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Cartels, leniency and fines

Over the last three years, the number of Commission officials engaged solely on the investigation of cartel cases has doubled. Together with the introduction of more flexible and efficient management methods, as well as the success of the leniency scheme, this explains why 2001 was a record year both in terms of the number of cases in which the Commission reached a final decision and in the amount of the fines imposed. The year 2001 saw the culmination of investigations into 10 cartels involving a total of 61 firms. Some of the cartels were genuinely international, such as the vitamins cartel, while others affected only the European market. These decisions also show the variety of industries which the Commission has investigated; they include chemicals, banks, airlines, beer and paper.

A big factor in the success rate against most of the cartels was the operation of the leniency scheme. Out of a total of 24 decisions imposing fines since 1996, firms cooperated with the Commission under the scheme in 17 cases. The total number of firms cooperating was more than 80. In view of the high volume of applications for leniency and ensuing decisions, it was clear that the Commission's message to the world of business had been heard and taken seriously. In addition, many Member States, including Germany, France, the United Kingdom and Ireland, have recently adopted their own leniency schemes. Other Member States are considering the possibility.

As to the level of fines imposed on infringing cartels, the recent figures are impressive. From 1969, when the first decision in a cartel case was adopted, to 2001, the Commission has adopted 57 decisions against secret cartels. The fines imposed totalled €3.3 billion. From 1996, following the first Leniency Notice, up to and including 2001, the Commission adopted 24 decisions concerning almost 160 firms, and imposed a total of €2.8 million in fines. In 2001 alone the fines imposed exceeded €1.8 billion. This was more than the total of the fines imposed by the Commission in the whole of the preceding period, from the establishment of the European Community to the year 2000. The year 2001 also saw the heaviest fines yet imposed on individual companies: Hoffmann-La Roche was fined €462 million for its role in the eight vitamins cartels, and Arjo Wiggins Appleton was fined €184 million in the carbonless paper case, which was the heaviest fine ever imposed for a single infringement. ■