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**Directorate for Financial and Enterprise Affairs**  
**COMPETITION COMMITTEE****Annual Report on Competition Policy Developments in Denmark****-- 2018 --****5-7 June 2019**

This report is submitted by Denmark to the Competition Committee FOR INFORMATION at its forthcoming meeting to be held on 5-7 June 2019.

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## Denmark

### 1. Executive summary

1. The year of 2018 saw a number of cases before the Danish Competition Council (the “DCC”), the Danish Competition Appeal Tribunal (the “DCAT”) as well as the Danish courts.
2. The DCC decided on 20 cases in 2018. Of these nine were referred directly to the State Prosecutor for Serious Economic and International Crime (the “SEIC”) for criminal investigation. These cases typically rely on unambiguously clear evidence e.g. from dawn raids and include hard-core cartels.
3. The DCC also made administrative decisions in eight more complex cases. This includes several cases of violation of the prohibition of anti-competitive agreements, cases regarding abuse of dominant position and two complicated mergers. The DCC’s decisions are based on submissions made by the DCCA.
4. As for the cases before the DCAT, the number of cases amounted to four which all pertained to the breach of section 6 of the Danish Competition Act and TFEU article 101 and one case concerned the breach of section 11 of the Danish Competition Act as well as TFEU article 102.
5. Some of the above mentioned cases have significant ramifications. This pertains to the cases regarding Teller’s abuse of dominant position through rebates, excessive pricing in the pharmaceutical industry, the roofing sector, joint bidding in road marking (that is currently pending before the Danish Supreme Court) and the gun-jumping case concerning EY and KPMG DK.
6. The Danish Competition and Consumer Authority (the “DCCA”) also dealt with 52 notified mergers, which is an all-time high. Four of the mergers were approved after a phase II investigation (including two approved with commitments). Two mergers were approved under phase I whereas 46 underwent the simplified approval procedure.
7. The DCC published guidelines in several areas including merger control, the process concerning competition cases and joint bidding under competition law. The guidelines on joint bidding have been discussed in Denmark and abroad and was later amended after the Danish Maritime and Commercial High Court reached its decision in the road marking case.
8. In terms of advocacy, the DCC published an analysis focusing on to what extent Danish undertakings understand and comply with competition regulation. In addition, a number of reports were prepared, regarding, among other things, the mortgage market, booking platforms, and the Danish market for private pensions schemes. Finally, the DCCA increased its efforts to create awareness of the benefits from effective competition with continued focus on publishing podcast and articles, hosting conferences as well as using social media.

## 2. Changes to competition laws and policies, proposed or adopted

### 2.1. Summary of new legal provisions of competition law

9. There have been no new amendments in 2018 to the Danish Competition Act.
10. The rule on the public's access to files in competition cases was clarified and entered into force January 2018. Furthermore, the right of access according to General Data Protection Regulation was limited. These amendments secures that there is only limited access to files in competition cases in order to protect the interests of the companies involved (the parties).

### 2.2. Other relevant measures, including new guidelines

11. In 2018, there was a publication of three new and revised guidelines respectively.

#### *2.2.1. Guidelines regarding merger control*

12. In light of the new amendments (that entered into force 1. January 2018), it was necessary to revise the Danish Competition and Consumer Authority's (the "DCCA") guidelines on merger control. The new amendments pertain to the possibility of using "stop the clock" as well as the issuing of commitments during a merger control process. However, this only applies to binding commitments.

#### *2.2.2. Guidelines on joint bidding*

13. A judgement by the Danish Maritime and Commercial High Court prompted a review of the former version of the guidelines. An English version of the guidelines has also been revised. The road marking case has been appealed to the Danish Supreme Court (the case will be further detailed in section 2.1.3).

#### *2.2.3. Guidelines on the process concerning competition cases*

14. The guidelines concern the process in competition cases regarding section 6 and section 11 of the Danish Competition Act (which are the equivalent to TFEU Article 101 and 102). The new guidelines include an update on the processes following the amendments of the Danish Competition Council (the "DCC") in 2015 and a section on the closing of cases with commitments.

