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Turkish Competition Board: Turkish Pharmacists Association Abused Dominant Position

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The Turkish Competition Board ("**Board**") recently published a short form decision concluding that the Turkish Pharmacists Association had abused its dominant market position when procuring pharmaceuticals from abroad by executing exclusivity agreements with pharmaceutical suppliers.

To procure pharmaceutical products which are not licensed or not commercially available in Turkey via named patient sales, an undertaking must:

- Obtain a license from the Ministry of Health and,
- Sign a protocol with the Social Security Institution.

A complaint was made by certain undertakings which were licensed by the Ministry of Health, but for which there is no publicly available information about protocols signed with the Social Security Institution.

The Board concluded that the Turkish Pharmacists Association:

- Holds a dominant market position for "procurement of pharmaceuticals from abroad".
- Abused its dominant position by executing exclusivity agreements with pharmaceutical suppliers.

The Board imposed an administrative monetary fine on the Turkish Pharmacists Association, amounting to 1.5% of its 2015 turnover. The fine amounts to 18,062,307 TL. In deciding the fine, the Board took into account the duration of the infringement and certain mitigating circumstances.

The Board decided to send an opinion letter to the Ministry of Health and Social Security Institution regarding opening the foreign pharmaceutical procurement market up to increased competition.

The full text of the Board's short-form decision, published on 6 December 2016, is available at this <u>link</u> (only available in Turkish).

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