



Digitalization and Competition

Ukraine: Role and Practice of Competition authority

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DIGITALIZATION OF TODAY



Antimonopoly
Committee of Ukraine



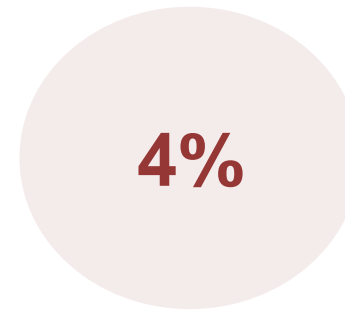
Ministry of Digital
Transformation



Project
“State in Smartphone”

↑ **2,5 times**
Online Sales Growth

Growing IT industry



of GDP
in 2018



in export structure
of services

14

business
tech-events

13k

Firms bought cloud
computing systems

18k

datasets and
registers are open

DIGITALIZATION OF TODAY



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prozorro
PUBLIC PROCUREMENT



The World Procurement Award
2016 at Public Sector Awards in London



The Open Government Awards
2016 during the Global Summit in Paris

4 years

in existence

3,8M

procedures

\$400M

saving of public funds

Procurement
Appeals

\$7B

complaints

7700

complaints
2018

10K+

complaints
2019

DIGITALIZATION AND COMPETITION



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Bid Rigging

300 cases per year on average



Information from
electronic trading
platforms



Digital evidence

Examples of digital evidence from procurement platform for bid rigging cases

- Same IP addresses to access auctions and submit documentation
- Same contact details
- Same properties of files / licenses of software used to prepare bids
- Upload of documents belonging to another bidder
- Bidding pattern in auctions
- Established pattern of winning sequences

60 million USD

penalties imposed in bid rigging cases
in 2019, year to date

DIGITALIZATION & COMPETITION VIOLATIONS



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Access to data and electronic systems

- **Property registers.** Restriction of access to data for the launch of alert system on changes in the registers of rights for real estate
 - *As a result of enforcement actions access codes were made public and other businesses could develop their solution*
- **Port cargo data.** Legally questionable assignment of rights to a private entity to develop software solution, set up and maintain a database for registration and customs clearance recognized as abuse of dominance
- **Online sales of railway tickets.** Development of a payment solution to sell online railway tickets with mandatory connection of partner banks conditioned with surcharge of a license fee investigated for abuse of dominance.
- **Property evaluation cartel.** State Property Fund established a database for evaluation report for the sale of real estate with unreasonably restrictive qualification requirements. Only several companies entered the market and were subsequently found guilty in anticompetitive concerted actions.
 - *Cartel case against evaluation companies*
 - *Anticompetitive actions of public body decision against State Property Fund*

DIGITALIZATION & COMPETITION VIOLATIONS



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Platform for sale of arrested
property (SETAM case)

Reported problems

- Monopolization in the process of sales
- Manipulations

Objectives of intervention

- Separation of functions: (i) database management, (ii) organization of sales and (iii) conduction of actions – to reduce the risks of manipulations





THANK YOU!
TEŞEKKÜR EDERİM!
ДЯКУЮ!