European Commission - Daily News

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President von der Leyen on the inauguration of the new President of the United States

This morning, the President of the European Commission, Ursula **von der Leyen**, gave a speech at the European Parliament plenary debate on the inauguration of the new President of the United States and the current political situation. In her remarks, she praised Joe Biden's oath as a "*message of healing for a deeply divided nation*", but also as a "*message of hope for a world that is waiting for the U.S. to be back in the circle of like-minded states*". President **von der Leyen** made clear that EU-U.S. leadership is needed to address the many global challenges which need renewed and improved global cooperation. The President said: *"And I am delighted that on day one – as they announced – of the new American administration, the United States will rejoin the Paris Agreement. This will be a very strong starting point for our renewed cooperation.*" Europe also looks forward to seeing the United States join the common effort to fight the pandemic and secure vaccines for low- and middle-income countries. Recalling the shocking images of the storming of Capitol Hill, President **von der Leyen** warned that some people in Europe may harbour similar feelings and called to action to prevent messages of hate and disinformation from spreading: *"We should take these images from the U.S. as a sobering warning. Despite our deep-rooted confidence in our European democracy, we are not immune to similar events. In Europe, too, there are people who feel disadvantaged, who are very angry. We must seek to address the concerns and problems of each and every one of our citizens, such as the – completely justified - fear of being left behind economically in the pandemic. We must impose democratic limits on the untrammelled and uncontrolled political power of the internet giants."* The President underlined the importance of innovation and opportunities of modern technology in this context, which should however "*never mean that others decide how we live our lives"*. She notably referred to the recently presented Digital Services Act and the Digital Market Act, which will ensure that the power of major platforms over public debate is subject to clear principles, transparency and accountability; that users fundamental rights are protected; and provide a level playing field for innovative digital businesses. Speaking in the hemicycle in Brussels this morning, Ursula **von der Leyen** extended an offer to the new U.S. administration to define a common global approach: *"Together we could create a digital economy rulebook that is valid worldwide: From data protection and privacy to the security of critical infrastructure. A body of rules based on our values: human rights and pluralism, inclusion and protection of privacy.*" You can watch the speech on EbS, and read in online in English, French, German and the original version. *(For more information: Eric Mamer – Tel.: +32 229 94073; Dana Spinant – Tel.: +32 229 90150; Peter Stano –Tel.: +32 229 54553)*

President von der Leyen: Europe must be on the right side of history and humanity

This morning, the President of the European Commission, Ursula **von der Leyen**, spoke at the European Parliament plenary debate on the presentation of the programme of activities of the Portuguese Presidency of the Council. Looking ahead to the Social Summit in Porto in May, President **von der Leyen** said: *"Our current rules are based on old realities. They no longer reflect the speed and scale of the transformations we are embarking on. So as we overcome the pandemic, as we prepare necessary reforms and as we speed up the twin green and digital transitions, I believe it is time to also adapt the social rulebook. A rulebook which ensures solidarity between generations. A rulebook that rewards entrepreneurs who take care of their employees. Which focuses on jobs and opens up opportunities. Which puts skills, innovation and social protection on an equal footing."* Speaking to MEPs in the hemicycle, the President underscored why a united, common European approach to the pandemic was the right one: *"Staying united on vaccines, as 27 Member States, was the right choice. By working together, the Commission was able to secure the broadest portfolio of vaccines in the world."* The 2.3 billion vaccine doses secured are more than enough for Europe and our neighbourhood. She also emphasised the importance of supporting the neighbourhood to start vaccinating their frontline workers, from the Western Balkans to the Eastern Partnership to our African partners in the South: *"This is why the Commission is proposing an EU Vaccine Sharing*

