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Competition & Antitrust - Portugal

Competition Authority announces top priorites for 2014

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Introduction

During a public hearing held on May 28 2014 before Parliament's Budget, Finances and Public Administration Committee, the chairman of the Portuguese Competition Authority announced the authority's top priorities for 2014.

In accordance with the presentation made available by the authority, the competition policy for 2014 is based on three key pillars:

- protecting effective competition in the market for the development of a dynamic economy;
- promoting a competitive and transparent culture; and
- strengthening the authority's capacity to intervene.

Each of these pillars is addressed below.

Protecting effective competition

This pillar addresses several issues that seek to combat serious competition infringements. In order to achieve these objectives, the authority has established the following action guidelines:

- strengthening actions to combat cartels;
- promoting the leniency regime;
- enhancing the capacity to act ex officio against anti-competitive practices;
- reinforcing the authority's capacity to investigate, notably in the field of forensic information technology;
- strengthening the authority's capacity and efficiency in the identification, investigation and punishment of exclusionary abuses of dominant position;
- combating vertical restrictions, in particular by raising awareness among companies of the importance of adopting commercial practices that comply with competition rules;
- promoting settlements and conditional closure of antitrust procedures; and
- strengthening analysis capacity and decision efficiency in complex mergers.

Promoting a competitive and transparent culture

In the context of this pillar, the authority aims to promote impact assessments of public policies on competition and to continue to conduct market studies and inquiries in economic sectors, notably energy, telecommunications and ports.

In addition, in order to promote greater transparency of its activities, the authority intends to facilitate online access to its decisions and to related judicial case law.

Strengthening the authority's capacity to intervene

This pillar aims to increase the efficiency and quality of the authority's decisional procedures. In this context, the authority intends to:

- · strengthen the technical quality of its decisions and of its representation before the courts;
- decrease the number of procedural issues and subsequent litigation arising from such procedural issues; and
- reinforce the internal control system of its decisional procedures in order to strengthen the soundness
 of its decisions.

Active participation in the European Competition Network and the International Competition Network, and the improvement of bilateral relations and cooperation with competition authorities in Portuguese-speaking countries, are also top priorities addressed in this pillar.

Comment

The authority's priorities for 2014 are a clear sign that it is seeking to bolster its efficiency in dealing with anti-competitive practices. The pillars are also consistent with several public interventions by the authority's new president, António Ferreira Gomes, in this regard.

Furthermore, the recent judicial confirmation of several important antitrust decisions by the authority corroborates the fact that the authority is committed to improving its decisional procedures and defending its decisions more efficiently before the courts.

The promotion of the leniency legal framework, settlements and conditional closure of procedures indicates that the authority is also aware of recent developments in competition policy within the European Union and has thus focused on efficiently addressing major competition infringements.

Once the authority accomplishes its priorities and further develops its decisional procedures, it may well be placed in an important position in the national economy and strengthen its public role in the enforcement of competition rules. As the authority's chair stated:

"[i]t is our profound conviction that compliance with competition rules is a condition for the development of a sound, dynamic economy, based on competitiveness, innovation and sustainable growth and to that extent, the importance of defense and promotion of competition in times of crisis is critical... thus the PCA will endeavour all its efforts to prevent and punish practices prohibited under competition law."⁽²⁾

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Endnotes

(1) Presentation available at PCA website, accessible at www.concorrencia.pt.

⁽²⁾ Portuguese Competition Authority Chairman speech at the opening of the Third European Law and Competition Training Course for Judges, May 7 2014, accessible at www.concorrencia.pt (non-official translation).

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