

PRESS RELEASE

The CNMC receives over 500 complaints and inquiries through the mailbox set up during the Covid-19 crisis

- The financial sector (45%) and the health products and food sector (30%) accounted for most of the queries related to possible infringement of competition rules.
- In addition to investigations in the financial, funeral and medical devices sectors, the CNMC recently opened investigations into the funeral and sick leave insurance sector, and it is closely monitoring the trend in food prices.
- Despite the suspended administrative deadlines due to the state of emergency, the CNMC is actively pursuing these investigations and has ruled on 12 merger operations.
- In the case of complaints and queries that are beyond its purview (involving safety, consumption, labour, health and other issues), the CNMC instructs citizens on where to direct them and, if appropriate, what the applicable regulations are.

Madrid, 2 June 2020 - The CNMC has received more than 500 inquiries/complaints in the two months since the mailbox (covid.competencia@cnmc.es) was set up to provide a contact point for individuals and companies to send their queries related to the application of competition rules during the Covid-19 pandemic.

As a result of this initiative, the CNMC is continuing to investigate the presence of potential anti-competitive practices in the funeral and financial services sectors and in the distribution and marketing of health care products, [as it announced last April](#).

New investigations of insurance companies

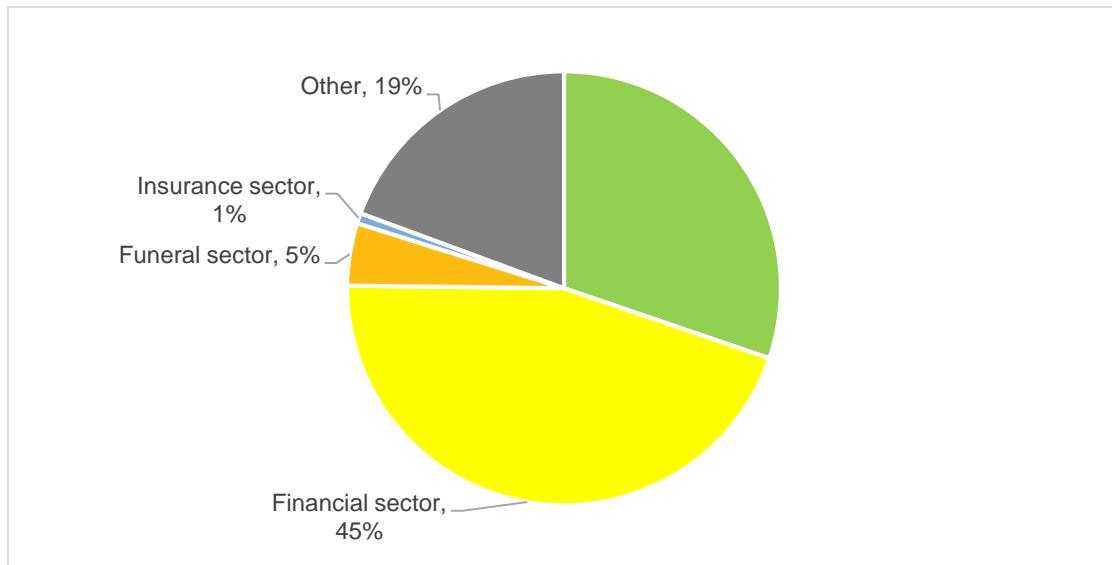
Moreover, the CNMC recently opened investigations in the insurance sector (especially in relation to funeral insurance and sick leave insurance), and it continues to closely monitor the trend in the prices of food and other sectors that may have been affected. These are still preliminary investigations that, should the indications of any infringement be confirmed, could give rise to the initiation of disciplinary proceedings for anti-trust practices.

Of all the inquiries received, nearly half (45%) have to do with the financial sector, while the rest are distributed as follows: prices of health/food products (30%), funeral and insurance (5% and 1%, respectively). The remaining 19% mostly involve areas handled by other CNMC units, mainly the energy and telecommunications sectors, which are handled by said units.

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The CNMC will continue to rigorously analyse these and any other markets where signs of anti-trust business practices are detected, and will take the proper course of action when deemed appropriate to defend the public interest, pursuant to the Anti-Trust Law.

Percentage of inquiries received by sector (March-May 2020)



Operation of the mailbox

The CNMC has a team of experts dedicated to analysing queries, closely monitoring the affected markets and taking proper actions as necessary. For those queries not related to the powers of the Commission (violations of the lockdown, consumer, health, labour and other issues), citizens are helped to identify the correct agency for their specific query and, where appropriate, the extraordinary applicable regulation. The Council is informed weekly of the activity that is reported through the Covid-19 mailbox and of the responses to the inquiries received about temporary cooperation agreements.

Cooperation agreements

The CNMC has received some inquiries about cooperation agreements, mainly involving the financial sector, the insurance sector, the health sector and the provision of assistance services.

In these cases, the CNMC has analysed the proposals submitted by the companies, their potential efficiencies and risks based on the doctrine and jurisprudence pertaining to the application of Art. 101.3 of the TFEU, as well as in accordance with

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the [Guidelines offered by the State Aid Temporary Framework approved by the EC](#) to evaluate this type of agreement. The goal of this informal advice given to companies is to identify the risks of the proposals submitted for consultation and the limits that the operators taking part in these agreements must observe in order to avoid violating competition regulations ([see ECN joint statement](#)).

Accelerated timelines

On a related topic, even though the [Royal Decree of the State of Emergency](#) generally suspended the deadlines for administrative procedures, the CNMC has continued to process mergers when so requested by the notifier, in accordance with the stipulations of said decree. In fact, since the state of emergency was declared, the CNMC has approved 12 merger operations between companies. It is also continuing those investigations that are directly related to the Covid-19 pandemic.

Collaboration with the EU, regional governments and government agencies

Regarding coordination with other agencies, as a member of the European Competition Network (ECN), the CNMC is in constant communication with the Directorate-General for Competition of the European Commission (DGCOMP) and with the remaining competition authorities of the EU Member States in order to provide a fast and consistent response within the EU on all these issues. All of them issued a [joint statement on 23 March on the application of competition law during the Corona crisis](#).

The CNMC reminds all government agencies that it is available to them for consultation on the potential impact that the laws implemented in response to COVID-19 have on competition in the markets and their adaptation to the principles of efficient economic regulation (necessity, proportionality, etc.). And in particular, to advise them in the areas of public procurement and public grants.

The CNMC is also in constant communication with the regional governments that have transferred powers in the area of competition, with the shared goal of providing a consistent and effective response in light of the current pandemic. Recently, a joint virtual meeting was held between the CNMC and the various regional governments to highlight the most relevant actions taken by them in this regard.

Advice and collaboration

The CNMC is the national agency tasked with preserving and promoting competition in every market and production sector. It is also an advisory body for issues related to competition (Article 5 of Law 3/2013). Likewise, point four of the [joint statement issued by the European Competition Network \(ECN\) on 23 March](#) also notes that companies can reach out to the national competition authority at any time for informal guidance on any issue related to the current health crisis.

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Moreover, as a public-law agency, the CNMC is guided not only by the aforementioned Law 3/2013, but by common administrative law. In this regard, it is worth noting that every public agency is tasked with addressing and resolving any issues that are brought to it by the general public (art. 13, 21 and 53 of Law 39/2015). Likewise, it is also relevant to recall the CNMC's duty to collaborate with all other government agencies (Art. 141 of Law 40/2015).

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