



OPINION

of the **ADVISORY COMMITTEE on MERGERS**

AT ITS MEETING OF 7 DECEMBER 2020

CONCERNING A PRELIMINARY DRAFT DECISION RELATING TO

CASE M.9730 FCA / PSA

Rapporteur: DENMARK

Jurisdiction

1. The Advisory Committee (13 Member States) agrees with the Commission that the notified transaction constitutes a concentration within the meaning of Article 3(1)(a) of the Council Regulation (EC) No 139/2004 of 20.1.2004 on the control of concentrations between undertakings ("the Merger Regulation")¹.
2. The Advisory Committee (13 Member States) agrees with the Commission that the notified transaction has a Union dimension pursuant to Article 1(2) of the Merger Regulation.

Product market definition

3. The Advisory Committee (13 Member States) agrees with the conclusions reached by the Commission in the draft Decision in relation to the definition of the relevant product markets for:
 - a. The market for the manufacture and supply of LCVs, sub-segmented between
 - a. vehicles with a gross weight rating of up to 3.5 tonnes, further sub-segmented between (i) small and compact LCVs, (ii) medium LCVs, and (iii) large LCVs;
 - b. vehicles with a gross weight rating between 3.5 and 6 tonnes, and
 - c. a potential sub-segment of large LCVs and LCVs between 3.5 and 6 tonnes combined.
 - b. The market for the manufacture and supply of PCs as sub-segmented between (i) Segment A (mini cars), (ii) Segment B (small cars), (iii) Small cars (including both segments A and B), (iv) Segment C (medium cars), (v) executive cars, (vi) luxury cars, (vii) sport cars, (viii) sport utility vehicles (SUVs), (ix) Segment M (multipurpose vehicles), and SUVs further segmented in (a) A-SUVs, (b) B-SUVs, (c) C-SUVs, (d) Segment D-SUVs, (e) luxury E-SUVs, (f) Segment J (including all types of SUVs).
 - c. The market for the wholesale and retail distribution of PCs and LCVs.

¹ OJ L 24, 29.1.2004, p. 1.

- d. The markets for the manufacture and supply of various automotive components as sub-segmented in the Decision.
- e. The markets for the manufacture and supply of various automation products, as sub-segmented in the Decision.
- f. The markets for various financial services as sub-segmented in the Decision.

Geographic market definition

4. The Advisory Committee (13 Member States) agrees with the conclusions reached by the Commission in the draft Decision in relation to the definition of the relevant geographic markets for:
 - a. The national market for the manufacture and supply of LCVs (as sub-segmented in the Decision).
 - b. The national market for the manufacture and supply of PCs (as sub-segmented in the decision).
 - c. The national market for the wholesale and retail distribution of PCs and LCVs.
 - d. The at least EEA markets for the manufacture and supply of various automotive components.
 - e. The at least EEA markets for the manufacture and supply of various automation products.
 - f. The national markets for various financial services.

Competitive assessment

5. The Advisory Committee (13 Member States) agrees with the Commission's assessment that the notified transaction would raise serious doubts as a result of horizontal non-coordinated effects in the market for the manufacture and supply of small LCVs (Small LCVs) in
 - i. Belgium.
 - ii. Czechia.
 - iii. France.
 - iv. Greece.
 - v. Italy.
 - vi. Lithuania.
 - vii. Poland.
 - viii. Portugal.
 - ix. Slovakia.
6. The Advisory Committee (13 Member States) agrees with the Commission's assessment that the notified transaction would not significantly impede effective competition as a result of horizontal non-coordinated effects in the following affected markets:
 - a. The manufacture and supply of Small LCVs in national markets not listed in question 5 above.
 - b. The manufacture and supply of Medium LCVs on any national market.
 - c. On any national market, the manufacture and supply of
 - i. Large LCVs (up to 3.5 tonnes),
 - ii. LCVs above 3.5 tonnes up to 6 tonnes, and

- iii. Large LCVs and LCVs above 3.5 tonnes up to 6 tonnes.
 - d. The manufacture and supply of all types of PCs on any national market.
 - e. The wholesale and retail distribution of PCs and LCVs on any national market.
 - f. The market for motor vehicle lending in Italy.
 - g. The market for lending to car dealers in any national market.
7. The Advisory Committee (13 Member States) agrees with the Commission's assessment that the notified transaction would not significantly impede effective competition as a result of non-horizontal effects in any of the vertically affected markets in relation to the upstream markets for the manufacture and sale of various automotive components and downstream markets for the manufacture and supply of PCs and LCVs, as well as the upstream markets for the manufacture and supply of various automation products and downstream markets for the manufacture and supply of PCs and LCVs.

Commitments

8. The Advisory Committee (13 Member States) agrees with the Commission that the final commitments offered by the Parties on 27 October 2020 remove the serious doubts identified in the draft Decision.
9. The Advisory Committee (13 Member States) agrees with the Commission that, subject to the full compliance with the final commitments offered by the Parties on 27 October 2020, the notified transaction would not significantly impede effective competition in the internal market or in a substantial part of it.

Compatibility with the internal market and the EEA Agreement

10. The Advisory Committee (13 Member States) agrees with the Commission that the notified transaction must therefore be declared compatible with the internal market and the functioning of the EEA Agreement in accordance with Article 2(2) and 8(2) of the Merger Regulation and Article 57 of the EEA Agreement.
