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I

(Resolutions, recommendations and opinions)

OPINIONS

EUROPEAN COMMISSION

COMMISSION OPINION

of 14 November 2014

on the draft Regulation of the European Central Bank concerning statistics on the money markets

(2014/C 407/01)

Introduction

On 8 September 2014, the Commission received a request from the European Central Bank (ECB) for an opinion on a draft new Regulation on money market statistics.

The Commission welcomes this request and recognises that the ECB hereby acts in accordance with its obligation to consult the Commission on draft ECB regulations whenever links with the statistical requirements of the Commission exist as laid down in Article 5(2) of Council Regulation (EC) No 2533/98 of 23 November 1998 concerning the collection of statistical information by the ECB ⁽¹⁾, in order to guarantee the coherence necessary to produce statistics meeting the respective information requirements of the ECB and of the Commission. A good cooperation between the ECB and the Commission is beneficial for both institutions as well as for users and respondents by allowing a more efficient production of European statistics. The Commission also welcomes that explicit reference is made to its opinion in this regulation.

The Commission welcomes the initiative of the ECB to collect data on money markets. The Commission supports any effort to increase the transparency of these markets and recognise the need for data to build reliable and well-founded benchmarks in line with the recent guidelines issued by the International Organization of Securities Commissions (IOSCO) and the European Banking Authority (EBA).

The merits of the proposal are clear and significant and are important for a wide set of stakeholders and for different purposes: monetary policy analysis, construction of interest rate benchmarks, banking supervisory tasks, policy analysis and transparency of these markets. All are crucial for the proper working of the financial system.

The Commission considers it important that any data to be collected by the ECB on money markets through this Regulation is made available to other relevant Union authorities for the exercise of their duties.

The proposed data collection is from monetary financial institutions (MFIs). The Commission is concerned that the MFI list contains units which are not active deposit-takers, and stresses that statistical principles should be adhered to.

Comments on and proposed changes to the legislative proposal

This initiative will require the reporting of a variety of money market transactions such as unsecured debt instruments, certain short-term securities financing transactions (e.g. repos, buy-sell backs) and derivatives. Thus, the reporting will allow the ECB to fulfil its task to produce comprehensive, detailed and harmonised statistical data on euro-area money markets.

This initiative is closely related to two key legislative developments in the EU:

— The proposal for a Regulation of the European Parliament and of the Council on reporting and transparency of securities financing transactions (SFT), COM(2014) 40 final of 29.1.2014:

⁽¹⁾ OJ L 318, 27.11.1998, p. 8.

Once adopted the Regulation will require the EU-wide reporting of the details of any securities financing transaction concluded in the EU, including short-term repos and sell-buy backs, to a trade repository. EU central banks as well as other competent authorities will have access to all the data necessary to fulfil their responsibilities. As the reporting is expected to enter into force after 2017, it is crucial to avoid duplicative reporting requirements on market participants.

- Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ⁽¹⁾:

It is similarly fundamental to avoid imposing duplicative reporting requirements on market participants for derivatives transactions. To this end, the ECB initiative should take into account the already available data in trade repositories and require only the necessary data elements missing for the needs of statistics production.

Considering the need to avoid duplicative reporting obligations, and taking into account the forthcoming entry into force of a Regulation on reporting and transparency of SFT, it is proposed that Article 11 be amended to specify that regular updates, after the initial first review, could be shorter than intervals of two years, where new similar reporting requirements imposed by EU law enter into force. In support of this amendment it is similarly proposed that a new recital is introduced specifying that, in cases where the details of a securities financing transaction or a derivative contract have already been reported to a trade repository, and provided that the ECB has effective access to the details of these transactions, the reporting requirements set out in the ECB Regulation concerning statistics on the money markets are considered to have been complied with.

Conclusion

The Commission generally supports the draft regulation in so far as it contributes to the collection of reliable financial market statistics at European level, of high importance to stakeholders which include the Commission itself.

The Commission, however, is of the opinion that the issues mentioned above should be addressed.

Done at Brussels, 14 November 2014.

For the Commission

Marianne THYSSEN

Member of the Commission

⁽¹⁾ OJ L 201, 27.7.2012, p. 1.

