

# Dentons Newsletter

## The Czech Republic's Office for the Protection of Competition will intensify its focus on the pharmaceutical sector

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According to its recently published annual report, the Office for the Protection of Competition of the Czech Republic (the "**Office**") plans a thorough investigation of the pharmaceutical sector, in terms of compliance with both competition and public procurement rules.

In this context, the Office will carry out an extensive sectoral investigation in the pharmaceutical sector, focusing in particular on the distribution of pharmaceuticals. According to our information, the Office has already initiated the first steps to investigate selected practices in the pharmaceutical sector. It has also established cooperation with other public institutions, such as the Czech Chamber of Pharmacists, the Czech State Institute for Drug Control (SUKL), the General Health Insurance Company of the Czech Republic (VZP) and the Ministry of Health, which will assist in the detection of possible anti-competitive practices within the framework of the sectoral investigation.

It can therefore be expected that the Office will turn to a number of entities from the pharmaceutical sector as part of the planned investigation, in particular pharmaceutical manufacturers, distributors, pharmacies, health insurance companies, healthcare providers and other relevant entities. The Office has quite extensive powers within the sectoral investigation. It can conduct unannounced raids at the business premises of companies and require intensive cooperation from the investigated entities, under the threat of high, often multi-million Czech crown fines.

In this context, we recommend that individual companies prepare thoroughly for possible investigations by the Office. This preparation should focus first on the correct set-up of internal processes and compliance manuals. Ideally, it is also advisable to conduct training of management and selected personnel so that they are able to respond adequately in the context of an investigation and do not expose the company and themselves to the risk of sanctions.

**If you are interested, please do not hesitate to contact us. We will be happy to provide you with legal support in the preparation required processes and documentation, as well as providing legal representation throughout the investigation by the Office.**

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