## 3. Enforcement of competition law and policies

### 3.1. Action against anti-competitive practices, including agreements and abuses of dominant position

#### *3.1.1. Summary of significant cases before the Danish Competition Council*

##### *Excessive pricing in the pharmaceutical industry*

15. On 31 January 2018, the Danish Competition Council ("DCC") ruled that CD Pharma (a pharmaceutical distributor) had abused its dominant position by charging unfair prices for the drug Syntocinon. Syntocinon, which is used by public hospitals in

Denmark, has existed since the 1950s and its patent has expired. Syntocinon contains oxytocin, an active substance given to pregnant women in connection with childbirth. CD Pharma had an exclusive distribution agreement with the producer of Syntocinon, which ensured its ability to supply the market.

16. Amgros is a wholesale buyer for hospitals. Amgros put out a tender on Syntocinon for the period of 1 April 2014 – 31 March 2015. Orifarm, a parallel importer and competitor to CD Pharma, won that tender. However, Orifarm was not able to provide Amgros with the full amount of Syntocinon it required; Amgros had therefore to buy a residual quantity of Syntocinon from CD Pharma, the only alternative supplier of Syntocinon on the Danish market.

17. During 2007-2014, the price of drug Syntocinon was stable around DKK 44 (EUR 5.9). From 28 April 2014 until 27 October 2014, CD Pharma increased the price on Syntocinon to DKK 945 (EUR 127) – i.e. a price increase of 2,000%. During this six months period, Amgros paid almost six million DKK (approximately EUR 780,000) in excess of the price set in the original contract with Orifarm.

18. The DCC found that there were no objective justifications for the price increase. The price increase could not be explained by higher costs, nor were there special considerations related to research and development. Consequently, the DCC ruled that CD Pharma's price increase amounted to an abuse of a dominant position and ordered it to refrain from similar abusive behaviour in the future.

19. The case was appealed to the DCAT, which upheld the decision of the DCC. The case has been forwarded to the SEIC and is currently under appeal before the Danish Maritime and Commercial High Court.

#### *Tellers' abuse of dominant position through rebates and/or exclusivity agreements*

20. In August of 2018, the DCC found that Teller (now owned by Nets) had abused its dominant position in the period of 2012 to 2016. Nets is a Nordic payment provider. The DCC found that, Nets had abused its dominant position by offering exclusionary rebates and/or exclusivity agreements to some of its largest customers in return for Teller covering all or a significant part of their customer's needs to redeem international payment cards.

21. The case is currently under appeal before the DCAT.

#### *Horizontal agreements of the coordination of rebates*

22. In December 2018, the DCC found that Clear Channel Denmark A/S and AFA JCDecaux A/S had acted in violation of section 6 of the Danish Competition Act and article 101 TFEU by adopting an agreement or concerted practice of joint rebates for the sale of advertisement space in the outdoor-media segment.

23. Clear Channel and AFA JCDecaux were the largest players on the Danish market for the sale of outdoor-advertisement space in the period covered by the decision. In 2009 and 2010, Clear Channel and AFA JCDecaux agreed upon a joint rebate rate for media commission, provision of security, information compensation as well as cash discount. These joint rates were set out in written agreements signed by both parties and was furthermore reflected in emails between the parties, where the size of the rebates was discussed prior to the conclusion of the agreements. The joint rates were used, at least,

until 21 April 2015 and were communicated through the trade organization “Creativity & Communication”, which comprised all larger media agencies operating in Denmark. The DCC took the position that the parallel behavior between the parties, after 2010, was due to the fact that the parties had a common understanding to apply the joint rebate rates, which were agreed upon in the 2010 agreement. The DCC found that the behavior by the parties was “by object” in violation of section 6 of the Danish Competition Act as well as article 101 TFEU.

24. The case is currently under appeal before the DCAT.

### *3.1.2. Summary of significant cases before the Danish Competition Appeal Tribunal*

#### *Horizontal agreements in the framework of the Danish Camping Organization*

25. In May 2017, the DCC decided that the Danish Camping Organization had violated section 6 of the Danish Competition Act by adopting an agreement, which stated identical and fixed prices for the sale of the Camping Key Europe Cards (the “CKE Camping Card”) during the period of 2011 to 2016. Furthermore, the DCC found that the association of Danish Campsites, DK-CAMP, had played an important role in regard to price fixing and the exclusion of competing camping cards. The CKE Camping Card is an entry card to camping sites. It can be used upon arrival, it can also hold a liability insurance, and can be connected to discounts. Further to that, the Danish Camping Organization adopted a decision where a condition was set up for the campers’ access to the campsite, meaning that they were only granted access when holding the CKE Camping Card. This meant that the camping sites could reject other competing Camping Cards. The DCC therefore found that, the decision worked as a direct horizontal exclusion of other competing camping cards.

