SNAPSHOTS OF COMPETITION ENFORCEMENT FROM BRAZIL

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New competition law was meant to streamline, but ended up complicating.

Freshly launched CADE faces caution from companies.

Supercade faces challenges — Competition watchdog to have more powers and promises to approve mergers and acquisitions in no more than 11 months.

At the end of May, Brazil’s merger control regime underwent its most drastic overhaul in a generation. The changes, brought about through revisions to the country’s antitrust law, create a regime in which merging companies, after the companies closed a deal and began integrating, will face a ticking clock — and pressure from the business community — when deciding whether a deal could harm competition.
Six months later…
CADE judges over 800 mergers and acquisitions in 2012.

Restructured CADE proves to be a success.

Competition watchdog builds momentum for growth.
Focus on:

Coherence

Efficiency

Effectiveness
Coherence
Legal Certainty
Guidelines
Efficiency
Merger review
Post-merger review system
Old CADE:

No incentives

Difficult remedies

Misplaced liability
Time efficiency:

Pre-submission phase

Screening

Sector specific analysis
Average time of analysis

Days

2011 2012 2013 2014 2015

154.0 21.0 26.4 30.3 29.1
Effectiveness
Number of cartels judged

- 2010: 8
- 2011: 5
- 2012: 8
- 2013: 16
- 2014: 17
- 2015: 22
Types of proceedings judged

- **Conduct**
  - 2012: 86%
  - 2013: 69%
  - 2014: 66%
  - 2015: 54%

- **Mergers**
Enhanced cartel enforcement:

New leniency and settlement regulations

Ex officio investigations

New international cartel strategy
New leniency and settlement regulations
Collection in R$
Ex officio investigations
New international cartel strategy
Prosecute?

1) Proof
2) Direct exports
3) Indirect exports
4) National cartels
Compliance guidelines
Thank you.