

New state aid rules: Commission increases national support to farmers up to €25,000

Today the Commission has adopted revised rules on state aid in the agriculture sector (the so-called *de minimis* aid), increasing the maximum amount that national authorities can use to support farmers without the need for prior approval from the Commission. This decision will allow EU countries to increase support for farmers without distorting the market, while reducing the administrative burden for national authorities.

Agriculture and rural development Commissioner Phil **Hogan** said: *"The Commission's proposal for new state aid rules for the agricultural sector reflects the value of this form of support in times of crisis. By increasing the maximum aid amount to farmers, national authorities will have more flexibility and be able to react more quickly and more effectively to support vulnerable farmers. In some cases, the amount of State aid that can be provided to individual farmers will be increased by 66%. These new rules will continue to accompany the normal rules for notified State aid, which Member States may continue to apply."*

The maximum aid amount that can be distributed per farm over three years will rise from €15,000 to €20,000. In order to avoid any potential distortion of competition, each EU country has a maximum national amount which they cannot exceed. Each national ceiling will be set at 1.25% of the country's annual agricultural output over the same three-year period (up from 1% in the current rules). This is an increase in the national ceiling of 25%.

If a country does not spend more than 50% of its total national aid envelope on one particular agricultural sector, it may increase even further the *de minimis* aid per farm to €25,000, and the national maximum to 1.5% of the annual output. This represents a 66% increase in the ceiling per farmer and a 50% increase in the national ceiling.

For countries that do opt for that highest ceiling, the new rules require the creation of mandatory central registers at national level. This will allow keeping track of the aids granted in order to simplify and improve the delivery and monitoring of the so-called *de minimis* aid. Several Member States already maintain such registers, which will allow them to apply the higher ceilings immediately.

The increased ceilings come into force on 14 March and can apply retroactively to aids fulfilling all the conditions.

Background

In EU state aid rules, EU countries shall notify state aid to the Commission and may not implement the aid measure until it has been authorised by the

Commission. However, when the aid amounts are small enough, which is the case for the *de minimis* aid, EU countries do not need to notify or get authorisation from the Commission. Due to their size, the aid does not threaten competition and trade in the internal market.

The *de minimis* aid is typically used by Member States when they need to act quickly without setting up a scheme in accordance with state aid rules, notably in times of crisis. It is also commonly used for very specific purpose, for example to help prevent or eradicate animal diseases as soon as an outbreak occurs, or to compensate farmers for damages caused by animals that are not protected under EU or national law such as wild boars. The damages caused by protected species of animals (wolves, lynx, bears, etc) can be compensated under notified state aid rules.

The Commission consulted Member States and stakeholders to [provide input](#) on the revision of the *de minimis* rules. Those contributions were taken into account when finalising the amendments.

For More Information

[State aid in the agricultural and forestry sectors and in rural areas](#)

[Consultation on the *de minimis* Regulation](#)

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European Union – League of Arab States Summit to start in Egypt

The President of the European Commission, Jean-Claude **Juncker**, will, alongside the President of the European Council, Donald Tusk, represent the European Union at the 1st EU-League of Arab States (LAS) Summit on Sunday 24 and Monday 25 February in Sharm El-Sheikh, Egypt. The Presidents will be joined by High Representative of the Union for Foreign Affairs and Security Policy/Vice-President of the Commission Federica **Mogherini** and Commissioner for European Neighbourhood Policy and Enlargement Negotiations Johannes **Hahn**. The Summit provides an opportunity for Leaders to address a wide range of issues and common challenges, such as investment, economic ties, climate change, security as well as current political developments. Europeans and Arabs have a long and rich history of cultural, economic, commercial and political exchanges. A common past, geographical proximity and interdependence have contributed to strengthen cooperation between the EU and the League of Arab States. Working together will also further enhance the multilateral, rules based global order. More information on the [EU-LAS Summit](#) is available online. A factsheet on EU-LAS relations is [also available online](#). A press conference following the Summit is foreseen and coverage will be available on [EbS](#). (For more information: Margaritis Schinas – Tel.: +32 229 60524; Mina Andreeva – Tel.: +32 229 91382; Maja Kocijancic – Tel.: +32

