

PRESS RELEASE BY THE COLLEGE OF COMPETITION PROSECUTORS OF
THE BELGIAN COMPETITION COUNCIL

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According to the College of Competition Prosecutors of the Belgian Competition Council interim measures are necessary in the case Diamanthatel A. Spira vs De Beers

On 4 May 2010, the College of Competition Prosecutors has submitted a reasoned report to the President of the Competition Council relating to the request for interim measures by Diamanthatel A. Spira (hereafter “Spira”).

According to Spira, the implementation of the distribution system for the repartition of rough diamonds of De Beers, the Supplier of Choice system, has restrictive effects on competition and constitutes an abuse of dominant position in so far as dealers of rough diamonds are no longer being provided with rough diamonds and disappear from the market. This would constitute an infringement of Article 3 of the Belgian Competition Act coordinated on 15 September 2006 and Article 102 of the Treaty on the Functioning of the European Union.

The investigation was carried out by the College of Competition Prosecutors with the assistance of the Directorate General for Competition of the Federal Public Service (FPS) Economy.

Interim measures can be taken by the President of the Competition Council in order to suspend the anti-competitive practices under investigation, if there is an urgent need to avoid a situation likely to cause serious, imminent and irreparable damage to the undertaking whose interests are affected. The College of Competition Prosecutors found in its report that the above conditions were met in this case.

This case will be brought before the President of the Competition Council, where De Beers will be able to defend itself. De Beers and Spira can submit a reply in writing to the President of the Council, and they will be heard at an oral hearing.

The report prejudices neither the decision of the President to grant or not interim measures nor the investigation on the merits by the College of Competition Prosecutors.