

The CNMC is investigating potential bid rigging by the Spanish Ministry of Defence

- The Commission is looking into alleged agreements involving bid rigging and sharing contracts related to the supply, maintenance or upgrade of military equipment.
- Early this month, the Commission conducted new inspections at the headquarters of several companies after the ones carried out in June.

Madrid, 10 November 2021.- The CNMC is investigating potential anti-trust practices involving bid rigging and sharing agreements in tenders called by the Spanish Ministry of Defence related to the supply, maintenance and upgrade of military equipment, especially military vehicles.

On 3 and 4 November, the CNMC conducted on-site inspections at several undertakings with operations in Spain's military equipment market. The actions stem from the investigation launched in June. At that time, the Commission carried out a first round of inspections at a number of companies' headquarters in conjunction with the regional competition authorities where they are located.

Inspections are a preliminary step in an investigation into suspected anticompetitive practices and does not mean that the companies are guilty of anti-competitive behaviour nor does it prejudice the outcome of the investigation itself. If, as a result of the inspection, there are indications of practices prohibited by Spain's anti-trust law (Ley de Defensa de la Competencia) and by the Treaty on the Functioning of the European Union, formal disciplinary proceedings will be initiated.

The CNMC recalls that agreements between competitors is a serious infringement of anti-trust law, which could result in fines of up to 10% of the value of the relevant sales of the companies involved. Investigating cartels is one of the CNMC's top priorities, given the serious consequences they can have on consumers and on the proper functioning of the markets.

The Commission has a [Leniency Programme](#), whereby companies involved in a cartel can receive immunity from paying fines by coming forward with evidence to help the CNMC detect cartels or reductions in the amount of any fines by providing valuable information regarding any ongoing CNMC investigation.

The CNMC also has an [online public whistleblower platform](#) for detecting cartels by providing anonymous reports on potential secret agreements among competing undertakings to fix prices or other business conditions, share markets or customers, or the fraudulent sharing of public or private tenders.

Moreover, the prohibition on contracting provided for in article 71 of Law 9/2007 on public procurement for undertakings sanctioned for serious breach in respect of distorting competition would be waived for companies requesting leniency in application of article 72.5 of the law, which stipulates that prohibiting the contracting of undertakings that have applied for leniency is not warranted.