26. In April 2018, the DCAT upheld the decision made by the DCC and stated that the case concerned horizontal agreements since the Danish Camping Organization and the individual camping sites sold the Camping Cards directly to the end-user. They were therefore viewed as competitors on the relevant market. Furthermore, the DCAT assessed that the requirement for a fixed price implied that the competing camping sites had coordinated prices.

27. Camping was and is one of the Danish people’s most favorite types of holiday. The agreement comprised approximately 90% of all Danish camping sites and was therefore a significant part of the Danish tourism industry. The case has been forwarded to the SEIC.

#### *Horizontal customers sharing*

28. The DCC decided, in August 2017, that Media Center Denmark A/S and MPE Distribution ApS (two media agencies) had breached section 6 of the Danish Competition Act by sharing customers between them. The two companies involved had entered into an agreement regarding the joint purchase of distribution services from PostNord. MPE Distribution ApS could not conclude contracts with Media Center Denmark’s actual and potential customers, which Media Center Denmark was in contact with. In regards to the acquirement of new customers, Media Center Denmark had to clear with MPE Distribution before deciding to bid on the customer in question. This was reflected in the text messages exchanges between Media Center Denmark A/S and MPE Distribution ApS.

29. The DCAT upheld the decision in June 2018. The DCAT agreed with the assessment made by the DCC, that the parties had shared their customers between themselves. It was clear from the text messages that the parties allocated distribution services to the same customer group and were therefore in the same line of revenue and thus competitors.

30. The case is currently under appeal before the Danish Maritime and Commercial High Court and has been forwarded to the SEIC with a view to issuing a fine before the Criminal Court.

#### *Standardisation agreements in the roofing felt sector – a remittal*

31. In May 2017, the DCC decided to issue an injunction against two roofing felt companies as well as two roofing felt organizations for having entered into an agreement and/or concerted practice in breach of section 6 of the Danish Competition Act. In addition, the companies involved issued a new standard and coordinated its contents. The injunction included the termination of the restrictive agreement and/or concerted practice as well as the termination of the standard. The standard in question aimed at precluding other competitors as well as limiting their product supply.

32. The case was appealed to the DCAT who decided, in September 2018, to refer the case back to the DCC. The DCAT found that the analysis of the economic and legal context was inadequate. The DCAT went further by stating that the DCC did not, with certainty, determine that there was a restriction of competition “by object”.

#### *Price fixing between competitors in an wholesale society for photo shops*

33. In December 2017, the DCC decided that Team DS, the Danish wholesale society for photo shops, had coordinated prices for its members on the market for cameras and accessories in Denmark. Team DS was also found to have disclosed information to its members about other members’ prices as well as other competition parameters on the market for cameras and accessories in Denmark.

34. The case was appealed to the DCAT and the decision was upheld in December 2018. The DCAT stated that the fixing of prices contributed to the coordination of Team DS’ members’ behavior on the market and therefore a horizontal agreement with its purpose to restrict competition “by object”.

35. The case has been forwarded to the SEIC.

### **3.1.3. Summary of significant cases before the Danish Courts**

#### *Excessive pricing in the electricity sector*

36. This case regarding excessive pricing in the electricity industry saw its beginning in 2005. More specifically, the case concerned the setting of prices of Elsam (today Ørsted) for electricity in the Western parts of Denmark in 2005 and the first half of 2006. The DCC decided, in 2007, that Elsam had abused its dominant position on the market by charging unreasonably high prices. The decision was, among other things, based on a price/costs test, which identifies “critical hours” with unreasonably high prices, named “test A”. The case was appealed to the DCAT and then to the Danish Maritime and Commercial High Court. Both of them agreed with the DCC and thus upheld the decision. The Danish Maritime and Commercial High Court, however, set aside “test A”.

The case was then appealed to the High Court of Western Denmark that repealed the decision from the DCC.

37. The High Court of Western Denmark stated, in May 2018, that the DCC had not, with certainty, established that Elsam had abused its dominant position to achieve unreasonably high prices in the above mentioned period. The High Court of Western Denmark assessed that “test A”, even after a recalculation and correction of the price variation addendum would not lead to Elsam having abused its dominant position. The DCCA petitioned for an appeal to the Danish Supreme Court. However, the petition was rejected and the case is now closed.