Mechanism. This will channel vaccines either directly – or through the COVAX facility in which the EU is the largest contributor. This is not only a matter of solidarity, but also a matter of self-interest. We will only come out of this pandemic together. This is true for our health. For our economies and supply chains. And also for our geopolitical credibility and influence. I am determined that Europe must be on the right side of history and humanity." In this "*race against time*", she also called on EU Member States to speed up their vaccination efforts, support companies involved to raise their production capacity, and keep abreast of the spread of new variants. The President also reiterated the need to preserve the Single Market and keep borders open, and emphasised the need for a *"common approach to test, trace, travel and borders"* based on the Commission's proposals. Watch the speech here, and read it in full in English, French, German and the original version. President **von der Leyen** will take part in a press conference with European Parliament President Sassoli and Prime Minister Costa at +/-13:00 today, which you can follow live on EbS. *(For more information: Eric Mamer – Tel.: +32 229 94073; Dana Spinant – Tel.: +32 229 90150)*

Commission adopts Opinion on Lithuania's updated Draft Budgetary Plan

The Commission has adopted its Opinion on the updated Draft Budgetary Plan (DBP) of Lithuania. This Opinion finds that the updated DBP is, overall, in line with the recommendation adopted by the Council on 20 July 2020. Most of the measures set out in the updated Draft Budgetary Plan of Lithuania are supporting economic activity against the background of considerable uncertainty. However, some measures do not appear to be temporary and are not matched by offsetting measures. Lithuania is invited to regularly review the use, effectiveness and adequacy of the support measures and stand ready to adapt them as necessary to changing circumstances. The DBP presented by the Lithuanian authorities updated the DBP submitted by the caretaker government in October 2020. *(For more information: Marta Wieczorek – Tel. +32 229 58197; Enda McNamara – Tel.: +32 229 64976)*

Investment Plan for Europe: €12 million for Danish software company

The European Investment Bank (EIB) has signed a €12 million (DKK 89.3 million) loan agreement with Danish software company Templafy. The EIB loan is backed by a guarantee provided by the European Fund for Strategic Investments (EFSI), the main pillar of the Investment Plan for Europe. The company is known for its platform that helps businesses enhance their business content, marrying their needs for compliance and productivity when creating business documents. Templafy won the 'Nordic start-up of the year' award in 2018. It will use the financing to further develop its business content solutions, and to drive the company's successful expansion across Europe. Commissioner for the Economy, Paolo **Gentiloni**, said: *"Thanks to the support from the Investment Plan for Europe, this agreement between the EIB and Templafy will help the company to expand its operations across Europe and further develop its digital solutions for business document creation. This is a clear example of a growing European company making the most of the digital transition."* The Investment Plan for Europe has so far mobilised €535 billion of investment across the EU, of which €6 billion in Denmark. The press release is available here. *(For more information: Marta Wieczorek – Tel.: +32 229 58197; Flora Matthaes – Tel.: +32 229 83951)*

REUNION DU COLLEGE: La Commission prend de nouvelles mesures pour favoriser l'ouverture, la solidité et la résilience du système économique et financier européen

La Commission européenne a présenté une nouvelle stratégie destinée à favoriser l'ouverture, la solidité et la résilience du système économique et financier de l'UE pour les années à venir. Cette stratégie vise à renforcer la capacité de l'Europe à jouer un rôle de premier plan dans la gouvernance économique mondiale, tout en protégeant l'UE contre les pratiques déloyales et abusives. Elle va de pair avec l'engagement pris par l'UE d'œuvrer en faveur d'une économie mondiale plus résiliente et plus ouverte, du bon fonctionnement des marchés financiers internationaux et du système multilatéral fondé sur des règles. L'approche proposée repose sur trois objectifs qui se renforcent mutuellement: 1. Renforcer le rôle international de l'euro, 2. Poursuivre le développement des infrastructures des marchés financiers de l'UE et améliorer leur résilience, dans le cas notamment de l'application extraterritoriale de sanctions par des pays tiers, 3. Continuer à promouvoir la mise en œuvre et l'exécution uniformes des sanctions prises par l'UE. Vous trouverez plus d'informations dans un communiqué de presse et un MEMO. *(Pour plus d'informations: Daniel Ferrie – Tél.: +32 229 86500; Aikaterini Apostola – Tél.: +32 229 87624)*

