The European Competition Network sends a message to businesses on measures they can take about the Covid-19 epidemic

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In the face of the Covid-19 Coronavirus epidemic, consumers and businesses are facing significant challenges. The Autorité de la concurrence is supporting all economic players and wishes to answer questions about how companies can deal with the coronavirus crisis without ignoring competition law.

To this end, it relays the message below prepared by the European Commission and the European Competition Network which brings together all the national competition authorities of the European Union Member States.

> The ECN is fully aware of the social and economic consequences triggered by the COVID-19 outbreak in the EU.
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> The different EU competition instruments have mechanisms to take into account, where appropriate and necessary, market and economic developments. Competition rules ensure a level playing field between companies. This objective remains relevant also in a period when companies and the economy as a whole suffer from crisis conditions.
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> The ECN understands that this extraordinary situation may trigger the need for companies to cooperate in order to ensure the supply and fair distribution of scarce products to all consumers. In the current circumstances, the ECN will not actively intervene against necessary and temporary measures put in place in order

to avoid a shortage of supply.

Considering the current circumstances, such measures would in any case appear unlikely to be problematic, since they would either not amount to a restriction of competition under Article 101 TFEU or generate efficiencies that would most likely outweigh any such restriction. If companies have doubts about the compatibility of such cooperation initiatives with EU competition law, they can reach out to the Commission or the national competition authority concerned any time for informal guidance.

At the same time, it is of utmost importance to ensure that products considered essential to protect the health of consumers in the current situation (e.g. face masks and sanitising gel) remain available at competitive prices. The ECN will therefore not hesitate to take action against companies taking advantage of the current situation by cartelising or abusing their dominant position.

In this context, the ECN would like to point out that the existing rules allow manufacturers to set maximum prices for its products. The latter could prove useful to limit unjustified price increase at the distribution level.

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