



## EUROPEAN PARLIAMENT

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DIRECTORATE-GENERAL FOR RESEARCH  
DIRECTORATE A  
DIVISION FOR INTERNATIONAL AND CONSTITUTIONAL AFFAIRS

### FACTSHEET

Latvia

Chapter 6 - Competition Policy

#### 1. The *acquis* <sup>1</sup>

The *acquis* in this chapter is based on EC Treaty Article 31 (State monopolies of a commercial character), Articles 81-85 (rules applicable to undertakings) and Article 86 (State aid) as well as Articles 65-66 of the ECSC Treaty (expired 2002). Control of mergers is governed by EC Merger Regulation 4064/89 (amended). Some issues in the area of state aid are covered in other chapters (transport, agriculture, fisheries) and Commission Directives concerning liberalisation of energy, transport, telecommunications and IT sectors are addressed under the respective chapters.

In assessing whether the candidate countries can comply with the competition *acquis* and withstand the competitive pressure of the internal market, the Commission examines whether undertakings in these countries are accustomed to operating in an environment such as that of the EC.

#### 2. The negotiations

The chapter has been closed with ten countries and remains open with Bulgaria and Romania. Transitional arrangements have been agreed for six of the ten.

**Chapter opened:** May 2000

**Status:** closed in December 2002 (provisionally closed in November 2001)

**Transitional arrangements:** none

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<sup>1</sup> Information largely drawn from the European Commission, DG Enlargement  
<http://europa.eu.int/comm/enlargement/negotiations/index.htm>

### 3. Latest assessment of the European Commission <sup>1</sup>

In its 1997 Opinion, the Commission concluded that Latvia was making progress as regards alignment with the *acquis* in the field of anti-trust and state aid, though further efforts were required as regards state aid transparency.

Since the Opinion, Latvia has made steady progress in adopting anti-trust legislation, developing the Competition Council's administrative capacity and establishing an enforcement record, although further progress is still required. Steady progress has also been made in adopting state aid legislation and increasing the transparency of the system, as well as in developing the administrative capacity in the State Aid Surveillance Commission and its secretariat and establishing an enforcement record. Overall, on legislative alignment, administrative capacities and enforcement record Latvia is reasonably advanced. However, increased attention needs to be paid to the implementation of the legislative framework and the strengthening of administrative capacity in the anti-trust sector.

Negotiations on this chapter have been provisionally closed. Latvia has not requested any transitional arrangements. Latvia is generally meeting the commitments taken and the requirements for sufficient legislative alignment, administrative capacity and enforcement record, arising from the negotiations in this field.

In order to complete preparations for membership, Latvia's efforts now need to focus on ensuring that it continues to update its alignment as the *acquis* in this area evolves and, most importantly, on continuing to develop a track record of proper application and enforcement of both anti-trust and state aid legislation. In particular, Latvia will need to make important efforts to strengthen its legal and administrative capacity in order to ensure an effective antitrust enforcement.

January 2003

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<sup>1</sup> European Commission, Regular Report on Latvia 2002, p. 64 :  
[http://www.europa.eu.int/comm/enlargement/report2002/lv\\_en.pdf](http://www.europa.eu.int/comm/enlargement/report2002/lv_en.pdf)