Antitrust: Commission fines Valve and five publishers of PC video games €7.8 million for 'geo-blocking' practices

The European Commission has fined Valve, owner of the online PC gaming platform 'Steam', and the five publishers Bandai Namco, Capcom, Focus Home, Koch Media and ZeniMax €7.8 million for breaching EU antitrust rules. Valve and the publishers restricted cross-border sales of certain PC video games on the basis of the geographical location of users within the European Economic Area ('EEA'), entering into, the so-called 'geo-blocking' practices. The Commission found that by bilaterally agreeing to geo-block certain PC video games from outside a specific territory, Valve and each publisher partitioned the EEA market in violation of EU antitrust rules. The geo-blocking practices prevented consumers from activating and playing PC video games sold by the publishers' distributors either on physical media, such as DVDs, or through downloads. These business practices therefore denied European consumers the benefits of the EU's Digital Single Market to shop around between Member States to find the most suitable offer. The Commission has concluded that the illegal practices of Valve and the five publishers partitioned the EEA market in violation of EU antitrust rules. The five publishers cooperated with the Commission by providing evidence of added value to the investigation, and by expressly acknowledging the facts and the infringements of EU antitrust rules. The Commission therefore granted reductions to the fines depending on the extent of this cooperation ranging from 10% (for Bandai, Focus Home, Koch Media and ZeniMax) and 15% (for Capcom). Executive Vice-President Margrethe **Vestager**, in charge of competition policy, said: *"More than 50% of all Europeans play video games. The videogame industry in Europe is thriving and it is now worth over €17 billion. Today's sanctions against the 'geo-blocking' practices of Valve and five PC video game publishers serve as a reminder that under EU competition law, companies are prohibited from contractually restricting cross-border sales. Such practices deprive European consumers of the benefits of the EU Digital Single Market and of the opportunity to shop around for the most suitable offer in the EU."* The full press release is available online. *(For more information: Arianna Podesta – Tel. +32 229 87024; Maria Tsoni – Tel.: +32 229 90526)*

State aid: Commission launches public consultation on availability of private short-term export-credit insurance capacity for exports in light of economic impact of coronavirus outbreak

The Commission has launched a public consultation to assess the availability of private short-term export-credit insurance capacity for exports to all countries listed as "marketable risk countries" in the 2012 Short-term export-credit Communication. Based on the results of the public consultation, the Commission will assess whether the current temporary removal of all countries from the list of "marketable risk" countries remains justified. Export-credits enable foreign buyers of goods and/or services to defer payment. Deferred payment implies credit risk for the seller/exporter, against which they insure themselves, typically with the private insurers (so-called export credit insurance). According to the 2012 Short-term export-credit Communication, which is in force since 2013, trade within 27 EU Member States and nine OECD countries listed in its Annex with a maximum risk period of up to two years entails marketable risks and should, in principle, not be insured by the State or State supported insurers. With a view to make public short-term export credit insurance more widely available in light of the crisis linked to the coronavirus outbreak, on 27 March 2020, the Commission decided to temporarily remove all countries from the list of "marketable risk" countries until 31 December 2020. On 13 October 2020, the Commission prolonged this removal until 30 June 2021. These decisions followed two public consultations that had pointed to a lack of sufficient private capacity to cover all economically justifiable risks for exports to countries from the list of marketable risk countries and to an expected rise in demand for insurance as a result of the outbreak. Depending on the results of the consultation and taking into account the relevant economic indicators, the Commission may decide to prolong the removal of all countries from the list of "marketable risk" countries as a temporary measure, beyond June 2021. *(For more information: Arianna Podesta – Tel. +32 229 87024; Giulia Astuti – Tel.: +32 229 55344)*

