

# CEMEP

European Committee of Manufacturers of  
Electrical Machines and Power Electronics

Code of Conduct

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## **CEMEP CODE OF ETHICAL CONDUCT**

### **In all kind of Industry Groups (IGs)**

#### **1. Invitation to all kind of Industry Groups meetings**

The Secretary's task is to issue timely and officially invitations for IGs meetings, doing so on behalf of the relevant Chairman. Along with the invitation there should be added an agenda that is as detailed as possible.

The Secretary has to ensure that the meeting's agendas, minutes, and other documents do not contain any critical items referring to competition law.

As indicated in the Operating Rules, a IGs or a TF meeting/ conference call cannot be held without the presence of a representative of a CEMEP national association member or the CEMEP secretariat as a neutral body.

#### **2. All kind of Working Groups meetings**

The Chairman and the Secretary jointly have to ensure that there is no deviation from the agenda. In case participants should nevertheless desire to deviate from the agenda, the Chairman has to bring about a formal decision on this deviation and the Secretary has to record this decision in the minutes.

Participants are supposed to object to a new agenda item if considered as being critical referring to competition law or if a formal decision on a deviation from the agenda has been omitted. Furthermore they are supposed to demand that the deviation from the agenda and their objection will be recorded in the minutes.

#### **3. Minutes of all kind of Working Groups meetings**

The Secretary has to compile correct, concise and precise minutes of any meeting including the decisions taken thereby.

Participants are supposed to object when they notice that no minutes are taken.

The Secretary has to ensure that the minutes' wording is clear and unmistakable.

Minutes shall be dispatched promptly to all participants.

When the minutes have been received participants are supposed to check them for correct reporting of the meeting and the decisions taken thereby. If the minutes are not to be considered as complete or correct, particularly with regard to competition law,

participants are supposed to immediately advise Secretary thereof and to ask for correction.

#### **4. How to act in all kind of Working Groups Meetings**

The Chairman and the Secretary jointly have to ensure that there will be no illegal decisions, arrangements, discussions, or spontaneous comments with regard to competition law during a IG meeting. In case a participant's behaviour is not compliant with competition law, the Chairman or the Secretary immediately has to advise the participant thereupon.

The Chairman is supposed to break off or adjourn the discussion or even the meeting as a whole if a legal clarification should be required.

Participants are supposed to ask for the discussion's or the meeting's break off or adjournment if they have any objection to its legality. Such a request shall be recorded in the minutes.

Participants are supposed to leave the meeting if a discussion continues while being critical referring to competition law. A participant's leaving shall be recorded in the minutes stating his name and the exact time of leaving.

#### **5. Market information systems**

Market information systems and statistics are only permitted, if managed officially by the CEMEP Secretariat or another neutral institution, publishing non-identifiable, aggregate overall data only.

CEMEP is constantly taking care that market information systems managed by CEMEP comply with legal requirements.

Data relating to any particular company must never be disclosed. The access to particular data is only permitted to the CEMEP Secretaries within the procedures of the market information systems managed by him.

#### **6. Topics allowed in all kind of Working Groups meetings**

In the course of an association meeting, companies are allowed to exchange information about their particular topics such as:

- General cyclical economic data and business climate, as long as discussions on these topics do not relate to any individual company's behaviour. These discussions focus on the macro level and do not affect any company's behaviour in the market
- Lobbying activities relating to general interests in the sector and concentrating on legislation and other public issues which may affect the sector

- Labour law and social issues. These issues are considered to be irrelevant under competition law
- Legal issues. These issues are by definition of a general nature, as these will affect any company's business to the same extent;
- Standardization issues, if
  - The standard setting process is transparent and open for participation by any interested party
  - There is no obligation to comply with the standard
  - Access to the standard is provided on fair, reasonable and non-discriminatory terms,
  - Any discussions within the standard-setting procedure are restricted to technical aspects. Standardization is aimed at compatibility of products and at technical progress; this will normally be to the benefit of the end user;
- Safety and health issues enhancement, with respect to the use of the sector's products;
- Environmental issues enhancement, with respect to the use of the sector's products.

## **7. Topics that should be discussed only in consultation with a competition expert (topics that might present a problem)**

General terms and conditions of sale and delivery. If these pertain to sensitive competitive parameters (e.g. prices, rates, manner of indexation, on-charging specific costs) or if the use of the conditions is mandatory, the competition authorities may object;

The Secretariat is allowed, in principle, to collect commercial information about individual companies and to make this information available to the members in an aggregated manner. It must in any event be absolutely guaranteed that no information on individual companies can be deducted from this aggregate information. In some EU countries the national competition authorities will only allow such statistics systems if the collected information can be qualified as sufficiently historical, e.g. (depending on the circumstances) presenting data of at least one year before, and/or if the information is made publicly available.

## **8. Topics not allowed in any kind of Working Groups meetings**

In the course of an association meeting, participants are not allowed to exchange information about topics that violate the competition law and the secrecy in competition, as far as being a matter of companies' in-house information or data.

This includes topics such as:

Sale prices, rates, (intended) price adjustments, recommended prices, discounts, mark-ups and other price-related topics concerning products or services of member companies;

Division/sharing of the market, e.g. by allocating a specific geographical area, specific customers or specific groups of customers to specific members;

Restriction of production or sales;

Pre-consultations with respect to responses to invitations to tender of potential clients;

Exchanging market information by the individual members, i.e. information about production, turnover, sales, investments, divestments, R&D expenses and other information, as far as this is related to specific (categories of) products or services, that may be regarded as commercially sensitive information;

Publishing of the average price of specific products or companies ;

Exclusivity for specific members to represent producers and importers;

Boycotting specific suppliers or customers;

Topics that could lead to coordination of market behavior restricting competition;

Pre-consultations between competitors when responding to invitations to tender (in tender procedures with both public and private purchasers);

Agreeing that all competitors add a surcharge to their bid (which would then be used for “compensating” the bidding costs of those companies that would not win the tender).

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