

## SLOVAK REPUBLIC

(1999)

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## SLOVAK REPUBLIC

### Summary

1. In 1999, the Antimonopoly Office of the Slovak Republic dealt with a total of 172 cases within administrative proceedings, which the Office considered as anti-competitive practices, or which were described as such by the applicants. This number included 131 agreements that restricted or could have restricted competition, representing almost 80 per cent of all assessed cases. The remaining 41 cases concerned the evaluation of practices involving an abuse of a dominant position in the Slovak market.

2. During the reported period, a total of 103 concentrations were reviewed. This number included 84 decisions in the matter, 37 procedural decisions, and 21 cases that were not closed by the end of 1999.

3. Within its powers, the Office demanded a remedy from central bodies of state administration and municipal authorities in the cases where they had made decisions restricting competition. In 1999, the Office reviewed 11 cases of violation of the competition law, while demanding a remedy in 9 cases. Most cases concerned the granting of discriminatory exceptions. By the end of 1999, remedies were applied in six cases in accordance with the requirements of the Antimonopoly Office of the Slovak Republic.

### I. Changes in the law and competition protection policy

#### 1. *Protection of the economic competition - present legal situation*

4. Protection of the economic competition in the Slovak Republic is governed by the following laws:

- the Constitution of the Slovak Republic, Article 55 (2), which states: "The Slovak Republic protects and promotes the economic competition.";
- the Act of the National Council of the Slovak Republic No. 188/1994 Coll. on Protection of the Economic Competition as amended by Act No. 240/1998 Coll. on Agriculture and on Amendments and Supplements to Other Laws (hereinafter referred to as "the Act on Protection of the Economic Competition"). Act No. 71/1967 Coll. on Administrative Proceedings is applicable to proceedings before the Antimonopoly Office as a subsidiary law;
- the Criminal Code, Article 149, which defines the facts of the case of abusing participation in the economic competition.

#### 2. *Legislative activities of the Office during 1999*

5. The year 1999 was characterised by intense legislative work. Based on the experience with proceedings before the Office in the past years and in accordance with the need to achieve harmonisation with the law of the European Union (hereinafter referred to as "the EU law"), the Antimonopoly Office of the Slovak Republic (hereinafter referred to as "the Office") was working on two legal norms:

- *a draft law amending and supplementing the Act of the National Council of the Slovak Republic No. 188/1994 Coll. on Protection of the Economic Competition as amended by Act No. 240/1998 Coll. on Agriculture and on Amendments and Supplements to Other Laws and on Amendments and Supplements*

*to the Act of the National Council of the Slovak Republic No. 145/1995 Coll. on Administration Fees as amended.*

6. The purpose of this amendment was to repeal the provisions concerning exemptions from the prohibition of agreements restricting competition, which were granted with regard to concerted practices in the agricultural production - milk, animals raised for meat, oil plants, cereals, sugar beet, vegetables, fruits, and potatoes, in order to harmonise the production and sale of these products for economically justified prices. These provisions largely contradicted the EU law. Another purpose of the amendment was to ensure further approximation of the Slovak competition law to the EU law by introducing "de minimis" doctrine, negative clearance, and the so-called individual exemption within the meaning of the Community law.

7. The mentioned amendment of the Act No. 188/1994 Coll. was discussed and approved by the National Council of the Slovak Republic.

- *A new draft Act on Protection of the Economic Competition*

8. Based on a detailed analysis of the plans contained in the Programme Policy of the Government of the Slovak Republic, the Office proposed that a new Act on Protection of the Economic Competition be prepared in order to ensure a complete solution to problematic issues concerning the protection of economic competition.

9. After discussions in the Government of the Slovak Republic, the tasks concerning the preparation of a draft legislative plan for a new Act on Protection of the Economic Competition (1999) were included in the plan of legislative tasks of the Government of the Slovak Republic, as well as the draft bill (2000).

10. The new Act on Protection of the Economic Competition should deal with the following problematic issues:

a) Need for independence

11. In its Programme Policy the Government of the Slovak Republic pledged to support the creation and protection of a competitive environment. In its view, this task can be fulfilled especially by strengthening the independence of the Office as a body responsible for the area of economic competition. The Office itself feels the need to strengthen its independence, because the main part of its activities consists of issuing decisions concerning the assessment of activities of entrepreneurs, which restrict or may restrict competition. The Office also controls the observance of the provision, which prohibits state administrative bodies and municipalities to restrict competition by their own actions, giving obvious support and in any other ways. It is entitled to demand that remedies be undertaken. The independence of the Office is necessary especially to ensure the most possible objectivity of its decision-making.

12. In view of the aforementioned reasons for the need to strengthen the independence of the Office, it has been proposed that some changes be adopted. The Office Chairman should be elected by the National Council of the Slovak Republic, following a proposal from the Government, for a fixed period of office. According to the approved legislative plan, the National Council of the Slovak Republic will only be able to dismiss the Chairman for the reasons explicitly stated in the law. Directors of the Office executive divisions, issuing decisions in the first instance, will be appointed by the Office Chairman for a fixed period of office, while the Office Chairman will only be able to dismiss them for the reasons explicitly stated in the law.

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### b) Updating the provisions of the Act on Protection of the Economic Competition

13. The Act on Protection of the Economic Competition has been in effect for six years and, during its implementation, some of its provisions turned out to be inappropriate, because they had ceased corresponding to the actual requirements of the Slovak market, which means that it is not possible to flexibly react to illegal activities of entities operating in the market and more energetically supervise economic competition in the Slovak Republic. There are serious problems with the interpretation of its provisions, which are ambiguous and allow several different interpretations, or do not deal with a certain issue in a complete legislative manner. The Act on Protection of the Economic Competition contains certain terms that will require definitions contained therein in order to ensure a larger legal certainty when used for the purpose of the Act.

14. Certain legal provisions of the Act on Protection of the Economic Competition should be amended, especially those concerning agreements restricting competition, abuse of a dominant position, control of concentrations, interventions by state administrative bodies and municipalities in the economic competition, and the Office supervision over the observance by these bodies and municipalities of their duties prescribed by the Act (Article 18 of the Act). When exercising their powers, state administrative bodies must not restrict competition. Measures or procedures taken by state administrative bodies and municipalities, based on which certain entrepreneurs can gain an advantage over other entrepreneurs, may lead to the violation of the Act on Protection of the Economic Competition. The Office has the possibility of demanding a remedy from state administrative bodies and municipalities. However, according to the applicable legislation, the state administrative bodies and municipalities need not comply with such a request, and the Office cannot use any legal means against these entities to enforce remedies. The new Act therefore considers a stricter regulation in relation to the conduct of the state administrative bodies and municipalities, which may lead to the restriction of competition.

