

MARKET STUDIES INFORMATION STORE

JURISDICTION:

El Salvador - Competition Superintendence Of El Salvador

UPDATED: DECEMBER 2015



El Salvador - Competition Superintendence of El Salvador

Sector:	Groceries (food and drink)											
Market:	Convenience Goods Retail (periodically consumed products)						Rang	ge of Possibl	e Outcomes			
End Date:	18th August 2015 DECISION DATE											
Duration:	Start date (contract): August/2013											
	End date (decision): August/2015								ture			
Source of idea for study:	Though its market analysis and monitoring, the SC found out that in 2013 the country had a highly concentrated retail distribution structure that was highly concentrated among few supermarket chains after the exit of different participants. These chains coexisted with a great quantity of informal traders of smaller size which participated together in common spaces as squares and municipal markets, or disseminated in stores or shops of reduced size.	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
-	k relevant columns):				✓					✓		
selected areas	e: recommendations in											
Reason for st problems)?	Reason for study (what were the problems)?				ie pu freq	ırchasing uently-c	g powe onsum	r or the dom	ercial practice inant position (convenience e.	of agents in	the ret	
Link to repor	t:	<u>htt</u>	p://	wwv	v.sc.	gob.sv/p	ages.pl	hp?Id=1638 v/pages.php?				



Sector:	Fuel											
Market:	Liquid fuels						Rang	ge of Possibl	e Outcomes			
End Date:	June 24 th , 2015 DECISION DATE					ınce		the	ket	ges to		
Duration:	Start date (contract): November/2013 End date (decision): June/2015	forcement	rcement	er Entorcement er Education	ıtion	ness Complia	ness Action	ons to r Changes in	ons to Change Marl	ons for Chan olicy	rd Parties	punc
Source of idea for study:	Update of the 2006 Liquid Fuels Study	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome (tio	k relevant columns):							✓				
Main outcome selected areas	e: recommendations in											
Reason for siproblems)?	tudy (what were the	The Study will allow to review again the competition conditions in these markets and to match current results with the situation in 2006 when the first Study ended. The main objective is to evaluate the competition conditions which will facilitate the Competition Law's enforcement and will provide a sound basis for the issuance of public policy recommendations to promote economic efficiency and consumer welfare.								ll or		
Link to repo	rt:	<u>ht</u> 1	tp://	www	N.SC.	gob.sv/p	ages.p	hp?Id=1636				
		De	cisio	ns: <u>l</u>	ıttp:	//www.s	c.gob.s	sv/pages.php	?Id=1635			



Sector:	Groceries (food and drink)											
Market:	Edible oils and fats						Rang	ge of Possibl	e Outcomes			
End Date:	23rd July 2014 DECISION DATE											
Duration:	Start date (contract): July/2010											
	End date (decision): June/2014											
Source of idea for study:	Based on a preliminary evaluation of the edible fats and oils markets in El Salvador made by this SC, it was determined the need to increase the understanding of its performance and competition conditions. The main criteria that motivated the beginning of the study were the increase in these goods prices between 2007 and 2009, the probable high concentration in this markets and the relevant consumption of this products among the population, as this are included among the main convenience goods needed.	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome (tic	ck relevant columns):									✓		
	e: recommendations in											
selected areas		The aim of the study is to determine the competition conditions in the oils and fats										
Reason for si problems)?	tudy (what were the	ma ap _l vei	rket plica rtica	thro ble linte	ough law, egrat	an analy nationa ions, co	vsis of l and ncentra	the character internationa ations in the	npetition conditation of the last industrial market industrial manared in the student manared mana	e supply and odicators, hor kets, entry b	deman izontal	d, the land
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Sector:	Transport											
Market:	Passenger air transport						Rang	ge of Possible	e Outcomes			
End Date:	27th November 2013 DECISION DATE											
Duration:	Start date (contract): October/2011											
	End date (decision): November/2013											
Source of idea for study:	In April, 2009, the findings of two Studies on the competition conditions of the passenger air transport sector in Central America produced by the ECLAC (Economic Commission for Latin America and The Caribbean) were known. Afterwards the SC created a profile for the passenger and freight air transport services in El Salvador, which concluded in March, 2011. From its findings, the SC determined that it was necessary to conduct a market study to analyze the performance and competition conditions of the air passenger transport in El	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
7	Salvador. k relevant columns):							-		√		
Main outcome selected areas	e: recommendations in											
	udy (what were the	The general objective of the study is to diagnose the competition conditions in the passenger air transport, which includes, among others, the identification of the main variables that influence its supply and demand, the determination of relevant markets and the existence of agents with a dominant position or market power, and the analysis of the legal framework that influences the competition conditions of the activities involved.										
Link to repor	t:	<u>htt</u>	p://	wwv	v.sc.ş	gob.sv/pa	ages.pl	np?Id=1142 v/pages.php?	Id=1422			



