COMPETITION-LIMITING AGREEMENT IN SPEEDWAY - DECISION OF PRESIDENT OF UOKIK

* **Determination of maximum remuneration rates for speedway racers competing in Polish leagues has been an act of violation to the competition regulations.**
* **As a result, free competition among clubs aimed at finding the best racers has been limited.**
* **President of UOKiK, Tomasz Chróstny, has imposed fines on the Polish Automobile and Motorcycle Federation and Ekstraliga Żużlowa amounting to a total of more than PLN 5.2 million.**

**[Warsaw, 6 June 2023]** The Polish Automobile and Motorcycle Federation (Pol: PZM) is responsible for the organisation of Speedway in Poland, among others. Ekstraliga Żużlowa (Speedway Extra League), under the agreement with PZM, manages speedway racing contests at the top league level in Poland. PZM, on the other hand, is the organiser of the contests at a lower level - in the first and second speedway racing leagues.

PZM is responsible for the adoption of regulations governing speedway contests which provided for maximum remuneration rates that sports clubs participating in speedway racing league contests are allowed to pay to their athletes. While the Ekstraliga Żużlowa took part in the development of the said regulations. As a consequence of the regulations implemented, no Extra League sports club and other speedway racing league was able to offer remunerations above a pre-determined level to the athletes. Such limits were imposed in 2013 and were in force until the contests held in 2014 season.

- *Speedway clubs struggle to get as high position in leagues as possible. This involves commercial competition. The better position in the contests, the higher probability of winning sponsors, signing advertising contracts and higher ticket sales. This is why teams do their utmost to win athletes with the best skills who will strengthen their market position. A top-down determination of maximum remuneration rates has limited the competition among sports clubs. They could not freely compete to win the best speedway racers even if they were able to offer them a better pay* - says Tomasz Chróstny, President of the UOKiK.

The actions assumed by PZM and Ekstraliga Żuzlowa might have also affected the standing of sports clubs and athletes from other countries. Polish contests are considered one of the best in the world. There are a lot of foreigners in Polish sports clubs as well as a number of Polish athletes perform in foreign sports clubs. As a result, the athletes’ earnings in Extra-League and other league clubs may serve as a benchmark also in other countries. Therefore, the agreement between PZM and Ekstraliga additionally involved a violation of EU laws on competition.

The fines imposed by President of UOKIK totaled PLN 5.2m - where PLN 2.9m was imposed on PZM and PLN 2.3m on the Ektraliga Żuzlowa. The decision is not final and may be appealed to the court.

This is not the only decision related to activities involving agreements on athletes’ remuneration. In addition, President of the Office has found that there had been an infringement of competition by the [Polish Basketball League and 16 basketball clubs.](https://uokik.gov.pl/news.php?news_id=19005)

The maximum penalty for a competition-limiting agreement may equal 10% of the company’s annual turnover. Severe sanctions can be avoided by taking advantage of [the leniency programme](https://konkurencja.uokik.gov.pl/program-lagodzenia-kar/) which offers the undertaking involved in an illegal agreement and the managers responsible for the collusion an opportunity to avoid a fine or have it reduced. It is applicable to those who agree to cooperate with UOKiK as a "crown witness” and provide evidence or information on the illegal agreement. Entrepreneurs and managers interested in the leniency scheme are encouraged to contact UOKiK. By calling +48 22 55 60 555, you will be able to talk to UOKiK lawyers, who will answer all of your questions, also anonymous ones, related to leniency applications.

Moreover, UOKiK runs a programme of acquiring information from anonymous whistle-blowers. Visit <https://konkurencja.uokik.gov.pl/sygnalista/> and use a simple form. The pan-European system we rely on guarantees full anonymity, also towards the Office’s staff.