

EU Council of Ministers adopts the Directive on antitrust damages actions

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Related Practice Areas: **Competition Disputes**

On 10 November 2014, the EU Council of Ministers adopted the Directive on antitrust damages actions, which will have to be implemented into national regimes by November 2016.

The Directive affirms Europe's commitment to tackle discrepancies between Member States and provides victims of anticompetitive behaviour with powerful assistance to obtain compensation including a presumption that every competition infringement causes harm.

In speaking about the adoption of the Directive, Hausfeld Chairman, Michael Hausfeld, stated:

"This is a major cultural change in the approach by European authorities to provide meaningful access to vindicate the rights of its citizens. In the past, there has been a prevailing paternalistic approach, that government enforcers had the sole responsibility for determining and remedying infringements of competition law. As Vice President Almunia's parting remarks emphasized, public and private enforcement are complementary. Private enforcement is an integral and necessary element of legal accountability to those who violate European law. This is a much welcomed opening to the citizens and economies of Europe."

Hausfeld's Managing Partner, Laurent Geelhand stated:

"The Directive fits in Almunia's legacy of encouraging those that have suffered loss from cartel conduct to turn to the courts for compensation. But beyond Almunia's encouragements, I think the main reason private enforcement has increased in the past few years is that mentalities have changed at board level. Today, large companies know much better than two-three years ago that if they are found guilty of cartel activity the issue of compensation will be on the table."

Hausfeld's Managing Partner in London, Anthony Maton, added:

"The Directive reinforces the Commission's objective of encouraging those that have suffered loss from cartel conduct to turn to the courts for compensation as companies recognise that it is in the interest of their shareholders to recover the often significant sums of damages caused by cartel conduct. Cartel participants understand the need to find a solution – most cases will be settled."

Anthony Maton and Laurent Geelhand summarise these ongoing developments and explain the Directive's implications for those who have suffered harm arising from competition infringements in the attached Briefing.