15. Proceedings before the Office are partially governed by the Act on Protection of the Economic Competition, while Act No. 71/1967 Coll. on Administrative Proceedings is applied in a subsidiary manner. However, the Rules of Administration have not been amended since 1967, and, considering the specific character of economic competition, many of its provisions are insufficient. The new Act on Protection of the Economic Competition will reflect the effort to amend the procedural provisions, which will take into account the specific character of the proceedings brought before the Office, while the subsidiary implementation of Act No. 71/1967 Coll. on Administrative Proceedings should only remain valid in relation to the certain provisions of the Act.

### c) Harmonisation with the laws of the European Union

16. Another major reason for adopting a new Act on Protection of the Economic Competition is the obligation of the Slovak Republic to react to the development trends that have appeared in the legislation concerning competition within the European Union, in order to maintain the legal continuity with our legislation concerning this area. The Act should thus contribute to the fulfilment of the Slovak Republic's obligation concerning further approximation of the Slovak legislation to the EU law.

d) Continuity of the provisions of the Act on Protection of the Economic Competition

17. The current Act on Protection of the Economic Competition is not appropriate with regard to the continuity of some of its provisions. In the new draft Act, it will be necessary to adjust the continuity of the individual parts of the Act, in order to provide a complete and exhaustive legal basis for all relevant institutions in the area of economic competition.

18. The legislative plan to prepare a new draft Act on Protection of the Economic Competition was approved by the Government of the Slovak Republic at its session held on 17 November 1999.

19. The Office Chairman will submit the new draft Act on Protection of the Economic Competition to the Government of the Slovak Republic for discussion in accordance with the Plan of Legislative Tasks of the Government of the Slovak Republic in September 2000. After being discussed in the National Council of the Slovak Republic, the draft Act is assumed to become effective on 1 January 2001.

### 3. *Decisions of the Supreme Court of the Slovak Republic when reviewing the legality of decisions issued by the Antimonopoly Office of the Slovak Republic*

20. According to Article 13 of the Act on Protection of the Economic Competition, if a participant in the proceedings does not agree with the final decision of the Office, he can file a lawsuit with the court, requesting that the legality of the decision be reviewed. According to Article 246 (2) (a) of the Rules of Civil Procedure, the Supreme Court of the Slovak Republic is competent to review decisions issued by central bodies of state administration, including the Office. In 1999, the Supreme Court of the Slovak Republic decided in the form of a ruling or a resolution in the following cases concerning competition:

21. **Municipality of Dvorníky n/Váhom** filed a lawsuit with the Supreme Court of the Slovak Republic, requesting a review of the legality of Decision No. 98/DZ/3/1/19 of 4 February 1998 issued by the Office, 3<sup>rd</sup> Executive Division, according to which the conduct of the company *Roľnícka a obchodná spoločnosť, a.s., Bojničky*, supplying drinking water to the municipality of Dvorníky n/Váhom, does not constitute an abuse of a dominant position in the relevant market, as well as the decision of the Office Chairman No. 98/DZ/P/2/78 of 19 May 1998, by which the Office Chairman confirmed the first-instance decision and rejected the appeal lodged by the community of Dvorníky n/Váhom. The company *Roľnícka a obchodná spoločnosť, a.s., Bojničky*, had threatened to cut off water supplies to the municipality of Dvorníky n/Váhom, since the municipality had not paid the requested amounts for the water supplies, because it maintained that the invoiced quantity of drinking water did not correspond to the quantity of water actually supplied.

*On 28 January 1999, the Supreme Court of the Slovak Republic issued a resolution suspending the proceedings, because the lawsuit had been filed after the expiration of the time limit provided by law for filing a lawsuit requesting a review of the final decision of the Office.*

22. **TAURIS, a.s., Rimavská Sobota** filed a lawsuit with the Supreme Court of the Slovak Republic, requesting a review of the legality of Decision No. 97/FV/K/1/105 of 19 December 1997 issued by the Office, regional office Košice, imposing a fine of SKK 3,000,000 on the entrepreneur TAURIS, a.s., Rimavská Sobota, for violating the obligation to announce the concentration within the time limit set in Article 9 (4) of the Act on Protection of the Economic Competition, as well as a review of Decision No. 98/FV/P/2/58 of 9 April 1998 issued by the Office Chairman, confirming the first-instance decision and rejecting the appeal lodged by the entrepreneur TAURIS, a.s., Rimavská Sobota.

*On 30 April 1999, the Supreme Court of the Slovak Republic issued a ruling cancelling Decisions No. 97/FV/K/1/105 of 19 December 1997 and No. 98/FV/P/2/58 of 9 April 1998 and returned to the Office for*

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*further scrutiny*, as it was impossible to review the decision due to lack of evidence. In respect of the legal opinion of the Supreme Court of the Slovak Republic, the Office issued a decision suspending the proceedings against TAURIS, a.s., Rimavská Sobota.

23. **Západoslovenské energetické závody, š.p., Bratislava [West Slovak Energy Company]** filed a lawsuit with the Supreme Court of the Slovak Republic, requesting a review of the legality of Decision No. 98/DZ/2/1/11 of 23 January 1998 issued by the Office, 2<sup>nd</sup> Executive Division, according to which the conduct of the entrepreneur Západoslovenské energetické závody, š.p., Bratislava, threatening to cut off electrical energy supplies to the hostel of HOBYT, s.r.o., Bratislava, constitutes an abuse of a dominant position in the relevant market, and imposed a fine of SKK 24,000,000 for violating the prohibition of abusing a dominant position in the relevant market, as well as a review of Decision No. 98/DZ/P/2/102 of 22 June 1998 issued by the Office Chairman, changing the first-instance decision by which he ordered that the entrepreneur Západoslovenské energetické závody, š.p., Bratislava, refrain from abusing the dominant position in the relevant market and imposed a fine of SKK 5,000,000 for violating the prohibition of abusing a dominant position in the relevant market.

On 31 March 1999, the Supreme Court of the Slovak Republic issued a ruling cancelling Decisions No. 98/DZ/2/1/11 of 23 January 1998 and No. 98/DZ/P/2/102 of 22 June 1998 and returned to the Office for further scrutiny, since the second-instance decision had not been delivered to the plaintiff in a proper manner, which means that it could not become legally valid and because the Office had not properly dealt with the fact that the plaintiff, by threatening to cut off electrical energy supplies, was threatening to do something that he was able or allowed to do, as well as because the appellate body had not properly dealt with the reasons justifying the reduction of the fine from SKK 24,000,000 to SKK 5,000,000. In accordance with the legal opinion of the Supreme Court of the Slovak Republic, the Office issued a decision to the effect that the conduct of the entrepreneur Západoslovenské energetické závody, š.p., Bratislava, did not constitute an abuse of the dominant position.

