

EC official calls for any COVID cartelists to apply for leniency – webinar

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Collaborative projects between competitors designed to meet needs or address challenges created by the pandemic might be turning into cartels, the European Commission's (EC) DG Competition deputy head of the cartels unit has warned.

Maria Luisa Tierno Centella was speaking during a New York State Bar Association webinar this week (25 January) and said that in such circumstances, individuals should come forward to apply for leniency. The EC's leniency policy provides immunity from or reduces fines for companies that self-report and provide evidence of their involvement in cartels.

Centella said the EC has provided for informal and formal guidance on collaborations related to COVID-19. The agency adopted a temporary framework for assessing horizontal agreements last spring, subsequently issuing its first informal "comfort letter" in 20 years, which authorised an association of generic drugmakers to cooperate in response to shortages in essential medicines needed to treat patients.

The EC also provides a controlled form that allows rival companies engaged in collaborations to safely share some sensitive information, Centella said.

The EC has not yet brought antitrust cases for activities that affect labour markets, like wage fixing and no-poach agreements, Centella said, noting that Dutch and Spanish competition authorities have brought such cases under innovation theories of harm.

by Christopher Kane in Washington, DC

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