

English



KONKURRANSE  
TILSYNET  
The Competition Authority



2012



2013





“Competition is an effective mechanism to stimulate innovation and increase productivity. Competition provides choice for consumers and put pressure on prices. The Norwegian Competition Authority’s mission is to be a driving force for competition and to work proactively towards the government to avoid anti-competitive regulations.”

Christine B. Meyer  
*Director General*

**ABOUT THE NORWEGIAN COMPETITION AUTHORITY**

- Director of Competition  
Christine B. Meyer
- Established in 1994
- Approximately 100 employees
- Under the Ministry of Government Administration, Reform and Church Affairs
- In 2012, the Authority received 971 cases, of which 411 cases concerned mergers and acquisitions and 75 cases concerned anti-competitive behaviour.

**There are four types of cases the Authority deals with:**

**CARTELS**

Instead of competing, some companies form cartels to maintain high prices. Illegal cooperation between companies harms competition and can be costly for society.

**ABUSE OF DOMINANCE**

Dominant firms can make it difficult for existing and potential competitors to operate in the markets, for example by engaging in low pricing or entering into exclusive agreements with major retailers.

**CONTROL OF MERGERS**

To prevent a reduction of competition, the Competition Authority may prohibit or impose conditions on mergers and acquisitions.

**HEARINGS AND CALLING ATTENTION**

The Authority regularly evaluate government schemes and regulations and identify anticompetitive effects.

Read more about the Norwegian Competition Authority at [www.konkurransetilsynet.no/en](http://www.konkurransetilsynet.no/en).

**People at the front page**

Christine B. Meyer  
Andrè Granli  
Erling Espeskog  
Hanneke Brouns  
Roar Gjelsvik

Bjørn Braathen  
Ruth Johanne Øijordsbakken  
Linn Kristin Nyvold Roti  
Katrine Amdam  
Erlend Pedersen (KOFA)

Silje W. Fjermestad  
Astrid Boge  
Eirik Vikan Rise (KOFA)  
Roy Andre Lund  
Magnus Friis Reitan

Preben M. Thorbjørnsen  
Ida Rødseth Kjosås

Photo: Helge Skodvin.



### Upheld in Supreme Court

Two contractors, Grunnarbeid AS and Gran & Ekran AS, were fined in 2009 the amounts of NOK 5 million and NOK 2 million, respectively, for collusion in connection with bid-rigging in bridge construction work in Nord-Trøndelag, the area north of Trondheim.

The companies appealed, alleging that the decision was invalid. The case was first heard in the district court, then the Court of Appeal, and then ended up in the Supreme Court.

In its judgment, the Supreme Court fully supported the Competition Authority. The Court stated that there had been a wilful breach of the Competition Act, and that Gran & Ekran therefore must pay the original fine of NOK 2 million. Grunnarbeid AS went bankrupt before the judgment.



### New competition law

In February 2012, a proposal for a new competition law was delivered to the Ministry for Government Administration, Reform and Church Affairs. In its report, the commission that has been working on a new competition law proposed, among other things, changes in the rules on the control of concentrations. The commission proposes to increase the notification thresholds substantially, and further changes to ensure effectiveness.

Ministry for Government Administration, Reform and Church Affairs has recently proposed amendments to the Competition Act. The amendments are suggested to enter into force January 2014.



### Large fine for asphalt cooperation

The Competition Authority has uncovered extensive cooperation between companies Veidekke and NCC related to asphalt in Mid-Norway, the areas north and south of the city of Trondheim. The two companies shared large public contracts between them in the period 2005 to 2008.

In March 2013 the Competition Authority issued a final decision, and Veidekke received a fee of NOK 220 million and NCC a fee of NOK 140 million.

Veidekke applied for leniency (amnesty) by coming to the Competition Authority with information that led to the case were revealed. Thus, the company was exempted from paying the fee of 220 million.



### Hosts for international cooperation

In 2012 the Competition Authority hosted two major meetings on international cooperation. In June 50 participants from 27 nations from the European Competition Network Cartel Working Group (ECN CWG) met in Bergen. The main topic for the meeting was the ECN's Model Leniency Program.

In September, the Competition Authority hosted the annual joint meeting of competition authorities in the Nordic countries. About 70 participants from Greenland, the Faroe Islands, Sweden, Denmark, Finland and Norway were assembled in Bergen to discuss common issues.

# The value of being in an international network

The importance of international cooperation to Norway and the Competition Authority was confirmed once again in the past year.