Groceries (food and drink)											
Rice						Rang	ge of Possibl	e Outcomes			
July 30 th , 2012 DECISION DATE					ınce		the	cet	ges to		
Start date (contract): March/2012 End date (decision): July/2012	nforcement	orcement	ıcation	ation	iness Complia	ness Action	ions to r Changes in	ions to Change Marl	ions for Chan	rd Parties	puno
Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador.	Competition E	Consumer Enfo	Consumer Edu	Business Educa	Voluntary Busi	Voluntary Busi	Recommendat Government fo Law	Recommendat Government to Structure	Recommendat Government P	Referral to Thi	No Problems Found
k relevant columns):		✓					✓				
Main outcome: recommendations in elected areas Reason for study (what were the problems)?				ry, tal in ally a cont	rough thategration accepted estability petitive p	e anal n, pro index n, inclu ractice	ysis of its reg fit margins, es to measure uding the id es by the econ	gulation, busing policing policing policing market come entification of the substitution of the substituti	ness practices cies, and ca petition and of of conditions	s, horiz lculation estima that	zontal on of te the
t:	http://www.sc.gob.sv/pages.php?Id=1111 Decisions: http://www.sc.gob.sv/pages.php?Id=1514										
	drink) Rice July 30th, 2012 DECISION DATE Start date (contract): March/2012 End date (decision): July/2012 Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador. Receivant columns): : recommendations in	drink) Rice July 30th, 2012 DECISION DATE Start date (contract): March/2012 End date (decision): July/2012 Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador. k relevant columns): : recommendations in udy (what were the t: http://doi.org/10.1001/	Rice July 30th, 2012 DECISION DATE	The aim of agro-indust and vertical internation. Contract Co	The aim of this sagro-industry, tand vertical in internationally a degree of contensible anticomptt:	July 30th, 2012 DECISION DATE	July 30th, 2012 DECISION DATE Start date (contract): March/2012 End date (decision): July/2012 Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador. K relevant columns): recommendations in Indy (what were the The aim of this study update is agro-industry, trough the analy and vertical integration, pro internationally accepted indexed degree of contestability, incline enable anticompetitive practice. http://www.sc.gob.sv/pages.p/	Start date (contract): March/2012 End date (decision): July/2012 Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador. R relevant columns): recommendations in The aim of this study update is to determine agro-industry, trough the analysis of its regand vertical integration, profit margins, internationally accepted indexes to measure degree of contestability, including the id enable anticompetitive practices by the econtest.	Rice Range of Possible Outcomes July 30th, 2012 DECISION DATE Start date (contract): March/2012 End date (decision): July/2012 Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador. Recommendations in The aim of this study update is to determine the competiti agro-industry, trough the analysis of its regulation, busin and vertical integration, profit margins, pricing poli internationally accepted indexes to measure market com degree of contestability, including the identification of enable anticompetitive practices by the economic agents in the competitive practices by the economic agents in the control of	Rice Range of Possible Outcomes July 30th, 2012 DECISION DATE Start date (contract): March/2012 End date (decision): July/2012 Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador. Relevant columns): recommendations in The aim of this study update is to determine the competition conditions in El Salvador. Relevant columns): recommendations in The aim of this study update is to determine the competition condition agro-industry, trough the analysis of its regulation, business practices and vertical integration, profit margins, pricing policies, and ca internationally accepted indexes to measure market competition and degree of contestability, including the identification of conditions enable anticompetitive practices by the economic agents in the market by the integration policies, and ca internationally accepted indexes to measure market competition and degree of contestability, including the identification of conditions enable anticompetitive practices by the economic agents in the market buttp://www.sc.gob.sv/pages.php?ld=1111	Rice Range of Possible Outcomes July 30th, 2012 DECISION DATE Start date (contract): March/2012 End date (decision): July/2012 Update of the 2009 Market Study of the characterization of the rice industry and its competition conditions in El Salvador. Recommendations in The aim of this study update is to determine the competition conditions in the agro-industry, trough the analysis of its regulation, business practices, horizand vertical integration, profit margins, pricing policies, and calculating degree of contestability, including the identification of conditions the enable anticompetitive practices by the economic agents in the market. http://www.sc.gob.sv/pages.php?ld=1111



