

## Romanian competition watchdog follows the EU in allowing cooperation in the pharma sector



**The Romanian Competition Council (RCC) issued a public statement confirming that it is willing to accept a certain amount of cooperation between companies in order to overcome or reduce the negative impact of the current crisis. (Further details are available [here](#)).**

The RCC officially announced that it would align its policies with [the temporary framework of the European Commission](#) for the application of competition law provisions during the COVID-19 pandemic.

In this respect, the RCC acknowledged that in the current crisis, pharmaceutical companies may need to cooperate through agreements and exchanges of information in the production, stock management and – potentially – the distribution of medicines so that competition over certain products is reduced in order to expedite the production of other crucial medicines.

Specifically, the temporary framework outlines three scenarios in which rivals may now collaborate: temporary cooperation between manufacturers to increase output or distribution of essential products; cooperation mandated by public authorities; and the exchange of commercially sensitive information to coordinate this cooperation, conducted through third parties such as trade associations.

Even though this coordination would normally violate competition-law provisions, in the current pandemic context it could bring significant benefits to citizens. Furthermore, the RCC noted that companies who want to produce medical equipment can apply for state-aid measures. (An overview of the state aid available can be found [here](#)).

While the RCC emphasises that companies are directly responsible for ensuring the lawfulness of their agreements and practices, if they have any doubt on the compatibility of certain initiatives with competition law, they should contact the RCC at the following address: [presedinte@consiliulconcurenței.ro](mailto:presedinte@consiliulconcurenței.ro).

Companies, however, should consider the fact that the current relaxation of regulations is linked to the crisis and the exceptional nature of these measures will require a careful assessment of whether the relevant supply is critical in the current situation, whether it is disrupted as a result of the crisis and whether market cooperation can be beneficial to society.

Also, the RCC reminds companies that in these exceptional circumstances, it is highly important to protect the interests of consumers. The RCC will continue to closely monitor changes in the market to identify companies taking advantage of these circumstances in order to engage in abusive practices or cartel activities. In this respect,

given the increase in demand triggered by COVID-19 for hospital and industrial supplies, the RCC is currently investigating certain businesses for fixing exorbitant prices for protective medical and labour equipment.

For more information on this guidance and competitive practices in Romania during the current crisis, contact your regular CMS advisor or one of our local CMS experts: **Valentina Parvu** and **Claudia Nagy**.