II

*(Information)*INFORMATION FROM EUROPEAN UNION INSTITUTIONS, BODIES, OFFICES
AND AGENCIES

EUROPEAN COMMISSION

Inapplicability of the Regulation to a notified operation**(Case M.7253 — Groupe Lagardère/SNCF Participations/JV)****(Text with EEA relevance)**

(2014/C 407/02)

On 25 July 2014, the Commission decided that the notified operation in the above case does not fall within the scope of the application of Council Regulation (EC) No 139/2004 ⁽¹⁾ because it does not constitute a concentration within the meaning of Article 3 of the said Regulation. This decision is based on Article 6(1)(a) of the Regulation. The full text of the decision is available only in French language and will be made public after it is cleared of any business secrets it may contain. It will be available:

- in the merger section of the Competition website of the Commission (<http://ec.europa.eu/competition/mergers/cases/>). This website provides various facilities to help locate individual merger decisions, including company, case number, date and sectoral indexes,
- in electronic form on the EUR-Lex website (<http://eur-lex.europa.eu/homepage.html?locale=en>) under document number 32014M7253. EUR-Lex is the online access to the European law.

⁽¹⁾ OJ L 24, 29.1.2004, p. 1.

IV

(Notices)

NOTICES FROM EUROPEAN UNION INSTITUTIONS, BODIES, OFFICES AND
AGENCIES

EUROPEAN COMMISSION

Euro exchange rates ⁽¹⁾

14 November 2014

(2014/C 407/03)

1 euro =

Currency	Exchange rate	Currency	Exchange rate
USD US dollar	1,2436	CAD Canadian dollar	1,4155
JPY Japanese yen	144,94	HKD Hong Kong dollar	9,6436
DKK Danish krone	7,4434	NZD New Zealand dollar	1,5829
GBP Pound sterling	0,79440	SGD Singapore dollar	1,6158
SEK Swedish krona	9,2376	KRW South Korean won	1 372,11
CHF Swiss franc	1,2015	ZAR South African rand	13,9236
ISK Iceland króna		CNY Chinese yuan renminbi	7,6230
NOK Norwegian krone	8,4530	HRK Croatian kuna	7,6703
BGN Bulgarian lev	1,9558	IDR Indonesian rupiah	15 207,35
CZK Czech koruna	27,653	MYR Malaysian ringgit	4,1769
HUF Hungarian forint	306,12	PHP Philippine peso	56,010
LTL Lithuanian litas	3,4528	RUB Russian rouble	58,8280
PLN Polish zloty	4,2295	THB Thai baht	40,865
RON Romanian leu	4,4275	BRL Brazilian real	3,2610
TRY Turkish lira	2,7905	MXN Mexican peso	16,9441
AUD Australian dollar	1,4336	INR Indian rupee	76,8735

⁽¹⁾ Source: reference exchange rate published by the ECB.

**Opinion of the Advisory Committee on mergers given at its meeting of 22 April 2014 regarding
a draft decision relating to Case M.6905 INEOS/Solvay/JV**

Rapporteur: Estonia

(2014/C 407/04)

