

Regulatory & Governmental Affairs

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Law

Economic Security

The EC released a package of proposals on economic security, as part of the rollout of the Economic Security Strategy launched in June 2023 and with the aim to strengthen the European toolbox to mitigate the risks linked to foreign investments in the Union.

EC Communication on advancing European economic security

One of the main components of the package is the proposal to review the framework on the screening of foreign investments, in order to strengthen the efficiency and effectiveness of the current legislation while ensuring a higher degree of harmonization across the Union. The proposal now needs to be discussed and agreed by the two co-legislators, the European Parliament and the Council.

EC proposal for a new regulation on the screening of foreign investments

With the white paper on outbound investment, the Commission intends to broaden the discussions in order to gather evidence in particular in certain strategic sectors through a dedicated <u>public consultation</u> (deadline 17 April) and a monitoring exercise that EU Member States will have to conduct on transactions made since January 2019 in four key technology areas (semiconductors, artificial intelligence, quantum and biotechnologies). The Commission will then assess the outcome of the public consultation and the monitoring only in the Summer 2025.

White paper on outbound investment

Part of the package is also the white paper on export controls which aims to initiate a debate, in particular, on how to improve coordination to better respond to current and future challenges.

White paper on export controls

Last two elements of the package are a white paper for enhancing support for research and development involving technologies with dual-use potential and a proposal for a Council recommendation on enhancing research security which aims to provide more clarity, guidance and support to Member States and the research and innovation sector at large.

White paper on options for enhancing support for research and development involving technologies with dual-use potential – Proposal for a Council recommendation on enhancing research security

Forced Labor

The Council adopted its position on the regulation prohibiting products made with forced labor on the Union market, allowing for inter-institutional negotiations with the European Parliament and the European Commission on the final shape of the legislation to start soon. The text will be available soon.

EC proposal for a regulation on prohibiting products made with forced labor on the Union market

Sustainability Reporting Standards

The Legal Affairs Committee of the European Parliament adopted its report on the proposal which will amend Directive 2013/34/EU by postponing the adoption deadline for sector-specific sustainability reporting standards under the Corporate Sustainability Reporting Directive for two years until June 2026. The proposal also foresees a delay of two years (until 2026) of the adoption of the general reporting standards for third country companies. Now the report needs to be endorsed by the Parliament in plenary. This will be the



position of the European Parliament in the negotiations with the Council on the final shape of the legislation. The adopted report will be available soon.

EC proposal for a decision amending Directive 2013/34/EU as regards the time limits for the adoption of sustainability reporting standards for certain sectors and for certain third-country undertakings

State Aid

The EC released practical guidance for Member States to assess whether public measures to facilitate companies' access to finance constitute State aid.

EC guidance

Competition Enforcement

The EC published a report which provides an overview of the enforcement of EU antitrust and merger rules by the European Commission and the national competition authorities in the pharmaceutical sector in the years 2018-2022.

EC dedicated page

Export Controls

The EC released new guidelines on data gathering and processing on export controls, in view of the preparation of its annual report on dual-use export controls.

Guidelines

Violation of EU Sanctions

The Committee on Civil Liberties, Justice and Home Affairs of the European Parliament approved the political agreement reached with the Council on the directive on the definition of criminal offences and penalties for the violation of Union restrictive measures, which aims to ensure the prosecution of those who violate or circumvent EU sanctions. The plenary is expected to endorse it on 11 March. Then the Council will have to formally adopt the text.

<u>Directive on the definition of criminal offences and penalties for the violation of Union restrictive measures – Corrigenda</u>

Asset Recovery and Confiscation

The Committee on Civil Liberties, Justice and Home Affairs of the European Parliament approved the political agreement reached with the Council on the proposal for a directive on asset recovery and confiscation. The Parliament in plenary is expected to vote on the text in mid-March. Before being published in the EU Official Journal, the text needs to be formally adopted by the Council. The final text will be available soon.

EC proposal for a Directive on asset recovery and confiscation

Standard Essential Patents

The Committee of Legal Affairs of the European Parliament adopted its position on the proposed regulation on standard essential patents, which will amend Regulation 2017/1001. The agreed text now needs to be adopted by the Parliament in plenary, before inter-institutional negotiations with the Council and the



European Commission on the final shape of the legislation can start. The report will be available soon.