24. **KRONOSPAN SLOVAKIA, s.r.o., Prešov** filed a lawsuit with the Supreme Court of the Slovak Republic, requesting a review of the legality of Decision No. 98/SP/3/1/320 of 25 September 1998, issued by the Office, 2<sup>nd</sup> Executive Division, according to which a fine of SKK 200,000 was imposed on the entrepreneur KRONOSPAN SLOVAKIA, s.r.o., Prešov, for failing to fulfil the obligation to submit to the Office, within the time limit set by the Office, the required documents and information, as well as of Decision No. 99/SP/P/2/2 of 5 January 1999 issued by the Office Chairman, changing the first-instance decision to the effect that the position statement of the Decision was only made more specific, without changing the meaning of the statement, and confirming the fine imposed in the first instance.

*On 28 July 1999, the Supreme Court of the Slovak Republic issued a resolution suspending the proceedings*, since the lawsuit was directed against a disciplinary penalty, which cannot be reviewed by the Court according to Article 248 (2) (e) of the Rules of Civil Procedure.

25. **Slovenská správa letísk [Slovak Administration of Airports], Bratislava**, filed a lawsuit with the Supreme Court of the Slovak Republic, requesting a review of the legality of Decision No. 99/DZ/P/2/150 of 28 April 1999 issued by the Office, 4<sup>th</sup> Executive Division, by which it reversed Decision No. 99/DZ/4/1/25 of 29 January 1999, prohibiting Slovenská správa letísk, Bratislava, to abuse its dominant position in the relevant market of ramp handling service by applying different conditions to identical performance with regard to the individual entrepreneurs (Article 7 (5) (c) of the Act on Protection of the Economic Competition) and ordered to put right the inappropriate situation. For violating the prohibition to abuse its dominant position, a fine of SKK 75,000 was imposed on the company. The body in the second instance reversed the first-instance decision to the effect that Slovenská správa letísk, Bratislava, had abused its dominant position in the relevant market of ramp handling service by enforcing a disproportionate contractual condition (Article 7 (5) (a) of the Act on Protection of the Economic

Competition), and imposed an obligation on the company to refrain from abusing its dominant position and put right the inappropriate situation, and cancelled the fine imposed in the first-instance decision. *On 25 August 1999, the Supreme Court of the Slovak Republic issued a ruling rejecting the lawsuit, since no violation of the law had been ascertained in relation to the contested decision of the Office, and confirmed the legality of the Decision issued by the Office Chairman.*

26. **VAS, spol. s r.o., Žilina - Mojšová Lúčka** filed a lawsuit with the Supreme Court of the Slovak Republic, requesting a review of the legality of Decision No. 98/PE/L/1/414 of 30 November 1998, issued by the Office, Legislative, Legal and European Integration Division, imposing an obligation on the entrepreneur VAS, spol. s r.o. Žilina - Mojšová Lúčka, to pay a penalty of SKK 730,000 for delayed payment of a fine, as well as of Decision No. 99/PE/P/2/133 of 9 February 1999 issued by the Office Chairman, confirming Decision No. 98/PE/L/1/414 of 30 November 1998 and rejecting the appeal lodged by VAS, spol. s r.o., Žilina - Mojšová Lúčka.

*On 26 August 1999, the Supreme Court of the Slovak Republic issued a ruling rejecting the lawsuit, since the plaintiff had objected to the illegality of Decision No. 98/DZ/B/1/71 of 30 April 1998 issued by the Office, regional office Banská Bystrica, and Decision No. 98/DZ/P/2/327 of 2 October 1998 issued by the Office Chairman, which preceded the Decision to impose a penalty. The Supreme Court of the Slovak Republic could not review the legality of the previous administrative decision as a preliminary question (i.e. Decision No. 98/DZ/P/2/327 of 2 October 1998 issued by the Office Chairman), because it had been possible to file a separate lawsuit requesting a review of the legality in relation with this Decision, however, the plaintiff had not made use of that possibility.*

27. **DANUBIAPRINT, a.s., Bratislava** filed a lawsuit with the Supreme Court of the Slovak Republic, requesting a review of the legality of Decision No. 99/FV/P/2/24 of 29 January 1999 issued by the Office Chairman, changing Decision No. 98/FV/3/1/405 of 20 November 1998 issued by the Office, 3rd Executive Division, by which the Office had prohibited a concentration carried out by the company DANUBIAPRINT, a.s., Bratislava, acquiring control over the company Prvá novinová spoločnosť, a.s., Bratislava, where the company DANUBIAPRINT, a.s., Bratislava purchased 97 per cent of shares of the company Prvá novinová spoločnosť, a.s., Bratislava. The second-instance body reversed the first-instance decision by specifying the position statement of the Decision, without changing the meaning of the statement, and supplemented and amended the reason for the Decision adopted in the first instance.

*On 8 September 1999, the case was heard by the Supreme Court of the Slovak Republic, after which a ruling was issued, rejecting the lawsuit and confirming the legality of the Decision issued by the Office Chairman.*

28. **Chemické závody [Chemical Factory] Bratislava, a.s., Bratislava**, filed a lawsuit with the Supreme Court of the Slovak Republic on 21 December 1999, requesting a review of the legality of Decision No. 99/FV/1/1/256 of 20 September 1999 issued by the Office, 1<sup>st</sup> Executive Division, to the effect that the concentration carried out by the entrepreneur Chemické závody Bratislava, a.s., Bratislava, which acquired control over the entrepreneur Istrochem, a.s., Bratislava, where the entrepreneur Chemické závody Bratislava, a.s., Bratislava, purchased 67 per cent of shares of the entrepreneur Istrochem, a.s., Bratislava, was subject to the control by the Office, and a fine of SKK 1,500,000 was imposed on the entrepreneur Chemické závody Bratislava, a.s., Bratislava, for violating the obligation to announce the concentration within the time limit provided by the law, as well as a review of the legality of Decision No. 99/FK/P/2/327 of 13 December 1999 issued by the Office Chairman, confirming the first-instance decision and rejecting the appeal lodged by the entrepreneur Chemické závody Bratislava, a.s., Bratislava.

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*On 23 December 2000, the case was heard by the Supreme Court of the Slovak Republic, after which a ruling was issued, by which the lawsuit was rejected and the legality of the Decisions issued by the Office was confirmed.*

### **II. Implementation of the act on protection of the economic competition**

#### ***1. Proceedings in the matters concerning anti-competitive practices - agreements restricting competition and abuse of a dominant position***

##### *Overall statistical evaluation*

29. During the reported period, the Office reviewed a total of 172 cases within administrative proceedings, which the Office considered as anti-competitive practices, or which were described as such by the applicants. This number included 131 agreements that restricted or might have restricted competition, representing almost 80 per cent of the total number of the reviewed cases. The remaining 41 cases concerned reviewing the practices of abusing a dominant position in the relevant markets of the Slovak Republic.

