

Muja Law brings you the next publication of *Food for Thought*, an article that aims to provoke discussions on certain legal topics in Albania, and present you with the latest developments from various important legal authorities.

The following gives an overview of the latest Decisions of Albanian Competition Authority (“ACA”), more precisely Decision No. 679, dated 14.02.2020 “*On the opening of the preliminary investigation procedure in the retail market of mobile services*” and Decision No. 680, dated 14.02.2020 “*On taking provisional measures to restore competition in the retail mobile services market*”.

[Decision No. 679, dated 14.02.2020 “On the opening of the preliminary investigation procedure in the retail market of mobile services”](#)

Albtelecom Sh.A and Telekom Albania Sh.A have recently notified ACA on the changes in the price and content of packages offered for prepaid programs (and those contracted to individuals by Telekom Albania).

In relation to the above, two complaints were filed by consumers of mobile telephony to ACA, as well as another complaint by the Albanian Consumer Center alleging that the mobile companies unjustifiably raised prices without informing the mobile telephony consumers and to the detriment of the economic interests of these consumers.

As for the above, and given the concerns in the media over this issue, ACA decided to conduct a monitoring in this market regarding the prices of the monthly packages launched by mobile operators Vodafone Albania, Telekom Albania and Albtelecom.

ACA specifies that on-site monitoring at Vodafone Albania, Albtelecom and Telekom Albania has revealed that all three mobile operators have launched new standard 30-day prepaid packages with an increase in price of 200 ALL, and have increased the minimum value for recharge by 100 ALL (from 100 ALL to 200 ALL) in the period from 30 January to 11 February 2020, a conduct which in virtue of Law No. 9121, dated 28.07.2003 “*On Protection of Competition*”, as amended, may constitute a *prohibited agreement*.

For the above reasons, ACA has decided the opening of a preliminary investigation procedure in the “Retail Market for Mobile Services” to see whether or not there are signs of competition restriction. The preliminary investigation will cover the period from 1 November 2019 to 31 March 2020. The preliminary investigation report shall be submitted to ACA not later than 2 months after the receipt of this decision. *This decision entered into force immediately.*

Decision No. 680, dated 14.02.2020 “On taking provisional measures to restore competition in the retail mobile services market”

Following the decision No. 679, dated 14.02.2020, ACA further observes as below:

➤ **Vodafone Albania** on January 7, 2020 has announced on its website that starting from February 11, 2020 will offer new 30-day prepaid packages. Also starting from February 11, 2020, the new minimum recharge value will be 200 ALL.

The packages that Vodafone offers in the market for prepaid subscribers are standard minutes, SMS and MB packages: Vodafone Z, Vodafone Silver, Vodafone Talk Vodafone Combo and Vodafone Gold. Vodafone also offers three additional unit packages that serve as minutes, SMS and MB: YouMix S, YouMix M and YouMix L.

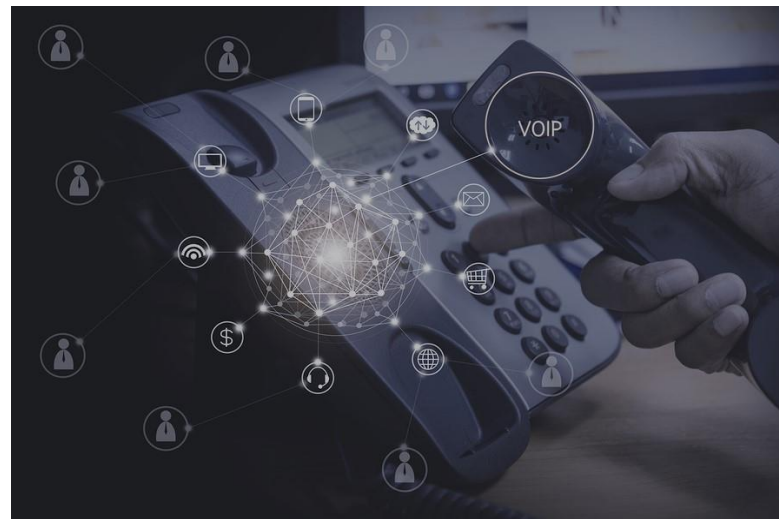
Each of the packages increases by 200 ALL, but there are also changes in the units that are benefited. Specifically Vodafone Talk package remains unchanged, while the Combo, Z, Silver and Gold packages increase in terms of MB units by 0.5 for the Combo package and 1GB for the other four packages. The Gold package also boasts a 40-minute international increase.

➤ **Albtelecom** has announced that starting January 30, 2020 will offer five new 30-day packages for prepaid subscribers. In addition, Albtelecom announces that starting from January 30, 2020 the minimum amount of recharges will be 200 ALL.

Comparing the existing packages before this change with the new packages, shows an increase in price by 200 ALL, as well as an increase in the minimum recharge value by 100 ALL (from 100 to 200). New packages offered by Albtelecom are Super 900 ALL,

Super 1300 ALL, Super 1500 ALL, Gigastike 1500 and Super 2100 ALL.

According to Albtelecom's announcement, in the Super 900 package the amount of minutes, MB and SMS remain unchanged. The Super 1100 ALL package that now costs 1300 ALL contains 0.5 GB more internet, the Super 1500 Pack contains 1GB more, the Gigastike Pack contains 200 national minutes and 1 GB more; and the new Super 2100 Package has 60 international minutes plus and 2 GB more.



