## **Daily News 28 / 08 / 2017**

#### Forest fires: EU helps mobilise further support for Italy

The Commission has helped mobilise firefighting aircraft for Italy, through the EU Civil Protection Mechanism, following another request by the country for assistance to battle forest fires. Responding immediately to the request, France has offered 3 planes (2 Canadairs and a reconnaissance aircraft). This is the third time Italy has received EU support to manage forest fires this summer. Italy has also received support from the EU's emergency Copernicus satellite to provide mapping to the national civil protection authorities. Commissioner for Humanitarian Aid and Crisis Management Christos Stylianides said: "The EU stands in full solidarity with Italy. Throughout what has been a particularly difficult summer, we have been thoroughly committed to helping countries deal with forest fires. Our Civil Protection Mechanism has been put into action once again and I thank France for their swift offer of assistance to Italy. Our thoughts remain with the brave first responders and those effected by the fires, and we stand ready to provide further assistance if requested". The EU Civil Protection Mechanism has been activated multiple times this summer by several countries across Europe and the Commission's 24/7 Emergency Response Coordination Centre is closely monitoring forest fire risk across Europe and has already supported Portugal, France, Italy, Montenegro and Albania this summer. In addition, and as national capacities are overstretched in many countries, the Commission is co-financing 85% of related transport costs to countries offering support through the Civil Protection Mechanism during this critical time in the Mediterranean basin. Photos and video stockshots of the Emergency Centre are available, as well as a MEMO 'Fighting forest fires in Europe — how it works'. (For more information: Maja Kocijancic - Tel.: +32 229 86570; Daniel Puglisi - Tel.: +32 229 69140)

#### La politique de Cohésion investit dans un réseau ferroviaire moderne en Croatie et relie l'Europe de l'Est au Sud

145 millions d'euros du Fonds de Cohésion sont investis dans l'amélioration de la connexion ferroviaire entre les villes de Križevci, au centre du pays, et Dugo Selo, près de Zagreb. La section fait partie du corridor Méditerranéen du Réseau Transeuropéen de Transport (RTE-T), qui relie la Croatie à ses voisins hongrois et slovène, et connecte l'Europe du Sud à l'Est, de l'Espagne à la frontière ukrainienne. La Commissaire à la politique régionale Corina Creţu a commenté: "L'UE finance de meilleures connexions au sein de la Croatie et avec ses voisins, dans un réseau stratégique de transport paneuropéen. Ce projet, qui promeut une mobilité propre dans le pays, contribuera directement à la croissance économique croate, en facilitant le transport des biens et le tourisme." Ce projet inclut la rénovation et le doublement des voies entre les deux villes, des travaux dans les gares, la modernisation du système de télécommunication et de signalisation, ainsi que la construction d'infrastructures routière adjacentes (pont, tunnels, routes) pour garantir un meilleur accès au réseau ferroviaire. Plus d'informations sur les fonds européens en Croatie sont

disponibles sur la <u>plateforme Open Data.</u> (Pour plus d'informations: Johannes Bahrke — Tel.: +32 229 58615; Sophie Dupin de Saint-Cyr — Tel.: +32 229 56169)

# Mergers: Commission approves acquisition of Pelican Rouge by Selecta, subject to conditions

The European Commission has cleared under the EU Merger Regulation the proposed acquisition of vending services provider Pelican Rouge of the Netherlands by Selecta of Switzerland, subject to conditions. Selecta and Pelican Rouge are both active in the vending services market in the European Economic Area. The Commission concluded that the proposed transaction would not lead to serious doubts in any of the markets where the activities of Pelican Rouge and Selecta would overlap, with the exception of the Finland market for vending services. To address the Commission's competition concerns, Selecta offered to divest all of its vending service activities in Finland. In view of the proposed commitments, the Commission concluded that the proposed transaction, as modified by the commitments, would no longer raise competition concerns. A full press release is available online in EN, FR, DE and NL. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Yizhou Ren — Tel.: +32 229 94889)

#### Concentrations: la Commission autorise l'acquisition d'Industrial Parts Holding par Advent International Corporation