#### *Joint bidding with road marking*

38. The case concerned the bidding of road marking in three districts in Denmark: South of Denmark, Zealand and the Region of the Capital from 2014 to 2017 and was offered by the Danish Road Directorate. LKF Road Marking and Eurostar Denmark went together for a joint bid as “the Danish Road Marking Consortium” in 2014. Both companies were two of Denmark’s largest contractors within the road marking industry. The Danish Road Directive had drafted the tender in such a way that it was possible to place individual bids as well as a bid that would cover all districts. LKF Road Marking and Eurostar Denmark were the only ones to place a bid for all three districts and for the district of the Capital. Since their price as a whole was the lowest, the Consortium won the bid.

39. In 2015, the DCC found that both LFK Road Marking and Eurostar Denmark could have placed bids on each district individually. The two companies were therefore competitors. Furthermore, the Consortium actually divided the capacity between them when fulfilling the contract. Those were the decisive points for the DCC, in order to state a breach of section 6 of the Danish Competition Act as well as Article 101 TFEU. This was later confirmed by the DCAT.

40. In August 2018, the case was appealed to the Danish Maritime and Commercial High Court that did not agree with the assessment made by the DCC and the DCAT. The Court stated that the method used by the Danish Road Directive induced joint bidding and that LFK Road Marking and Eurostar Denmark were not precluded from making a bid as a Consortium even though they could place individual bids. The Danish Maritime and Commercial High Court therefore found that the Consortium had not breached section 6 of the Danish Competition Act and Article 101 TFEU.

41. The DCCA found the case to be of principle character and sought the permission to appeal the case to the Danish Supreme Court. The case is therefore currently pending before the Danish Supreme Court.

#### *3.1.4. Cases with criminal charges*

42. In 2018, the DCC referred a total of 12 cases (case complexes) to the SEIC who has jurisdiction to pursue sanctions in competition cases. 9 of the cases were referred to the SEIC without there being a previous administrative case, whereas 3 cases were referred to the SEIC – with a previous administrative case. Six companies and two individuals were fined in 2018. There can be a time span between the referral to the SEIC and the fining decision. Thus, not all cases, which were referred to the SEIC in 2018, were settled in 2018 and not all the fining decisions concerned cases which we referred in 2018.

43. Two of the company fines were imposed by the Courts in two separate bid rigging cases. Two other companies accepted fines for not notifying a merger and pre-implementation. The last two fines were imposed by the Courts in a case concerning some real estate, which entered into a concerted practice regarding the boycott of a competing website.

## 3.2. Mergers and acquisitions

### *3.2.1. Statistics on number, size and type of mergers notified and/or controlled under competition laws*

44. In 2018, the DCCA approved a total of 52 notified mergers. 46 of the mergers were processed under the simplified procedure. Of the remaining mergers, two were approved in phase I whereas four were approved after a phase II investigation; including two mergers approved with commitments offered by the merging parties.

### *3.2.2. Summary of significant cases*

#### *Approval of GlobalConnect A/S' merger with Nianet A/S subject to commitments*

45. In May 2018 the DCC approved GlobalConnect A/S' acquisition of sole control of Nianet A/S subject to commitments.

46. GlobalConnect offers wholesale and retail supply of broadband connections via fibre optic infrastructure primarily to corporate customers and public entities. Furthermore, GlobalConnect operates data centers, from where colocation services and affiliated services are offered to corporate customers. Nianet also offers wholesale and retail supply of broadband connections via fibre optic infrastructure and operates data centers with colocation services. Both GlobalConnect's and Nianet's data centers are primarily located in the vicinity of Copenhagen and Aarhus.

47. The DCCA, considered that the merger would give rise to unilateral effects in the market for provision of colocation services in the Aarhus area. This would in particular be in the form of higher prices of colocation services in the area, because the transaction would unite the largest providers of colocation services in the Aarhus area. This area covers a 50 km radius from the city center of Aarhus.

48. GlobalConnect committed to divest both of Nianet's data centers in the Aarhus area (located in Skanderborg and Aarhus, respectively). The DCC assessed that the commitments were sufficient to address the unilateral effects, and the merger was therefore approved subject to the offered commitments.

