

Opinion of the Advisory Committee on mergers**18 September 2019****Case M.9076 – Novelis/Aleris****Rapporteur: Cyprus****(Text with EEA relevance)**

(2021/C 36/06)

Operation

1. The Advisory Committee (9 Member States) agrees with the Commission that the Transaction constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.

Union dimension

2. The Advisory Committee (9 Member States) agrees with the Commission that the Transaction has a Union dimension pursuant to Article 1(2) of the Merger Regulation.

Product markets

3. The Advisory Committee (9 Member States) agrees with the Commission's definition of the relevant product market for the production and supply of certain aluminium flat rolled products and in particular that Standard FRPs constitute a distinct product market and that the exact product market definition for aluminium anodising sheet and aluminium sheet for compound tubes can be left open.
4. The Advisory Committee (9 Member States) agrees with the Commission's definition of the relevant product market for the production and supply of certain aluminium flat rolled products and in particular that:
 - 4.1. Aluminium automotive body sheets ('Aluminium ABS') constitutes a distinct product market separate from other aluminium flat rolled products;
 - 4.2. Aluminium ABS and flat steel products used in automotive bodies belong to different markets;
 - 4.3. different Aluminium ABS products belong to the same differentiated market.

Geographic markets

5. The Advisory Committee (9 Member States) agrees with the Commission's definitions of the relevant geographic markets for the production and supply of certain aluminium flat rolled products and in particular:
 - 5.1. The market for Standard FRPs is EEA-wide in scope. If aluminium anodising sheet and aluminium sheet for compound tubes were to be considered separate distinct relevant product markets, they would be EEA-wide in scope;
 - 5.2. The market for Aluminium ABS is EEA-wide in scope.

Competitive assessment

6. The Advisory Committee (9 Member States) agrees with the Commission's assessment that the Transaction, as notified, would significantly impede effective competition due the creation or strengthening of a dominant position in the market and in any event due to horizontal non-coordinated effects with regard to the production and supply of Aluminium ABS in the EEA.

7. The Advisory Committee (9 Member States) agrees with the Commission's assessment that the Transaction, as notified, would not significantly impede effective competition with regard to the production and supply of Standard FRPs in the EEA and with regard to the putative markets for the production and supply of aluminium anodising sheet and aluminium sheet for compound tubes in the EEA.

Efficiencies

8. The Advisory Committee (9 Member States) agrees with the Commission that the efficiencies claimed by the Notifying Party do not lay out in detail benefits to consumers, merger specificity and absence of less anticompetitive alternatives, or evidence to support the efficiency claims.

Commitments

9. The Advisory Committee (9 Member States) agrees with the Commission that the Final Commitments are suitable and sufficient to eliminate the significant impediment to effective competition in relation to the production and supply of Aluminium ABS in the EEA.

Compatibility with the Internal Market

10. The Advisory Committee (9 Member States) agrees with the Commission that the Transaction, as modified with the Final Commitments, should therefore be declared compatible with the internal market and the functioning of the EEA Agreement.
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