

PRESS RELEASE

New inspections of the production, marketing and distribution of chemical products

- These are part of the investigation into anti-trust practices opened after the [inspections carried out in September 2019](#).

Madrid, 23 January, 2020 - The CNMC continues to investigate potential anti-trust practices involving the production, marketing and distribution of chemical products. Accordingly, it has conducted new inspections involving possible agreements and/or concerted practices to produce, market and distribute chemical products in Spain, including the allocation of quotas to distributors, as well as the assignment of geographical areas to distributors within Spain.

The new inspections were carried out on 21 and 22 January and are part of the investigation opened by the CNMC after on-site inspections conducted from 17 to 19 September, 2019, at the offices of several chemical production and distribution companies.

The inspections represent a preliminary step in the process of investigating the alleged anti-trust behaviours and do not presume the outcome of the investigation or the guilt of the companies inspected. If the inspection finds signs of practices prohibited by the Anti-Trust Law, then disciplinary proceedings will be formally initiated.

The CNMC also has an [online platform for whistleblowers](#) to report cartels. Individuals can use it to provide information anonymously about possible confidential agreements between competing companies to set prices or agree other commercial conditions, to distribute markets or customers, or to fraudulently allocate public or private tenders.

Note that agreements between competitors constitute a very serious violation of the anti-trust law. Such practices may entail fines of up to 10% of the total turnover of the offending companies. In fact, the investigation of cartels is one of the CNMC's top priorities, given the particular seriousness of their consequences on consumers and on the proper operation of the markets.

To aid it in its investigations, the CNMC has, among others, a [leniency programme](#). It allows companies that are part of a cartel to avoid having to pay a fine as long as they provide evidence that allows the CNMC to identify a cartel, or to have the amount of the potential fine reduced if they provide information that is of significant value to an ongoing CNMC investigation.

Also worth noting is the prohibition to contract those parties that are sanctioned for serious violations that distort competition, as laid out in Article 71 of Law 9/2007, on Public Sector Contracts. Said prohibition is waived for companies that request leniency, pursuant to Article 72.5 of the aforementioned Law, which states that it is

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not appropriate to prohibit contracting companies that request clemency.

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