# Mr Gerhard Jarosch appointed National Member for Austria

Mr Gerhard Jarosch was appointed National Member for Austria at Eurojust for a four-year term, starting 1 January 2018. In accordance with Article 2(1) of the Eurojust Decision, the appointment was approved by the Secretary General of the Council of the European Union.

From 1999 until 2003, Mr Jarosch was a prosecutor in Eisenstadt, Austria, situated near the EU Schengen border with Hungary. There he dealt with a large variety of criminal cases. He became a prosecutor in Vienna in 2003, specialised in organised crime and terrorism cases and international legal cooperation. In 2008, Mr Jarosch became a Senior Prosecutor. Since 2009, Mr Jarosch was Deputy Chief Prosecutor in Vienna.

Mr Jarosch is the President of the International Association of Prosecutors (IAP), former President of the Austrian Association of Prosecutors and former President of the Austrian Prosecutors Personnel Representation.

Following his appointment, Mr Jarosch said: 'As the President of the IAP, I am already acquainted with many colleagues at Eurojust, which should make this appointment a smooth transition.'

Mr Jarosch replaces Ms Gabriela Hornbeck as National Member for Austria.

Photo: © Eurojust

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Mr Jarosch replaces Ms Gabriela Hornbeck as National Member for Austria.

Photo: © Eurojust

# **Daily News 15 / 01 / 2018**

Commission blocks Austrian regulator from introducing measures which would unduly favour the national broadcaster

The European Commission decided to block today a proposal by Austrian broadcasting regulator KommAustria, as it is not compatible with the EU telecoms rules and principles of competition law. Following two months of indepth investigation the Commission required KommAustria to withdraw plans for continued regulation of the wholesale market for analogue terrestrial radio transmission in Austria. Such plans would place the national radio broadcaster (ORF) at an undue competitive advantage over other broadcasters. The Commission is particularly concerned regarding the lack of competitive developments on this market. KommAustria proposed to impose a practically unchanged set of regulatory obligations but excludes from the regulated market the supply of radio transmission services by Austrian Broadcasting Service (ORS) to its parent company ORF. ORF and its competitors depend on ORS' transmission network for the broadcasting of their content. As a result, ORF would receive a different and arguably better service than its direct competitors and, as the majority owner, can influence ORS' decisions concerning infrastructure developments (such as where to build radio transmission masts). According to the plans of KommAustria, ORF is also subject to different price conditions than competing radio broadcasters. Further details on the case are available <a href="here">here</a>. (For more information: Nathalie Vandystadt - Tel.: +32 229 67083; Inga Höglund - Tel.: +32 229 50698)

State aid: Commission approves Polish investment aid to SMEs in the shipbuilding sector; opens investigation into Polish tax incentive for shippards

The European Commission has approved under EU State aid rules Polish support to small and medium-sized enterprises (SMEs) in the shipbuilding sector. This measure aims to support SMEs in the shipbuilding sector in the Polish

Pomorskie and Zachodniopomorskie regions, with an overall budget of around PLN 77 million (around €18 million). The Commission found that the aid was limited to the minimum necessary and will encourage new investment to modernise a sector that has traditionally been very important for the local economy. It therefore concluded that the positive effects of the project on regional development clearly outweigh any distortion of competition brought about by the State aid. Separately, the Commission opened an in-depth investigation into a Polish tax scheme for shipyards. This measure gives shipyards operating in Poland an option to pay a 1% flat-rate tax on sales from the building and conversion of ships, instead of paying the generally applicable corporate or personal income tax. The Commission has concerns that the scheme would give some shipyards a selective advantage over competitors. The Commission does not question Poland's right to decide on its tax system. However, under the EU Treaty the Commission has to verify that the tax system respects EU State aid rules and does not selectively favour certain companies over others. The Commission will now investigate further to determine whether its initial concerns are confirmed. The opening of an in-depth investigation gives interested third parties the opportunity to submit comments. It does not prejudge the outcome of the investigation. The full press release is available online in EN, DE, FR, PL. (For more information: Ricardo Cardoso -Tel.: +32 229 80100; Yizhou Ren - Tel.: +32 229 94889)

# Eurostat: Excédent de 26,3 milliards d'euros du commerce international de biens de la zone euro — Excédent de 8,0 mrds d'euros pour l'UE28 en Novembre 2017

D'après les premières estimations pour le mois de novembre 2017, les exportations de biens de la zone euro (ZE19) vers le reste du monde se sont établies à 197,5 milliards d'euros, en hausse de 7,7% par rapport à novembre 2016 (183,5 mrds). Les importations depuis le reste du monde ont quant à elles été de 171,2 mrds d'euros, en hausse de 7,3% par rapport à novembre 2016 (159,6 mrds). En conséquence, la zone euro a enregistré en novembre 2017 un excédent de 26,3 mrds d'euros de son commerce international de biens avec le reste du monde, contre +23,8 mrds en novembre 2016. Le commerce intra-zone euro s'est établi à 165,5 mrds d'euros en novembre 2017, soit +6,9% par rapport à novembre 2016. Le communiqué de presse Eurostat est à votre disposition en ligne. (For more information: Daniel Rosario — Tel.: +32 229 56185; Kinga Malinowska — Tel.: +32 229 51383)

