

## Competition Law

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Sarie-Eldin & Partners is specialised in providing legal services in business and commercial law. The firm is one of the leading firms in the field of competition law as it houses highly qualified lawyers with vast expertise in dealing with different aspects of competition laws and regulations. The services of the firm include, inter alia; providing legal advice on competition law and its provisions, handling competition cases concerning anti competitive practices, in addition to preparation and submission of mergers and acquisitions notifications.

Being located in Egypt, the heart of the Middle East, North Africa and the Arab World, it widens the scope of the firm's services in the region. As for North Africa, most of the countries in this region have strong ties with the European Union either under the Euro-Med Market Program (replaced by the Union for the Mediterranean) or under the association agreements concluded by each of these countries and the European Union. Accordingly, most of the laws and regulations adopted, including competition law, correspond to a large extent to those adopted in the European Union.

However, the anti competitive practices stipulated in such laws are recognised in all jurisdictions worldwide. Therefore, the differences would be in the applicable legal system and not the substance of the law. In other words, implementation of the competition law may differ from a common law system to a civil law system. In addition, the procedure within each system may be of civil, administrative or criminal nature.

In Egypt for example, which follows the civil law system, the Competition Law No. 3 of 2005 provides for the three types of anti competitive practices, namely; hardcore cartels, vertical agreements and abuse of dominant position. These violations are all of a criminal nature and are subject to a fine ranging between 100,000 to 300 million EGP. In 2008, the law was amended to introduce a binding mergers and acquisition notification for companies with an annual turnover more than a 100 million EGP. Failing such notification to the competition authority, the company shall be subject to a fine ranging between 10,000 – 100,000 EGP.

It should be noted however that notwithstanding the existence of competition laws and institutions, the challenge faces most of North African countries in implementing competition law is the lack of competition culture. Though the economic reform and the shift towards a market oriented economy in these countries has taken place for over two decades, the markets are still suffering heavy regulations and government intervention. In addition, the public pressure sometimes forces governments to intervene even with no competition concern, which leads in most of the cases to competition distortions in the market place.

However, with the increased trade relations between North African countries and other parts of the world, especially after the gradual recovery of the financial crisis effects, the coming period will witness more developments in the competition field. This would definitely require companies operating in these countries to be aware of laws and regulations governing their transactions. In this sense, acquiring the legal assistance and advice concerning, inter alia, competition laws and regulations would be of utmost importance.