



PRESS RELEASE No 8/23

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Judgment of the Court in Case C-883/19 P | HSBC Holdings and Others v Commission

Competition in the Euro Interest Rate Derivatives sector: the Court of Justice upholds the annulment of the € 33.6 million fine imposed on the HSBC Group

The HSBC Group is a banking group, and one of its activities is global banking and markets. HSBC Holdings is the parent company of HSBC France, and the latter is the parent company of HSBC Bank. HSBC France and HSBC Bank are responsible for the negotiation of Euro Interest Rate Derivatives (EIRDs). HSBC France is responsible for submitting rates to the Euro Interbank Offered Rate (Euribor) panel.

Following inspections at the premises of a number of financial institutions, including at HSBC's premises, the Commission initiated infringement proceedings against those financial institutions, including HSBC. By decision of 7 December 2016, the Commission found that Crédit agricole, HSBC and JPMorgan Chase had participated in a single and continuous infringement consisting of restricting or distorting competition in the EIRD sector. For that infringement, the Commission imposed a fine of € 33 606 000 on HSBC.

By its judgment of 24 September 2019,¹ the General Court of the European Union largely upheld the Commission's finding that HSBC had participated in an infringement of competition law. However, it annulled the fine imposed on the basis that the statement of reasons was insufficient.

By the present appeal, companies from the HSBC Group seek the annulment in part of the judgment of the General Court, to the extent that the latter dismissed its action. They also ask the Court of Justice to annul the Commission's decision on the HSBC companies' participation in the single and continuous infringement.

In today's judgment, the Court of Justice sets aside the General Court's judgment in so far as it dismisses the action brought by HSBC Holdings plc. However, the judgment under appeal stands in so far as it annuls the fine imposed on the HSBC Group.

In that regard, the Court of Justice finds that the General Court's reasoning as regards the presumption of innocence was vitiated by two errors in law. The Court of Justice also finds that the General Court applied an incorrect test when it held that it was for the HSBC companies either to show that the discussions on mids were directly related and necessary to the functioning of the EIRD market or that they met the conditions in Article 101(3) TFEU. Such an error led it not to examine the HSBC companies' arguments that the exchanges on mids had pro-competitive effects, whereas those exchanges had been raised by those companies in order to call into question the characterisation of those exchanges as a restriction by object.

Having deemed that the state of the proceedings in Case T-105/17 is such as to allow it to give final judgment on the

¹ Judgment of 24 September 2019, *HSBC Holdings and Others v Commission*, T-105/17 (see also [Press Release 116/19](#)).

pleas in that case, the Court of Justice goes on to examine the pleas put forward before the General Court as regards the Commission's findings of an infringement by object and of a single and continuous infringement, and breach of the presumption of innocence, of the right to good administration and of the rights of the defence. **The Court of Justice dismisses the HSBC companies' action challenging the finding that it participated in the cartel at issue.**

NOTE: An appeal, on a point or points of law only, may be brought before the Court of Justice against a judgment or order of the General Court. In principle, the appeal does not have suspensive effect. If the appeal is admissible and well founded, the Court of Justice sets aside the judgment of the General Court. Where the state of the proceedings so permits, the Court of Justice may itself give final judgment in the case. Otherwise, it refers the case back to the General Court, which is bound by the decision given by the Court of Justice on the appeal.

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The [full text](#) of the judgment is published on the CURIA website on the day of delivery.

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