

COMPLIANCE WITH COMPETITION LAW

[Guidance for undertakings](#)

The practice in the implementation of competition rules in Croatia indicates that the infringements are still often committed due to ignorance of the law and of the obligation to comply with the rules.

Since that awareness of the rules is always a precondition for effective adherence to them, it is necessary to disseminate the knowledge about the importance of respecting competition rules to the employees. They should be trained to identify possible risk areas, especially about the situations that could lead to the company becoming involved in infringements. Training should encompass managers at all levels given the responsibility they bear for their own, but also for the behaviour of their staff. Trained and well-informed managers and staff are essential when it comes to avoidance of potentially risky situations regarding the compliance of the practices of the undertaking with competition rules.

Large businesses, especially those active on several different markets, usually have their compliance programmes in place, a kind of “code of practice” which is a visible and lasting commitment to the compliance strategy. On the other hand, medium-sized and small undertakings rarely do the same, depending on their available resources and expertise.

With the view to helping all undertakings, particularly the medium-sized and small businesses, to proactively respect competition rules, the Croatian Competition Agency drafted guidance for undertakings helping them to stay out of trouble and to ensure compliance with competition rules. The Guidance ensures a tailor-made approach for each business in its particular regardless of the industry or markets in which it is active.

In five chapters the Guidance gives an insight into the key competition rules, using a preventive approach it gives a list of ‘DON’Ts’ and RED FLAGS’ which serve to identify situations in which infringements of competition rules can be suspected. It identifies the risks and in the next step provides for risk assessment, lists concrete situations in which an infringement may be suspected. Risk mitigation involves recommendations for defining a clear and explicit compliance strategy and reviewing of the set measures that is adapted to the particular needs of the undertaking.

Summarising the key competition rules companies need to respect, including the dangers involved in ignoring the law and setting out practical steps that can be taken to ensure compliance, this Guidance focuses on helping companies to stay out of trouble and to ensure compliance with EU competition rules. We hope this Guidance, like the brochure made by the European Commission - Compliance matters¹, will assist all companies, and in particular small and medium-sized, to understand better what the stakes are and how they can prevent their staff from crossing the line.

¹ Available in English on the website of the European Commission
http://ec.europa.eu/competition/antitrust/compliance/index_en.html