229 86570; Matteo Arisci– Tel.: +32 229 80833)

New agricultural state aid rules: Commission increases national support to farmers up to €25,000

The ceiling for national support to farmers will rise from €15,000 to €25,000 allowing greater flexibility and efficiency, notably in times of crisis and situations demanding a swift response by the public authorities. Today the Commission has adopted revised rules on state aid in the agriculture sector (the so-called *de minimis* aid), increasing the maximum amount that national authorities can use to support farmers without the need for prior approval from the Commission. This decision will allow EU countries to increase support for farmers without distorting the market, while reducing the administrative burden for national authorities. Agriculture and rural development Commissioner Phil **Hogan** said: *“The Commission’s proposal for new state aid rules for the agricultural sector reflects the value of this form of support in times of crisis. By increasing the maximum aid amount to farmers, national authorities will have more flexibility and be able to react more quickly and more effectively to support vulnerable farmers. In some cases, the amount of State aid that can be provided to individual farmers will be increased by 66%. These new rules will continue to accompany the normal rules for notified State aid, which Member States may continue to apply.”* In EU state aid rules, EU countries shall notify state aid to the Commission and may not implement the aid measure until it has been authorised by the Commission. However, when the aid amounts are small enough, which is the case for the *de minimis* aid, EU countries do not need to notify or get authorisation from the Commission. Due to their size, the aid does not threaten competition and trade in the internal market. The *de minimis* aid is typically used by Member States when they need to act quickly without setting up a scheme in accordance with state aid rules, notably in times of crisis. It is also commonly used for very specific purpose, for example to help prevent or eradicate animal diseases as soon as an outbreak occurs, or to compensate farmers for damages caused by animals that are not protected under EU or national law such as wild boars. The damages caused by protected species of animals (wolves, lynx, bears, etc) can be compensated under notified state aid rules. A [press release](#) is online. (For more information: Daniel Rosario – Tel: +32 229 56 185; Clémence Robin – Tel.: +32 229 52509)

EU Budget for 2021-2027: Commission welcomes Member States’ position on InvestEU

The European Commission welcomes the political agreement among Member States on InvestEU, the proposed programme to boost private and public investment in Europe in the next long-term EU budget. With this agreement, the European Parliament, the Council and the Commission can start the interinstitutional discussion to adopt the programme. InvestEU will make EU funding for investment projects simpler to access and more efficient. It will bring together under one roof and with a single brand 14 EU financial instruments currently available to support investment. Vice-President Jyrki **Katainen**, responsible for Jobs, Growth, Investment and Competitiveness, said: *“InvestEU*

is our 21st century answer to the EU's investment needs and this agreement by Member States is a key step towards the creation of that programme. By triggering at least €650 billion of additional investment in the EU, InvestEU will boost our competitiveness in support of a smarter, circular economy, a more cohesive society and climate neutrality." A press release is available [here](#). (For more information: Annika Breidthardt – Tel.: +32 229 56153; Sophie Dupin de Saint-Cyr – Tel.: +32 229 56169)

Road infrastructure safety: Commission welcomes the provisional agreement

Yesterday, the European Parliament and the Council reached a provisional agreement on the European Commission's proposal for a [directive amending Directive 2008/96/EC on road infrastructure safety management](#). It is part of the third and final 'Europe on the Move' package that includes a set of actions to modernise Europe's transport system. Commissioner for Transport Violeta Bulc welcomed the agreement: *"The provisional agreement reached by the European Parliament, the Council and the European Commission within a short time is proof of the high priority given to road safety. This will be an important contribution towards achieving our objective of halving the number of road deaths between 2020 and 2030 and of moving close to zero fatalities by 2050."* In the future, infrastructure safety will be assessed more systematically and more proactively for more roads in the EU, helping to target investment. Transparency and follow-up will be improved, and the same advanced safety procedures will apply on roads linking major cities and regions as on the EU's strategic road network (TEN-T). It will also pave the way to benefit from automated assistance and prepare for autonomous driving across the EU. The proposal on road infrastructure goes hand in hand with the Commission proposal to introduce new safety measures in cars, trucks and buses – [the General Safety Regulation](#), on which the European Parliament and Council are yet to reach an agreement. (For more information: Enrico Brivio – Tel.: +32 229 56172; Daniela Stoycheva – Tel.: +32 229 53664)

