

CMS | Romanian Competition Council investigates potential collusion in sunflower oil, butter and sugar market



The Romanian Competition Council has launched three investigations regarding potential price-fixing arrangements in the markets of the production of sunflower oil, butter and sugar. As part of its investigation, the Competition Council conducted dawn raids at the headquarters and other locations of the companies suspected of collusion.

The Competition Council indicated that it has suspicions that certain producers may have taken advantage of the current inflation and agreed to increase sale prices in order to unduly increase profits. The President of the Competition Council, Bogdan Chiritoiu, stated that if the suspicions prove accurate, the companies found guilty of such anti-competitive conduct will be “drastically” sanctioned.

The Competition Council has over the past years closely scrutinised certain markets shown to be more prone to speculative actions (including foodstuffs). At the initiative of the Competition Council, Romania adopted legislation last year to give the Competition Council leverage and instruments to act against speculative conduct during periods of crisis and intervene where companies substantially increase prices without a legitimate economic reason, or hoard stocks to create a fictitious demand on the market to justify price increases. The anti-speculation legislation only applies to crisis situations qualified as such by law (e.g. war, pandemics etc). Since this is not currently the case, the Competition Council is clearly keeping a close eye on those markets where speculative actions are likely to occur.

For more information on competition law in Romania, contact your CMS client partner or local CMS expert **Cristina Popescu**.