

# Mergers: Commission clears the merger of aerospace equipment suppliers Safran and Zodiac

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *“Both Safran and Zodiac are significant French actors in the aeronautics markets but competition in these markets in Europe will remain strong. We can green light this transaction and the emergence of a strong European player with our EU merger rules.”*

Both Safran and Zodiac are active worldwide in the aerospace equipment industry. The Commission carried out a broad investigation of the markets where the companies are active:

- Both companies supply **aircraft electrical systems**. However, the Commission found no serious competition concerns because the increase in market shares resulting from the transaction is very limited, and the merged entity will continue to face strong competition from other established suppliers.
- On markets on which the merging companies are active at different stages of the supply chain, for example as suppliers of landing gears and wiring systems or related components, the Commission found that **the merged entity would not have the ability and/or incentive to foreclose third parties**, notably because alternative suppliers and customers would in any event remain available.
- On the **combination of the companies’ product portfolios** and any possible detrimental effects on competition by enabling the merged entity to shut out rivals supplying a narrower range of products, the Commission found that the merged entity would not have the ability and/or incentive to exclude competitors by tying or bundling the supply of different systems and equipment.

In view of the above, the Commission therefore concluded that the proposed transaction would raise no competition concerns in any of the markets concerned.

## **Companies and products**

**Safran** of France is active in the aerospace and defence industries worldwide. Safran’s aerospace propulsion business includes the development and manufacture of aircraft engines, helicopter turbine engines and space engines. Safran also supplies other types of aircraft equipment such as landing systems, wheels and brakes, nacelles, electrical systems and wiring systems.

**Zodiac Aerospace** also of France is active in the aerospace industry in the development and manufacture of aircraft equipment such as electrical and wiring systems, on-board systems such as seats and galley inserts, as well as

solutions for space applications. Its product offering includes aircraft seats, cabin interiors and various equipment including safety, electrical, control and water and waste systems.

### **Merger control rules and procedure**

The transaction was notified to the Commission on 16 November 2017.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the [Merger Regulation](#)) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has a total of 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

More information will be available on the Commission's [competition](#) website, in the public [case registry](#) under the case number [M.8425](#).

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## **[Greece: European Investment Bank confirms EUR 70 million loan for ElvalHalcor planned expansion](#)**



Signature with EIB-ElvalHalcor

European Investment Bank confirms EUR 70 million loan for ElvalHalcor planned expansion

21/12/2017

EIB

[Greece]

The European Investment Bank (EIB) has agreed to provide EUR 70 million loan to support a planned EUR 150 million investment programme of ElvalHalcor Hellenic Copper and Aluminium Industry S.A in technical and building infrastructure, which will also demand additional operating and working capital funds of more than EUR 50 million in the next 5 years. This loan contract is the first step in implementing this important investment, since ElvalHalcor envisages to attract further international financing. ElvalHalcor

is a leading aluminium rolling company worldwide, one of the largest Greek exporters and the only aluminium rolling company in Greece.

The planned investment programme at the Company's plant in Oinofyta in Voiotia, Greece, aims to increase the company's overall production capacity and support the development of new aluminium products and the plant's further modernisation. In addition it will introduce the latest industrial technology, improve energy use and reduce waste.

"New investment by Greek companies is crucial to benefit from new business opportunities, at home and abroad. With this investment, the Company plans to expand production and create new jobs. The European Investment Bank is pleased to provide EUR 70 million to support transformational investment at the Oinofyta site that will strengthen specialist production of an impressive range of aluminium products. This new loan demonstrates the EIB's strong partnership with Greek business and we look forward to accelerating essential investments with other industry leaders across the country." said Jonathan Taylor, European Investment Bank Vice President.

The finance contract for the EUR 70 million up to 8 years EIB loan was signed in Athens yesterday by Nicholas Jennett, Deputy Director General of the European Investment Bank and Lampros Varouchas, Managing Director of the aluminium rolling division of ElvalHalcor and Dimitris Kyriakopoulos, Executive Vice President of ElvalHalcor.

Over the last decade the European Investment Bank has provided more than EUR 5 billion for business investment across Greece.

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## **[Press Release: Somalia security situation](#)**

### **EASO publishes a Country of Origin Information (COI) report on security situation in Somalia**

Today, the European Asylum Support Office (EASO) published a Country of Origin Information (COI) Report entitled '[Somalia security situation](#)'. The report is the third EASO COI report on Somalia, and provides an update of the EASO COI report on Somalia security situation, published in February 2016<sup>1</sup>.

In the first ten months of 2017, nationals from Somalia lodged close to 12 000 applications in the EU+, ranking 14th among the most common citizenships of origin of applicants. While the number of Somali applications awaiting a first-instance decision has decreased by 57% in the past 12 months, from more than 27 000 in October 2016 to close to 11 600 at the end of October 2017, Somalia still represented a significant decision-making backlog and ranked 13th in terms of pending cases at first-instance in the EU+.

The report provides an overview of the security situation in Somalia, information relevant for the protection status determination of Somali applicants for international protection. The first part of the report provides a general description of the security situation in Somalia, covering the following topics: a brief overview of the political and economic situation; actors in the conflict (state's armed forces, international forces and armed groups); the impact of the violence on the state ability to secure law and order, with descriptions of the Judiciary, detention conditions and death penalty; the impact of the violence on the civilian population, and the impact of the current drought.