#### *Gun-jumping before the European Court of Justice*

49. In December 2014, the DCC decided that the two audit companies EY and KPMG DK had breached the rules on merger control by partially implementing their merger before receiving the relevant approval. Both companies were servicing the largest international companies and KPMG DK was – prior to the merger - a member of the international audit KPMG International Cooperative. The merger agreement between the parties stipulated that KPMG DK should, as part of the merger, terminate its membership agreement with KPMG International, which was carried out on the day of the signing of the merger agreement. The DCC commenced the case of a potential breach of the stand-still obligation pursuant to section 12c (5) of the Danish Competition Act (and hence

Article 7 of the Council Regulation on the Control of Concentrations between Undertakings (the “EUMR”).

50. The DCC found that EY and KPMG DK had breached the stand-still obligation since the termination of the membership agreement was merger-specific, irreversible and had an inherent potential for market effects. EY appealed the ruling to the Danish Maritime and Commercial High Court, who decided to postpone and present the case to the ECJ as a preliminary reference in May 2018.

51. The ratio decidendi of the Danish ruling was not followed by the ECJ. The ECJ found that the termination in question did not lead to a lasting change of control since EY did not acquire the possibility to exercise any influence over the companies owned by KPMG DK. The termination was therefore of ancillary and preparatory nature. In addition to this, the ECJ also stated that actions or provisions that do not constitute a lasting control must be reviewed under articles 101 and 102 TFEU.

52. As a result, the DCC decided to acknowledge and admit the claim in respect of the national proceedings. The case has brought some clarity as to the notion of “lasting change of control”. However, uncertainty still exists in regards to partial implementation.

#### *Approval of Tryg Forsikring A/S’ merger with the insurance company Alka subject to commitments*

53. In November 2018 the DCC approved Tryg Forsikring A/S’ acquisition of sole control of the insurance company Alka subject to commitments.

54. Both Tryg and Alka provide products and services within the field of property and casualty insurance (non-life insurance) for private consumers. As a result of the merger, Tryg became the largest provider of insurance products in Denmark based on both volume and turnover. The DCCA considered that the merger could be expected to give rise to unilateral effects in the form of higher consumer prices on the market for private non-life insurance products. The DCC considered this a consequence of the transaction, which removed the competitive pressure that Alka exerted on Tryg as an independent agent.

55. The DCC assessed that Alka’s insurance products rank among the cheapest on the market and that Alka has a well-known brand and has invested heavily in price-directed marketing. Further, the DCCA assessed that Alka is an innovative and well-operated company that has experienced growing market shares in an otherwise relatively stagnant market. Finally, the DCCA assessed that no other undertaking has had a comparable effect on the competitive process on the relevant market.

56. However, Tryg offered commitments, to be effective for five years. Tryg committed to terminate exclusivity clauses in a number of Alka and Tryg partnership-agreements, thereby allowing competing insurance companies to enter into agreements with the relevant partners. Furthermore, Tryg committed to not charge customers any form of fee or payment related to the termination of one or more private insurance policies, and to give 5 million DKK annually to “Forsikringsguiden”, which is an independent insurance and price comparison website hosted by, amongst others, an independent consumer association. The DCC assessed that the commitments were sufficient to address the identified competition concerns, and the merger was approved subject to the offered commitments.

## 4. The role of competition authorities in the formulation and implementation of other policies, e.g. regulatory reform, trade and industrial policies.

### 4.1. Advocacy

57. The DCCA's mission is to secure well-functioning markets and one of the tools to achieve this goal is advocacy.

58. In 2018, the DCCA published an analysis focusing on to what extent Danish undertakings understand and comply with competition regulation. The purpose of the analysis is to provide better insight into and knowledge about the behaviour of companies and their approach to complying with the Danish Competition Act. One result of the analysis has been two campaigns. A summary of this report can be found in section 5.

59. Furthermore, two large-scale analyses were launched in 2017 and in the beginning of 2019, respectively. They will be published in 2019.

60. The first analysis will look at competition on the market for pensions, and was launched by the DCC. The analysis will review the competition in the market for obligatory occupational pension schemes and individual, private pension savings. The report will also shed light on the role and significance of insurance brokers on the market.

61. The second analysis will look at competition on the market for members of lawyers, and was also initiated by the DCC. The purpose of the analysis is to review the vital community role of the legal profession and on competition in the market for legal services. The analysis will comprise both large as well as small law firms. In addition, the report will focus on the information asymmetry and the challenges consumers face when navigating the market.