Sector:	Insurance											
Market:	Insurance						Ran	ge of Possibl	e Outcomes			
End Date:	8th November 2011 DECISION DATE								ınge			
Duration:	Start date (contract): July/2010 End date (decision): November/2011					ance		rnment for	rnment to Cha	iges to		
Source of idea for study:	In April, 2010 a profile of the insurance sector in El Salvador was concluded. From its results, it was determined the need to increase the knowledge of the competition conditions and performance of this sector.	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome (tic	k relevant columns):		✓	✓				✓				
	Main outcome: recommendations in elected areas Reason for study (what were the problems)?			nce s strat ense tion timat	sectorive sectoring sector	or through strategies anted for nternation e degree	th ans, assorthe the nally of con	analysis of to ciated costs, exploitation accepted ind testability, in	ne the composite the legal fram commercial positive service exes to measure the ideas of the economic the economic the economic the economic the economic the economic that is a supplication of the eco	nework, com practices, proces, pricing p sure market entification o	mercia ofit ma oolicies compe of cond	l and rgins, , and tition itions
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Sector:	Financial Services											
Market:	Credit and Debit cards					R	ange of	Possibl	e Outcomes			
End Date:	24th August 2011 DECISION DATE											
Duration:	Start date (contract): July/2010											
	End date (decision): August/2011								re			
Source of idea for study:	Based on a preliminary evaluation of the credit and debit cards sector in El Salvador, the SC determined that it was necessary to understand the performance and competition conditions of this sector, in so far as frequently used means of payment. Moreover, credit cards constitute a relevant source of credit for the population. Considering the abovementioned from a consumer's welfare perspective it is a relevant sector and prior to the beginning of the study it appeared as a market in which few economic agents of great size participated.	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
	k relevant columns):			✓				√				
Main outcome selected areas	e: recommendations in											
	udy (what were the	Com and aspe facto prop	npetit debi ects, ors t	t car to	aw and sector the object the object to the operation and the the operation and the o	d its por in I ojectivo hem, v iate m	orinciples El Salvad e of esta with the	s, by mader that ablishing purposto impro	d promote the aking a chara would allow g its compet se of diagno ove the sector of th	acterization of the total of th	of the o its rel ons an ecessa	credit evant d the ry, to
Link to repor	rt:	<u>http</u>	://w	ww.s	c.gob.s	v/page	es.php?Io	d=1109	o?Id=1524			



Sector:	Manufacturing (Products Excluding Those Which Have Separate Sector											
Morelrot	Entries)						Dan	as of Dossibl	- Ot			
Market:	Iron				·		Kali	ge of Possibl	e outcomes			
End Date:	October/19/2010 (RC-AE-08/2010 Decission date)					ance		nment	mment	iges to		
Duration:	Start date (contract): January/2010	ement	ent	n		Compli	Action	o Gover aw	o Gover	or Chan	rties	
	End date (decision): October/2010	nforce	orcem	ıcatio	ation	iness	iness	ions t the La	ions t ket St	ions f	ird Pa	puno
Source of idea for study:	It was included in the studies plan 2006-2010	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome (tio	ck relevant columns):			$\sqrt{}$	$\sqrt{}$			V				
Reason for siproblems)?	tudy (what were the	wh the pro	ich v con opos	will population will property in the will be approperty in the will be approperty in the will be approperty in the will property in the	orovi ition e app	de know conditio	ledge ns in t recon	racterize the i of its relevant he same and p nmendations t	characteristi oresent a diag	cs in order to mose and if n	establ ecessa	lish ry
Link to repo	rt:	Report: http://www.sc.gob.sv/pages.php?Id=1002 Decision: http://www.sc.gob.sv/pages.php?Id=1526										