In the second part, the report describes the security situation in different regions in Somalia, including the capital Mogadishu. These chapters provide a general overview of the region, followed by the major violent incidents. The report outlines the actors in each region and the areas of control or influence by each of these actors. Finally, the report provides information on the impact of the violence on the population. The reference period for the security report runs from January 2016 until 31 August 2017.

This new report is to a large extent based on a joint fact-finding mission report by the Austrian Bundesamt für Fremdwesen und Asyl/Staatendokumentation and the Swiss Staatssekretariat für Migration, as well as a joint fact-finding mission report by the Danish Immigration Service and the Danish Refugee Council. Findings from these fact-finding missions were combined with desk research. A researcher from Denmark participated in the drafting process of this report jointly with EASO. In accordance with the [EASO COI Report Methodology](#), the report was reviewed by experts from Belgium, Italy, The Netherlands and Norway, in order to ensure the highest quality.

It is EASO's intention to continue to produce such reports on important countries of origin and to update them on a regular basis in order to raise and harmonise COI standards in the EU and to further support the practical implementation of the Common European Asylum System.

*Any further information may be obtained from the European Asylum Support Office on the following email address: [press@easo.europa.eu](mailto:press@easo.europa.eu)*

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[1] All reports are available via EASO's website:  
<https://www.easo.europa.eu/information-analysis/country-origin-information/country-reports>

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## **[Removing barriers to free flow of data – Council agrees its position](#)**

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The EU is developing new rules to **allow non-personal data to move freely and easily across country borders**. Member states' ambassadors (Permanent Representatives Committee) today agreed on a **mandate for the presidency to launch negotiations with the European Parliament** on the proposal, which aims to boost the EU data economy by removing any unjustified restrictions on the geographical location for storing or processing data. At the same time, the new law would ensure that authorities have access to data stored or processed in another member state so that they can carry out their duties.

In essence, the new rules will create a single market for data storage and processing services, such as cloud computing. They will provide legal certainty and increase trust in the use of these services. Together, this draft regulation and the general data protection regulation adopted last year will provide a coherent set of rules that cater for free movement of different types of data.

Eliminating data localisation measures is expected to drive down the costs of data services, give companies greater flexibility in organising their data management and data analytics, and expand their choice of providers. A company operating in several member states will be able to avoid the costs of duplication of IT infrastructure. Removing data localisation restrictions is considered a key factor for the data economy to reach its full potential and double its value to 4% of European GDP in 2020.

"Data is at the heart of all modern economies and societies and can generate immense value. Seamless data mobility saves costs for businesses, especially for start-ups and SMEs, and is essential for many next-generation digital services. This proposal has been a top priority for the Estonian presidency, so I am very pleased that we now have a mandate ready for the Bulgarian presidency to kick off talks with the European Parliament as soon as the Parliament is ready," said Urve Palo, Estonian Minister for Entrepreneurship and Information Technology.

The Council text allows member states to impose data localisation requirements only when these are justified on grounds of public security. To ensure the effective application of the principle of free movement of data, member states must notify their data localisation requirements to the Commission. The text is also designed to ensure that member states are not prevented from insourcing the provision of services involving data processing.

Member states' competent authorities will continue to have access to data even when it is stored or processed in another country. An additional

cooperation mechanism will be created to make sure such access is not hampered.

If a data set contains both personal and non-personal data, the general data protection regulation will apply to the personal data part of the set, while the non-personal data will be covered by the free flow of data regulation.

The draft regulation also encourages the development of codes of conduct to make it easier for users of data processing services to switch service providers and to port their data from one service provider to another or back to their own IT systems.

Both the Council and the Parliament have to agree on the text before it can enter into force. The Parliament has not yet adopted its position.

The European Council in October called for co-legislators to reach an agreement on this priority dossier by June 2018.

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## [Cybersecurity: EU institutions strengthen cooperation to counter cyber-attacks](#)

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On 20 December 2017 EU institutions took an important step in strengthening their cooperation in the fight against cyber-attacks. An inter-institutional arrangement which enters into force today establishes a permanent Computer Emergency Response Team (CERT-EU) covering all the EU's institutions, bodies and agencies. It consolidates the existing task force into a permanent and effective team responsible for ensuring a coordinated EU response to cyber-attacks against its institutions.

CERT-EU works very closely with the internal IT security teams of the EU institutions, and liaises with the Computer Emergency Response Teams and IT security companies in member states and elsewhere, exchanging information on threats and how to handle them. It also cooperate closely with its

counterparts at NATO.

CERT-EU is a member of the network of EU national and governmental Computer Security Incident Response Teams that has been established by the Directive on security of network and information systems.

In recent years, Computer Emergency Response Teams have been set up in both the public and private sectors as small teams of cyber-experts that can respond effectively and efficiently to information security incidents and cyber threats. They are a key component in the strategy to combat these threats by assisting their clients in detecting and preventing weaknesses. They provide advance warning to their clients and recommend action to mitigate risks. They help to detect compromised systems and attacks and to take appropriate steps to prevent them or assist organisations to recover from them. They are highly interconnected with each other, creating a community of experts fighting for the common cause of cybersecurity.

CERT-EU's resources are provided by EU institutions, bodies and agencies. The team operates under the strategic oversight of an inter-institutional Steering Board.

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