

The Competition Board Imposes Administrative Fine on the Novonesis Group for Providing Incomplete and Incorrect/Misleading Information

The Turkish Competition Board (“**Board**”) imposed an administrative fine on Novonesis A/S and its subsidiaries (“**NOVO**”) pursuant to Articles 16 and 17 of Law No. 4054 on the Protection of Competition (“**TCA**”), on the grounds that NOVO provided incomplete, incorrect, or misleading responses to the information requests during the investigation initiated under Article 6 TCA.¹

A. Information Requests subject to the Decision

The Turkish Competition Authority (“**Authority**”) issued several information and documents to NOVO in the course of the preliminary inquiry and the subsequent investigation initiated against NOVO to assess allegations that its company abused its dominant position in the industrial enzymes market and excluded competitors.

First, by a letter dated 27 January 2025, the Authority requested contracts concerning rennet sales for the period 2019–2024. In its response dated 4 February 2025, NOVO submitted only the contracts from 2024 onwards, when CHR Holding, active in the rennet field and a party to those contracts, was merged into NOVO. NOVO did not provide the 2019–2023 contracts, noting that they predated the acquisition of CHR Holding and that CHR Holding was an independent undertaking during that period. However, following a second request by the Authority dated 5 March 2025, NOVO submitted the 2019–2023 contracts on 11 March 2025.

The Authority also requested information regarding NOVO’s affiliates engaged in enzyme sales in Türkiye. Novo responded to this request on 14 March 2025. However, the Authority found that these responses differed from those previously submitted by NOVO about a year earlier during the preliminary inquiry. Specifically, while the preliminary inquiry

response explicitly listed Novozymes North America as an undertaking active in enzyme sales in Türkiye, this information was omitted in the response provided during the investigation. In addition, during the investigation, NOVO submitted that subsidiaries of Novo Nordisk generated revenues from enzyme sales in Türkiye, whereas this information had not been disclosed to the Authority during the preliminary inquiry.

Finally, the Authority requested contracts with six customers that purchased fungal alpha-amylase from NOVO, covering the period 2017–2025. NOVO submitted contracts for some years, while explaining that it did not have any contractual relationship for some other years. However, it did not provide either a contract or an explanation for certain customers and years. For instance, for one customer, NOVO submitted contracts for 2021–2024 and stated that no contract existed in 2017–2018, but remained silent regarding 2019–2020. For another customer, contracts for 2020–2024 were submitted, while no explanation was given for the other years. As a result, information and documentation on the contractual continuity with certain undertakings remained incomplete.

B. Board’s Assessment

The Board held that although NOVO later submitted the rennet contracts for 2019–2023, the failure to provide them in response to the first request constituted incomplete information. Referring to the principle of complete succession

¹ The Competition Board’s Decision No. 25-13/297-140 dated March 27, 2025, <https://www.rekabet.gov.tr/Karar?kararId=5b98511a-3c7a-4477-af58-b4441e2d0986> (Date of Access: 08.09.2025).

in mergers and acquisitions, the Board underlined that the acquiring company remains responsible and cannot avoid submitting pre-merger contracts.

The Board also found that the failure of NOVO to disclose the enzyme sales activities of Novozymes North America's and Novo Nordisk subsidiaries constituted the provision of incorrect and misleading information.

Finally, the Board determined that NOVO's failure to provide certain contracts with fungal alpha-amylase customers amounted to incomplete information.

On these grounds, the Board concluded that NOVO had provided incomplete and/or incorrect/misleading information within the meaning of Article 16(1)(c) TCA and imposed an administrative fine of 0.1% of its annual gross revenues.² In addition, with respect to the missing fungal alpha-amylase customer contracts, the Board ruled that NOVO had failed to provide information and imposed a daily fine of 0.15% of its annual gross revenues for each day of non-compliance pursuant to Article 17(1)(c) TCA.

The decision was adopted by majority vote. In his dissenting opinion, one Board member

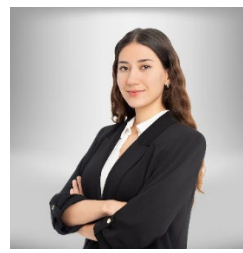
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emphasized that even if the information provided was incorrect or incomplete, it should have been further assessed whether the conduct actually amounted to misleading.

C. Conclusion

This decision indicates that the Board does not readily tolerate inconsistencies, omissions, or contradictions in undertakings' responses to requests for information and documents. Undertakings should therefore exercise a high level of diligence when responding to such requests from the Authority.

That said, it should be noted that in cases where the Authority requests a large volume of information and documents, it is natural that undertakings' responses may contain certain deficiencies or interpretational errors despite their best efforts. For this reason, when assessing conduct under Article 16(1)(c) TCA, we believe the Board should also take into account the undertaking's intent and the impact of any incomplete or misleading information on the outcome of its decision. In particular, simple material errors or misinterpretations of the request should not automatically lead to the imposition of an administrative fine.

² Although the Board characterized the failure to send the rennet contracts for the period prior to 2024 in response to the Authority's first request letter as providing incomplete, incorrect, and misleading information, capable of leading to NOVO's liability, it did not mention such failure in the conclusion of the decision when explaining the reason for imposing a fine on NOVO.