

## Saudi Arabia

[Please introduce here the name of your country]

### COMPETITION FRAMEWORK

#### Competition Law

Saudi Arabia established a framework for fair competition in 2004 with the introduction of a Competition Law, which took effect in January 2005. This regime, overseen by the Competition Council, includes the core Competition Law, supplemented by detailed Regulations and Competition Rules.

Saudi Arabia's competition regime received an update in September 2019. The General Authority for Competition issued new implementing regulations for the Competition Law, which had been modernized earlier that year. These changes built upon the previous competition framework established in 2004.

The current competition law is: Competition Law Royal Decree No. M/75.

*[Please Introduce the name of the laws constituting the National Competition Law Regime. Include the year of enactment and the corresponding amendments as well]*

#### Competition Authority

General Authority for Competitions which formerly was the Competition Council.

The Council of Ministers resolution No. (55) dated 20/1/1439H was issued in regard to the change of the name of "Council of Competition" to become "General Authority for Competition," and to approve the Authority statute.

The General Authority for Competition (GAC) oversees fair competition in Saudi Arabia.

They enforce the Competition Regulation and its Implementing Rules, actively monitoring the market for any anti-competitive practices. The GAC is responsible for the supervision and implementation of the new competition regime, with objectives to:

- Enhance, protect and generally encourage fair competition overall;
- Closely observe and forbid all competition practices that will disturb the fair competition environment and the Saudi consumers' rights;
- Boost and strengthen the competition and trade market in Saudi Arabia and ensure all commercial practices are supervised, monitored and regulated;
- Protect small to medium-sized business owners to ensure the consistency of their commercial activity in the market; and;
- Increase the flow of the market and trade and yield the market with fairly priced and quality products and commodities.

Website: <https://gac.gov.sa/Regulations>

*[Please introduce here the name of the competition authorities that are part of the enforcement process of the laws mentioned in the previous question. In that regard, please specify the norms that established those agencies, the year in which they started operation, and their website. Include tribunals only if they have a role in the process of founding guilt and imposing sanctions. This point specifically excludes judicial authorities that only have judicial review powers]*

### POLICY-MAKING AGENTS

#### -DIVERSIFICATION-

How many agencies are responsible for competition enforcement?

While the GAC identifies potential violations, a separate body, the Committee for Review and Adjudication of Competition Law Violations, adjudicates on these cases.

*[Please mention how many authorities have a general mandate to enforce competition in your jurisdiction. Include a brief reference on their duties e.g.: if they impose criminal, civil or administrative liability. The purpose is that readers can quickly understand, which are the agencies charged with competition enforcement in the jurisdiction, the difference between them, and if they have concurrent, overlapping, or exclusionary authority. Include the relevant provisions on which their powers are based. Exclude in this point sector regulators or enforcers]*

Do sector regulators have a competition policy enforcement mandate?	No <i>[Please introduce the name agencies that have powers to enforce any aspect of competition law, including merger control, in specific sectors. Introduce the relevant provisions on which their powers are based]</i>
Have the Competition Authority and other agencies signed protocols or memoranda of understanding with sector regulators?	Yes. The General Authority for Military Industries (GAMI) and the General Authority for Competition (GAC) signed a memorandum of understanding (MoU) to support the governance of economic concentration and merger operations between licensed and related companies in the military industries sector.  <i>[Please mention here any provision or interinstitutional agreement that allows the competition authorities to coordinate behavior to effectively enforce competition law]</i>

