

PRESS RELEASE

The CNMC is investigating possible anticompetitive activity in relation to price fixing between scrap metal suppliers

Madrid, 30 November 2018. - The CNMC (Spain's National Commission on Markets and Competition) is investigating possible anticompetitive activity in the purchasing market for scrap metal used in steel production, consisting of the coordination to fix purchasing prices of the product for scrap metal suppliers.

From 27 to 29 November, inspections were carried out at the headquarters of several companies operating in this market. The CNMC has collaborated with inspectors from the regional Competition Authorities where some of the inspected companies are located.

These inspections form part of the investigation opened by the CNMC after having been made aware of the possible existence of anticompetitive collusive behaviour by certain companies in the sector, relating to coordinating the purchasing price of scrap metal for steel production.

The inspections are a preliminary step in the investigation of alleged anti-competitive practices and do not prejudice the investigation's outcome or the culpability of the inspected companies. If, as a result of the inspections, evidence of practices prohibited by the Defence of Competition Act is found, disciplinary proceedings will formally commence.

Agreements between competitors constitute a very serious infringement of competition legislation, and may result in fines of up to 10% of a company's total turnover.

The investigation of cartels is one of the [CNMC's priorities for action](#), given the particular severity of their impact on consumers and the proper functioning of markets.

For this purpose, it has in place, among others, the [leniency programme](#), which allows cartel-member companies to benefit from an exemption from penalty payment if they provide evidence enabling the CNMC to detect these cartels, or a reduction in any penalty imposed if they provide information with significant added value on an existing CNMC investigation.

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