1. The Advisory Committee agrees with the Commission that the notified transaction constitutes a concentration within the meaning of Article 3(1)(b) and Article 3(4) of the Merger Regulation.
 2. The Advisory Committee agrees with the Commission that the notified transaction has an EU dimension within the meaning of the Merger Regulation.
 3. The Advisory Committee agrees with the Commission's definitions of the relevant product and geographic markets as stated in the draft decision.
 4. In particular, the Advisory Committee agrees with the Commission that:
 - Commodity S-PVC, including all K-values but excluding HIS-PVC and other co-polymers, constitutes the relevant product market,
 - the geographic scope of the market for Commodity S-PVC is smaller than the whole EEA and as wide as NWE or at best NWE+.
 5. The Advisory Committee agrees with the Commission's assessment that the notified transaction is unlikely to give rise to horizontal effects that would lead to a significant impediment of effective competition in the following affected markets: (i) butadiene, (ii) raffinate1, (iii) chlorine, (iv) caustic soda, (v) VCM, (vi) hydrochloric acid, (vii) E-PVC, (viii) methylene chloride, (ix) chloroform.
 6. The Advisory Committee agrees with the Commission's assessment that the notified transaction is unlikely to give rise to vertical effects that would lead to a significant impediment of effective competition in the following affected markets: (i) propylene and allyl chloride, (ii) chlorine and EDC, (iii) chlorine and chlorine production technologies, (iv) chlorine and electrocoating, (v) salt and caustic soda, (vi) salt and sodium hypochlorite, (vii) chlorine production technologies and caustic soda, (viii) chlorine production technologies and sodium hypochlorite, (ix) electrocoating and caustic soda, (x) electrocoating and sodium hypochlorite, (xi) EDC and EDC/VCM technologies, (xii) EDC and VCM, (xiii) VCM and EDC/VCM technologies, (xiv) EDC catalysts and EDC, (xv) E-PVC and VCM, (xvi) S-PVC and S-PVC technologies, (xvii) S-PVC and PVC additives, (xviii) E-PVC and PVC additives, (xix) S-PVC and S-PVC compounds, (xx) carbon tetrachloride and perchloroethylene, (xxi) carbon tetrachloride and HFC-365mfc.
 7. The Advisory Committee agrees with the Commission's assessment that the notified transaction removes INEOS' most significant competitive constraint in the NWE Commodity S-PVC market and combines the activities of the first and second suppliers, creating an undisputed market leader with market shares or more than 50 % and a significant gap vis-à-vis other S-PVC suppliers.
 8. The Advisory Committee agrees with the Commission's assessment that the notified transaction, as originally proposed by the notifying parties, is likely to give rise to non-coordinated horizontal effects that would significantly impede effective competition on the NWE (or at best NWE+) market for Commodity S-PVC.
 9. The Advisory Committee agrees with the Commission's assessment that the notified transaction, as originally proposed by the notifying parties, is likely to give rise to non-coordinated horizontal effects that would significantly impede effective competition on the Benelux market for sodium hypochlorite.
 10. The Advisory Committee agrees with the Commission that the final commitments offered by the notifying parties on 13 April 2014 address the competition concerns identified by the Commission on the markets for Commodity S-PVC and sodium hypochlorite.
 11. The Advisory Committee agrees with the Commission that, subject to the full compliance with the final commitments offered by the notifying parties on 13 April 2014, the notified transaction is not likely to significantly impede effective competition in the internal market or in a substantial part of it.
 12. The Advisory Committee 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 Articles 2(2) and 8(2) of the Merger Regulation and Article 57 of the EEA Agreement.
-

Final Report of the Hearing Officer ⁽¹⁾**INEOS/Solvay/JV****(M.6905)**

(2014/C 407/05)

1. WRITTEN PROCEDURE

1. On 16 September 2013, the European Commission (the 'Commission') received a notification of a proposed concentration pursuant to Article 4 of the Merger Regulation ⁽²⁾ by which INEOS AG ('INEOS') and Solvay SA ('Solvay'), jointly referred to as the 'Notifying Parties', acquire within the meaning of Article 3(1)(b) and Article 3(4) of the Merger Regulation joint control of a newly established joint venture by way of transfer of assets (the 'Transaction').
2. Based on the results of the Phase I market investigation, the Commission raised serious doubts as to the compatibility of the Transaction with the internal market and adopted a decision to initiate proceedings pursuant to Article 6(1)(c) of the Merger Regulation on 5 November 2013. The Notifying Parties submitted their written comments on the Article 6(1)(c) decision on 22 November 2013.

A. Statement of objections

3. On 21 January 2014, the Commission adopted a statement of objections ('SO'), in which it took the preliminary view that the Transaction would significantly impede effective competition in a substantial part of the internal market within the meaning of Article 2 of the Merger Regulation.
4. The Notifying Parties were given until 5 February 2014 to reply to the SO. Their written response was submitted on that date.

B. Access to the file

5. The Notifying Parties received access to the file throughout the procedure, in particular via CD-ROM on 23 January 2014 and 21 March 2014 as well as via e-mail on 10 April 2014.
6. On 31 January 2014 and 20 March 2014, the Notifying Parties submitted formal requests to the case team for further access to the file pursuant to Article 18(3) of the Merger Regulation, Article 17(1) of the Merger Implementing Regulation ⁽³⁾ and Article 3(7) of Decision 2011/695/EU. The case team dealt with these requests and granted the Notifying Parties further access to the file.

C. Letter of facts

7. On 5 February 2014, the Commission sent a letter of facts ('LoF') to the Notifying Parties informing them of further evidence which the Commission intended to rely upon in the proceedings. The Notifying Parties replied to that LoF on 12 February 2014.

