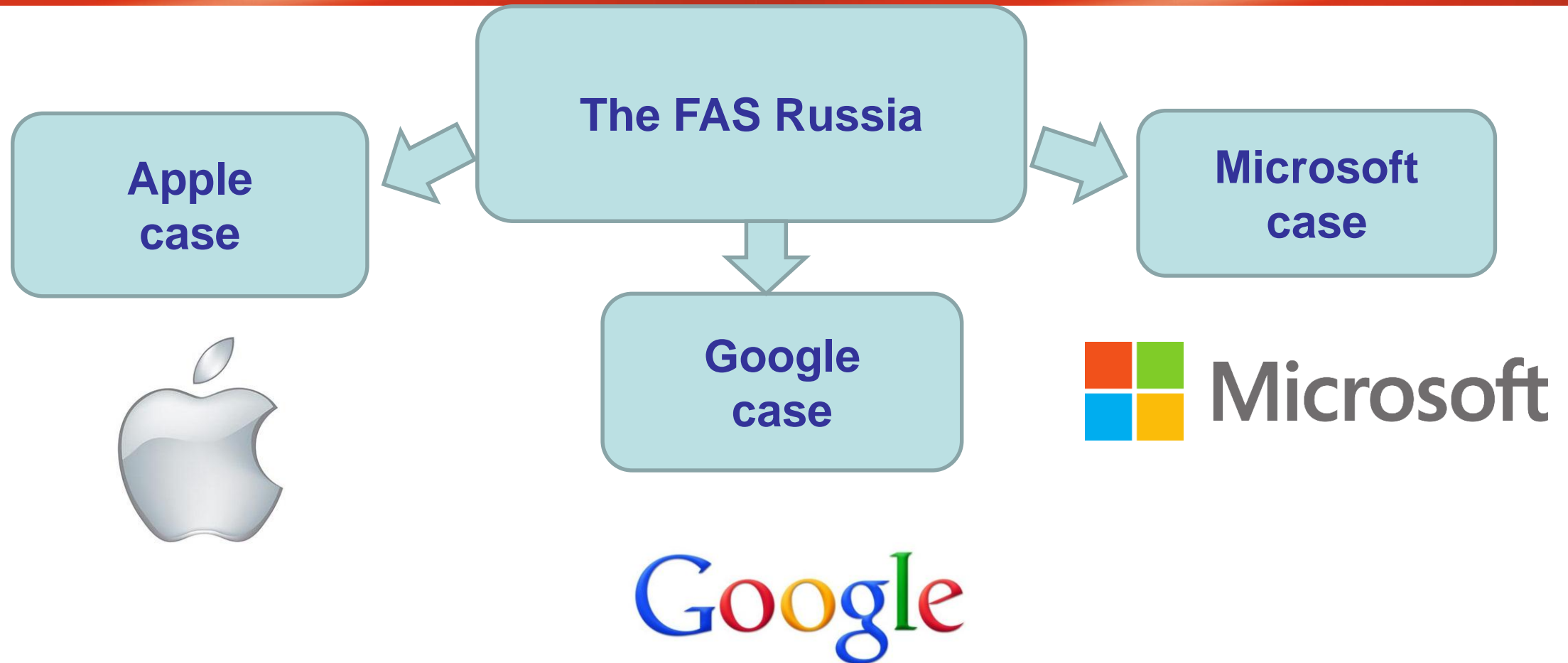
Propose to keep **immunities for intellectual property** established in the Articles 10 and 11 of the Law on protection of Competition.

At the same time based on the international regulation and judicial practice, there is need to set clearly that **provisions of antimonopoly legislation are applied to circulation of goods produces with the use of exclusive rights.**

## **IT Markets are the most rapidly developed**

**Special features of IT markets and challenges for competition authorities :**

- **Complexity of market structure (challenges in geographical definition of global markets);**
- **Null costs of distribution and replication of goods and services**
- **Problem of “Big data” analysis**



**Antimonopoly cases in relation to these companies are investigated across the whole world!**

- **More evidences exist in the electronic sphere;**
- **Use of electronic platforms;**
- **Opportunity to instantly exchange information.**
  
- **International cartels are out of national jurisdictions**

**Competition Authorities should develop a toolkit on identification and suppression of international cartels**



## Development of contractual system:

Conversion of all open competitive procurement for state and municipal needs into electronic form.

- Establishing of the unified order of **auctions to sell** of property and property rights in the single list of electronic trade platforms
- Establishing of the exhausted list of forms of procurement by separate types of legal entities and requirements to procedure of its execution.

