Competition Law and Policy During and in the Aftermath of the COVID-19 Pandemic: Egypt’s Experience
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Introduction: The interplay of CLP and COVID-19

General Competition Concerns During Crisis

- Shortages in essential goods and services
- Exit of smaller firms from the market
- Increased barriers to entry
- Reduced ability to expand for stronger incumbents
- Reduced FDI
- Increased Unemployment
Impact of COVID-19 on the Egyptian Economy

- Contrast between the formal labour market and the informal sector
  - Mass layoffs
  - Struggling small and medium enterprises
- Demand shocks and supply chain obstructions
  - Medical products
  - Food supply chains
- Impact on healthcare systems
- Impact on investment and trade
  - Due to reduced incentives for foreign direct investment, there is a strong need to strengthen domestic supply chains
- Impact on tourism
- Impact on remittances from abroad
ECA’s efforts in remedying the adverse effects of the pandemic

• Habitually addressing supply chain and importation restrictions
• Offering ad-hoc guidance and preliminary competition assessments on horizontal cooperation agreements
• Closely monitoring any considerable price changes in the market
• Clarifying the appraisal process for efficiencies in high risk sectors during the crisis
• Using advocacy powers under Art. 11 ECL
• Spreading competition culture in a general sense
Moving towards quick and sustainable economic recovery

• Egypt’s first ex-ante merger control regime
  - Careful assessment of failing firm defences
  - Public interest considerations
• ECA’s public procurement guidelines
• Monitoring horizontal cooperation
  - Increasing production capacity utilization and labour retention
• Striking a balance between under-enforcement and over-enforcement
• Strengthening domestic supply chains
  • Addressing the likelihood of foreign takeovers to endanger competition and divert supply chains
Thank you!