

SPANISH COMPETITION

Highlights ...

Weekly follow-up: 11 - 15 Sept.

The AVC ends the infringement procedure against the Basque Federation of cider designation of origin by conventional termination

On August 30 2023, the Basque Competition Authority ("**AVC**") approved the conventional termination of the sanctioning proceedings initiated against the Basque Federation of Cider Designation of Origin ("**Basque Cider Federation**") for conduct prohibited by the LDC in the market of the commercialization of cider bottled under the denomination "cider from the Basque Country".

The conduct under investigation

The conduct analysed is the price recommendation of the Basque Cider Federation to its associates, producers and processors following the publication of a press release with wide media coverage announcing the increase in the price of the cider bottle.

Conventional termination agreed

After the investigation, the case has been resolved by means of a conventional termination, a figure included in article 52 of the LDC. This is an atypical way of terminating the procedure, in the sense that commitments voluntarily offered by the alleged infringer are made binding, without the need for a declaration on the accreditation of the infringement and, consequently, the imposition of a sanction.

The objective of conventional termination is twofold. On the one hand, to achieve a fast restoration of competitive conditions with commitments that resolve the problems, safeguarding the welfare of consumers and the public interest. On the other hand, it makes it possible to comply with the principle of administrative efficiency, by facilitating a reduction of the investigation procedures, shortening the resolution of the sanctioning file and, therefore, the reestablishment of the conditions of competition.

In this case, the commitments agreed by the AVC consist of publishing a rectifying press release and informing all the members of the Basque Cider Federation about the content of the competition regulations and those conducts that could be contrary to it. Failure to comply with these commitments will be considered a very serious infringement in accordance with article 62.4 c) of the LDC.