**DISAGGREGATED FUNCTIONS—  
PROSECUTORIAL MODEL**

Are there different authorities or agencies that make the decision to investigate and the final ruling in the cases?	No  <i>[Answer: Yes or No]</i>	The General Authority for Competition (GAC) in Saudi Arabia has a two-tiered structure for competition enforcement:  Board: This is the governing body of the GAC. It sets policies, oversees the overall direction of the authority, and approves regulations.  Committee: handles the adjudication of alleged violations of competition law.  <i>[If the answer is yes, please explain briefly the enforcement process, and include the relevant provisions. The purpose of this question is to understand the enforcement model of the jurisdiction and establish how many independent authorities are involved in the enforcement process and what are their functions]</i>
Are disputes presented for decision to judiciary authorities?	No  <i>[Answer: Yes or No]</i>	<i>[If the answer to your question is “yes”, please introduce the name of the judiciary authorities that are involved and their role until the final decision in the process is achieved; exclude from this question judiciary authorities whose role in the process is the judicial review of administrative decisions]</i>
Do private rights of action to challenge competition law infringements exist in your jurisdiction	Yes  <i>[Answer: Yes or No]</i>	Without prejudice to penalties imposed pursuant to the New Law, private claims may under Article 25 be brought before a competent court by any natural or legal person who suffers a loss as a consequence of breach.  <i>[If the answer is “yes”, please explain briefly the process and who are the persons entitled to exercise those rights; mention the relevant provisions]</i>

**\* Please fill the next sections for each of the authorities mentioned in the prior sections excluding sector regulators**

**GENERAL AUTHORITY FOR  
COMPETITION (GAC)**

**STATUS OF THE COMPETITION AUTHORITY**

Accountability	Please, answer “Yes” in the boxes of this line if any of the duties on the right column apply to the authority, and “No” if they do not.	Answer with X/√ as it applies		Please, in the boxes of this line mention the relevant provisions in which the obligations are based.
Does the Competition Authority have obligations before the executive?	Yes	X	Obligations to report to the executive on on-going investigations upon request.	<i>[Introduce the relevant provisions]</i>
		X	The decisions of the Competition Authority may	<i>[Introduce the relevant provisions]</i>

			be vetoed by a ministry or by the executive branch.	
		√	The executive has to report on an annual basis to the executive.	Article (29) of the Law of Council of Ministers, requires ministries to submit annual performance reports within 90 days of the fiscal year's start.  <i>[Introduce the relevant provisions]</i>
Does the Competition Authority have obligations before the legislature?	Yes	√	Obligation to publish an annual report on its activities.	The GAC publishes annual reports which are submitted in accordance with Article (29) of the Law of Council of Ministers, which mandates all ministries and government agencies to present a yearly progress report to the President of the Council of Ministers within 90 days of the fiscal year's commencement  The report details their achievements during the past fiscal year in alignment with the general development plan. Additionally, it outlines the challenges encountered and proposes solutions for improved performance in the coming year.  <i>[Introduce the relevant provisions]</i>
		√	Obligation to stand before parliament and to respond to congressmen on an annual basis.	
		√	Its activities are monitored by an independent auditor or by oversight committees.	According to section 12 of the Authority Statute, the Board has the authority to appoint one or more external auditors licensed to operate within the Kingdom, independent of the General Auditing Bureau's oversight. The Board will determine the auditors' compensation.  <i>[Introduce the relevant provisions]</i>
Does the Competition Authority have obligations before the judiciary or independent agencies?			Decisions of the Competition Authority are subject to judicial review.	<i>[Aside from the relevant provisions please mention the judicial authority charged with the review]</i>
			Decisions of the Competition Authority are subject to review or control of an independent authority different than the judiciary?	<i>[Aside from the relevant provisions, please mention the authority charged with the review]</i>