EC proposal for a Regulation on standard essential patents and amending Regulation 2017/1001

Artificial Intelligence

The EC adopted a proposal to amend the regulation establishing the European High Performance Computing Joint Undertaking to set up AI factories, as part of a series of measures to support European startups and SMEs in the development of trustworthy AI, also by establishing an AI Office within the European Commission. The proposal now needs to be discussed and agreed by both the European Parliament and the Council.

EC proposal

Fertilizing Products

Negotiators of the European Parliament, the Council and the European Commission reached a political agreement on the proposed regulation for digital labelling of fertilizing products, which will amend the current legislation by introducing the possibility to opt for digital label. The agreement now needs to be formally adopted by both the European Parliament and the Council. The agreed text will be available soon.

EC proposal for a Regulation as regards the digital labelling of EU fertilizing products

Trade Remedies

Commission Implementing Regulation of 23 January 2024 imposing a definitive anti-dumping duty on imports of certain open mesh fabrics of glass fibres originating in the People's Republic of China as extended to imports consigned from India, Indonesia, Malaysia, Taiwan and Thailand following an expiry review pursuant to Article 11(2) of Regulation (EU) 2016/1036 of the European Parliament and the Council has been published in the EU Official Journal.

Commission Implementing Regulation 2024/357

Notice of the impending expiry of certain anti-dumping measures has been published in the EU Official Journal.

Document C/2024/907

RAPEX Weekly Report

The EC published its weekly report for all dangerous consumer products, with the exception of food, pharmaceutical and medical devices.

Weekly Overview Report



Politics / General

Cars' Emissions

The European Court of Auditors released its special report on "Reducing carbon dioxide emissions from passenger cars".

ECA dedicated page

Energy Regulators

The Council of European Energy Regulators published its work program for this year.

CEER work program

Decision

EC Decision of 25 January – Sumitomo / Osaka Gas / I Squared / Think Gas / AG&P City Gas

Distribution of gaseous fuels through mains

The EC approved the acquisition of joint control of Think Gas and AG&P City Gas by Sumitomo and Osaka Gas and I Squared.

Case information

EC SoO of 24 January – (Norwegian) Farmed Atlantic Salmon (NFAS)

Marine aquaculture

The EC sent statement of objections to Norwegian salmon producers Cermaq, Grieg Seafood, Bremnes, Leroy, Mowi and SalMar in farmed Atlantic salmon cartel case.

Case information

EC Decision of 24 January – Axel Johnson / Dustin Computer programming, consultancy and related activities

The EC approved the acquisition of sole control of Dustin Group AB by Axel Johnson AB. Case information

EC Decision of 24 January – Blackstone / Vista / Energy Exemplar Software publishing

The EC approved the acquisition of joint control of Simulation Software Holding Company Pty Ltd. ("Energy Exemplar") by Blackstone Inc. and Vista Equity Partners Management LLC ("Vista").

Case information



EC Investigation of 24 January – IAG / Air Europa Passenger air transport; freight air transport; service activities incidental to air transportation

The EC opened an in-depth investigation to assess the proposed acquisition of sole control of Air Europa Holding S.L. by International Consolidated Airlines Group S.A. ("IAG").

Case information

EC Investigation of 23 January – Deutsche Lufthansa / MEF / ITA

Passenger air transport

The EC opened an in-depth investigation into the proposed acquisition of joint control of ITA Airways ("ITA") by Deutsche Lufthansa AG ("Lufthansa") and the Italian Ministry of Economy and Finance ("MEF").

Case information

EC Decision of 23 January – JSW / JFE / JV

Manufacture of tubes, pipes, hollow profiles and related fittings of steel; manufacture of basic iron and steel and of ferroalloys; manufacture of other products of first processing of steel

The EC approved the creation of a joint venture by JFE Steel Corporation ("JFE") and JSW Steel Limited ("JSW").

Case information

EC Decision of 23 January – Mercedes-Benz Group / BMW / JV Service activities incidental to land transportation

The EC approved the creation of a joint venture by Mercedes-Benz Group China Ltd. ("Mercedes-Benz"), controlled by Mercedes-Benz Group AG and BMW Brilliance Automotive Ltd. ("BMW"), controlled by Bayerische Motoren Werke AG.

