

## The CNMC fines the Barcelona Bar Association (ICAB) for failing to comply with its resolutions

- In 2018, the CNMC fined the ICAB and eight other bar associations for drafting, publishing and disseminating fee scales.
- After being fined, the ICAB provided guidelines for the assessment of costs that were in line with the sanctioning resolution.
- While monitoring the case, the CNMC found that the ICAB was actually applying and disseminating these guidelines as genuine fee scales.

**Madrid, 14 January 2025** – The Spanish National Markets and Competition Commission (CNMC) has fined the Barcelona Bar Association (ICAB) 500,000 euros<sup>i</sup> for failing to comply with two resolutions issued in an infringement case regarding price recommendations on the fees charged by lawyers to their clients in judicial proceedings (<u>SNC/100/24 ICAB</u>).

In <u>March 2018</u>, the CNMC sanctioned the ICAB and eight other Bar Associations for making price recommendations through the drafting, publication and dissemination of fee scales, practices prohibited under Article 1 of Act 15/2007 of 3 July on the Defence of Competition (LDC) (press release).

Following the sanction, the ICAB submitted new guidelines to the CNMC for the assessment of costs. In this document, the ICAB established general rules or guidelines for the assessment of costs, instead of the fee scales or instruments for the direct quantification of fees for which it had been sanctioned.

In <u>February 2020</u>, the CNMC issued a Resolution, as part of the monitoring procedure <u>VS/0587/16</u> of the 2018 case file, which declared the guidance criteria on costs assessment submitted by the ICAB to be adequate to meet the commitments of the 2018 Resolution. In the same resolution, the CNMC warned that it would continue monitoring the actions of the bar associations "*to ensure that they do not use or disseminate the previously non-complying criteria or similar ones*."

## Infringement proceedings

However, the CNMC later confirmed that the ICAB had disseminated the guidelines validated by the CNMC in such a way that they were being applied in practice as genuine fee scales. Through this dissemination, carried out especially during training sessions, the general indications of the guidelines were transformed into specific percentages and, ultimately, into an automatic calculation system for the assessment of costs. This dissemination reached more





than 4,000 ICAB lawyers, as well as professionals registered with bar associations in other territorial jurisdictions.

This practice constitutes a violation of the 2018 and 2020 resolutions, classified as a very serious infringement under Article 62.4.c) of the Act on the Defence of Competition.

## Voluntary payment and reduction of the fine

Before the resolution was approved, the ICAB voluntarily paid the proposed fine (500,000 euros), benefiting from Article 85.3 of Act 39/2015, which allows for at least a 20% reduction in the sanction if the entity pays in advance. After the reduction, the amount of the fine was 400,000 euros.

## Related content:

- Press release (27/09/2024): The CNMC opens infringement proceedings against the Barcelona Bar Association (ICAB)
- VS/0587/16: BANKIA COSTS.
- Press release (12/03/2018): The CNMC fines nine bar associations
- for having made collective recommendations on legal fees.
- CNMCblog (15/02/2024): The judgements of the CNMC sanctioning authority in the case of the proceedings against Bankia.



<sup>&</sup>lt;sup>i</sup> The amount of the fine, after applying the reduction for voluntary payment (Article 85.3 of Act 39/2015), was 400,000 euros.