		<p><b>Other obligations / comments:</b> Please introduce any other obligation or comment that you consider relevant.</p> <p><i>[Introduce any comment that you consider relevant regarding the status of accountability of accountability of the competition authority]</i></p>
<b>Independence</b>	Please, answer "Yes" or "No"	
Are the criteria for appointment and removal of the head/board members clear and transparent?	No	<p>According to Articles 60 and 70, the Board will establish a committee of five independent members, as mandated by Article 18 of the Law. Additionally, upon forming the Committee, the Board will also designate its chair from among the members. The Committee's dissolution or restructuring will follow the same procedures used for its formation.</p> <p><i>[Please introduce the relevant provisions, and if the answer to this question is "no", explain briefly why in your opinion the criteria are not clear or transparent]</i></p>
Does the executive have powers to decide on specific cases based on public interest?	No	<p>Companies can seek exemptions from the Authority's Board of Directors (the "Board"). The Board will grant these exemptions if they believe the practice will boost the market's overall performance or enhance companies' ability to deliver better products, advance technology, or innovate. However, an exemption will only be granted if the benefits of the restriction being lifted outweigh any potential harm to competition.</p> <p><i>[Please introduce the relevant provisions, and if the answer to the question is "yes", explain in which cases the executive can decide on public interest bases]</i></p>
Does the executive retain decision-making powers over the Competition Authority?	No	
Is the Competition Authority obliged to publish reasoned decisions to ensure transparency?	Yes	<p>According to Article 13, the Board will issue a decision specifying the financial charges to be paid for examining economic concentrations and shall publish it to the public.</p> <p>Additionally, article 19(4) of the competition law states that the decision on violations provided for in Article 19 shall be published at the expense of the violator in a local newspaper issued in the area where he resides or in any other appropriate media outlet, provided that the judgment or decision is published after becoming final.</p> <p><i>[Please introduce the relevant provisions]</i></p>
Is there a provision of the national budget allocated by law to the Competition Authority to ensure its proper functioning?	Yes	<p>According to section 11 of the Authority Statute, The GCA shall have an independent annual budget included in State's budget.</p> <p><i>[Please introduce the relevant provisions and the budget assigned to the authority for the current year and the next if it is already approved]</i></p>
Can the Competition Authority be financed by its own means (notification fees, fines, etc.)?	Yes	<p>According to section 12 of the Authority Statute, The GCA's finances are supported by:</p> <ul style="list-style-type: none"> <li>o Allocations from the state budget;</li> <li>o Revenue generated from services and activities offered under the Law and Statute;</li> <li>o Donations, gifts, endowments, bequests, grants, and aid received by the Authority;</li> <li>o Any additional resources approved by the Board of Directors.</li> </ul> <p><i>[Please introduce the relevant provisions and mention the means by which the authority can be financed on its own]</i></p>
<b>GOVERNANCE OF THE COMPETITION AUTHORITY</b>		
Is the Competition Authority governed by a single chairman or by a collegiate body?	<p>The Authority is led by a Board of Directors chaired by a Minister appointed by Royal Decree.</p> <p>The Board includes representatives from the following ministries, all holding at least the fourteenth rank (or equivalent):</p> <ul style="list-style-type: none"> <li>o Ministry of Trade and Investments</li> </ul>	

	<ul style="list-style-type: none"> <li>○ Ministry of Finance</li> <li>○ Ministry of Economy and Planning</li> <li>○ Ministry of Energy, Industry and Mineral Wealth</li> </ul> <p>Four additional members with expertise in economic law or related fields are elected by the Board upon the Chairman's recommendation. These appointments are finalized by a Cabinet Decree.</p> <p><i>[Answer "single chairman" if the directive organ of the authority is composed of one person. Answer "collegiate body" if the authority's directive organ is composed of two or more members, regardless if this organ is directed or presided by a chairman or president. Also mention how many board members or directors are part of the Direction Body]</i></p>	
How are the members of the Authority's directive organ chosen?	<i>[Please describe the electing process for choosing the members of the directive organ. Include relevant provisions; mention the branch government involved in this process]</i>	
Is there a fixed period during which removal is prohibited?	<p>No</p> <p>Board members, except for the Chairman and Governor, serve three-year terms, with the possibility of renewal.</p> <p><i>[If your answer is "yes", please introduce the duration of the tenure and the relevant provisions. If the answer is no, please refer if there are specific and restricted grounds under which the members of the Directive body can be removed; mention if they are elected for a term and introduce the relevant provisions]</i></p>	
Is the tenure of the heads renewable?	<p>Yes</p> <p>Board members, except for the Chairman and Governor, serve three-year terms, with the possibility of renewal.</p> <p><i>[Please, introduce the relevant provisions]</i></p>	
Are the heads required by law to have certain minimum qualifications (degree in law or economics, age, experience)?	<p>Yes</p> <p>According to section four of the Authority Statute, 4 members of the Board of Directors must have experience in fields of economic laws or activities, who shall be elected for capacities thereof and shall be appointed by a Cabinet Decree, according to a proposal of the Chairman.</p> <p><i>[If your answer is "yes", please make reference to the qualifications required by law and the relevant provisions]</i></p>	
<b>ARCHITECTURE</b>		
Is the Competition Authority a stand-alone agency with an independent physical location or is it part of a bigger entity such as a ministry?	<p>Stand-alone</p> <p>According to section 2 of the Authority Statute, The GAC is an independent legal entity with financial and administrative autonomy. It operates under the Prime Minister's purview and is headquartered in Riyadh. The Authority can establish regional offices as needed.</p> <p><i>[If your answer is "part of a bigger entity", please explain briefly how the bigger entity is organized]</i></p>	
<b>POLICY DUTIES</b>		
Does the Competition Authority have an exclusive mandate on competition or multiple mandates?	<p>Exclusive</p> <p><i>[Answer with X/ ✓ as it applies]</i></p> <p style="text-align: center;">✓</p>	Concurrent consumer protection mandate.
	<p><i>[Answer with X/ ✓ as it applies]</i></p> <p style="text-align: center;">✓</p>	Concurrent IP mandate.
	<b>Other mandates:</b> Include any other mandates entrusted to the Competition Authority	
<b>PORTFOLIO INSTRUMENTS</b>		
<b>Law Enforcement</b>		

