



EUROPEAN COMMISSION

*Brussels, 30.8.2021
C(2021) 6513 final*

Dear President,

The Commission would like to thank the Senát for its Opinion on the proposal for a Regulation of the European Parliament and of the Council on foreign subsidies distorting the internal market {COM(2021) 223}.

The initiative on foreign subsidies is a cornerstone of the Commission's industrial strategy to strengthen the internal market and to enhance its competitiveness and resilience.

Following its adoption on 5 May 2021, the proposal has now entered the legislative process involving the European Parliament and the Council.

The Commission has taken good note of the comments of the Senát and would like to offer the following observations.

The Commission thanks the Senát for its support to ensure a level playing field for all operators in the EU internal market and to maintain the openness of the EU economy and its attractiveness for foreign investors.

As regards the concern about a potential increase in administrative burden, the Commission has paid particular attention to minimise the Regulation's administrative burden on companies and public authorities. For instance, the proposal sets relatively high thresholds as regards the ex-ante notification of concentrations and participation in EU public procurement procedures. For further considerations related to minimising the administrative burden, we refer to our detailed analysis in the Impact Assessment that is accompanying the legislative proposal.

As regards the enforcement of the future Regulation, the Commission considers that it is necessary to enforce the proposed Regulation at EU level to ensure a consistent application throughout the EU internal market.

*Mr Miloš VYSTRČIL
President of the Senát
Valdštejnské náměstí 17/4
CZ – 118 01 PRAGUE 1*

This approach is inspired by the set-up applied in the EU State aid control and EU trade policy contexts, which are also enforced at EU level. Also the large majority of stakeholders supported such an approach during the public consultation of the White Paper on foreign subsidies.

The Commission hopes that the Senát will find these clarifications helpful and looks forward to continuing the political dialogue in the future.

*Margrethe Vestager
Executive Vice-President*

*Maroš Šefčovič
Vice-President*