Online shopping: Commission and consumer protection authorities call for clear information on prices and discounts

Consumer websites screened across the EU show that many consumers face unclear information on prices and discounts when buying online. Today, the European Commission and national consumer protection authorities are publishing the results of an EU-wide screening of 560 e-commerce sites offering a variety of goods, services and digital content, such as clothing or footwear, computer software or entertainment tickets. Around 60% of these websites showed irregularities regarding the respect of EU consumer rules, predominately in relation to how prices and special offers are presented. Věra Jourová, Commissioner for Justice, Consumers and Gender Equality, said: *"Online shopping provides many opportunities for consumers. However, more than half of the websites show irregularities, in particular on how prices and discounts are advertised. This must stop as the consumers are often led to confusion and higher price than intended. I am appalled by the high number of the websites that have these problems – I hope they are unintended. Online traders need to fully respect EU consumer rules. National consumer authorities, with the assistance of the Commission, will now take the necessary steps to stop such unfair business practices"*. The [full press](#)

[release](#) is available online. (For more information: Christian Wigand – Tel.: +32 229 62253; Kasia Kolanko – Tel.: +32 229 63444)

Mergers: Commission alleges Telefónica breached commitments given to secure clearance of E-Plus acquisition

The European Commission has sent a Statement of Objections to Telefónica Deutschland alleging the company breached commitments it offered to secure the Commission's approval of its acquisition of E-Plus. On [2 July 2014](#), following an in-depth investigation, the European Commission approved under the EU Merger Regulation and subject to conditions, the proposed acquisition of E-Plus by Telefónica Deutschland. The Statement of Objections issued by the Commission today relates to Telefónica's obligation to offer wholesale 4G services to all interested players at "best prices under benchmark conditions". The Commission's preliminary view is that Telefónica did not properly implement its obligations under the wholesale 4G access obligation by not including certain existing wholesale agreements in the benchmark. Had Telefónica included such additional agreements, third parties would have benefited from more advantageous 4G wholesale access conditions. As a result of Telefónica's conduct, the ability of third parties to compete in the German market for mobile communication services was reduced. The sending of a Statement of Objections does not prejudice the final outcome of the investigation. This is the first time that the Commission has sent a Statement of Objections alleging that a company breached commitments it offered to secure the Commission's approval of a transaction under the EU Merger Regulation. Commissioner Margrethe **Vestager**, in charge of competition policy, said: *"Commitments from the parties in merger decisions are crucial to ensure that effective competition is maintained after a merger or takeover, so that there is no harm to consumers. We need full compliance and take very seriously any case where companies may have failed to comply with their commitments, which is why we have sent today's statement of objections."* The press release is available [online](#). (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)

State aid: Commission approves €25 million restructuring aid by Italy to Aerdorica, operator of Ancona airport

The European Commission has approved under EU State aid rules Italian plans to grant restructuring aid of €25 million to Aerdorica S.p.A., the operator of "Aeroporto delle Marche" in Ancona, Italy. Aerdorica employs 100 people and provides services to passengers, airlines, cargo, business partners and to all operators using the airport facilities. It is currently undergoing insolvency proceedings before the national court. Following rescue aid approved by the Commission in [June 2017](#), Italy notified to the Commission its plans to grant restructuring aid to Aerdorica. Under EU State aid rules, companies in financial difficulty can only receive state aid for the objective of restoring their long-term viability and on the basis of clear conditions. In particular, the Commission's 2014 [Guidelines on the rescue and restructuring of non-financial companies](#) require companies to work out a sound restructuring plan, which must include measures to limit distortions of