Does the Competition Authority have powers to investigate cartels?	Yes	<p>Even Though there is no provision under the Competition Law that states expressly that cartels are prohibited, article 5 prohibits:</p> <p>Price Fixing: This includes agreements to set prices for goods, services, or terms of sale (written or verbal, explicit or implicit).</p> <p>Collusion on Production and Services: Companies cannot agree on the quantity, size, weight, or performance of goods or services produced.</p> <p>Market Manipulation: It is illegal to restrict the flow of goods or services to or from markets through unfair practices such as hiding, stockpiling, or refusing to deal in them.</p> <p>Market Access Barriers: Practices that prevent new businesses from entering the market or force existing ones out are prohibited.</p> <p>Discrimination in Access: Companies cannot prevent specific entities or groups from accessing goods and services available in the market.</p> <p>Market Division: Dividing the market for buying or selling goods and services based on factors like: geography, distribution channels, customer type, etc.</p> <p>Stifling Innovation: Limiting activities like manufacturing, development, distribution, marketing, and investment is not allowed.</p> <p>Bid Rigging: Collusion or coordination on bids for government contracts, auctions, etc., that undermines fair competition is prohibited.</p> <p><i>[If the answer is "yes", please mention the type of liability that the actions of the agency seek: civil, criminal, administrative. Introduce the relevant provisions; briefly explain if the powers of the authority are limited to certain types of cartels and what kind of sanctions can be imposed]</i></p>
Does the Competition Authority have powers to investigate unilateral Conduct?	Yes	<p>Article 6 of the New Competition Law prohibits dominant companies from using their power to stifle competition. Companies are forbidden from practices like predatory pricing (selling below cost to drive competitors out) or refusing to do business with other companies without a good reason.</p> <p>Article 10 of the New Implementing Regulations defines specific actions dominant companies cannot take like forcing exclusivity and tying sales of unrelated products</p> <p><i>[If the answer is "yes", please mention briefly if the competition authority is invested with the power to pursue exploitative and exclusionary effects, also make reference to relevant provisions, the type of liability that the actions of the authority seek, and what kind of sanctions can be imposed]</i></p>
Does the Competition Authority have the powers to conduct <i>ex-ante</i> merger review?	No	<p><i>[If the answer is "yes", please explain briefly the process and which are the remedies that authority can seek or impose and mention the relevant provisions]</i></p>
Is the notification of merger transactions mandatory?	Yes	<p>According to articles 7 and 11 of the Competition Law, companies considering a merger or acquisition must notify the Authority at least 90 days prior to completion, if the total value of the entities' annual sales exceeds the amount determined by the Regulations.</p> <p>There are two scenarios for approval:</p> <p>Authority approval: The company receives written notification from the Authority that the merger/acquisition is approved;</p> <p>Automatic approval after 90 days: If the Authority doesn't issue a written decision (approval or rejection) within 90 days of notification, the concentration is considered</p>