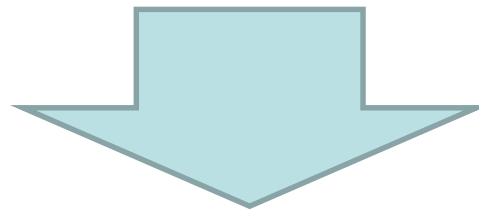
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**Global benchmarking is used for creation of price platforms on the international level**



Global organizations should create operational platforms on socially important goods, on which all the countries would publish their contract prices



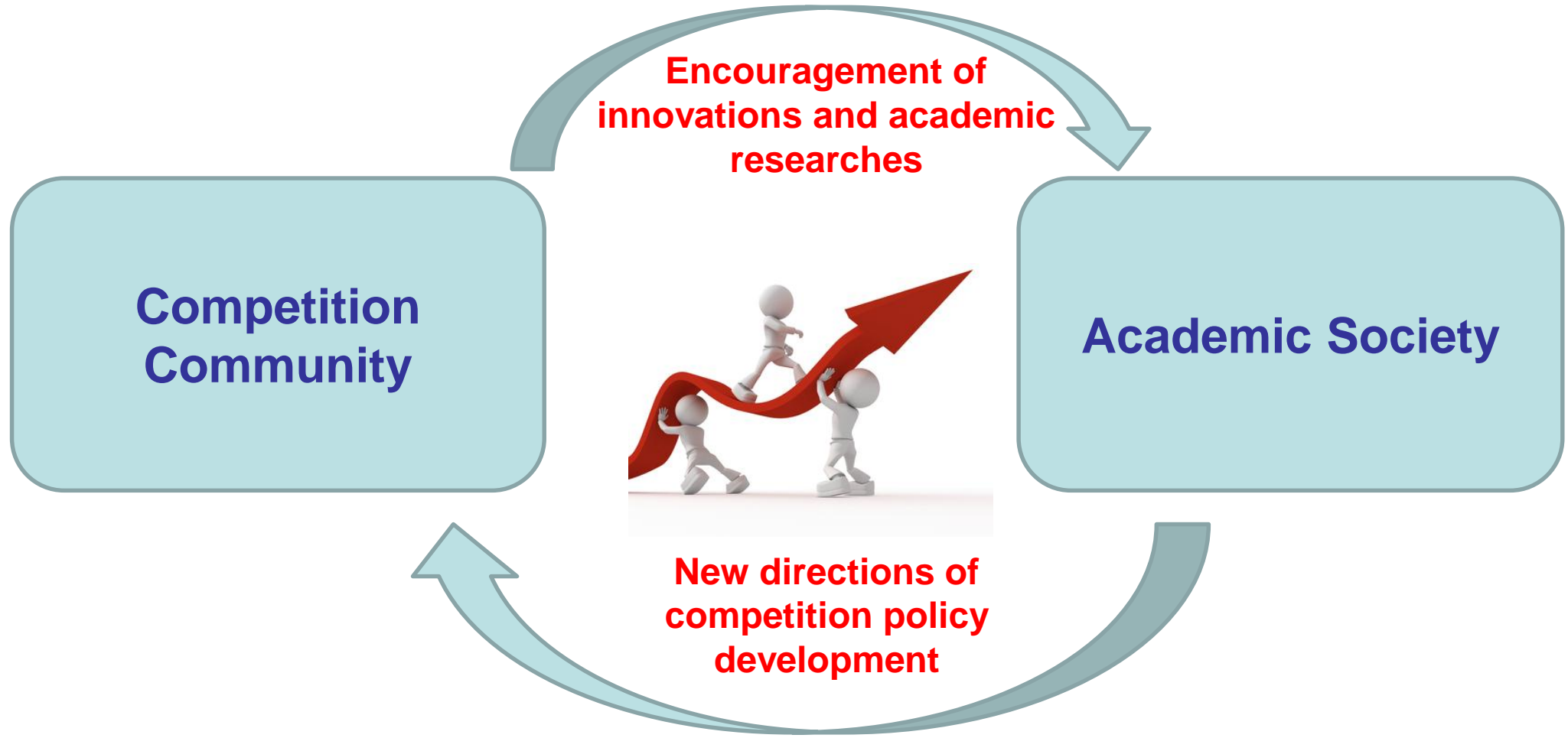
**Competition Authorities of all countries will be able to monitor prices on relevant markets and suppress violations of antimonopoly legislation**

At the present time the Competition Authorities across the world are facing a new challenge to develop tools and procedures in relation to transnational companies on new markets.

**Solution of this issue depends on efforts  
of the global competition community**

- The FAS Russia proposes to develop a toolkit on combating unfair business practices of large transnational companies.
- Such work has been conducting within EAEU and BRICS.
- This issue was included in the agenda of the 16<sup>th</sup> session of Intergovernmental Group of Experts on Competition Law and Policy UNCTAD





# THANK YOU FOR ATTENTION!



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