Sector:	Groceries (Food And Drink)											
Market:	Cheese						Ran	ge of Possibl	e Outcomes			
End Date:	August/16/2010 (Decision date)							nt for	ntto	0		
Duration:	Start date (contract): October/2009					liance	c	ernme	ernme	anges t		
	End date (decision): Augusst/2010	ement	nent	nc on		Comp	Action	to Gov	to Gov ıcture	for Ch	arties	
Source of idea for study:	It was included in the studies plan of 2006-2010. Also, it was considered necessary as a complement of the first study of dairy products which was focused on milk	Competition Enforcement	Consumer Enforcement	Consumer Education	Business Education	Voluntary Business Compliance	Voluntary Business Action	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Government Policy	Referral to Third Parties	No Problems Found
Outcome (tie	ck relevant columns):							$\sqrt{}$		V		
Reason for s problems)?	tudy (what were the							nassiv	e			
Link to repo	rt:	Report: http://www.sc.gob.sv/pages.php?Id=950 Decision: http://www.sc.gob.sv/pages.php?Id=1525										

Sector:	Groceries (Food And Drink)											
Market:	Milk						Ran	ge of Possibl	e Outcomes			
End Date:	June 2009	nent	nt				Action	ges in	e.	nt	ies	
Duration:	6 months	nforcen	orceme	Education	Education	iness	iness A	ions to	ions to Chang are	dations for Government	ird Part	puno,
Source of idea for study:	It was included in the studies plan for 2006-2010.	Competition Enforcement	Consumer Enforcement	Consumer Edu	Business Educ	Voluntary Business Compliance	Voluntary Business	Recommendations to Government for Changes in the Law	Recommendations to Government to Change Market Structure	Recommendations for Changes to Governmen Policy	Referral to Third Parties	No Problems Found
Outcome (tio	ck relevant columns):				$\sqrt{}$			√		√		
Reason for s problems)?	tudy (what were the											
Link to repo	rt:	Report: http://www.sc.gob.sv/pages.php?Id=208 Decision: http://www.sc.gob.sv/pages.php?Id=1522										



Sector:	Chemicals											
Market:	Fertilizers						Ran	ge of Possibl	e Outcomes			
End Date:	April 2009	nent	cement				Action	ges in	Đ,	nt	ties	
Duration :	6 months	forcer	rceme	r Entorcemer r Education	ıtion	ness	Business A	ions to	ions to Change re	dations for Government	Third Parties	Found
Source of idea for study:	Own initiative, it was included in the studies plan 2006-2010.	Competition Enforcement	Consumer Enforcement	Consumer Edu	Business Education	Voluntary Business Compliance	Voluntary Busi	Recommendations to Government for Changes the Law	Recommendations to Government to Chang Market Structure	Recommendations for Changes to Governmer Policy	Referral to Thi	No Problems Fo
Outcome (tic	k relevant columns):							V		V		
Reason for st problems)?	tudy (what were the											
Link to repo	rt:	Report: http://www.sc.gob.sv/pages.php?Id=207 Decision: http://www.sc.gob.sv/pages.php?Id=1521										

Sector:	Groceries (Food And Drink)											
Market:	Rice						Rang	ge of Possible	e Outcomes			
End Date:	April 2009	nent	nt				Action	ges in	ø.	nt L	ies	
Duration:	9 months	forcer	Enforceme	Education	ıtion	ness	ness A	ions to r Chan	ions to Change re	dations for Government	rd Part	punc
Source of idea for study:	It was included in the studies plan for 2006-2010. Also, there were some complaints from small rice industrials.	Competition Enforcement	Consumer Enforcement	Consumer Edu	Business Education	Voluntary Business Compliance	Voluntary Business	Recommendations to Government for Changes the Law	Recommendations Government to Cha Market Structure	Recommendations for Changes to Governme Policy	Referral to Third Parties	No Problems Found
Outcome (tic	ck relevant columns):				$\sqrt{}$			V		V		
Reason for st problems)?	tudy (what were the	There were concerns about the market structure composed of few participants, a sustained rise of prices, and the impact on consumer welfare.										
Link to repo	ink to report:							pages.php?Id v/pages.php?				