62. Additionally, in 2018 the DCC hosted a conference on "Well-functioning markets and effective competition" with theme sessions about regulation of the Danish mortgage market, the automobile industry and medicine prices.

63. In addition to this, the DCC prepared two analyses regarding booking platforms for hotels as well as the mortgage market. They were both published in February 2019.

### 4.2. Communication and knowledge

#### 4.2.1. Podcasts

64. In 2018, the DCCA aired two new podcasts, which are available on the authority's website<sup>1</sup>. Commissioner Margrethe Vestager appears as special guest in the first podcast episode, discussing competition matters in an international perspective. The second podcast is an introduction to the Danish Competition Act given by Deputy Director General Bitten Thorgaard Sørensen. Both podcasts are in Danish.

#### 4.2.2. Articles / publications

65. Continuing on the initiative taken in 2016 to release short articles on current competition topics, the DCCA released a total of nine articles in 2018.

<sup>1</sup> <https://www.kfst.dk/menu/presse/podcasts/>

66. The first article<sup>2</sup> describes the changes in the Danish Competition Act that came into force on 1 January 2018.

67. The second article<sup>3</sup> contains excerpts from the conference “The Challenges for Present and Future Competition Enforcement”. The DCCA hosted the conference in Copenhagen 9 March 2018. Leading European competition experts were gathered to discuss some of the hottest topics within the world of competition enforcement such as digitalization, income distribution, fairness, Brexit, the Facebook-case in Germany and more.

68. The third article<sup>4</sup> presents an analysis carried out by the DCCA. The analysis concludes that many Danish municipalities prefer local companies to perform the municipality's building and construction tasks while companies from neighboring municipalities rarely are invited to bid on tasks. As a result, competition may be restricted and municipalities risk paying higher prices.

69. The fourth article<sup>5</sup> reports the results of a lab experiment that successfully enabled consumers to take notice of terms and conditions (T&Cs) in an online shopping environment and use these more actively when choosing between products. The article demonstrates how T&Cs can be made easier to understand and use. This may also increase pressure on traders to compete more regularly on providing better T&Cs.

70. The fifth article<sup>6</sup> deals with the DCCA's effort to optimize its work with inspections in recent years. The purpose is to ensure a more effective enforcement of the Danish Competition Act. As a result, the proportion of inspections leading to a case has been increased.

71. The sixth article<sup>7</sup> is about price matching and price guarantees. For some consumers, this can mean lower prices. However, price matching and price guarantees can also lead to a lower competition pressure on the market meaning higher prices and lower consumer welfare.

72. The seventh article<sup>8</sup> focuses on behavioral consumer regulation. The Danish government's consumer policy strategy “Consumer in a Digital World” has prompted the DCCA to review all consumer-related legislation from a behavioral perspective. The

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<sup>2</sup> ”Ændret konkurrencelov styrker håndhævelsen”, <https://www.kfst.dk/media/49996/aendring-af-konkurrenceloven-2.pdf>

<sup>3</sup> ”The Challenges for Present and Future Competition Enforcement”, <https://www.kfst.dk/media/50344/the-challenges-for-present-and-future-competition-enforcementny.pdf>

<sup>4</sup> ”Foretrækker kommuner lokale håndværkere?”, <https://www.kfst.dk/media/50671/20180618-foretraekker-kommuner-lokale-haandvaerkere.pdf>

<sup>5</sup> ”Improving the effectiveness of terms and conditions in online trade”, [https://www.kfst.dk/media/50713/20180621-improving-the-effectiveness-of-terms-and-conditions\\_ny4.pdf](https://www.kfst.dk/media/50713/20180621-improving-the-effectiveness-of-terms-and-conditions_ny4.pdf)

<sup>6</sup> ”Kontrolundersøgelser”, [https://www.kfst.dk/media/50736/16\\_kontrolundersoegelser.pdf](https://www.kfst.dk/media/50736/16_kontrolundersoegelser.pdf)

<sup>7</sup> ”Prismatching og prisgarantier kan føre til højere priser”, [https://www.kfst.dk/media/50931/20180808-prismatch\\_19.pdf](https://www.kfst.dk/media/50931/20180808-prismatch_19.pdf)

<sup>8</sup> ”Adfærdsbaseret forbrugerregulering”, <https://www.kfst.dk/media/53284/adfaerdsbaseret-forbrugerregulering.pdf>

purpose of the behavioral approach is to ensure that consumer-related regulation will have the intended impact in the market.