competition arising from the public aid. Under the Italian plans for Aerdorica, the total restructuring costs will be funded partially by the €25 million capital contribution from the Marche Region and matched by contributions from the company's own resources and private market players, including €15 million fresh capital by a new investor, Njord Adreanna S.r.l., which will acquire control of the company following the contribution. The entry of a private investor into Aerdorica's capital shows market trust in the future of the company based on the restructuring plan. Furthermore, Aerdorica will implement various compensatory measures, including the outsourcing of ground handling operations, which will mitigate possible distortions of competition, in particular vis-à-vis airports in the same geographic catchment area. On this basis, the Commission concluded that the restructuring aid is in line with the Guidelines. More information will be available on the Commission's [competition](#) website, in the [public case register](#) under the case number [SA.49901](#). (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Giulia Astuti – Tel.: +32 229 55344)

State aid: Commission endorses extension of Danish seafarer scheme for maritime transport

The European Commission has approved under EU State aid rules the extension to new types of vessels of a scheme supporting the maritime transport sector in Denmark. Under the amended scheme, shipping companies registered in the Danish International Register of Shipping ("DIS") and employing seafarers aboard certain specialised vessels providing off-shore activities, such as, for example, guard vessels, vessels servicing off-shore installations and vessels for raising, repairing and dismantling windmills can benefit from an exemption from income taxes for their seafarers. This is in line with the Commission's interpretation of the [Guidelines on State aid to maritime transport](#). The Commission concluded that the scheme, which will run for ten years after its entering into force, is in line with these Guidelines because it will contribute to the competitiveness of the EU maritime transport sector, while boosting employment and ensuring a level playing field. The scheme, as extended, applies to the same types of vessels covered by the extension of the Danish tonnage tax scheme, which was [approved by the Commission on 12 October 2018](#). More information will be available on the Commission's [competition](#) website, in the public [case register](#) under the case number SA.51325. (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Giulia Astuti – Tel.: +32 229 55344)

Mergers: Commission clears the acquisition of joint control over the hotel Sheraton Brussels Airport by Brussels Airport Company and Marriott

The European Commission has approved, under the EU Merger Regulation, the acquisition of joint control over Airhotel Belgium BVBA ("Airhotel") by Brussels Airport Company NV ("BAC"), both of Belgium and Marriott International, Inc. ("Marriott") of the US. Airhotel is the owner of the Sheraton Brussels Airport, a hotel located on the Brussels Airport site, located in Zaventem, Belgium. BAC is the owner and operator of the Brussels Airport. Marriott is a diversified hospitality company, which acts as a

manager and franchisor of hotels and timeshare properties. The Commission concluded that the proposed acquisition would raise no competition concerns, because of the limited impact it would have on the market. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's [competition](#) website, in the public [case register](#) under the case number [M.9245](#). (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)

Concentrations: La Commission approuve la création d'une entreprise commune contrôlée par Engie, la CDC, Michelin et la Région Auvergne-Rhône-Alpes

La Commission européenne a approuvé, en vertu du règlement européen sur les concentrations, la création d'une entreprise commune de plein exercice, Hymplusion, par les entreprises françaises Engie Hydrogen International, contrôlée par Engie, la Caisse des Dépôts et Consignations ("CDC"), Michelin, contrôlée par la Compagnie Générale des Établissements Michelin, et la région administrative française Auvergne-Rhône-Alpes. Hymplusion sera active dans le secteur des stations de recharge pour véhicules à hydrogène en France. Engie est un groupe industriel et de services de dimension internationale, actif dans les métiers du gaz, de l'électricité et des services liés à l'énergie. La CDC est un établissement public au service de l'intérêt général en appui aux politiques publiques conduites par l'État et les collectivités locales. Michelin est actif dans le secteur de la fabrication et de la distribution de pneus. La Commission a conclu que la concentration envisagée ne soulèverait pas de problème de concurrence en raison des activités marginales exercées par l'entreprise commune. La transaction a été examinée en vertu de la procédure simplifiée de contrôle des concentrations. De plus amples informations sont disponibles sur le site internet [concurrence](#) de la Commission, dans le [registre public](#) des affaires sous le numéro d'affaire [M.9256](#). (Pour plus d'informations: Ricardo Cardoso – Tél.: +32 229 80100; Maria Tsoni – Tél.: +32 229 90526)

