



सत्यमेव जयते
Government of India



RIYADH, KINGDOM OF SAUDI ARABIA 23-24 May 2023

الرياض، المملكة العربية السعودية 23-24 أيار/مايو 2023

4 ARAB COMPETITION FORUM



منتدى المنافسة العربي

4



Important initiatives in the digital economy taken by the Competition Commission of India



Multi-pronged Strategy

- *Enforcement*
- *Regulation of Combinations*
- *Advocacy*
- *Market Studies(Soft Laws)*
- *Strengthening Institutional Capability*

Enforcement Approach of CCI

- Cautious and Nuanced
- Not a homogenous application of law but case by case examination
- Novel theories of harm guided by the economics of multisided markets
- Follow best global practices with suitable modifications to account for local factors

Important Cases

CCI imposes monetary and non-monetary sanctions on Online Travel Agencies(OTAs) for indulging in anti-competitive conduct

- Deep discounts, exclusivity conditions and parity conditions by MMT-Go (OTA) found to be in contravention of various provisions of the Competition Act.
- Beside imposing monetary penalty ,CCI also directed MMT-Go
- ▶ to modify its agreements by removing/abandoning the (a) price and room availability parity obligations and (b) exclusivity conditions also
- ▶ to provide providing access to the MMT-Go platform on a fair, transparent and non-discriminatory basis to hotels/chain hotels

Important Cases

CCI imposed monetary penalty as well as issued cease and desist order against Google for its abusive conduct in the Android mobile device ecosystem

CCI Finding: the requirement of pre-installing the entire Google Mobile Suite (GMS) under the Mobile Application Distribution Agreement (MADA), without the ability to remove it, and its prominent placement imposes an unfair condition on the device manufacturers and is therefore in contravention of competition law.

Beside imposing monetary penalty ,CCI also directed Google to modify its conduct within a defined timeline

Merger Control in Digital Market

Challenges

- *Merger notification thresholds*
- *Defining Relevant Market*
- *Redefine Theory of harms*
- *Drafting of remedies*
- *Acquisition of Nascent Firms*

Merger Control in Digital Market-CCI Approach

- *Safeguarding Potential Competition*
- *Choosing the right analytical framework*
- *Factors such as data, quality, choice, and innovation -relevant metrics for formulating the theories of harm*
- *Recent amendment in the Act has introduced the "value of transaction" as another criteria for notifying mergers and acquisitions based on the size of the transaction*

Market Studies

Market studies are a widely used tool to develop a better understanding of competitive conditions within one or more sectors.

- *Market study on e-commerce in India in the year 2020*
- *Market Study on Cab Aggregator Industry - With Special Emphasis on Surge Pricing in the year 2022*



Strengthening Institutional Capability

CCI initiated the process of setting up a Digital Markets and Data Unit (DMDU) that will act as a specialised interdisciplinary centre of expertise for digital markets within CCI

Advocacy

- *Proactive outreach and advocacy*
- *Intensive discussions in the form of workshops with stakeholders to understand the ever-evolving markets*
- *Conducting Market Studies*

Way forward

- *Government has appointed a Committee to examine the need for an ex-ante regulatory mechanism in the context of systemically Important Digital Intermediaries.*
- *International Cooperation*
- *Focussed Advocacy*
- *Conducting Market Studies*



THANK YOU