

The CNMC extends its investigation to new companies for possible manipulation of tenders for the supply of basic foodstuffs to communities dependent on public bodies

- Last week, the CNMC carried out new home inspections.
- It had already carried out a first round of inspections at the headquarters of several companies in March.
- The investigated companies allegedly coordinated to submit their financial bids, a practice prohibited by the Spanish Competition Act.

Madrid, 20 September 2022.- The CNMC has extended to other companies the investigation initiated last March for possible anti-competitive practices, which would affect certain tenders called for the supply of basic foodstuffs to communities dependent on public bodies. Specifically, the CNMC is analysing the coordination between several companies for the submission of financial bids in this type of public tenders.

On 14 and 15 September, the CNMC carried out a new round of inspections at the headquarters of several companies. These inspections are the result of the inspections that the Commission carried out on 22 and 23 March, with the cooperation of the regional competition authorities corresponding to the location of the companies inspected ([press release](#)).

Inspections are a preliminary step in the investigation process of alleged anti-competitive practices and do not prejudice the outcome of the investigation or the culpability of the inspected companies. If, as a result of the inspection, there is evidence of practices prohibited by the Spanish Competition Act and by the Treaty on the Functioning of the European Union, a disciplinary proceeding is formally initiated.

The CNMC recalls that agreements between competitors constitute a very serious infringement of competition law, which can lead to fines of up to 10% of the total turnover of the offending companies. As a matter of fact, the investigation of cartels is one of the CNMC's priorities, given the particularly serious consequences for consumers and the proper functioning of the markets.

To this end, the CNMC has, among other mechanisms, a [leniency programme](#), which allows companies that are part of a cartel to be exempted from paying the fine, as long as they provide evidence that enables the CNMC to detect such a cartel, or to benefit from a reduction in the amount of the possible fine if they provide information with significant added value in relation to an investigation already initiated by the CNMC.

On the other hand, companies applying for leniency are exempted from the prohibition on contracting set out in Article 71 of Act 9/2017 on Public Sector Contracts for companies that have been sanctioned for a serious infringement in terms of distortion of competition, pursuant to Article 72.5 of the aforementioned Act, which states that it is not appropriate to impose a prohibition on contracting on companies applying for leniency. This is also set out in Articles 65 and 66 of Act 15/2007 of 3 July 2007 on the Defence of Competition, which regulates the leniency programme.

The CNMC also has an [Online platform for citizen collaboration](#) aimed at detecting cartels through anonymous information on possible secret agreements between competing companies to fix prices or other trading conditions, the sharing of markets or customers, or the fraudulent allocation of public or private tenders.