

The CNMC initiates infringement proceedings against the military arms company Rheinmetall

- In February 2023, the CNMC cleared the acquisition of Expal Systems by Rheinmetall.
- The CNMC subsequently became aware that the information provided by Rheinmetall and used as a basis for the clearance may have been incomplete and misleading.

Madrid, 5 February 2024.- The National Markets and Competition Commission (CNMC) has initiated infringement proceedings against Rheinmetall A.G. for possible obstruction of the work of the CNMC. The military armaments company allegedly provided incomplete and misleading information in the context of the notification of the acquisition of Expal Systems ([SNC/DC/081/23](#)).

The alleged obstruction is in violation of Article 62.3.c) of the Spanish Competition Act.

Obstruction of the work of the CNMC

In February 2023, the CNMC cleared the acquisition of Expal Systems by Rheinmetall ([C/1368/23](#)). However, a client of the parties appealed the clearance before the Spanish National High Court (Audiencia Nacional).

Following the appeal, the CNMC opened a preliminary inquiry to verify whether the transaction affected a number of markets (manufacture and marketing of nitrocellulose, nitroglycerine and wet pulp), which Rheinmetall allegedly omitted during the notification. In addition, some of the information provided by the company may have been misleading.

The alleged practices constitute a serious infringement of competition law and could lead to a fine of up to 5% of the infringing company's total turnover in the financial year preceding the year in which the fine is imposed.

The initiation of these proceedings does not prejudice the final outcome of the investigation. The CNMC will now have a time limit of 3 months to investigate and adopt a decision on the case.

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- [SNC/DC/081/23](#): Rheinmetall
- [C/1368/23](#): Rheinmetall/Expal
- [Press release](#) (13/03/2023): The CNMC cleared eight mergers in February

- [Blog](#) (25/04/2017): At the CNMC we monitor mergers between companies