		<p>automatically approved.</p> <p><i>[If the answer is "yes", please explain whether all the transactions shall be notified or if there is a threshold; mention relevant provisions]</i></p>
Can the parties close the transaction before the final decision of the Authority (suspensory effect of merger notification)?	No	<p>When a deal triggers notification requirements with the General Authority for Competition (GAC), completing the transaction before written approval from the GAC violates Competition Law. This means companies can sign the agreements but must delay implementation until clearance is granted.</p> <p>If unavoidable circumstances require closing before GAC approval, the parties can implement a carveout. Carveouts are customized for each situation and aim to preserve the existing control structure of both companies until clearance arrives.</p> <p><i>[Please mention the relevant provisions and add any explanation that you deem necessary]</i></p>
Does the Competition Authority have the power to carry out <i>ex-post</i> merger investigations?	Yes	<p>GAC may request the termination of a reported economic concentration which has been completed before the issuance of the approval.</p> <p><i>[Please mention relevant provisions]</i></p>
Does the Competition Authority have the power to impose remedies on <i>ex-post</i> merger investigations?	No	<p>There is no specifically expressed legal standard for remedies.</p> <p><i>[If the answer is yes, please mention the remedies that the Authority can impose; mention relevant provisions]</i></p>
Does the Competition Authority have powers to conduct dawn raids at premises?	Yes	<p>According to Article 37, designated officials are allowed to access company premises during business hours, examine and copy relevant documents.</p> <p><i>[If the answer is "yes", please mention whether the dawn raids shall be authorized by a judge, and mention the relevant provisions]</i></p>
Can the Competition Authority investigate <i>ex officio</i> cases?	Yes	<p>One of the key functions of GAC is to investigate and collect evidence on possible violations of the Competition Law.</p> <p><i>[Please, mention the relevant provisions]</i></p>
Does the Competition Authority have powers to accept leniency applications?	Yes	<p>The updated competition regime in Saudi Arabia introduces a system for leniency and settlement of violations. Only one company can apply for leniency: This is a "first-come, first-served" basis, and they must actively provide evidence of their partner's violations. Companies can seek leniency or settlement before or during an investigation, but not after criminal proceedings begin. If the leniency application is approved, the company avoids legal proceedings before the Committee. However, the Authority can still take other measures. Companies accepting a settlement pay a fine set by the Board and may also compensate affected parties.</p> <p><i>[If the answer is "yes", please mention if there is any limitation for the applicants, what are the benefits, and mention the relevant provisions. Include any commentary that you consider relevant about the leniency program]</i></p>
Does the Competition Authority have powers to accept seek criminal punishment?	No	<p>In response to violations of competition law, the Saudi</p>

		<p>Competition Council can:</p> <p>Order a halt to the illegal activity;</p> <p>Require the company to sell assets if necessary to restore competition;</p> <p>Impose financial penalties:</p> <ul style="list-style-type: none"> <li>○ A one-time fine of up to 5 million Saudi Riyals. This amount may be increased for repeat offenses.</li> <li>○ Daily fines ranging from 1,000 to 10,000 Saudi Riyals until the violation is corrected.</li> </ul> <p>According to article 21 of the Competition law, e Board may take one or more of the following measures in the event of any violation to the provisions of this Law:</p> <ol style="list-style-type: none"> <li>1. Requiring the violator to make the necessary changes to rectify the violation within a specified period.</li> <li>2. The Board may, upon issuance of the Committee's decision to impose the penalty, take one or more of the following measures: <ol style="list-style-type: none"> <li>a) Requiring the violator to dispose of certain assets, shares, or property rights, or to perform any other act to ensure the violation is rectified.</li> <li>b) Requiring the violator to pay a daily fine not exceeding 10 thousand riyals until the violation is rectified within the period specified in the Board's decision. If such period lapses without rectifying the violation, the daily fine shall be doubled pending rectification.</li> <li>c) Closing the entity temporarily for a period not exceeding 30 days, if the violation continues after the lapse of 90 days from the Board's notification. The Regulations shall determine the rules necessary for the application of such measures.</li> </ol> </li> </ol> <p><i>[If the answer is "yes", please mention the different kinds of sanctions that the agency can impose]</i></p>
<b>Advocacy</b>		
<p>Can the Competition Authority issue opinions on draft legislation?</p>	Yes	<p>According to section 7 of the Authority's statute, the board may:</p> <ul style="list-style-type: none"> <li>○ Give opinions regarding laws, policies and decisions related to competition;</li> <li>○ Approve draft general plans and policies, as well as laws of competition and submitting the same according to the related legal procedures.</li> </ul> <p><i>[if the answer is yes, please specify if there is any kind of limitation to the agency's authority to issue opinions, include relevant provisions]</i></p>
<p>Is the executive and/or the legislature obliged to request the opinion of the Competition Authority when drafting legislation that may impact competition?</p>	No	<p>According to section three of the authority statute, in order to protect and encourage fair competition, the authority can issue the rules and procedures according to competency. these rules and procedures include:</p> <ul style="list-style-type: none"> <li>○ Rules of monitoring the market to ensure fair competition;</li> <li>○ Rules related to preventing existing monopolistic practices, and combating new ones;</li> <li>○ The measures of controlling and inspecting violations of the Law.</li> </ul> <p>Additionally, according to section 7(17) of the Authority Statute, the Board of the GAC can Give opinion regarding laws, policies and decisions related to competition.</p> <p><i>[if the answer is yes, include relevant provisions]</i></p>
<p>Can the Competition Authority issue guidelines?</p>	Binding	<p><i>[Answer with</i> Guidelines on the calculation of fines.</p>