In the area of competition law, Norway has a common basis with the European Union. Therefore, there is much to be gained by working with the 29 other EEA countries and with the EU DG Competition. This applies despite the fact that Norway is not a member of the EU. Case law and enforcement practice and experiences in the other EU/EEA countries provides valuable background for the competition authority's own enforcement. The Competition Authority also see a great value in being an active contributor to the Competition Committee of the OECD. At the same time, other countries' professional contributions to the meetings enrich a valuable knowledge base on various issues that the Authority encounters in its work.

Increasingly many countries are establishing a competition authority, a trend which reflects the recognition that the work they do is important for consumers and economic growth. This is reflected by the fact that the International Competition Network, ICN, has developed into a comprehensive, worldwide network of competition authorities, and the Competition Authority finds that active participation in the ICN contributes to greater efficiency in our work through sharing experience, harmonization of regu-

latory frameworks, and more efficient international cooperation

## **NORDIC COMPETITION AUTHORITIES**

The network among the Nordic competition authorities goes back more than fifty years. The competition authorities gather together annually to exchange experiences. Additionally, in the area of fighting cartels, there is close and on-going contact.

## **EU / EEA**

The Authority represents Norway in the advisory committee for competition and merger cases, the mechanism used by the European Commission and the EFTA Surveillance Authority (ESA) to consult on specific cases. The Authority assists the ESA and the Commission in gathering evidence in Norway.

## **OECD**

The Authority participates in the OECD Competition Committee and three working groups under the Committee.

## **EUROPEAN COMPETITION NETWORK (ECN)**

ECN is the forum for cooperation between the European Commission and the competition authorities in the EU's member states.

The Competition Authority is not formally a member, but participates in the meetings on policy issues and receives information that may be exchanged via the network.

## **EUROPEAN COMPETITION AUTHORITIES (ECA)**

ECA is networking between competition directors in the EEA. The Authority also participates in working groups in this network.

## **INTERNATIONAL COMPETITION NETWORK (ICN)**

ICN will increase the level of international cooperation, contributing to more effective treatment through exchange of experience and harmonization of regulations.

## **MAIN THEMES: E-MARKET, LENIENCY PROGRAMME AND BEST PRACTICE**

The Competition Authority began a project to look more closely at what the challenges of the digital economy mean for competition authorities. The project is divided into several sub-projects and will continue over several years. In 2012, two projects were launched - one about the TV market and the other about on-line sales and portals. A note on vertical challenges related to on-line sales was presented to the Competition Committee of the OECD in February 2013.



*Kjell Sunnevåg, Director external relations. Photo: Helge Skodvin.*

Not least, and tied to the European Competition Network (ECN), the Competition Authority has followed the work of the various working groups to harmonize and improve enforcement and legislation.

The ECN Cartel Working Group has in recent years focused on the harmonization of

leniency regimes in the EEA. Harmonization is considered to be essential to create the right incentives for companies that operate across borders to seek leniency. The work has resulted in significant exchanges of experience between countries and a revision of the ECN Model Leniency Programme (MLP). The experience of other

countries and new and important additions to the MLP have been useful in connection with the Competition Authority's own handling of leniency applications, as well as input to Ministry in development of the new competition law.

# Important forums for cooperation



International cooperation is a force both for professional development and to prevent and reduce the extent of international competition crime. Each of the cooperation forums has a growing legislation and regulatory framework as the subject of its work.



Christian Lund is employed by the Competition Authority and has since 2011 worked as a national expert in the EFTA Surveillance Authority **ESA** in Brussels. As a national expert, Lund works especially at the intersection of competition and state aid.

From the beginning of the year 2013 Henrik Lande moved from the Authority to become a national expert in the EFTA Surveillance Authority. At the **ESA**, Lande shall focus particularly on member countries' compliance with the competition part of the EEA Agreement.



Andrew Essilfie from the Competition Authority has worked for the **European Commission** in Brussels for two years. He was the first national expert from Norway in the Directorate General for Competition, in the ECN Unit. As a policy officer, Essilfie contributes to the uniform application of the competition rules of the EC Treaty in the Member States.



In the course of 2013, Anneline Vingsgård will take over as a national expert in the **European Commission** from Essilfie.



## **NEW COMPETITION ADVISER**

In 2012, Nina Gørrissen began as the new competition adviser in Brussels. As competition adviser, Gørrissen has responsibility for competition policy in the broad sense, which means competition rules applicable to undertakings, state aid and public procurement as well as consumer policy. Gørrissen has broad expertise and experience in the competition field.