### EU steps up support to address the Rohingya crisis in Bangladesh

The European Union has adopted a new €5 million programme to support the Rohingya refugees in Bangladesh, aimed at supporting their identification and registration, facilitating the provision of humanitarian support, and ensuring the better protection of particularly vulnerable individuals. This is the latest in a significant number of EU-led actions in response to the crisis, notably the EU co-hosted donors' conference in Geneva in October; its initiative to establish the independent, international Fact-Finding Mission

at the UN Human Rights Council; and several high-level visits to both Myanmar and Bangladesh of the High Representative/Vice-President, Federica Mogherini and the Commissioner for Humanitarian Aid and Crisis Response, Christos Stylianides. The EU's initiative is a demonstration of its commitment to support the creation of all necessary conditions for the eventual voluntary, safe and dignified return of Rohingya refugees who have fled Myanmar to Bangladesh, back to their place of origin. In this respect, the EU's initiative aims to support the implementation of the bilateral repatriation agreement between the governments of Myanmar and Bangladesh, which was signed on 23 November 2017, and will build on ongoing identification and registration efforts. As High Representative/Vice-President Mogherini said during her visit to the refugee camps in Cox's Bazar on 19 November 2017, "the European Union will continue to lead the work of the donor community because we believe that human dignity and peoples' lives must always be protected." A full press release is available online, as is a factsheet on the EU-Myanmar relations. For more information, visit the websites of the EU Delegations in Bangladesh and Myanmar. (For more information: Maja Kocijančič - Tel.: +32 229 86570; Adam Kaznowski - Tel.: +32 229 89359)

#### **ANNOUNCEMENTS**

## La Commissaire Bulc en visite au Luxembourg pour des réunions politiques et un dialogue citoyen

La Commissaire en charge des Transports Mme Violeta **Bulc** est aujourd'hui au Luxembourg pour une série de rencontres à haut-niveau ainsi qu'un dialogue citoyen. Ce matin, elle a rencontré M. François Bausch, Ministre du Développement durable et des Infrastructures du Grand-Duché du Luxembourg, avec qui elle a visité le terminal intermodal de Bettembourg-Dudelange ainsi que la gare de Pfaffenthal-Kirchberg. Cet après-midi, ils participeront ensemble à un dialogue citoyen sur le futur de l'Europe. Celui-ci sera retransmis en direct à cette adresse à partir de 12.30. Plus tard dans l'après-midi, la Commissaire Bulc participera à une rencontre avec des parlementaires membres des commissions des Affaires étrangères et européennes, de l'Economie ainsi que du Développement durable de la Chambre des Députés. Cette rencontre sera diffusée <u>sur le site de la Chambre</u>. Enfin, elle s'entretiendra avec M. Xavier Bettel, Premier Ministre du Grand-Duché. (*Plus d'information: Enrico Brivio – Tel.: +32 229 56172; Alexis Perier – Tel.: +32 229 6 91 43*)

Upcoming events of the European Commission (ex-Top News)

# EU steps up support to address the

# Rohingya crisis in Bangladesh

The new initiative aims at supporting the identification and registration of Rohingya refugees in Bangladesh, at facilitating the provision of humanitarian support, as well as at ensuring the better protection of particularly vulnerable individuals.

The EU's initiative is a demonstration of its commitment to support the creation of all necessary conditions for the eventual voluntary, safe and dignified return of Rohingya refugees who have fled Myanmar to Bangladesh to their place of origin. In this respect, the EU's initiative aims to support the implementation of the bilateral repatriation agreement between the governments of Myanmar and Bangladesh, which was signed on 23 November 2017. This programme will build on ongoing identification and registration efforts, including biometric registration by the Bangladeshi government. In view of the high levels of vulnerability among the refugees, where there are high numbers of women-led households, many of whom have suffered various forms of violence and deep psychological harm, individual protection and special assistance is essential to ensure appropriate, targeted humanitarian support.

During her visit to the refugee camps in Cox's Bazar on 19 November 2017, the EU High Representative for Foreign Affairs and Security Policy/Vice—President of the European Commission, Federica Mogherini, reiterated the European Union's support to the Bangladeshi authorities for receiving those who have fled Northern Rakhine State. She also underlined the EUs commitment to provide humanitarian support to the refugees and stressed that "the European Union will continue to lead the work of the donor community because we believe that human dignity and peoples' lives must always be protected."

Today's announcement is the latest in a significant number of EU-led actions in response to the crisis, notably: the EU co-hosted donors' conference, which took place in Geneva in October, at which the European Union pledged the leading amount of new funding, and together the EU and its Member States pledged almost half of the overall amount; the EU's initiative to lead the resolution at the United Nations Human Rights Council to establish an independent, international Fact-Finding Mission for the situation in Northern Rakhine State, and then to extend its mandate; as well as several high-level visits to Bangladesh and Myanmar, which enabled direct contacts with the authorities, both by High Representative/Vice-President Mogherini and the European Commissioner for Humanitarian Aid and Crisis Response, Christos Stylianides.