Case information

EC Decision of 19 January – ITOCHU / Keogh Family Trust / MTF Holdings / UON

Construction of water projects; electrical installation

The EC approved the acquisition of joint control of UON Pty Ltd ("UON") by ITOCHU Corporation ("ITOCHU"), together with the previously controlling shareholders MTF Holdings Pty Ltd ("MTF Holdings") and the Keogh Family Trust.

Case information

EC Decision of 19 January – Bain Capital / Outsourcing Employment activities



The EC approved the acquisition of sole control of Outsourcing Inc. by Bain Capital Investors LLC. Case information

From the OJEU

Non-opposition to concentrations

Non-opposition to the notified concentration SVP / APCOA – Case M.11352 has been published.

Document C/2024/1126 - Case information

Non-opposition to the notified concentration Ardian / Dedalus Healthcare Systems – Case M.11377 has been published.

Document C/2024/1062 - Case information

Non-opposition to the notified concentration Ford / BMW / Honda / JV – Case M.11365 has been published.

Document C/2024/1061 - Case information

Non-opposition to the notified concentration QIA / OIA / Rakiza / Oman Broadband Company – Case M.11345 has been published.

Document C/2024/1029 - Case information

Non-opposition to the notified concentration Sonae / Musti Group - Case M.11368 has been published.

Document C/2024/1053 - Case information

Non-opposition to the notified concentration NEOM / DSV / JV - Case M.11400 has been published.

Document C/2024/1028 - Case information

Prior notification of concentrations

Prior notification of the concentration PGGM / Eurazeo / Electra - Case M.11435 has been published.

<u>Document C/2024/1154</u> – <u>Case information</u>



Prior notification of the concentration Silver Lake / DigitalBridge / Vantage NA Data Center Assets – Case M.11434 has been published.

Document C/2024/1142 - Case information

Prior notification of the concentration ASPO / OP / ESL – Case M.11389 has been published.

Document C/2024/1121 - Case information

Prior notification of the concentration SPIE / Robur – Case M.11408 has been published.

Document C/2024/1119 - Case information

Prior notification of the concentration DCC / Progas – Case M.11360 has been published.

Document C/2024/1118 - Case information

Prior notification of the concentration Dachser / Frigoscandia – Case M.11452 has been published.

Document C/2024/1058 - Case information

Prior notification of the concentration ERG / APEX / Project Pinnacle I – Case M.11444 has been published.

Document C/2024/1057 - Case information

Prior notification of the concentration Telefonica Brasil / Auren Comercializadora / JV – Case M.11449 has been published.

Document C/2024/1054 - Case information

Prior notification of the concentration Massmutual / Mubadala / Kiinteisto – Case M.11403 has been published.

<u>Document C/2024/1052</u> – <u>Case information</u>

Prior notification of the concentration Aurelius / Dayco's Propulsion Solutions – Case M.11427 has been published.

Document C/2024/1051 - Case information

Prior notification of the concentration Skion / Bitburger / Avista Oil – Case M.11414 has been published.

Document C/2024/1050 - Case information



Prior notification of the concentration MC / DTHAG / MMC / JV - Case M.11424 has been published.

Document C/2024/1033 - Case information

Brussels intern

Competition

The European Commission is planning to launch soon a call for evidence on the functioning of the Motor Vehicle Block Exemption Regulation as part of its evaluation and following the recent extension and the amendments introduced to the guidance in 2023. The MVBER will expire on 31 May 2028 and the Commission intends to adopt a new regulation by the end of 2025.

CO2 Emission Targets

The European Commission is working on its proposal on rules and procedures to grant derogations to manufacturers of passenger cars and light commercial vehicles, in accordance with article 10(8) of Regulation (EU) 2019/631.

Artificial Intelligence Act

The responsible Committees at the European Parliament are expected to vote on the political agreement on the Al Act, reached with the Council last December, in mid-February, with the plenary vote then scheduled in April.

Telecom Priorities

The European Commission shall release a white paper on future telecom legislation by the end of February.

Contact

For suggestions, comments please contact:

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