La Commission européenne a approuvé, en vertu du règlement européen sur les concentrations, l'acquisition d'Industrial Parts Holding basée en France par Advent International Corporation basée aux Etats-Unis. Industrial Parts Holding est active dans la distribution de composants, d'outils et de fournitures pour les applications de maintenance et de production en Europe. Advent International Corporation est une société d'investissement privé présente mondialement. La Commission a conclu que la concentration envisagée ne soulèverait pas de problème de concurrence car les chevauchements d'activités des entreprises seraient limités et un certain nombre de concurrents resteraient présents sur le marché après la fusion. L'opération a été examinée dans le cadre de la procédure simplifiée de contrôle des concentrations. De plus amples informations sont disponibles sur le <u>site internet concurrence</u> de la Commission, dans le <u>registre public</u> des affaires sous le numéro d'affaire <u>M.8524</u>. (Pour plus d'informations: Ricardo Cardoso – Tel.: +32 229 80100; Yizhou Ren – Tel.: +32 229 94889)

# Mergers: Commission clears acquisition of Parexel by Pamplona Capital Management

The European Commission has approved under the EU Merger Regulation the acquisition of Parexel International Corporation of the US by Pamplona Capital Management of the UK. Parexel is an outsourcing company for biopharmaceutical services, providing a broad range of expertise in areas such as clinical research, clinical logistics and medical communications. Pamplona Capital Management is a global private equity investment company. The Commission concluded that the proposed acquisition would raise no competition concerns because the companies' activities do not overlap and

they are not active on related markets. The operation was examined under the simplified merger review procedure. More information will be available on the Commission's competition website, in the <u>public case register</u> under the case number M.8572. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Yizhou Ren — Tel.: +32 229 94889)

#### **ANNOUNCEMENTS**

#### Le Premier vice-président Timmermans à Paris

Aujourd'hui, le premier vice-président Frans Timmermans est à Paris où il va rencontrer le Premier ministre français Edouard Philippe. Au cours de sa visite, le premier vice-président rencontrera également le ministre de l'Intérieur, Gérard Collomb, le ministre de la Transition écologique et solidaire, Nicolas Hulot, et la ministre chargée des Affaires européennes, Nathalie Loiseau. Ce soir, le premier vice-président s'adressera aux ambassadeurs français de tous les États membres de l'UE lors d'un dîner officiel. (Pour plus d'informations: Johannes Bahrke — Tél.: +32 229 86764; Katarzyna Kolanko — Tél.: +32 229 63444)

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

# Mergers: Commission approves acquisition of Pelican Rouge by Selecta, subject to conditions

#### The Commission's competition concerns

Selecta and Pelican Rouge are both active in the vending services market in the European Economic Area. The Commission examined the effects of the proposed transaction in the vending services market and its sub-segments at national level where the activities of Pelican Rouge and Selecta would overlap, notably in Belgium, Finland, France, Ireland, the Netherlands, Spain, Norway and the UK.

The Commission concluded that the proposed transaction would not lead to serious doubts in the market for vending services, including any potential segmentation, in any of these countries with the exception of Finland.

In Finland, according to the Commission's analysis, anti-competitive effects would likely arise in the market for full vending services (including the segment for hot beverages provided by full services providers) and in the overall market for vending services due to the parties' high combined market share.

#### The proposed commitments

To address the Commission's competition concerns, Selecta offered to divest all of its vending service activities in Finland. The divestment will entirely remove the overlap between Selecta and Pelican Rouge in Finland and restore the same level of competition as before to the proposed transaction.

In view of the proposed commitments, the Commission concluded that the proposed transaction, as modified by the commitments, would no longer raise competition concerns. The decision is conditional upon full compliance with the commitments.

#### Companies and products

**Selecta** of Switzerland is active in the provision of vending services in Europe in both public and private settings, such as the sale or lease of vending machines, the sale of consumables used to stock vending machines and other related supplies, as well as stocking and maintenance of vending machines, for both food and beverage vending.

**Pelican Rouge** of the Netherlands is active in the supply, installation and operation of vending equipment, beverage systems and the provision of vending ingredients in Europe. Pelican Rouge is also a coffee provider owning and operating its own roasting facility.

#### Merger control rules and procedures

The transaction was notified to the Commission on 5 July 2017.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the <a href="Merger Regulation">Merger Regulation</a>) and to prevent concentrations that would significantly impede 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 <u>competition</u> website, in the Commission's <u>public case register</u> under the case number M.8454.

