

A Comparative Study of the Criteria for Identifying Vertical Anti-Competitive Agreements in the Legal System of the European Union and Iran

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Abstract

An agreement between undertakings, if the parties to the contract are at different levels of the supply chain and along each other, is a vertical agreement that can be considered anti-competitive by restricting competition. In this study, by studying EU regulations and Iranian law, the criteria for identifying this type of agreement are discussed. Finally, it was concluded that there are three criteria in the EU regulations for distinguishing these agreements; agreement between undertakings, having an actual or potential effect on trade between member states, restricts competition by object or effect. However, there are cases under the heading of block exemptions. In the Iranian legal system, the agreements covered by Article 45 of the General Policy Implementation Law of Article 44 of the Constitution law (form-based approach) are principally anti-competitive. Other agreements are principally competitive and according to Article 44 of the said law (effect-based approach) are considered anti-competitive: having one of the seven effects provided in the said article and lead to disruption of competition.

Keywords: Competition Law; Vertical Agreements; Anti-Competition; Competition Disruption; Undertakings.

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