

# The Competition Council and the Corruption Prevention and Combating Bureau perform joint procedural actions

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News

On 3 September, the Competition Council of Latvia (the CC) in cooperation with [the Corruption Prevention and Combating Bureau](#) of Latvia carried out procedural activities. The CC carried out an unannounced inspection at ten largest construction industry companies on the basis of suspicions regarding possible infringement of the Section 11 of the Competition Law – prohibited agreement.

The CC has concerns that the construction industry companies might have coordinated their actions over several years and agreed upon market allocation and participation conditions in both public and private procurements regarding residential and non-residential buildings in Latvia. Bid-rigging is considered as the most severe breach of the Competition Law.

The CC notes that the dawn-raid is a preliminary step into suspected anticompetitive practices, and the purpose of it is to acquire evidence on the involvement of companies in the infringement. The CC also reminds that performance of inspection does not confirm the guilt of the companies as well as does not prejudge the outcome of the investigation. The companies involved in the proceeding have the right of defence and provision of their opinion before decision making by the authority.

The CC and the Corruption Prevention and Combating Bureau will conduct further investigation independently within the competence of each institution.

Investigation of competition infringements may last up to two years. Duration of the inquiry depends on a number of factors, including the complexity of each case and the extent to which the parties concerned co-operate with the Authority. If suspicions on the possible infringement confirms, a fine up to 10% of undertaking's turnover of the previous financial year may be imposed, as well as a prohibition of one year to participate in public procurements.

<https://www.kp.gov.lv/en/article/competition-council-and-corruption-prevention-and-combating-bureau-perform-joint-procedural-actions>