

# Effective Cartel Deterrence

Competition Workshop

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# Cartel Deterrence

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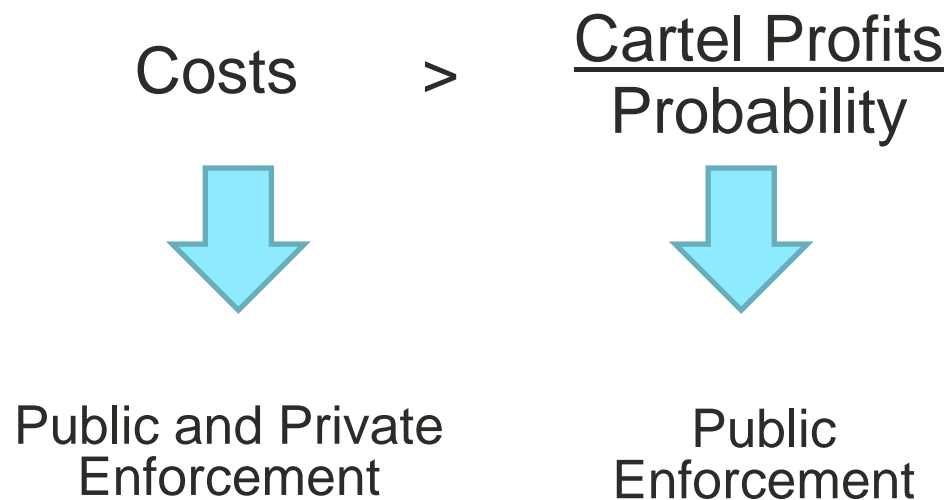
Decision to join a cartel:

Cartel Profits > Probability of Getting Caught x Cost of Punishment

Q: Do firms actually think this way?

# Cartel Deterrence

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## Public Enforcement – Probability of Getting Caught

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- Leniency, leniency, leniency..

Q: How successful is ACM's leniency program?









# Cost of punishment – Public and Private Enforcement

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- Fines
  - Fines have increased significantly. Boundaries?
- Individual and collective damages actions
  - Draft directive to promote effective private enforcement
  - Recommendation to Member States to set ground rules for collective actions

Q: How will EU sort out tension between public and private enforcement, i.e. impact of damages actions on effectiveness of leniency programs?

Q: How does it add up – need for rethink fining policy?

# Private enforcement as a market

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- Main hubs for private enforcement in EU are the UK, Germany and NL
- NL attractive hub for private enforcement actions
  - Easy access to legal system
  - Low costs for claimants if they lose
  - Sufficient supply of good competition lawyers and economists
- What can be done to stay ahead?

# Locations and contact

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