Algorithms and competition: the Autorité and the Bundeskartellamt publish their joint study

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The French Autorité de la concurrence and the German Bundeskartellamt present their joint study on algorithms and competition.

Paris/Bonn, 6 November 2019: Algorithms are among the most important technological drivers of the ongoing digitalization process. They are becoming more and more important, enabling firms to be more innovative and efficient. However, debate has arisen on whether and to what extent algorithms might also have detrimental effects on the competitive functioning of markets.

In their joint conceptual project – Algorithms and Competition – the Autorité de la concurrence and the Bundeskartellamt studied potential competitive risks that might be associated with algorithms. They elaborated on the concept of algorithm as well as on different types and fields of application. In their study, the two authorities focused in particular on pricing algorithms and collusion, but also considered potential interdependencies between algorithms and the market power of the companies using them as well as practical challenges when investigating algorithms.

Isabelle de Silva, President of the Autorité de la concurrence: *“Algorithms are used constantly in the digital economy, and are at the very core of how some fast growing businesses operate: online travel agencies, e-commerce, online advertising, to name only a few. It is essential that we look into how these algorithms work. We need to determine if there is a risk that algorithms might facilitate or permit behaviours that are contrary to competition law. With this joint study with the Bundeskartellamt we aim at reaching a common view on these matters and at starting a debate with stakeholders.”*

Andreas Mundt, President of the Bundeskartellamt: "*The joint study is another proof of the continuing cooperation between our agencies. As digital markets keep evolving, we expand our expertise on algorithms in an exchange with each other. This is in line with our efforts to devote more resources to the digital economy with the clear-cut aim to enforce competition law also in the era of platform economy and digital business models.*"

Algorithms and competition are also the topic of an accompanying conference hosted by the Autorité de la concurrence and the Bundeskartellamt that is taking place in Paris today. Several renowned speakers, including business representatives, researchers and competition enforcers, are discussing potential business applications for algorithms, pricing algorithms and the risk of horizontal collusion, as well as ways to address the challenges raised by algorithms.

The study on "Algorithms and Competition" as well as an executive summary are available on the websites of the Autorité de la concurrence and the Bundeskartellamt.

As the study has been carried out in English, a French translation of the full version of the study is under way and will soon be available. Questions and remarks on this study can be sent directly to algorithmes@autoritedelaconcurrence.fr

EXECUTIVE SUMMARY (IN ENGLISH)

See the Executive Summary (EN)

FULL STUDY (IN ENGLISH)

Algorithms and Competition

See the full study (EN)

FULL STUDY (IN FRENCH)

Algorithmes et concurrence

See the full study (FR)

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