73. The eighth article<sup>9</sup> expresses the possibility of clear gains if the product market regulation became more competitive. Efficient competition can lead to benefits for consumers and at the same time, it can strengthen innovation and growth in Denmark.

74. The ninth article<sup>10</sup> describes how consumer inactivity in the mortgage market reduces consumer welfare and providers' incentive to innovate and compete. This has led The Danish Competition Council to recommend an introduction of a simple front page to mortgage loan offers based on an experimental study using behavioral insights.

#### 4.2.3. Social media

75. In 2018, the DCCA worked more effectively with SoMe and improved its position on different platforms. For instance, the DCCA and a number of the authority's employees are active on Twitter as spokes persons.

76. The DCCA has continued to focus on visual communication and the use of rich media. This among other things includes post templates, illustrations, films and continuously experimenting with new formats.

77. Finally, the DCCA completed two campaigns addressing companies.

### 4.3. International work

78. The DCCA took part in several meetings regarding the ECN+ directive within the European Council Working Groups. Furthermore, the DCCA also participated in several multinational- and bilateral meetings.

79. Denmark acceded to the new agreement between the Nordic Competition Authorities. This agreement strengthens the cooperation between the Nordic countries with respect to investigation of competition cases. The agreement allows the Nordic Competition Authorities to exchange and collect information as well as conduct dawn raids on behalf of each other. Sweden and Finland have also acceded the Nordic Cooperation Agreement. An older agreement regarding the exchange of sensitive information still applies for Norway and Iceland, at least until they ratify the new Nordic Cooperation Agreement.

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<sup>9</sup> "Konkurrencevenlig regulering kan styrke vækst og innovation", <https://www.kfst.dk/media/53407/21081120-konkurrencevenlig-regulering.pdf>

<sup>10</sup> "Consumers benefit from a standardised front page to loan offers", <https://www.kfst.dk/media/53509/consumers-benefit-from-from-a-standardised-front-page-to-loan-offers-final.pdf>

## 5. Resources of competition authorities

### 5.1. Resources overall

#### 5.1.1. Annual budget

80. In 2018, the DCCA's competition related budget was approximately DKK 82,7 million [USD 12,53 million], whereas the budget for 2017 was approximately DKK 83 million [USD 12,66 million]. It is a decrease of DKK 0,7 million for 2018.

#### 5.1.2. Number of employees

**Table 1. Number of employees\* in person-years occupied with competition law in 2018**

Total	88
Economist	29
Lawyers	43
Other professionals	9
Support staff	7

*Note:* Including staff servicing the Ministry of Business and Growth

### 5.2. Human resources (person-years) applied to

**Table 2. Human resources (persons-years) applied to:**

Enforcement against anticompetitive practices	36
Merger review and enforcement	14
Advocacy efforts*	31

*Note:* Support staff is excluded

### 5.3. Period covered by the above information

81. The information above covers the year of 2018

## 6. Summaries of or references to new reports and studies on competition policy issues

### 6.1. Market study: Company knowledge of competition rules

82. In July 2018, the DCCA published a market study on "Company knowledge of competition rules".<sup>11</sup>

83. The purpose of the Danish Competition Act is to ensure effective use of social resources through effective competition for the benefit of companies and consumers.

84. The analysis showed that well over a third of Danish companies estimate that other companies in their industry breach the Danish Competition Act by entering into cartels. In addition, the analysis showed that one in five Danish companies found that

<sup>11</sup> "Virksomheders kendskab til konkurrencereglerne", Konkurrence- og Forbrugerstyrelsen, juli 2018.

competitors in their industry have violated the Danish Competition act in the last five years. This is slightly fewer than in 2012. The vast majority of companies declare that they want to comply with the Danish Competition Act because it is considered *morally right*.

85. The qualitative survey reveals that there is more frequent and more formalized contact between competitors in the construction industry than in the IT industry. In the survey, companies indicated, among other things, that they are usually unaware that contact and interaction with other companies is associated with the risk of violating the Danish Competition Act.

86. Overall, most companies are aware of the prohibition on price agreements and cartels. Two in three companies responded correctly to at least five out of six questions about the Danish Competition Act's prohibitions.

87. One result of the analysis has been two campaigns. The DDCA launched a SoMe campaign about leniency (June 2018). Another campaign launched was in nationwide print media (fall 2018).