



**FEDERAL ANTIMONOPOLY SERVICE
OF THE RUSSIAN FEDERATION**

Designing Antitrust for the Digital Era: Russian experience

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Institutional design: independent federal executive body subordinate to the Government and there is a network of FAS regional offices in each of the 85 subjects of Russia

Full-cycle body: authorized to consider complains, carry out investigations, analyze markets, make decisions ascertaining violations of the antimonopoly law or their absence, issue determinations on eliminating violations, impose fines upon violators, control execution of decisions and defend its decisions at courts

Expanded functions: antimonopoly and tariff regulation, control over compliance with the laws on advertising and unfair competition, retail trade, control over public procurement and public defence procurement, control over foreign investments in strategic companies

National Competition Development Plan

(approved by the Decree of the President of the Russian Federation as of December 21, 2017, No. 618 “On the Main Directions of State Policy on the Development of Competition”)

Results:

- **Horizontal measures of competition development:** development of exchange trading, SMEs, digital trading, public procurement
- **Vertical measures of competition development:** road maps in 17 markets (gas, IT, telecom, mail, etc.) as key elements of structural reforms
- **Special attention to the digital aspect:** the 5th Antimonopoly package - respond to the challenges of digital economies (introduction of the following concepts: “network effect”, “algorithms”, as well as clarification of the definition of dominant position and of the rules for merger control)

The 5th Antimonopoly Package:

- **Introduction of the additional criteria to the Law that allow to define owners of digital platforms as dominant players at the 2 conditions:**
 - if such a digital platform has a share of more than 35% in the market of substitutable services delivered using digital platforms related to ensuring interaction between economic entities - sellers and buyers,
 - and if network effects based on the number of users of the digital platform give such an economic entity the opportunity to exercise a dominant influence on the general conditions for the commodity circulation in the relevant market or to eliminate other economic entities from this market, or to impede access of other economic entities to this market.
- **Defining the concepts of “digital platform“, "network effects" both direct and indirect and “pricing algorithms”**
- **More strict requirements to control transactions of economic concentration associated with the acquisition of technology or other intangible assets**
- **Etc.**

Structural changes

- **Department for regulation of state and municipal information systems** which functions include the improvement of legislation and the development of a unified information system in the field of procurement, the development of information systems both within the FAS and at the state level, analysis of the competitive environment in the creation, operation and development of information systems
- **Division of digital investigations within the Anti-Cartel Department** implements an automated program for identifying and proving cartels, the so-called Big Digital Cat web service.

Digitalization in general

- **Automated information interaction** between the governmental authorities and businesses within the FAS Information and Technical Center
- **Transfer of procurement and tariff regulation to electronic form**
- **Possibility of accepting and considering M&A applications in digital format only**

Synergy of global cooperation

- Focus on global M&As in high-tech markets
- Cooperation with BRICS Competition Authorities, cooperation through BRICS Competition Law and Policy Center, cooperation within the Eurasian Economic Union
- Avoidance of information asymmetry and contradictory remedies being imposed on the merging parties
- New approaches to setting conditions and unifying the exchange of waivers

Thank you for your attention!



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