➤ **Telekom Albania** has announced that starting from 5 February 2020 it will offer standard 30-day prepaid packages: S / M / L / XL / Electronic Beats / FIT 4000 / FIT 7000 Package. In addition, Telekom informs that starting 5 February 2020, the minimum transaction amount for a recharge will be 200 ALL.

Specifically the new packages offered are: Simple Package 1000 ALL; Beats Xtreme 1600 ALL; Optimal package 1400 ALL; Full Pack 1600; Premium Package 2200 ALL; FIT 4000- 1400 ALL; FIT 7000- 1600 ALL. The comparison of these new packages with the old ones shows an increase of 200 ALL

in price for all packages. Optimal and Full packages have a 1 GB increase; Full package has a 1 GB increase and 200 minutes towards fix networks; Premium package has a 2 GB increase, 40 minutes international plus and 500 min plus towards fix networks.

As for the above, ACA notes that all three mobile operators have launched new standard 30-day prepaid packages with an increase in price of ALL 200, and have increased the minimum value for recharge by 100 ALL (from 100 to 200 ALL) in the period of 30 January - 11 February 2020, a conduct which may constitute a prohibited agreement.



➤ In conclusion, referring to the behavior of Vodafone Albania, Telekom Albania and Albtelecom in the retail mobile market, ACA has considered that is facing an emergency due to the risk of serious and irreparable damage to competition in this market.

Therefore, ACA has decided the immediate termination, and not later than 5 days from the notification of this decision, of the application of new standard 30-day prepaid packages for Vodafone Albania, Telekom

Albania and Albtelecom. This provisional measure will stay in force until the conclusion of the investigative procedure, in virtue of Decision No. 679, dated 14.02.2020 of ACA.

In case of non-compliance with this decision, the subjects will be fined up to 10% of the annual turnover for serious breach of competition. Furthermore, in case of non-compliance from the subjects within the deadlines set in this decision, ACA shall impose periodic fines up to 5% of the average daily turnover, until they comply with the decision. *This decision has entered into force immediately.*

Quick Summary

As seen from the content of the above decisions of ACA, the competition legislation in Albania seems to have consolidated itself as regards not only the authority's responsibility and accountability towards the market, but also the consumers' awareness in terms of their rights. This can be observed by the swift reaction of the Albanian consumers after the above-mentioned mobile operators increased their packages' prices and the quick reaction of ACA in this regard.

However, one could argue that ACA's reaction could have come when the mobile operators informed the latter on their intention to change the prices, and the authority could have easily evaded this outcome. Regardless, this delay from ACA served to show that the Albanian society and the consumers now are more prone to request the implementation of their rights for a fair and competitive market.

Overall, these decisions are a positive sign for the above reasons, even though it remains to be seen what will be the investigation's results and the final decision of ACA.



If you wish to know more on our publications, legal updates, tax updates, legal bulletins, or other articles, you may contact the following:

contact@mujalaw.com

Muja Law Office

Bulv. Gjergj Fishta, Pall. 36, Zyra 14, pranë Gjykatës së Rrethit Gjyqësor Tiranë
1001 Tirana
Albania
Mob: +355 69 28 28 562
Web: www.mujalaw.com

Muja Law is a family-run law office where we work hard for the success of our clients and to provide excellence in legal service. Our roots go back to 2001 when our Managing Partner, Krenare Muja (Sheqeraku), opened her law practice office in Tirana, Albania. Krenare's son Eno joined her in 2014, and the other son Adi entered the practice in 2019. What started in Tirana as a small, family-run law office has grown and flourished in the community for the last 20 years. The office consists of various respected and talented lawyers who possess outstanding educational and community service backgrounds and have a wealth of experience in representing a diverse client base in various areas of the law.

The office is full-service and advises clients on all areas of civil, commercial and administrative law. With significant industry expertise, we strive to provide our clients with practical business driven advice that is clear and straight to the point, constantly up to date, not only with the frequent legislative changes in Albania, but also the developments of international legal practice and domestic case law. The office delivers services to clients in major industries, banks and financial institutions, as well as to companies engaged in insurance, construction, energy and utilities, entertainment and media, mining, oil and gas, professional services, real estate, technology, telecommunications, tourism, transport, infrastructure and consumer goods. In our law office, we also like to help our clients with intermediary services, as an alternative dispute resolution method to their problems.

While we have grown over the past 20 years and become recognized as one of Albania's leading law offices, we are grounded in the essence of "who" we are and "where" we started. We understand the importance of family, hard-work, and dedication.

MUJA LAW

Food for Thought is an electronic publication drafted, edited and provided by Muja Law to its clients, business partners, and other professionals interested in being informed on the latest legal updates. The information contained in this publication is of a general nature and is not intended to address the circumstances of any particular individual or entity. This publication is not intended to be and should not be construed as providing legal advice. Therefore, no one should act on such information without appropriate professional advice after a thorough examination of the particular situation. Although every effort has been made to provide complete and accurate information, Muja Law makes no warranties, express or implied, or representations as to the accuracy of content on this document. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. Muja Law assumes no liability or responsibility for any error or omissions in the information contained in this document. Also, feel free to consult Food for Thought on the section "Library" of our website.

© 2020 Muja Law. All rights reserved.

This publication is copyrighted and is protected to the full extent of the law. Nevertheless, you are free to copy and redistribute it on the condition that full attribution is made to Muja Law. If you have not received this publication directly from us, you may obtain a copy of any past or future related publications from our marketing department (muja@mujalaw.com) or consult them in our website (www.mujalaw.com). To unsubscribe from future publications of Food for Thought, please send "Unsubscribe" by replying to our email accompanying this edition.