State aid: Commission approves €79 million Bulgarian scheme to support micro, small, and medium enterprises affected by coronavirus outbreak

The European Commission has approved a €79 million (approximately BGN 156 million) Bulgarian scheme to support micro, small, and medium enterprises affected by the coronavirus outbreak. The scheme was approved under the State aid Temporary Framework. The scheme, which will be co-financed by the European Regional Development Fund, will be accessible to enterprises active in certain sectors and meeting certain requirements defined by Bulgaria, which have had their activities suspended or limited by governmental restrictive measures to limit the spread of the virus. The amount of grant each beneficiary may receive will be calculated by comparing its turnover (excluding

VAT) during the affected period with the same period of the previous year (or the turnover for October 2020, for beneficiaries opened after 1 January 2020). The grant will amount to either 10% or 20% of that turnover, depending on the beneficiary's sector of activity, up to a maximum of BGN 150 000 (approximately €76,694). The support will help the beneficiaries to cover part of their operating costs and support activities necessary to overcome the shortage of funds or lack of liquidity resulting from the coronavirus outbreak. The Commission found that the Bulgarian scheme is in line with the conditions set out in the Temporary Framework. In particular, (i) the aid will not exceed €800 000 per company; and (ii) aid under the scheme can be granted until 30 June 2021. The Commission concluded that the measure is necessary, appropriate and proportionate to remedy a serious disturbance in the economy of a Member State, in line with Article 107(3)(b) TFEU and the conditions set out in the Temporary Framework. On this basis, the Commission approved the measure under EU State aid rules. More information on the Temporary Framework and other actions taken by the Commission to address the economic impact of the coronavirus pandemic can be found here. The non-confidential version of the decision will be made available under the case number SA.60454 in the State aid register on the Commission's competition website once any confidentiality issues have been resolved. *(For more information: Arianna Podesta – Tel. +32 229 87024; Giulia Astuti – Tel.: +32 229 55344; Maria Tsoni – Tel.: +32 229 90526)*

Concentrations: La Commission autorise la création d'une entreprise commune par Mitsui et Veolia

La Commission européenne a approuvé, en vertu du règlement européen sur les concentrations, la formation d'une entreprise commune entre Mitsui & Co., Ltd (« Mitsui ») basée au Japon et Veolia Japan K.K. (« Veolia »), contrôlée par Veolia Environnement, basée en France. L'entreprise commune sera active au Japon dans la fabrication de polytéréphtalate d'éthylène recyclé à base de bouteilles en polytéréphtalate d'éthylène usagées. Mitsui est une société de négoce, de gestion d'entreprise et de gestion de projets, active dans le monde entier et dans divers secteurs. Veolia est active dans la gestion environnementale, notamment la conception et la fourniture de solutions de gestion de l'eau, des déchets et de l'énergie. La Commission a conclu que la concentration envisagée ne soulèverait pas de problème de concurrence car l'entreprise commune n'a aucune activité présente ou à venir dans l'Espace économique européen. L'opération a été examinée dans le cadre de la procédure simplifiée du contrôle des concentrations. De plus amples informations sont disponibles sur le site Internet de la concurrence de la Commission, dans le registre public des affaires sous le numéro M.10037. *(Pour plus d'informations: Arianna Podesta – Tél. +32 229 87024; Maria Tsoni – Tél.: +32 229 90526)*

Mergers: Commission clears the acquisition of Hexion's Phenolic Speciality Resins business by Black Diamond and Investindustrial

