

Press Release 06/2010

Competition Authority fines OTOC for the adoption of an anti-competitive decision by an association of enterprises, and the abuse of a dominant position

The Competition Authority has fined the Chamber of Certified Accountants (OTOC) the sum of 229,300 euros for anti-competitive practices in the market involving the obligatory training of certified accountants.

The market for the training required to gain the right to practise as a certified accountant was created by OTOC with the publication of the Regulations on Credit-based Training on 12 July 2007.

With these regulations, OTOC artificially segmented the training market, reserved a third of the obligatory training exclusively for itself, and stipulated particular criteria for the admission of other training bodies and the approval of their training courses.

Thus, the CA has ruled that Article 4 of the Competition Act was breached, since OTOC, as an association of enterprises, adopted a decision whose purpose and effect was to considerably prevent, distort or restrict competition.

The CA has also ruled that Article 6 of the Competition Act, relating to the abuse of a dominant position, was breached. The OTOC is the regulatory body for the certified accounting profession, but it has been competing in a market that it segmented itself, in which it decides on the entry of competitors, according to its own criteria charging fees both for access to the market and the practice of its economic activity.

Considering that the breaches in question are still in effect, the CA has ordered OTOC to take the necessary steps to terminate these practices and their effects within 90 days of the judgement becoming final. For the purpose, it is imposing a compulsory monetary sanction on OTOC to the amount of 500 euros for every day it delays, from the end of the time-limit stipulated for the purpose, should it fail to comply with this ruling.

Given the seriousness of OTOC's offences and the demands of general and special prevention, the CA has also ordered OTOC to publish, within 20 days of the judgement becoming final, an extract from it in the 2nd Series of the *Diário da República* [Government Gazette] and in a national newspaper.

The CA's ruling follows an investigation instigated by an anonymous complaint, which was reiterated at a later stage by APOTEC – Associação Portuguesa dos Técnicos de Contabilidade (Portuguese Accountants' Association).

Appeals against Competition Authority rulings are heard in Lisbon Commercial Court.

Lisbon, 18 May 2010