# State aid: Operator of Polish A2 motorway needs to repay around €210 million of undue compensation to Polish State

Poland notified the Commission in August 2012 that they had overcompensated Autostrada Wielkopolska S.A. (AWSA) for loss in revenue resulting from a change in national legislation on toll motorways. The compensation paid covered the period from 1 September 2005 to 30 June 2011.

In particular, it related to a change in Polish law, introduced in 2005, to exempt heavy goods vehicles with a valid vignette from the obligation to pay motorway tolls. Before, heavy goods vehicles had been liable to pay both motorway tolls and a lump-sum vignette fee. The change ended this double charging of heavy goods vehicles in Poland, which was in breach of EU transport rules (<u>Directive 1999/62/EC</u>). At the same time, Polish authorities decided to compensate motorway operators for their resulting loss in revenue. This compensation was agreed with each motorway operator individually.

In the case of AWSA, the terms of the compensation were set out in an annex to its original concession agreement with Poland. However, according to Poland, when applying the method under the agreement, an outdated study on traffic and revenues was used. Instead of using the most up-to-date study from 2004, AWSA relied on a study from 1999. The 1999 study had estimated a significantly higher level of traffic and revenue and thus led to higher expected profitability.

The Commission's in-depth investigation <u>opened in June 2014</u> confirmed that AWSA was entitled to receive compensation under its concession agreement with Poland to restore its expected financial situation just before the change of Polish law in 2005.

However, the Commission's investigation confirmed that the Polish authorities had relied on the outdated figures of 1999. This led to an overestimation of the revenue AWSA would have generated from tolls on heavy goods vehicles in the absence of the legislative change. The difference between the compensation actually paid and the estimates based on the updated 2004 figures amounts to an undue economic advantage to AWSA, in breach of EU State aid rules. This is because the compensation actually paid to AWSA went beyond the direct effects of the legislative change and improved its expected financial situation. Therefore, AWSA needs to repay PLN 895 million (around €210 million), plus interest.

#### **Background**

As a matter of principle, EU state aid rules require that incompatible state aid is recovered in order to remove the distortion of competition created by

the aid. There are no fines under EU State aid rules and recovery does not penalise the company in question. It simply restores equal treatment with other companies.

<u>Directive 1999/62/EC</u> on the charging of heavy goods vehicles for the use of certain infrastructures requires Member States to respect certain conditions when maintaining or introducing tolls and/or user charges on the Trans-European road network. In 2005, Poland brought its national law in line with the Directive by amending the national legislation on toll motorways (the Act of 28 July 2005 amending the Act on toll motorways and the National Road Fund and the Road Transport Act; Journal of Laws No 155, item 1297). The amendment abolished double charging on toll motorways by allowing heavy goods vehicles with a valid vignette to use these motorways without further charge.

On 30 June 2011, Poland introduced an electronic toll collection system "via TOLL" that replaced the vignettes. Since the system covers only selected roads and not the whole road network in Poland (as the vignettes did) there is no longer a risk of double charging. Thus, motorway operators in Poland could again charge all heavy goods vehicles entering toll motorways according to the rules set up in the concession agreements.

In December 2013, the Commission concluded that the compensation for the concession holder of the Polish A4 motorway Katowice — Krakow involved no State aid (case N 541/2010). While the basic principles of the compensation mechanism were the same as in the present case, its actual application did not raise any competition concerns in the case of the A4 motorway.

The non-confidential version of the decision will be made available under the case number <u>SA.35356</u> in the <u>State Aid Register</u> on the <u>DG Competition</u> website once any confidentiality issues have been resolved. New publications of state aid decisions on the internet and in the Official Journal are listed in the <u>State Aid Weekly e-News</u>.