30. In total, 159 decisions have been issued on these cases, including 128 decisions in the matter and 31 procedural decisions.

31. During the year, the Office also received petitions that were reviewed outside administrative proceedings. In the most of these cases, it was proved prior to the commencement of administrative proceedings that the law had not been violated or that other laws had been violated, for example, the Commercial Code, which was not within the powers of the Office.

##### *Agreements restricting competition*

32. Article 3 of the Act on Protection of the Economic Competition states that agreements and concerted practices between entrepreneurs, and decisions of entrepreneurs' associations, which aim at or may result in restricting competition, are prohibited, unless the Act provides otherwise. The prohibition especially applies to the agreements restricting competition, which directly or indirectly fix the prices of goods, a commitment to limit or control production, sales, technological development or investments, division of the market or of sources of supplies, a commitment by the parties to apply different trade conditions to the individual entrepreneurs with regard to identical performance, or the conditions that the conclusion of contracts will be made conditional upon accepting additional obligations, which do not relate to the subject-matter of the contracts in terms of their nature or business practices.

##### *Summary of proceedings - agreements restricting competition*

33. In 1999, a total of 131 cases were reviewed, (217 cases in 1998, 18 cases in 1997, 8 cases in 1996, and 39 cases in 1995), including:

- 108 decisions in the matter,
- 15 procedural decisions,
- 3 cases that were not completed by the end of 1999.

34. In four cases, participants in administrative proceedings lodged an appeal against the decisions issued in the first instance, including one case that was not completed by the end of 1999.

*Description of a significant case - agreement restricting competition*

**MACH TRADE, spol. s r.o., Sered' - ROMAG, spol. s r.o., Senec - Application for negative clearance**

35. An application for issuing a negative clearance has been sent to the Antimonopoly Office of the Slovak Republic by the entrepreneur MACH TRADE, spol. s r.o., Sered' (hereinafter referred to as "MACH TRADE"), which concluded a contract with the entrepreneur ROMAG, spol. s r.o., Senec, on processing and recycling harmful waste (hereinafter referred to as "the Contract,,"). It follows from the Contract that, according to Article 3 of the Contract, the entrepreneur ROMAG has undertaken to supply exclusively to the entrepreneur MACH TRADE waste lead accumulators, waste lead and its alloys and other lead waste suitable for processing, waste battery acid and waste nickel-cadmium batteries for recycling, which constitutes the facts of the case according to the provisions of Article 3 (2) (d) of Act No. 188/1994 Coll. on Protection of the Economic Competition. The application of different commercial conditions consisted in the fact that the entrepreneur MACH TRADE did not include such a clause in all contracts with its suppliers. Article 4.4 of the Contract requires that the entrepreneur ROMAG must maintain the supplies at the same level even if the world prices are reduced, and ensure its profitability by payments received from the waste producer, which constitutes the facts of the case according to Article 3 (2) (e) of the Act. Moreover, the Contract contained a condition that did not relate to the subject-matter of the Contract in terms of its nature or business practices. The Office stated that Articles 3 and 4.4 of the Contract constituted an agreement restricting competition. The Office has proved to the entrepreneur MACH TRADE that Articles 3 and 4.4 of the Contract do not satisfy the conditions defined in Article 5 (1) of the Act. In this connection, the Office imposed on the entrepreneur MACH TRADE an obligation to refrain from performing the agreement restricting competition and to put right the inappropriate situation. No appeal has been lodged against this decision. After the decision became legally valid, the Office carried out an investigation to find out whether the entrepreneur MACH TRADE fulfilled the imposed obligation within the set time limit. It has ascertained that the entrepreneur MACH TRADE has done so within the set time limit.

**SLOVAK MEDICAL CHAMBER - COMMERCIAL INSURANCE COMPANIES - agreement restricting competition**

36. The Office has decided that the resolution of the 9<sup>th</sup> assembly of the Slovak Medical Chamber, Lazaretská 26, Bratislava (hereinafter referred to as "SLK"), instructing its members to precisely follow the tariff of minimum prices of the individual works performed for commercial insurance companies, is prohibited and invalid according to Article 3 (2) (a) and (3) of Act No. 188/1994 Coll. At the same time, the Office imposed an obligation on the SLK to refrain from performing the resolution and ordered to pay a fine of SKK 50,000. Administrative proceedings had been initiated by one of the commercial insurance companies against which the tariff was directed - Slovenská poisťovňa.

By the aforementioned resolution, the SLK, as an institution in which the membership is mandatory for applicants and employees of non-state health care facilities, fixed a minimum price of works performed on the service market - medical examinations and administrative works - provided by non-state health care facilities to commercial insurance companies, which was obligatory for all its members. The Office considered this resolution as an agreement restricting competition.

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37. Providing medical examinations and administrative works by health care facilities to commercial insurance companies for the purposes of the commercial insurance companies represents a separate relevant product market on which the law is being violated. These activities are not identical with providing health care according to Act No. 277/1994 Coll. on Health Care as amended (hereinafter referred to as Act No. 277/1994 Coll.). It is therefore not possible to apply Article 4 (2) (c) of Act No. 13/1992 Coll., which states: "*The Chamber shall provide co-operation especially in establishing the tariffs relating to the performance of medical treatment and prevention activities,*..

38. Article 3 of the Act requires providing proof that the agreements restricting competition aim at or may result in restricting competition. This means that the Act distinguishes between the aim, as result of demonstrating the will oriented toward the future, and the consequence, as an objective situation resulting from the past behaviour. The Act uses the term "may result in,,", which means that a probable future result of past behaviour restricting competition is prohibited.

39. The SLK assembly has bound its members to observe the minimum tariff, by which it prevented commercial insurance companies from agreeing individually with non-state health care facilities a lower price than specified in the tariff. It has thus prevented clients, i.e. commercial insurance companies, from being provided services and, consequently, the persons insured in these insurance companies have lost the possibility of using the advantages of competition in pricing. It is evident that the SLK's decision results, or may result, in the restriction of competition. The SLK has gone beyond its mission by providing assistance to its members in the form of a decision directed against competition.

