

The Portuguese Competition Authority fines *Inetum* Group for anti-competitive practices in the labour market

On 19 February 2025, the Portuguese Competition Authority (PCA) announced its decision to impose a fine of €3.092.000 on three companies of the multinational technology consulting group *Inetum*¹ for engaging in anti-competitive practices in the labour market over a period of, at least, seven years².

Context

The interplay between competition and labour markets has taken a prominent place in the recent global discussion on competition policy.

In the scope of this debate, empirical studies have pointed to a downward trend in the proportion of the labour factor in the Gross Domestic Product (GDP) and to an increase in the degree of concentration in some industries. The strengthening of the bargaining power of employers *vis-à-vis* workers has been pointed out by the PCA as one of the possible explanations for this trend.

Companies can sometimes establish agreements among themselves - such as no-poach or wage-fixing agreements - that may foster the coordination of their strategies in the labour market, and therefore possibly leading to an infringement of competition law, under Article 9 of the Portuguese Competition Act³, the national equivalent to article 101 of the Treaty on the Functioning of the European Union (TFEU).

Anti-competitive agreements in the labour market

Lately, it has been considered that the above-mentioned agreements limit the individual freedom and autonomy of undertakings to define their strategic commercial conditions (e.g. hiring and/or setting wage conditions) and may be responsible for adverse effects on the market by introducing inefficiency, limiting production, reducing innovation, discouraging investment in human capital, among others.

Agreements between employers to fix wages and/or other forms of remuneration also

¹ Inetum, S.A., Inetum Tech Portugal, S.A. and Inetum Holding Business Solutions Portugal, S.A.

² See [Press Release](#).

³ Law No. 19/2012, of 8 May.

create potential harm for workers and can result in negative effects on competition. According to the PCA, on the one hand, these agreements result in lower remuneration than workers would receive in a full competition scenario between firms. On the other hand, they can negatively affect business competitiveness, by lowering market uncertainty, and thus, facilitate other types of coordinated behaviour.

The *Inetum* Case

The investigation was launched in March 2022. The PCA had targeted several companies⁴, including *Inetum* Group, that alleged entered into bilateral no-poach agreements.

According to the PCA's investigation, *Inetum* Group was a party to such agreements from at least March 2014 to August 2021.

The PCA clarified in its Decision⁵ that the behaviour identified constituted an agreement to share sources of supply, under the terms of Article 9(1)(c) of the Portuguese Competition Act and Article 101(1)(c) of the TFEU, and that *Inetum* thus restricted competition in the national market for hiring SAP software specialists. This conduct implied the elimination of commercial uncertainty between companies about their recruitment policy, with a direct impact on SAP software specialists, their employees, in terms of loss of professional opportunities.

The alleged distribution of labour input among competing companies may have given the companies sanctioned by the PCA a competitive advantage over others in the sector, where employees may be more likely to switch employers. This trend increases the market value of skilled workers, driving up labour costs and causing potential disruptions. Such losses can significantly impact ongoing projects and reduce the company's attractiveness to both current and potential clients.

In the case at stake, and as part of the same investigation, the PCA had previously

⁴ Accenture Consultores de Gestão, S.A., Accenture plc, Accenture Technology Solutions - Soluções Informáticas Integradas, S.A., Deloitte Central Services, S.A., Inetum Holding Business Solutions Portugal, S.A., Inetum S.A., Inetum Tech Portugal, S.A., SAP Portugal – Sistemas, Aplicações e Produtos Informáticos, Sociedade Unipessoal, Lda. and SAP S.E.

⁵ [Decision PCR/2022/3.](#)

sanctioned three other companies operating in the same market—two multinational firms and one national technology consulting company⁶—for similar conduct between 2014 and 2022. Since these three companies opted for the settlement procedure, by cooperating with the PCA and waiving their right to challenge the factual allegations, the total fines imposed were reduced and reached €4.082.000.

Differently, *Inetum* defends that the PCA should “carry out a concrete analysis of the functioning and structures of the markets in question, as well as the impact that the alleged infringement will have had on them” and that such an “exercise is essential in order to assess the very nature and existence of the infringement”. Additionally, *Inetum* contests the fact that the PCA considered the geographic scope of the affected market to be national, defending that the PCA should have adopted a broader geographic scope, perhaps worldwide, or, at the very least, corresponding to the European Economic Area. All in all, *Inetum* argues that this agreement does not *reveal a sufficient degree of harm* in order to be qualified as a restriction by object, and that the PCA did not carry out a concrete analysis of the economic and legal context in the case at stake, which should include the nature of the goods and services affected, as well as the real conditions of the functioning and structure of the market in question⁷.

Considering that restrictive labour market practices harm worker welfare, business competitiveness, and the economy, the PCA has strengthened its focus on this issue, making the fight against such practices one of its Competition Policy Priorities for 2025⁸. Indeed, this is the second sanctioning decision issued in relation to restrictive labour market practices, since the PCA began intervening in this area in 2020⁹. Overall, the goal established by the PCA is to ensure the labour market functions properly, aligning the interests of both citizens and the economy.

⁶ Accenture Consultores de Gestão, S.A., Deloitte Central Services, S.A. and SAP Portugal – Sistemas, Aplicações e Produtos Informáticos, Sociedade Unipessoal, Lda.

⁷ Based on the criteria listed by the European Court of Justice to assess whether a possible infringement is a restriction by object. See Cases: C-67/13 P – *Cartes Bancaires*, recently confirmed in C-124/21- *International Skating Union*, Case 333/21 – *European Superleague*, Case C-680/21 – *Royal Antwerp Football Club*, among others.

⁸ See [Competition Policy Priorities For 2025](#)

⁹ In 2022 the PCA issued a sanctioning decision for anticompetitive agreement in the labour market for the first time. See [Press Release](#).

Final remarks

This decision is not final yet and still subject to appeal to the Competition Court.

In the past few years, enforcement against restrictive labour market agreements has become a priority, not only for many competition authorities worldwide, such as the Portuguese Competition Authority, but also for the European Commission.

Recently, the Commission expressed its view¹⁰ that wage-fixing and no-poach agreements will, in most cases, qualify as restrictions by object under Article 101(1) TFEU and are unlikely to meet the requirements to qualify as ancillary restraints or the requirements for an exemption under Article 101(3) TFEU.

Even though most cases of wage-fixing and no-poach agreements are likely to be dealt with by EU National Competition Authorities, due to the geographic scope of this market, the Commission is actively investigating cases in this sector and will remain coordinated within the European Competition Network. Furthermore, and following the Commission's recent approach, the Portuguese Competition Authority seems to be actively investigating and sanctioning these restrictive practices, that are now considered a restriction by object.

Indeed, the first Portuguese no-poach case, and its qualification as a restriction by object by the PCA, was recently challenged by the Football Clubs involved and discussed at the European Court of Justice, probably setting a precedent on labour market restrictions. These recent cases seem to demonstrate that Member States seek further clarification on whether wage-fixing and no-poach agreements should generally qualify as restrictions by object.

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¹⁰ See [Competition Policy Brief: Antitrust in Labour Markets](#).