



Final Report of the Hearing Officer¹
BASF / Solvay's EP and P&I business
(COMP/M.8674)

1. On 22 May 2018, the European Commission (the 'Commission') received a notification of a proposed concentration by which BASF SE ('BASF') would acquire sole control of the worldwide polyamide activities of Solvay S.A. ('Solvay') by way of purchase of shares (the 'Proposed Transaction').
2. On 26 June 2018, the Commission adopted a decision initiating proceedings pursuant to Article 6(1)(c) of the Merger Regulation² (the 'Article 6(1)(c) Decision'). In that decision, the Commission indicated that the Proposed Transaction had a Union dimension within the meaning of Article 1(2) of the Merger Regulation and that it raised serious doubts as to its compatibility with the internal market and the Agreement on the European Economic Area as regards various levels of the polyamide value chain.
3. On 9 July 2018, BASF submitted its response to the Article 6(1)(c) Decision.
4. On 19 July and 7 August 2018, following failures by BASF and Solvay respectively to provide complete information in response to separate information requests, the Commission adopted two decisions pursuant to Article 11(3) of the Merger Regulation. These decisions suspended the time limits referred to in the first subparagraph of Article 10(3) of the Merger Regulation. Solvay and BASF submitted complete responses on 28 and 30 August 2018 respectively. The suspension was lifted as from the end of 30 August 2018.
5. On 25 September 2018 and again on 10 October 2018, the Commission extended the time period for adopting a final decision by ten working days in accordance with Article 10(3) second subparagraph, third sentence of the Merger Regulation.
6. On 15 October 2018, the Commission received a set of proposed commitments, which it market-tested on 16 October 2018. On 31 October 2018, revised commitments taking into account the feedback received in the market test [and, on 11 December 2018, further refined commitments] (the 'Final Commitments') were submitted to the Commission.

¹ Pursuant to Articles 16 and 17 of Decision 2011/695/EU of the President of the European Commission of 13 October 2011 on the function and terms of reference of the hearing officer in certain competition proceedings, OJ L 275, 20.10.2011, p. 29 ('Decision 2011/695/EU').

² Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings, OJ L 24, 29.1.2004, p. 1.

7. The Commission did not issue a statement of objections pursuant to Article 13(2) of Merger Implementing Regulation.³ There was no formal oral hearing in accordance with Article 14 of that regulation.
8. I admitted two entities to proceedings as interested third persons. They made known their views in accordance with Article 16(1) of the Merger Implementing Regulation.
9. In the draft decision, the Commission concludes that the Final Commitments remove the significant impediments to effective competition in the internal market or in a substantial part of it to which the Transaction would otherwise have given rise. As a result, the draft decision declares the Proposed Transaction compatible with the internal market and the Agreement on the European Economic Area, subject to full compliance with the Final Commitments.
10. Overall, I consider that the effective exercise of procedural rights has been respected during the present proceedings.

Brussels, 8 January 2019

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³ Commission Regulation (EC) No 802/2004 implementing Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings, OJ L 33, 30.4.2004, p. 1.