Eurostat : Le taux d'inflation annuel en baisse à 1,4% dans la zone euro, en baisse à 1,5% dans l'UE

Le taux d'inflation annuel de la zone euro s'est établi à 1,4% en janvier 2019, contre 1,5% en décembre. Un an auparavant, il était de 1,3%. Le taux d'inflation annuel de l'Union européenne s'est établi à 1,5% en janvier 2019, contre 1,6% en décembre. Un an auparavant, il était de 1,6%. Ces chiffres sont publiés par Eurostat, l'office statistique de l'Union européenne. Les taux annuels les plus faibles ont été observés en Grèce (0,5%), en Croatie et au Portugal (0,6% chacun). Les taux annuels les plus élevés ont quant à eux été enregistrés en Roumanie (3,2%), en Lettonie (2,9%), en Estonie et en Hongrie (2,8% chacune). Par rapport à décembre 2018, l'inflation annuelle a baissé dans seize États membres, est restée stable dans cinq et a augmenté dans sept autres. Un communiqué de presse est disponible [en ligne](#). (Pour plus d'informations: Annika Breidhardt – Tél.: +32 229 56153; Annikky Lamp – Tél.: +32 229 56151; Enda McNamara – Tél.: +32 229 64976)

ANNOUNCEMENTS

La Commission européenne présente au Salon de l'Agriculture à Paris pour célébrer le secteur agricole français

Le [Salon international de l'Agriculture](#) ouvre demain ses portes à Paris pour une quinzaine de jours et la Commission européenne y sera représentée par plusieurs Commissaires qui feront le déplacement ainsi que par un stand qui accueillera les nombreux visiteurs du Salon. Ce rendez-vous annuel incontournable est l'occasion de célébrer le travail des femmes et des hommes qui produisent notre alimentation de qualité, réputée dans le monde entier. Cette année, trois Commissaires européens viendront y faire un tour: Phil **Hogan**, commissaire à l'agriculture, y sera demain 23 février, jour officiel de l'ouverture, et assistera, aux côtés du négociateur en chef de la Commission européenne Michel Barnier, au discours que prononcera le président Macron; Pierre **Moscovici**, commissaire aux affaires économiques et monétaires, à la fiscalité et à l'Union douanière, s'y rendra le lundi 25 février et Vytenis **Andriukaitis**, commissaire à la santé et à la sécurité alimentaire, le 1^{er} mars. Lors de sa visite, le commissaire **Hogan** rencontrera le ministre français de l'agriculture, M. Didier Guillaume, et sera décoré de l'Ordre du Mérite Agricole. Il fera le tour du Salon et rencontrera, accompagné aussi de Michel Barnier, de nombreux représentants agricoles français afin de discuter des propositions de la Commission pour la [future Politique Agricole Commune](#) et de nos actions pour [protéger les agriculteurs](#) au sein de la chaîne d'approvisionnement alimentaire. Les équipes de la Commission seront par ailleurs disponibles tout au long du Salon pour expliquer aux visiteurs les actions européennes en place pour soutenir et promouvoir une alimentation plus durable et plus saine. Les politiques européennes en matière d'agriculture, d'environnement, de sécurité alimentaire et de santé animale et végétale y seront présentées de manière interactive et ludique. La France reste le premier pays bénéficiaire de la Politique Agricole Commune (PAC). Plus d'informations sur la PAC en France sont disponibles [en ligne](#). (Pour plus d'informations: Daniel Rosario – Tél: +32 229 56 185; Clémence Robin – Tél.: +32 229 52509)

Le vice-président Katainen se rend en Finlande pour un Dialogue avec les citoyens sur l'avenir de l'Europe