## **Daily News 25 / 08 / 2017**

State aid: Operator of Polish A2 motorway needs to repay around €210 million of undue compensation to Polish State

The European Commission has concluded that AWSA, the operator of the Polish A2 motorway, was overcompensated for a change in Polish law on toll motorways. This was in breach of EU State aid rules. AWSA has to repay PLN 895 million (around €210 million), to the Polish State. The Commission's indepth investigation opened in June 2014 confirmed that AWSA was entitled to receive compensation under its concession agreement with Poland to restore its expected financial situation just before the change of Polish law in 2005. However, the Commission's investigation confirmed that the Polish authorities had relied on outdated figures, which led to an overestimation of

AWSA's revenue losses arising due to the legislative change. As a result, the compensation actually paid to AWSA went beyond the direct effects of the legislative change and improved its expected financial situation. The Commission found this amounts to an undue economic advantage to AWSA, in breach of EU State aid rules. A full press release is available online in EN, FR, DE and PL. (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Yizhou Ren – Tel.: +32 229 94889)

#### **ANNOUNCEMENTS**

Federica Mogherini à Paris pour réaffirmer le soutien de l'UE à la Libye, au Tchad et au Niger pour le contrôle et la gestion maîtrisée des flux migratoires

La Haute Représentante/Vice-Présidente Federica Mogherini participera lundi à la rencontre entre les chefs d'État et de gouvernement d'Allemagne, d'Espagne, de France et d'Italie ainsi que du Niger, du Tchad et de la Libye, organisée par la France à Paris. Cette rencontre sera l'occasion de réaffirmer l'important soutien de l'UE à la Libye, au Tchad et au Niger pour le contrôle et la gestion maîtrisée des flux migratoires. L'Union européenne et ses états membres suivent une approche conjointe de la gestion de la crise migratoire avec leurs partenaires africains, basée sur la coopération avec les pays partenaires, l'amélioration de la situation des migrants dans leur pays d'origine et le long des routes migratoires, l'assistance pour les retours volontaires et l'ouverture de voies d'immigration légales et sûres vers l'Europe, également à travers la réinstallation de ceux qui ont besoin de protection internationale. La rencontre de Paris visera à combiner et renforcer ce soutien. Les images et vidéos de la rencontre, y compris de la conférence de presse conjointe qui la clôturera, seront disponibles sur EbS. (For more information: Maja Kocijancic - Tel.: +32 229 86570; Catherine Ray -Tel.: + 32 229 69921; Lauranne Devillé - Tel.: +32 229 80833)

# Johannes Hahn attends informal Western Balkans Prime Ministers' meeting in Durrës, Albania

Johannes **Hahn**, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, will travel to Durrës, Albania, on Saturday 26 August, to attend the informal meeting of the Prime Ministers of the Western Balkans Six. The focus of the meeting will be on boosting the implementation of the commitments taken at the <u>Trieste Summit</u> in July 2017, especially the action plan on the deepening of regional economic integration. The <u>Regional Economic Area</u> agreed at the Trieste Summit will provide new opportunities for businesses and citizens alike and strengthen growth and jobs. The next concrete steps include the mutual recognition of professional qualifications, identifying and scrapping red tape and regulatory barriers that impede trade and investment in the region, setting up a regional dialogue on digital transformation, and launching negotiations on a dispute settlement mechanism.

The European Commission strongly supports the Western Balkans' regional cooperation as an integral part of their EU accession perspective, through substantial investments in connecting infrastructure, economies and people within the region itself and between the Western Balkans' region and the European Union. Videos and photos of the visit will be available on <a href="EbS">EbS</a>. (For more information: Maja Kocijancic — Tel.: +32 229 86570)

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

# <u>ESMA issues guidelines on portability</u> <u>of data between trade repositories</u>

The European Securities and Markets Authority (ESMA) has issued today <u>final</u> <u>guidelines</u> on data transfer between Trade Repositories (TRs) authorised under the European Market Infrastructure Regulation (EMIR). There are currently seven authorised TRs operating in the European Union (EU) and data portability is essential for data quality, competition between TRs and for risk monitoring by authorities.

The guidelines are establishing a consistent and harmonised approach to carry out the transfer of data between TRs. The guidelines cover the transfer of data at the request of a TR participant and the transfer of data due to withdrawal of TR registration.

The guidelines set out the basis to allow for a competitive TR environment, and to ensure high quality data is available to authorities, including the aggregations carried out by TRs, even in those cases where the TR participant changes the TR to which their derivatives are reported. They also establish a consistent and harmonised process to transfer records from one TR to another TR and support the continuity of reporting and reconciliation in all cases including the withdrawal of registration of a TR.