### *Abuse of a dominant position*

40. A dominant position in the market is held by an entrepreneur or several entrepreneurs, who are not subject to substantial competition, or as a result of their economic strength they can behave independently toward other entrepreneurs and consumers and can restrict competition (Article 7 of the Act on Protection of the Economic Competition). The prohibition of abusing a dominant position especially applies to direct or indirect enforcement of inappropriate contractual conditions, limiting production, sales and technological development of goods to the detriment of consumers, applying different trade conditions to the individual entrepreneurs with regard to identical or comparable performance, or making the conclusion of contracts conditional upon accepting the condition that the other party will also purchase another performance that does not relate to the subject-matter of the contract in terms of its nature or business practices.

### *Summary of proceedings - abuse of a dominant position*

41. In 1999, a total of *41 cases were reviewed* (58 cases in 1998, 27 cases in 1997, 26 cases in 1996, and 77 cases in 1995), including:

- *19 decisions in the matter,*
- *17 procedural decisions,*
- *13 cases that were not completed by the end of 1999.*

42. In 16 cases, participants in the proceedings lodged an appeal against the decisions issued in the first instance, including 14 cases where second-instance decisions were issued, and two appeals will be reviewed in 2000.

*Description of a significant case - abuse of a dominant position***SLOVENSKÁ SPRÁVA LETÍSK, Bratislava - abuse of a dominant position**

43. Administrative proceedings concerning the abuse of a dominant market position against Slovenská správa letísk [Slovak Administration of Airports], Letisko M. R. Štefánika, [M. R. Štefánik Airport] Bratislava (hereinafter referred to as "SSL") commenced before the Antimonopoly Office of the Slovak Republic (hereinafter referred to as "the Office"), following a petition from SLOVAK AIR SERVICES, s. r. o., Letisko M. R. Štefánika, Bratislava (hereinafter referred to as "SAS").

44. The Office issued a decision pursuant to Article 7 (5) (c) of the Act No. 188/1994 Coll., to the effect that SSL is abusing its dominant position in the relevant ramp handling service market by applying different conditions to the identical performance toward the individual entrepreneurs, which are thus put at disadvantage, and requested that SSL refrain from this abuse.

45. An appeal was lodged against the decision. The decision adopted in the first instance was changed by a second-instance decision as follows: "According to Article (7) (5) (a) of Act No. 188/1994 Coll., the conduct of SSL is characterised as an abuse of its dominant position in the relevant ramp handling service market by direct enforcement of inappropriate contractual conditions, and an obligation has been imposed on SLL to refrain from the abuse."

46. SSL filed a lawsuit with the Supreme Court of the Slovak Republic, requesting a review of the decision issued by the Office in the second instance. The Supreme Court of the Slovak Republic rejected the lawsuit as unjustified. It stated that the Antimonopoly Office of the Slovak Republic had properly and demonstrably ascertained the facts of the case concerning the abuse of the dominant position and justified its decision.

**2. Control of concentrations**

47. The Act on Protection of the Economic Competition defines the concentration as a process of economic combination between entrepreneurs through a merger or amalgamation of two or several entrepreneurs, or through a transfer of an enterprise or part thereof to another entrepreneur, or through the acquisition of control by an entrepreneur or several entrepreneurs over another enterprise or part thereof. Not all concentrations are subject to the control by the Office. The Act explicitly defines the conditions under which a concentration is subject to control procedures conducted by the Office. The Office may either fully approve the concentration or require that certain conditions be met for the concentration to be approved, or prohibit the concentration. The Office shall prohibit the concentration, if it creates or strengthens a dominant position in the market, unless the participants prove that this harm on competition is outweighed by overall economic advantages of the concentration (Article 10 (2) of the Act on Protection of the Economic Competition).

*Summary of proceedings - concentrations*

48. During the reported period, *a total of 103 concentrations were reviewed within administrative proceedings* (97 cases in 1998, 68 cases in 1997, 40 cases in 1996, and 25 cases in 1995, including:

- 84 decisions in the matter,
- 37 procedural decisions,
- 21 cases that were not completed by the end of 1999.

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49. In one case, the Office issued a decision making the concentration conditional upon conditions relating to competition (concentration of seven enterprises administering state forests into a single enterprise Lesy Slovenskej republiky, š.p. Banská Bystrica). In another case (concentration between Danubiaprint, a.s., Bratislava and Prvá novinová služba, a.s., Bratislava), the Office Chairman issued a decision within the appellate proceedings, which confirmed the first-instance decision issued by the Office on 20 November 1998, prohibiting the concentration.

50. Participants in the proceedings appealed the first-instance decisions in 8 cases, including 1 case where proceedings were not completed in 1999.

### *Description of a significant case - concentrations*

#### **Concentration between the companies Tento a.s., Žilina and Zberne surovín Žilina a.s., Žilina**

51. On 27 August 1999, the Office issued a decision in accordance with Article 11 (1) (h) of the Act on Protection of the Economic Competition, by which it approved the concentration between the companies Tento a.s., Žilina (hereinafter referred to as "Tento") and Zberne surovín Žilina a.s., Žilina (hereinafter referred to as "Zberne surovín Žilina") in accordance with Article 10 (3) of the Act. As a result of the concentration, the company Tento acquired a 68 per cent stake in the registered capital of the company Zberne surovín Žilina.

52. Since it is a vertical concentration, the Office assessed two different product markets. The company Tento is one of two Slovak producers of sanitary paper (toilet paper, paper handkerchiefs, and napkins). In 1998, its market share was 61.6 per cent. The company Zberne surovín Žilina, having a 15.1 per cent market share in the purchase and sale of scrap paper, is among the three largest purchasers of scrap paper in the Slovak Republic and one of the companies supplying this material to Tento.

53. The Office assessed the concentration and arrived at the opinion that was not contrary to the law and that its overall economic advantages were demonstrable. For these reasons, the Office approved the concentration.

#### **Concentration of seven state-owned forestry companies into a single company Lesy SR, š. p. Banská Bystrica**

54. The Office issued a decision making the approval of the concentration conditional upon the fulfilment of a certain condition. The Ministry of Agriculture of the Slovak Republic SR issued a decision, according to which seven state-owned forestry companies merged into a single company - Lesy Slovenskej republiky, š. p. Banská Bystrica. The decision was issued in accordance with Act No. 111/1990 on State-owned Enterprises. According to Article 14 (2) of this Act, state-owned enterprises, which produce sales or achieve a market share according to Article 9 et seq. of Act No. 188/1994 Coll. on Protection of the Economic Competition, are required to notify the Office of the concentration, while an application for registration of a new state enterprise may only be filed with the Commercial Register after the concentration is approved.

55. Six participants in the concentration had the same subject-matter of activities - administration and protection of forests, preserving production and public-good functions of forests, cultivation and exploitation activities, and the sale of raw wood. These companies operated in the same market and their merger resulted in a horizontal concentration. The seventh company - Semenoles - was involved in

collecting, processing and storage of seeds of wood species and trading in these seeds. The integration of this state-owned enterprise into the new company Lesy SR, š. p. Banská Bystrica, resulted in a vertical concentration, because Semenoles acted as supplier toward the other participants in the concentration.