Lundi 25 février, le vice-président en charge de l'emploi, de la croissance, de l'investissement et de la compétitivité Jyrki **Katainen** sera à Kuopio, en Finlande, où il participera à un [Dialogue avec les citoyens](#) sur l'avenir de l'Europe et à un débat sur l'économie circulaire avec la députée européenne Henna Virkkunen. Il rendra également visite à des entreprises locales ayant bénéficié d'un financement de l'Union européenne: le Centre Kuopio pour la thérapie génique et cellulaire, la société de meubles Woodi et le sauna public Kuopion Saana. Enfin, le Vice-Président participera à un déjeuner de travail organisé par les représentants de la ville de Kuopio et du conseil régional de Pohjois-Savo. (Pour plus d'informations: Annika Breidhardt – Tél.: +32 229 56153; Sophie Dupin de Saint-Cyr – Tél.: +32 229 5616)

Commissioners Oettinger and Gabriel to attend Mobile World Congress

This year's [Mobile World Congress](#) (MWC19) will take place in Barcelona on 25-28 February. The Commissioner for Budget and Human Resources Günther H. **Oettinger** and the Commissioner for Digital Economy and Society Mariya **Gabriel** will participate and give speeches on the first day of the event: Commissioner Gabriel will speak in the session "Artificial Intelligence ethics and diversity" of the Conference, and Commissioner Oettinger will speak in the session "Visions of digital leadership" of the Ministerial Programme. Commissioner **Oettinger** will also attend a roundtable discussion with CEOs of companies that are members of the GSM Association, the association of mobile operators worldwide. The roundtable will focus on investment in [5G networks](#) and [artificial intelligence](#). Commissioner **Gabriel** will have several meetings with industry leaders. Furthermore, on Tuesday, the Commission will present the [European 5G Pioneer Award](#), an initiative of the Commission and the GSMA aimed at highlighting the role and achievements of pioneering organisations in Europe that are adopting 5G technology. The Commission's [5G Public-Private-Partnership](#), as well as the Graphene Flagship and Quantum Flagship, both EU-funded [FET Flagship](#) initiatives, will be represented at the event exhibition. (For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Marietta Grammenou- Tel.: +32 229 83583)

Commissioner Bieńkowska visits India following the adoption of the New EU Strategy on India

On Monday, Commissioner Elżbieta **Bieńkowska**, responsible for the Internal Market, Industry, Entrepreneurship and SMEs will begin her four-day visit to India. The visit follows the adoption of [an ambitious India strategy](#), which aims to strengthen cooperation and the partnership with India by focusing on sustainable modernisation and common responses to global and regional issues, as well as a [strategy to better connect Europe and Asia](#), both adopted towards the end of 2018. Commissioner **Bieńkowska** will start her trip in Delhi, where she will meet Mr Suresh Prabhu, Minister of Commerce and Industry and Mr Nitin Gadkari, Minister for Road Transport & Highways, Shipping and Water Resources to discuss priority areas for industrial and economic cooperation like artificial intelligence, the automotive sector as well as standards, market access and public procurement. While in Delhi, she will also meet with EU and Indian business and SME representatives as well as deliver a keynote speech at the launch of an EU project aiming to increase and diversify the presence of EU companies in key sectors of EU-India cooperation, including energy, climate, mobility and ICT. On Wednesday 27 February, Commissioner **Bieńkowska** will travel to Bangalore, India's IT and biotech capital, where she will visit the Indian Space Research Organisation (ISRO) to explore possibilities to strengthen our space cooperation. She will also meet with representatives of Karnataka region administration and the local European Business Group chapter. She will also visit the Philips Innovation Campus, one of the most advanced research and development centre in India. Factsheets on the [EU's India Strategy](#) and [Euro-Asian connectivity](#) are available online. (For more information: Lucia Caudet – Tel.: + 32 229 56 182; Mirna Talko – Tel.: +32 229 87278)

[CALENDAR](#) – Commissioner’s weekly activities

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

[Mergers: Commission alleges Telefónica breached commitments given to secure clearance of E-Plus acquisition](#)

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *“Commitments from the parties in merger decisions are crucial to ensure that effective competition is maintained after a merger or takeover, so that there is no harm to consumers. We need full compliance and take very seriously any case where companies may have failed to comply with their commitments, which is why we have sent today’s statement of objections.”*

On [2 July 2014](#), following an in-depth investigation, the European Commission approved under the EU Merger Regulation and subject to conditions, the proposed acquisition of E-Plus, the German mobile telecommunications business of Dutch Telecom operator KPN, by Telefónica Deutschland, a subsidiary of Telefónica, head-quartered in Spain.