		<i>X/ ✓ as it applies</i> <b>X</b>	
		<i>[Answer with X/ ✓ as it applies]</i> <b>✓</b>	Guidelines on merger control.
		<i>[Answer with X/ ✓ as it applies]</i> <b>X</b>	Guidelines on the economic analysis of abuse of dominance cases.
Can the Competition Authority issue binding regulation on competition?	Yes		<p>According to section 7 (3) of the Authority's statute, the board may issue the Regulations, as well as the rules and procedures indicated in Section (1) of Third Article of the Statute.</p> <p><i>[Please, explain which kind of regulation and mention the relevant provision on which the powers are based]</i></p>
<b>Research &amp; Reporting</b>			
Can the Competition Authority carry out market studies?	Yes		<p>GAC conducts essential studies on market structure and anti-competitive monopolistic practices in the sector; in order to determine the current state of the sector and the conditions of competition</p> <p><i>[If the answer is "yes", include relevant provisions]</i></p>
Can the Competition Authority report to the legislature on the results of market studies?	No		<i>[If the answer is "yes", include relevant provisions]</i>
<b>DECISION-MAKING FUNCTIONS</b>			
<b>Aggregated Functions</b>			
Does the Competition Authority make the decision to investigate and make guilty findings?	Yes		<p>After collecting the information and data on the complaint, GAC shall study all aspects of the case and submit a comprehensive report to the Board on whether to close the complaint in case it is established that no violation was committed or initiate criminal action against the firm before the Committee for Review and Adjudication of Competition Law Violations.</p> <p><i>[If the answer is "yes", include relevant provisions]</i></p>
Does the Competition Authority impose punishments?	Yes		<p>The GAC can impose fines for violations of Articles 5, 6, 7, and 11. The fine amount will be the greater of: 10% of the total annual sales related to the violation (if quantifiable); 10 million riyals (if annual sales cannot be determined). The Committee may, at its discretion, impose an additional fine of up to three times the violator's profit from the offense.</p> <p>In addition to any stricter penalties outlined elsewhere in the Law violating Article 16 will result in a fine. The fine amount will be the greater of: 5% of the total annual sales related to the violation (if quantifiable); 5 million riyals (if annual sales cannot be determined).</p> <p><i>[If the answer is "yes", please mention the different kinds of sanctions that the agency can impose]</i></p>

<p>Is there a single body that carries out the investigation and the guilty findings within the Competition Authority?</p>	<p>No</p>	<p><i>[Regardless of the answer please explain briefly the enforcement process until the final decision is issued, include relevant provisions, and if the answer is "No" mention how the head of the body that carries out the investigation is elected and removed. The main idea of this last point is to establish whether the investigation authority is, in fact, independent from the decision-making body]</i></p>
<p>Can the Competition Authority's decisions be appealed to a court?</p>	<p>Yes</p>	<p>According to article 18(3) of the Competition law, committee decisions may be appealed before the competent court within 30 days from the date of the violator's notification.</p> <p><i>[Please, mention the judicial authority who is charged with the review, make reference to the relevant provisions, and if there is any requirement to exercise the right of the judicial review]</i></p>
<p>Please add commentaries or information that you consider relevant and were not covered in any of the previous sections and questions.</p>		