56. It follows from the analysis of the relevant markets that the merger has resulted in establishing a nation-wide entity with a dominant position in the relevant raw wood market, which will have a 69 per cent market share on average. The main reason of the concentration, as stated by the participants, was to find the possibility of solving economic problems in the forestry sector and obtaining sufficient resources to ensure activities serving the public good. After considering these reasons and harmful effects of the concentration on competition, consisting in the considerable strengthening of the original dominant position in the regions with regard to the dominant position in the Slovak market, a decision was issued, by which the concentration was approved. However, the Office made the concentration conditional upon the fulfilment of the following condition: "By 31 December 1999, the new state-owned company Lesy SR must distribute the competencies in the trade policy in such a way that the powers to conclude purchase agreements concerning raw wood are distributed as follows as of 1 January 2000: 40 per cent of the realised quantity of raw wood expressed in m<sup>3</sup> must be within the powers of the company Lesy Slovenskej republiky and 60 per cent of the realised quantity of raw wood expressed in m<sup>3</sup> must be within the powers of the individual forestry branches. Pricing and other ordinary matters relating to purchase agreements will be within the exclusive powers of the forestry branches.,,

57. The participants in the concentration did not lodge an appeal against the decision. At the end of 1999, the Office started to control the fulfilment of the imposed condition and this procedure will also continue in 2000.

### ***3. Demanding a remedy from state administrative bodies and municipalities according to Article 18***

58. State administrative bodies and municipalities must not restrict competition by adopting measures, giving evident support, or in any other ways. The Office may demand that state administrative bodies and municipalities take a remedy.

59. In 1999, the Office reviewed 11 cases of possible violation of Article 18 of the Act on Protection of the Economic Competition. These cases mainly involved granting discriminatory exceptions. By the end of 1999, remedies have been taken in 6 cases in accordance with the Office's requirement, while 3 cases have not been completed by the end of the year.

#### *Description of a significant case*

#### **Generally Binding Regulation of the town of Žiar nad Hronom No. 3/1996 on the Operation of Cemeteries, Burying Grounds and Houses of Mourning in Žiar nad Hronom**

60. The Antimonopoly Office of the Slovak Republic received a notification from the company Orchidea, Žiar nad Hronom, that the Generally Binding Regulation of the town of Žiar nad Hronom No. 3/1996 on Operation of Cemeteries, Burying Grounds and Houses of Mourning in Žiar nad Hronom (hereinafter referred to as "VZN") does not allow Orchidea employees to enter the cemetery.

61. By approving the VZN, the town violated the provisions of Article 18 (1) of Act No. 188/1994 Coll. The Office therefore requested that the town take a remedy according to Article 18 (3) of Act No. 188/1994 Coll., to the effect that the name of the particular entity be replaced by a general definition of an entity operating cemeteries and that, in terms of accounting, the decision-making process -

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administrative of the cemetery be separated from business activities - providing cemetery and funeral services. The town accepted the Office's request by cancelling the VZN and approving a new VZN, which did not contain the provisions directed against competition.

### **4. Fines**

62. According to the Act on Protection of the Economic Competition, the Office is entitled to impose a fine on an entrepreneur for breaching the duties stipulated by the Act, up to 10 per cent of the turnover generated in the previous accounting period, depending on the importance of the violation of the Act; If it is not possible to calculate the sales, the fine may amount up to SKK 10 million. If it is proved that the entrepreneur achieved a property benefit as a result of violating the obligation prescribed by the law, a fine at least equalling this benefit will be imposed on the entrepreneur. The Office may also impose a fine on an entrepreneur, who fails to fulfil the obligation to submit to the Office the required documents and true information within the set time limit or does not allow a review of these documents and information, or prevents entry in the entrepreneurs' buildings, premises and transportation means.

63. During the reported period, i.e. the year 1999, the Office imposed fines totalling *SKK 6,350,000* on the basis of final decisions. During this period, the Office collected or recovered fines and penalties *in the amount of SKK 5,976,000*, of which fines amounted to *SKK 5,235,000*. For comparison's sake, the following fines were imposed in the preceding years: SKK 14,142,000 in 1998, SKK 6,510,000 in 1997, SKK 5,272,600 in 1996, and SKK 2,180,000 in 1995.

64. Additionally, administration fees in the amount of *SKK 2,768,000* were paid to tax authorities.

### **III. Tasks of the antimonopoly office of the Slovak republic in the formulation and implementation of other policies**

65. The aim of the competition legislation in Slovakia, represented by the Act on Protection of the Economic Competition, is to protect and support efficient competition and create the conditions for its further development in order to support the economic development to the benefit of consumers. The amount of competition may be reduced by applying other policies. The Office should therefore more actively participate in the process of formulation and implementation of other policies in the form of issuing opinions on draft legislation, documents submitted to the Government of the Slovak Republic, and opinions of privatisation projects, in accordance with the laws providing for these obligations.

66. The Office Chairman regularly attends sessions of the Government of the Slovak Republic, he is a regular member of the Board of Economic Ministers, member of the Government's Economic Board, and member of the Slovak Government Board for Slovak Republic's Entry into the OECD. The Office employees represent the Office in several bodies, such as ministerial commissions, or directly in the advisory bodies of the Government of the Slovak Republic.

#### **1. Opinions on draft legislation**

67. Within the legislative process, the Office regularly participated in the inter-ministry comment procedures and issued opinions on draft legislation submitted to the sessions of the Government of the Slovak Republic. Within the inter-ministry comment procedures in 1999, the Office prepared opinions on 256 bills, including 11 legislative plans.

68. The most important comments by the Office, which have been accepted, include opinions on the following legal regulations and documents submitted to the Government of the Slovak Republic:

- *The draft Act amending and supplementing Act No. 379/1997 Coll. on Operation of Private Security Services and Similar Activities, and on amendments and supplements to Act No. 455/1991 Coll. on Licensed Trading (Trade Licensing Act) as amended, and on supplements to Act No. 65/1965 Coll. - the Labour Code as amended (the Act on Private Security Services) and Act No. 455/1991 Coll. on Licensed Trading (Trade Licensing Act) as amended.*

69. The Office did not agree with the original draft law, according to which the Regional Police Directorate, when issuing a decision on granting a license, sets the condition that the security service be operated in an area smaller than the whole territory of the Slovak Republic. If such a condition were required, the competent Regional Police Directorate would violate Article 18 of the Act on Protection of the Economic Competition, because, in order not to discriminate against entrepreneurs in the market of security services and similar activities and to preserve equal chances of entrepreneurs in the economic competition on this relevant market, it is desirable that entrepreneurs are enabled to carry out business activities on the whole territory of the Slovak Republic.