The Commission cleared the acquisition subject to full compliance with commitments submitted by Telefónica. These commitments would ensure that new competitors would be able to enter the mobile telecommunications market in Germany and that the position of existing competitors would be strengthened.

The commitments consisted of three main elements, with Telefónica committing:

- 1) to sell, before the acquisition was completed, up to 30% of the merged company’s network capacity to one or several (up to three) Mobile Virtual Network Operators (MVNOs) in Germany at fixed prices. Such virtual operators offer mobile telecoms services to consumers by using the network of other operators;
- 2) to offer to divest radio wave spectrum and certain assets either to a new network operator or subsequently to virtual operators who used network capacity made available thanks to the commitments;
- 3) to extend existing wholesale agreements with Telefónica’s and E-Plus’ wholesale partners and to offer wholesale 4G services to all interested players at “best prices”. In addition, Telefónica committed to improve its wholesale partners’ ability to switch their customers from one MNO to another.

The Statement of Objections issued by the Commission today relates to the third element of the commitments, and more specifically to **Telefónica's obligation to offer wholesale 4G services to all interested players at "best prices under benchmark conditions"**.

The Commission's preliminary view is that Telefónica did not properly implement its obligations under the wholesale 4G access obligation by not including certain existing wholesale agreements in the benchmark. Had Telefónica included such additional agreements, third parties would have benefited from more advantageous 4G wholesale access conditions. As a result of Telefónica's conduct, the ability of third parties to compete in the German market for mobile communication services was reduced.

Next steps

The sending of a Statement of Objections does not prejudice the final outcome of the investigation. Telefónica now has until 5 April to respond to the Statement of Objections.

If the Commission were to conclude that Telefónica did not respect a commitment that was part of the clearance decision approving its acquisition of E-Plus, it could impose a fine of up to 10% of Telefónica Deutschland's annual worldwide turnover and/or revoke the decision.

Background

This is the first time that the Commission has sent a Statement of Objections alleging that a company breached commitments it offered to secure the Commission's approval of a transaction under the EU Merger Regulation.

Other merger procedural cases

In May 2017, the Commission [fined Facebook €110 million](#) for providing incorrect or misleading information during the Commission's 2014 investigation under the EU Merger Regulation of Facebook's acquisition of WhatsApp. This decision had no impact on the Commission's October 2014 [approval](#) of the transaction under the EU Merger Regulation since the clearance decision was based on a number of different elements going beyond those linked to the incorrect or missing information.

In July 2017, the Commission sent three separate [Statements of Objections to Merck and Sigma-Aldrich, General Electric and Canon](#) alleging they breached EU merger rules: to General Electric and to Merck and Sigma-Aldrich for allegedly providing incorrect or misleading information, and to Canon for allegedly implementing a merger before notification and clearance. These investigations are ongoing.

In April 2018, the Commission imposed a [€124.5 million fine on Altice](#), the multinational cable and telecommunications company based in the Netherlands, for implementing its acquisition of the Portuguese telecommunications operator PT Portugal before notification or approval by the Commission.

Procedural background

A Statement of Objections is a formal step in an investigation, where the Commission informs the companies concerned in writing of the objections raised against them. The companies can then examine the documents in the Commission's file, reply in writing and request an oral hearing to present their comments on the case to representatives of the Commission and the national competition authorities.

There is no legal deadline to complete the inquiry. The duration of the investigation depends on a number of factors, including the complexity of each case, the extent to which the companies concerned co-operate with the Commission and the exercise of the rights of defence.

