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AMENDMENTS
TO THE REGIME
OF ANTITRUST
LAW

H&H

Amendments to the Uruguayan Competition Act

- On September 11th, Uruguayan Congress has approved the bill submitted by the Executive regarding the Uruguayan Competition Act, which aims to strengthen the protection and promotion of the well-being of both consumers and current and future users.
- In order to ensure an alignment to the best international practices, these amendments introduce changes in M&A control and anti competitive practices.

- **Mandatory concentration authorization:** previous to this amendment, *ex ante* governmental authorization was required only in those cases in which an action of economic concentration entailed the creation of a “de facto” monopoly. In these cases, such action of economic concentration had to be authorized by the Antitrust Commission prior to the execution of the corresponding transaction. All other economic concentration actions were not subject to prior assessment and clearance.
- However, this amendment expressly provides that the concentration authorization is compulsory for economic operations that entails a material economic impact.
- It should be noted that the notification shall be requested before the transaction is executed. Additionally, the Antitrust Commission must resolve within 60 days the authorization or denial of the economic operation.

New Thresholds

- Prior to this amendment, the Uruguayan Act provided that notice in case of M&A control was required when a) as a consequence of the transaction, the market share of the combined entity becomes equal to or above 50% of the relevant market; b) when the gross annual invoice in the Uruguayan territory of the participants in the transaction was equal to or above 750.000.000 UI in any of the last three financial years.
- These thresholds were overridden and now the only threshold that triggers the Notification obligation to the Antitrust Commission is when the gross annual invoice in the Uruguayan territory of the participants in the transaction was equal to or above 600.000.000 UI, approximately USD 70 million in any of the last three financial years.

Other remarks

- It must also be noted that the regime of authorizations of economic concentrations becomes effective 6 months after the entry into force of the amending act.
- The amending act provides certain economic concentrations exempt from the control regime mentioned above; *e.g.* the acquisition of companies that have been declared bankrupt, as long as within the public tender only one bidder has submitted an offer.

Anticompetitive practices *Per Se*

The amending act sets forth that certain practices would be considered as **“anticompetitive *per se*”**:

- a) Those concerted practices between competitors to set prices, agreements on quantity and production or services provided.
- b) Coordination in tenders and market distribution.

The described practices were considered as anticompetitive prior to this amending Act. However, the consequence of being considered as anticompetitive “*per se*” supposes the occurrence of an anticompetitive practice regardless of whether they have been carried out in an unjustified way, or in an abusive manner.

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