

# Top court upholds fine on Hyundai E&C for collusion

SEOUL, Jan. 7 (Yonhap) -- The top court on Wednesday upheld a state fine on Hyundai Engineering & Construction Co. (Hyundai E&C) for colluding in a controversial river restoration project carried out under the former Lee Myung-bak administration.

In 2009, the Fair Trade Commission (FTC) slapped a 22 billion won (US\$20 million) fine on Hyundai E&C for colluding with seven major builders to win bids for the project to refurbish the nation's four major rivers. The seven others were fined a combined 89.5 billion won.

Defying the fines, the eight construction companies sued the antitrust watchdog, denying their role in the collusion and dragging themselves into a court battle that lasted five years.

Hyundai E&C was the last one standing after seven others lost their final court battles last November.

The Supreme Court, however, once again sided with the FTC and confirmed a high-court ruling.

"If the competition had really been fair, Hyundai E&C could have submitted lower bids," Judge Jo Hui-dae said in a ruling.

The 22 trillion won project has long been at the center of controversy over allegations of poor construction, irreversible environmental damage and collusive bidding.

The project was completed in 2013 with no apparent upsides on the water quality or ecosystems of the rivers.

In late December, an investigative panel under the current Park Geun-hye administration concluded in December that the dams built on the rivers -- the Han, Nakdong, Geum and Yeongsan -- have worsened their quality of water.

Six of the 16 dams built on the rivers had minor structural problems, the panel said, adding the project has successfully lessened risks of flood in nearby areas.

The main opposition New Politics Alliance for Democracy demands the National Assembly launch a probe into the river project, while the ruling Saenuri Party dismisses it as a political offensive.

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