The [EU Merger Regulation](#) allows for the possibility, following an in-depth investigation, to attach to a clearance decision conditions and obligations intended to ensure that the companies concerned comply with the commitments they have entered into vis-à-vis the Commission with a view to rendering the concentration compatible with the common market (Article 8(2), second subparagraph)

The ability of the Commission to impose fines in the event of a failure to comply with a condition or an obligation pursuant to Article 8(2), second subparagraph, is laid out in Article 14(2) (d) of the EU Merger Regulation. The ability of the Commission to impose periodic penalty payments to comply with an obligation imposed by decision pursuant to Article 8(2), second subparagraph, is laid out in Article 15(1)(c) of the EU Merger Regulation. The possibility to revoke an Article 8(2) decision if the undertaking concerned committed a breach of an obligation attached to the decision is laid out in Article 8(6)(d) of the EU Merger Regulation.

More information will be available on the competition [website](#), in the Commission's public [case register](#) under the case number M.9003

January 2019 – Annual inflation down to 1.4% in the euro area – Down to 1.5% in the EU

The **euro area** annual inflation rate was 1.4% in January 2019, down from 1.5% in December. A year earlier, the rate was 1.3%. **European Union** annual inflation was 1.5% in January 2019, down from 1.6% in December. A year earlier, the rate was 1.6%. These figures are published by **Eurostat, the statistical office of the European Union**.

[Full text available on EUROSTAT website](#)

Technical measures in fisheries: Council confirms deal with the EP

The EU is modernising its rules which govern how, where and when fishermen may fish, the so-called **technical measures**.

EU member states' ambassadors today endorsed the agreement reached on 13 February between the presidency and European Parliament's representatives on new rules on the **conservation of fishery resources** and the **protection of marine ecosystems**. These measures include specifications for fishing gears and mesh sizes, closed areas and seasons, and measures to minimize the impact of fishing on the marine ecosystem and environment.

This agreement on simpler and better technical measures is a milestone in the implementation of the Common Fisheries Policy and for the sustainability of our seas. These rules will make fishermen's' lives easier and allow member states and the fishing sector to have a greater say in deciding what is appropriate for different sea basins and local specificities.

Petre Daea, Minister of Agriculture and Rural Development of Romania and President of the Council

The regulation on technical measures will take the EU **a step closer to** achieving the **objectives** and targets set out in the reformed Common Fisheries Policy (CFP) such as the reduction of unwanted catches and by catches of sensitive species. In particular the new rules will help reduce as far as possible the number of caught **juveniles**, and minimise the impact of fishing activities on **seabeds**.

In line with the CFP, the new rules set out a framework for the **regionalisation** of technical measures. They do that through a **bottom up approach** by which member states, cooperating closely with the industry in local **Advisory Councils**, will be able to submit joint recommendations on issues of vital importance. These joint recommendations will then be taken into account by the Commission in adopting secondary legislation.

Regionalisation will contribute to improving the **environmental footprint** of fishing activities. For instance regional groups of member states will be allowed to develop additional **mitigation measures** in their joint recommendations to reduce the impact of fishing on sensitive species and habitats. Similarly member states will have other tools at their disposal, such as **real-time closures** and restrictions on the construction and operation of certain **fishing gears**, to improve selectivity and the protection of the environment under certain conditions.

A **list of prohibited species** that fishermen will not be able to fish is also established.

Electric pulse fishing will be prohibited after **30 June 2021**. A **phase out** period, during which no new licences will be granted, is nonetheless foreseen in order to allow the industry to adjust to new conditions.

Scientific research will continue although it will have to be carried out in line with stringent conditions. In order not to close the door to innovation in the sector, the regulation includes the requirement of a future **Commission report** including ICES advice – the International Council for the Exploration of the Sea – on the impact of **innovative gears** on marine ecosystems, sensitive habitats and selectivity.

Next steps

The text will now undergo legal and linguistic review. The Parliament and the Council will be called to adopt the final text at a later date.

The new rules will apply on the day after their publication on the Official Journal of the European Union (mid 2019).

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