- *Draft Act on Reserves and Provisions for Calculating the Income Tax Base*

70. The draft Act contained the possibility of increasing the amount of provisions of banks on the basis of the State Budget Act for the relevant year, which only concerned the selected banks, for which the National Bank of Slovakia and the Ministry of Finance of the Slovak Republic approved restructuring projects. The Office presented an opinion, in which it pointed out that this case would constitute the state aid in accordance with the Association Agreement, and requested that a time limit for this form of state aid be incorporated in the draft Act.

71. The provision of the draft Act on Reserves and Provisions for Calculating the Income Tax Base, contested by the Office, has been deleted from the final version of the Act.

- *The draft Act amending and supplementing the Act of the National Council of the Slovak Republic No. 140/1998 Coll. on Medicines and Medical Aids, and on an amendment to Act No. 455/1991 Coll. Licensed Trading (Trade Licensing Act) as amended and on amendments and supplements to the Act of the National Council of the Slovak Republic No. 220/1996 Coll. on Advertising as amended by Act No. 104/1999 Coll. and the Finding of the Constitutional Court of the Slovak Republic No. 122/1999 Coll. of 25 May 1999.*

72. Within the inter-ministry comment procedure, the Office proposed a substantial change to the text relating to the provisions of Article 70 (1) of Act No. 140/1998 Coll. The original text: "A public pharmacy shall provide the public with pharmaceutical care, including individual preparation of medicines,, was proposed to be changed as follows: "A public pharmacy shall provide the public with pharmaceutical care and ensure individual preparation of medicines,,

73. The change proposed by the Office was based on the need to change this provision of Article 70 (1) of Act No. 140/1998 Coll., which provided for the obligation to build laboratories and accessories in each public pharmacy, except for branch offices. This involved a demanding step in terms of space, finances and personnel, and, in all probability, the failure to fulfil this condition would mean that certain public pharmacies would be closed down as of the stated date.

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74. The introduction of the obligation to provide individual preparation of medicines would result in the situation where small pharmacies, selling ready-made medicines, would be excluded from the market. If there is an objective need for all pharmacies to provide individually prepared medicines, the legislator can ensure the fulfilment of this need in a different manner, chosen by the owner. For example, it can impose an obligation on public pharmacies to ensure individually prepared medicines. Each entrepreneur - public pharmacy should be able to make a decision as to whether it will set up its own laboratory or use the services provided by other laboratories, in order to ensure individually prepared medicines.

75. According to the Office, it is beyond the competencies of the Ministry of Health of the Slovak Republic to intervene in the activities of entrepreneurs by prescribing the method for performing the necessary services, if such services can be performed in a more efficient manner. The obligation to provide pharmaceutical care, including individual preparation of medicines, also represents a market entry barrier for new entrepreneurs. The possibility of entering and leaving the market establishes the basic criterion for the competitive character of the market.

- *Act No. 263/1999 Coll. on Public Procurement and Amendments and Supplements to Certain Laws*

76. Within the inter-ministry comment procedure concerning this Act, the Office pushed through the requirement that the Act enshrined the right of the Office to request from those organising public tenders to provide complete documentation on public tenders that have already been carried out. The Office will request documentation concerning public tenders when investigating cases according to the Act on Protection of the Economic Competition, in order to make sure that no cartel agreements are concluded between the participants in the public procurement, which constitutes the facts of case according to Article 3 of the Act on Protection of the Economic Competition.

- *Draft principles of submitting applications for issuing decisions on the privatisation of property of state enterprises and organisations by means of direct sale to a selected buyer*

77. As regards the document prepared by the Ministry of Administration and Privatisation of National Property of the Slovak Republic entitled "Draft principles of submitting applications for issuing decisions on the privatisation of property of state enterprises and organisations by means of direct sale to a selected buyer,,", the Office recommended that a new paragraph in the following wording be added to Part II: "The Ministry, following a proposal from the founder and comments by the Office, shall ensure the assessment of the effectiveness of the proposed de-concentration of the privatised company in accordance with Article 19 (2) of the Act on Protection of the Economic Competition".

## **2. *Opinions on privatisation projects***

78. The relation of the Office to the privatisation arises from Article 19 of the Act on Protection of the Economic Competition, according to which the Office is required, within eight working days, to comment on a draft privatisation project submitted by the founder according to Act No. 92/1991 Coll. on Conditions of the Transfer of State Property to Other Entities as amended.

79. Within the inter-ministry comment procedure concerning privatisation projects in 1999, the Office issued its opinions on 66 draft privatisation projects. In several cases, the Office recommended a different form of privatisation from that proposed by the founders.

**3. *Opinions according to Act No. 59/1997 Coll. on Protection Against Dumping in the Import of Goods***

80. According to this Act, the Ministry of Finance of the Slovak Republic has a duty to request the Office for an opinion on the restriction of competition, when assessing dumping in the import of goods, and reviewing and evaluating the damages resulting from the dumping. The Office did not receive any request from the Ministry of Finance of the Slovak Republic to issue such an opinion in 1999.

**4. *Opinions according to Act No. 214/1997 Coll. on Protective Measures in Imports***

81. The purpose of the Act on Protective Measures in Imports is to protect local production sectors against increased quantities of imported goods, which may seriously endanger the sector or an entrepreneur's market position. The Ministry of Economy of the Slovak Republic also requests a written statement from the Office. The Ministry addressed the Office with such a request four times in 1999.

- *Opinion of the Office on the application of a protective measure against excessive imports of flat rolled iron products*

82. The Office issued to the Ministry of Economy of the Slovak Republic an opinion approving the petition of VSŽ, a.s., Košice, regarding the protection against excessive imports of flat rolled iron products from the Russian Federation and Ukraine, to the effect that, in this case, the protection policy and more consistent application of adequate measures in the cases of increased imports of low-quality goods and materials should be used to protect the local production sector.

- *Opinion of the Office on the application of Drevina Turany, a.s., Turany, for adopting a protective measure against excessive imports of wooden internal doors from the Czech Republic to the Slovak Republic*

83. On 24 April 1999, the Ministry of Economy of the Slovak Republic requested the Office to issue an opinion on the application filed by the company Drevina Turany, a.s., Turany (hereinafter referred to as "Drevina Turany,") to introduce a protective measure against excessive imports of wooden internal white doors from the Czech Republic to the Slovak Republic according to Article 5 (b) of Act No. 214/1997 Coll.