The European Commission has approved, under the EU Merger Regulation, the acquisition of the Phenolic Speciality Resins business of Hexion Inc by Black Diamond Capital Management LLC ('Black Diamond'), both of the U.S. and Investindustrial S.A. of Luxembourg. Hexion's Phenolic Speciality Resins Business sells dry granular moulding compounds under the brand names Bakelite, Durite and Cellobond. Black Diamond is an investment advisory firm. Investindustrial is a group of independently managed investment, holding and financial advisory companies. The transaction results in a vertical relationship between the companies, due to the production of unsaturated polyester resins by Polynt-Reichhold, a portfolio company of Black Diamond and Investindustrial, and the production of dry granular thermoset compounds using the above polymer as their input by Hexion's Phenolic Speciality Resins business. Given there are sufficient alternative sources of unsaturated polyester resins in the European Economic Area, the Commission found that it was unlikely that the merged entity would have the ability to restrict its rivals' access to unsaturated polyester resins. In addition, given that Hexion's Phenolic Specialty Resins business needs for unsaturated polyester resins represents only a small fraction of demand, the merged entity would not have the ability to restrict competitors' access to a sufficient customer base. Therefore, the Commission concluded that the transaction would raise no competition concerns. The transaction was examined under the normal merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.10028. *(For more information: Arianna Podesta – Tel. +32 229 87024; Maria Tsoni – Tel.: +32 229 90526)*

Mergers: Commission clears acquisition of Flender by Carlyle

The European Commission has approved, under the EU Merger Regulation, the acquisition of Flender GmbH ('Flender') of Germany by The Carlyle Group Inc. ('Carlyle') of the U.S. Flender supplies mechanical drive products as well as generators, systems and services for industrial applications, power generation and the wind power industry. Carlyle is a global asset manager that manages funds that invest in corporate private equity, real assets, global credit and investment solutions. The Commission concluded that the proposed acquisition would raise no competition concerns because of the limited overlaps between the activities of Flender and Carlyle. 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.10066. *(For more information: Arianna Podesta – Tel. +32 229 87024; Maria Tsoni – Tel.: +32 229 90526)*

STATEMENTS

Coronavirus: Commission Statement on consulting Member States on proposal to further prolong and adjust State aid Temporary Framework

The European Commission has sent to Member States for consultation a draft proposal to prolong until 31 December 2021 and further adjust the scope of the State aid Temporary Framework, initially adopted on 19 March 2020 to support the economy in the context of the coronavirus outbreak. In view of the persistence and evolution of the coronavirus outbreak, the Commission is assessing the need to further prolong the Temporary Framework and to continue adjusting its scope to the evolving needs of businesses, while maintaining safeguards to preserve effective competition. The draft proposal takes into account initial feedback received from Member States to a survey launched by the Commission in December 2020 to seek their views on the implementation of the State aid Temporary Framework. On this basis, the Commission has sent to Member States for consultation a draft proposal, including: (i) to prolong existing provisions of the Temporary Framework until 31 December 2021; (ii) to increase the ceilings for limited amounts of aid granted under the Temporary Framework and for measures contributing to the fixed costs of companies that are not covered by their revenues, taking into account the continued economic uncertainty and the needs of businesses affected by the crisis; and (iii) to enable Member States to convert also at a later stage the granted repayable instruments (including loans) of up to €800,000 per company (€120,000 per company active in the fishery and aquaculture sector and €100,000 per company active in the primary production of agricultural products) into direct grants. Member States now have the possibility to comment on the Commission's draft proposal. Executive Vice-President Margrethe **Vestager**, in charge of competition policy, said: "*As the second wave of the coronavirus outbreak continues to deeply affect our lives, businesses across Europe are in need of further support to weather the crisis. That's why we are proposing to prolong the State aid Temporary Framework until 31 December 2021 and to increase the aid amounts available to companies under certain measures to ensure that effective support remains available. We will decide on the way forward taking into account the views of all Member States and the need to preserve effective competition in the Single Market.*" The full Statement is available online. *(For more information: Arianna Podesta – Tel. +32 229 87024; Giulia Astuti – Tel.: +32 229 55344; Maria Tsoni – Tel.: +32 229 90526)*

Eurostat press releases

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