

Abstract

Cartel agreements constitute a distortion to consumer's welfare and economics environment itself by yielding higher profits without risks to those who engage in anticompetitive behavior. Therefore the purpose of this master thesis is to analyze the aspects of sanctioning cartels under Czech and European law especially with regard to the many recent changes in legislation regulating the protection of competition.

The thesis is composed of fifteen chapters. Chapter one defines cartels and their characteristics. Second chapter builds on the first by introducing, the types of prohibited agreements. The background in history of competition regulation and its upcoming challenges is provided in chapter three followed by explanation of the reasons why it is necessary to prosecute competitors who engage in anticompetitive conduct in chapter four. Since these reasons have changed several times in history as have the views of the regulator on the need of market regulation, it is important to explore the issue of inconsistency as they still remain topic of discussion even nowadays. Chapter five provides overview of the institutions whose task it is to enforce competition law. After these background chapters, in chapter six the focus shifts towards liability aspects of cartels and the process of sanctioning cartels in various ways. The following chapters deal with the process. The main aim is to critically assess the conditions of the process and point out the issues competition authorities are facing since the approaches being taken favor different aims. Chapter seven specifies the ways cartels can be uncovered, it focuses especially on the leniency program and the new whistleblower tool introduced by the Commission, which both enable those familiar with the circumstances of the illicit behavior to come forward with evidence. Chapter eight follows the steps of the process focusing on the tools and programs used to make the procedure efficient. Due to the upcoming changes in enforcement related to the adoption of the law on offense culpability a brief analysis of the changes is included in chapter nine. After the process, the types of punishment in administrative law and their impact is analyzed in chapter ten, followed by a chapter twelve on the remedy measures that can be imposed to rectify the damage inflicted to the market. Criminal liability is explored in chapter thirteen besides the liability issues and the types of punishments, section explaining why corporate criminal liability was not adopted. The last type of liability - civil liability is discussed in chapter fourteen. The majority of the chapter analyzes the proposal for an act on civil liability in competition which will ameliorate the position of those who suffered damage due to the cartel. The last fifteen chapter remarks on the fact that since cartel are prohibited, the agreement or its part must be automatically considered null and void. Throughout the thesis multiple amendments to the legislation are suggested to adopt measures dealing with prevention of

cartel agreements by education programs for the member of boards or employees responsible for adherence to competition law. This approach is being used by foreign competition authorities with positive effect.