This measure is funded by the EU's Instrument contributing to Stability and Peace (IcSP), and will be implemented by the Office of the United Nations High Commissioner for Refugees (UNHCR). It complements the EU's significant emergency humanitarian aid mobilised to meet the most urgent needs of the Rohingya refugee population and host communities in Bangladesh and Myanmar, which in 2017 totalled over €51 million, as well as support to early recovery and development actions in both countries.

#### More Information

<u>Further information on the Instrument contributing to Stability and Peace</u>

Statement by the High Representative/Vice-President Federica Mogherini on the signing of a bilateral repatriation agreement between the governments of Myanmar and Bangladesh

<u>Press release: High Representative/Vice-President Federica Mogherini's visit to Bangladesh</u>

<u>Press release: The EU pledges additional €30 million for the Rohingya crisis</u> at Geneva donors' conference

<u>Press release: Federica Mogherini holds bilateral meetings in the margins of ASEM ministerial: the Rakhine State and the Rohingya refugees issues in focus</u>

<u>Factsheet on EU-Myanmar relations</u>

Website of the EU Delegation to Bangladesh

Website of the EU Delegation to Myanmar

# State aid: Commission approves Polish investment aid to SMEs in the shipbuilding sector; opens investigation into Polish tax incentive for shipyards

Separately, the Commission opened an in-depth investigation into a Polish tax scheme for shipyards. It has concerns that the scheme would give some shipyards a selective advantage over competitors.

Polish investment aid for SMEs in the shipbuilding sector

The Polish regional investment aid scheme aims to support small and medium-sized enterprises (SMEs) in the shipbuilding sector in the Polish Pomorskie and Zachodniopomorskie regions. The aid will take the form of grants, interest-rate subsidies and guarantees. The overall budget is around PLN 77 million (around €18 million).

The Pomorskie and Zachodniopomorskie regions are eligible for regional aid (under  $\underline{\text{Article 107(3)(a)}}$ ) of the Treaty on the Functioning of the European Union).

The Commission assessed the measure under the <u>Guidelines on Regional State</u> <u>Aid</u> for 2014-2020, which enable Member States to support economic development and employment in the EU's less developed regions and to foster regional cohesion in the Single Market.

The Commission found that the aid will encourage new investment to modernise a sector that has traditionally been very important for the local economy. The Commission also found that the aid was limited to the minimum necessary. It therefore concluded that the positive effects of the project on regional development clearly outweigh any distortion of competition brought about by the State aid.

#### Tax incentive for Polish shipyards

In September 2016, Poland adopted a law giving shipyards operating in Poland an option to pay a 1% flat-rate tax on sales from the building and conversion of ships, instead of paying the generally applicable corporate or personal income tax.

This option gives shipyards the possibility of paying less tax than under the normal corporate income tax (19% on taxable income) or personal income tax regime (18% or 32% on taxable income for natural persons, or 19% for entrepreneurs). In addition, the payment of the flat-rate tax is postponed until the building or conversion of a ship is completed.

The Commission started looking into the proposed tax incentive for shipyards after Poland notified the measure to the Commission in December 2016. The Commission does not question Poland's right to decide on its tax system. However, under the EU Treaty the Commission has to verify that the tax system respects EU State aid rules and does not selectively favour certain companies over others.

At this stage, the Commission has concerns that the proposed flat-rate sales tax constitutes so-called operating aid, which uses public funds to relieve shipyards from costs they would otherwise have to bear in their day-to-day activities. Generally speaking, operating aid is not allowed under EU State aid rules, because it distorts competition on the merits without serving any objective of common EU interest. In the present case the Commission is concerned that the aid would harm shipyards in the EU, which are not eligible under the Polish tax scheme. In addition, the aid does not seem to be necessary, given that there are shipyards in Poland which are able to compete on the market on their own merits.

This does not mean that Poland cannot intervene in its shipbuilding industry. Certain categories of aid, such as aid for research, development and innovation or regional aid, are allowed under EU State aid rules. They are considered to be more effective and to have less distortive effect on competition than operating aid. This is the case of the Polish investment aid to SMEsin the shipbuilding sector approved today by the Commission (see above). However, the proposed flat-rate sales tax does not appear to belong to any of these categories.

The Commission will now investigate further to determine whether its initial concerns are confirmed. The opening of an in-depth investigation gives interested third parties the opportunity to submit comments. It does not prejudge the outcome of the investigation.

## **Background**

In the past, aid for the shipbuilding sector was covered by specific EU rules contained in the <u>Framework on State Aid for Shipbuilding</u>. In 2011, the Commission announced its policy to eliminate differences between the rules applicable to the shipbuilding industry and to other industrial sectors. Consequently, the Shipbuilding Framework expired on 30 June 2014. The proposed flat-rate sales tax does not seem to fall under any other specific EU State aid rules or Guidelines. Therefore, the Commission is assessing the measure on the basis of general assessment principles under the EU Treaty.

More information will be available on the Commission's <u>competition website</u>, in the public <u>State Aid Register</u> under the case number SA.47690 (investment aid to SMEs in shipbuilding sector) and SA.46981 (tax incentive for shipyards).