84. The Office reviewed the relevant market within its powers according to Article 11 (1) (a) of the Act on Protection of the Economic Competition. It was proved that the proportion of relevant products of Drevina Turany in the market was decreasing, the commercial and pricing conditions and the quality of products of Drevina Turany were worse than those of its competitors, and that other local producers and importers were asserting themselves more and more in the market.

85. Based on the results of its own investigation, the Office did not recommend that the protective measure be introduced. In the event that the Ministry of Economy of the Slovak Republic decided to adopt the protective measure, the Office recommended that the measure be only adopted for a short time to make it possible to assess its impact on the relevant market in the Slovak Republic after the expiration of the time limit, or to reassess its opinion. The Office confirmed its original opinion within the appellate proceedings on 6 September 1999.

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- *Opinion of the Office on the application for adopting a protective measure against excessive imports of bricks to the Slovak Republic*

86. The Ministry of Economy of the Slovak Republic requested the Office to issue an opinion according to Article 5 (b) of Act No. 214/1997 Coll. on Protective Measures in the Import on the application filed by Tehliarsky zväz Slovenska [Association of Slovak Brick-makers], based on an authorisation from some brick-makers, requesting that a protective measure be applied to the import of bricks.

87. The applicant assumed that the local production sector would be damaged by excessive imports of bricks, considering the current decrease in the number of apartments under construction and public investment cuts in the construction industry.

88. Based on the review of the information supporting the application, the Office did not recommend that the application be approved, because the purpose of the Act on Protection of the Economic Competition is to protect competition in the markets of goods, create the conditions for its further development in order to support the economic development to the benefit of consumers, where the competition mechanism has a cumulative effect. If the entrepreneurs operating in the market are exposed to competitive pressures (including imports), consumers will be able to obtain high-quality goods at low prices.

- *Opinion of the Office on the application for adopting a protective measure against excessive imports of exploited or crushed stoneware to the Slovak Republic*

89. On 12 October 1999, The Ministry of Economy of the Slovak Republic requested the Office to issue its opinion on the application filed by the company ALAS - štrkové a betónové závody [Gravel and Concrete Factory], spol. s r. o., Bratislava, requesting the introduction of a protective measure against excessive imports of exploited or crushed stoneware for the manufacture of concrete etc. Based on the investigation, the Office stated that building stone (crushed stoneware and gravel sands) and exploited stoneware are substitutable to a large extent in the construction production, which is true, for example, about stoneware and concrete. Further, it was proved that this case involved a cross-border import of gravel sands from Hungary to the areas of Bratislava and Nitra and that only high-quality sand gravel fractions were imported. In this connection, the Office found out, considering the import barriers, such as problems with organisation and crossing the borders, and especially the limiting barrier, such as transportation costs, that no major increase in imports, which would largely influence the relevant market, could be expected.

90. In view of the aforementioned technical and economic barriers, which limit the import possibilities, considering the situation in the competitive environment in the relevant markets, and in accordance with the principles of protection of the economic competition, the Office issued an opinion disapproving the adoption of protective measures against the import of exploited stoneware.

### **5. *Opinions according to Act No. 226/1997 Coll. on Subsidies and Balancing Measures***

91. According to this Act, the Ministry of Economy of the Slovak Republic requests a written statement from the Office and another three central bodies of state administration on the import of goods that are subsidised in the country of origin, if the local production sector may be intentionally damaged by importing such goods to the Slovak Republic. The Office did not receive any request from the Ministry of Finance of the Slovak Republic to issue such an opinion in 1999.

#### IV. Reports and studies on competition policies

##### *Lectures delivered by the Office employees*

92. Lectures continued also in 1999. This time, however, they were not only offered to professionals outside the Office, but also to its own employees. Following her participation in the so-called training of trainers for Slovak state officials in EU laws, organised by the European Institute for Public Administration in Luxembourg, a staff member of the Legislative, Legal and European Integration Division organised a seminar for the Office staff, which was entitled Legal Instruments in the European Union Law.

93. Lectures to professionals were held especially at the Economic University in Bratislava, the University of Technology in Zvolen, Matej Bel University in Banská Bystrica, and commercial colleges in Bratislava. Lectures were also delivered to directors of health insurance companies and health care facilities and management staff in the power engineering sector. Following an invitation, the Office Chairman attended the so-called "Thursday's" meeting in the Club of Economists, where he delivered a lecture concerning the protection of economic competition in Slovakia.

##### 2. *Transparency of the Office work*

94. The Office has decided to fundamentally improve the transparency of its activities, introducing several measures as of 1 January 1999. The most important measures introduced in this manner include the following:

- Extending the web site of the Office, where, on the address **www.antimon@gov.sk** all legally valid decisions of the Office issued after 1 January 1999 are available, as well as information on all initiated administrative proceedings before the Office, the decisions issued in the first instance, appeals lodged against these decisions, the decisions issued in the second instance, decisions issued by the Supreme Court of the Slovak Republic, and a lot of other information on the current activities of the Office.
- An agreement with the management of the daily *Hospodárske noviny*, according to which a column called "The Antimonopoly Office of the Slovak Republic Informs," has been established. In this column, detailed information on the activities of the Office is published every 14 days. The English version of this column can be found on the web site of the Office.
- A decision to make available all final decisions of the Office to professionals and members of the general public in the Office library. Those interested may request a copy of any of these decisions, which will be provided immediately.

95. At the end of 1999, it may be stated that this form of publishing information turned out to be very good and helped the public receive information on the area of competition, which has been proved by a positive response not only from the business community, but also from students, journalists and lawyers. This feedback, which enabled the Office to obtain valuable information to make its work more efficient.

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**V. Resources of the antimonopoly office of the Slovak republic**

**1. Total financial and human resources: 1999 1998**

|                 |                |                |
|-----------------|----------------|----------------|
| a) State budget | SKK 28 839 000 | SKK 26 552 000 |
|                 | USD 675 940    | USD 622 336    |

\* The Act of the National Council of the Slovak Republic No. 303/1995 Coll. on Budget Rules as amended enables state administrative bodies, which impose and recover fines, to use part of these fines to cover their expenses:

|  |               |               |
|--|---------------|---------------|
|  | SKK 2 473 000 | SKK 2 631 000 |
|  | USD 57 963    | USD 69 327    |

b) Number of employees

|                 |    |    |
|-----------------|----|----|
| -economists     | 26 | 26 |
| - lawyers       | 17 | 13 |
| - other experts | 7  | 12 |
| - others        | 21 | 21 |
| - total         | 72 | 71 |

**2. Human resources:**

|   |    |    |
|---|----|----|
| a) Anticompetitive practices<br>and control of concentrations | 36 | 34 |
| b) Enforcing the competition law                              | 10 | 8  |