D. Interested third persons

8. In accordance with Article 5 of Decision 2011/695/EU, I admitted one competitor of the Notifying Parties ⁽⁴⁾ and three associations ⁽⁵⁾ representing part of their customer base to the proceedings as interested third persons. I also informed the Notifying Parties of the identities of the interested third persons to be heard.

⁽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) (the 'Merger Regulation').

⁽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) (the 'Merger Implementing Regulation').

⁽⁴⁾ KEM ONE SAS.

⁽⁵⁾ The European Plastic Pipes and Fittings Association ('TEPPFA'), EuPC INPA ('EuPC') representing European plastic converters, as well as European PVC Profiles and Related Building Products Association EPPA ivzw ('EPPA').

2. ORAL PROCEDURE

9. On 10 February 2014, a formal oral hearing took place at the request of the Notifying Parties. The oral hearing was attended by: the Notifying Parties and their legal and economic advisors; EuPC in its capacity of an interested third person⁽¹⁾; the relevant Commission services; and representatives from the competent authorities of six Member States (Belgium, Germany, France, Hungary, Finland and the United Kingdom).
10. Three closed sessions took place during the oral hearing⁽²⁾. The first resulted from a request from the Notifying Parties based on their legitimate interest in the protection of their business secrets and other confidential information. The other two took place in the context of question and answer sessions.

3. PROCEDURE AFTER THE FORMAL ORAL HEARING

A. Remedies

11. On 27 February 2014, the Notifying Parties submitted a first set of commitments pursuant to Article 8(2) of the Merger Regulation which was replaced with a revised set of commitments on 7 March 2014. This new set of commitments was further revised on 10 and 11 March 2014 with the proposal of three alternative packages. On 12 March 2014, the Commission market tested two of the three alternative packages submitted. On 13 April 2014, the Notifying Parties submitted a final set of revised commitments. The Commission concluded that the commitments submitted on 13 April 2014 are suitable to remove the competition concerns identified in relation to the Transaction.

B. Interested third persons

12. Certain trade unions⁽³⁾, in the capacity of representatives of employees based at the Tessenderlo operations of INEOS, requested to be heard in relation to proposed remedies. Pursuant to Article 5 of Decision 2011/695/EU, I admitted those unions — acting in that capacity — to the proceedings as interested third persons. I informed the Notifying Parties accordingly.

C. The draft decision

13. Pursuant to Article 16(1) of Decision 2011/695/EU, I have reviewed the draft decision and conclude that it deals only with objections in respect of which the Notifying Parties have been afforded the opportunity of making known their views.

4. CONCLUSION

14. I conclude that the effective exercise of the procedural rights of all parties has been respected in this case.

Brussels, 29 April 2014.

Joos STRAGIER

⁽¹⁾ The other interested third persons did not request to participate in the oral hearing.

⁽²⁾ See Article 13 of Decision 2011/695/EU.

⁽³⁾ These unions are: (1) ABVV Algemeen Belgisch Vakverbond; (2) ACLVB Liberale Vakbond; (3) ACV bouw — industrie & energie;

(4) BBTB Bond van bedienden, technici en kaderleden; and (5) LBC-NVK vakbond voor bedienden en kaderpersoneel.

SUMMARY OF COMMISSION DECISION**of 8 May 2014****declaring a concentration compatible with the internal market and the functioning of the EEA Agreement****(Case M.6905 — INEOS/Solvay/JV)***(notified under document C(2014) 2984 final)***(Only the English version is authentic)****(Text with EEA relevance)****(2014/C 407/06)**

On 8 May 2014 the Commission adopted a Decision in a merger case under Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings ⁽¹⁾, and in particular Article 8(2) of that Regulation. A non-confidential version of the full Decision, as the case may be in the form of a provisional version, can be found in the authentic language of the case on the website of the Directorate-General for Competition, at the following address: http://ec.europa.eu/comm/competition/index_en.html

I. INTRODUCTION

1. On 16 September 2013, the European Commission ('the Commission') received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 (the 'Merger Regulation') ⁽²⁾ by which INEOS AG ('INEOS', Switzerland) and Solvay SA ('Solvay', Belgium), jointly referred to as the 'Notifying Parties', acquire within the meaning of Article 3(1)(b) and 3(4) of the Merger Regulation joint control of a newly established joint venture ('JV'), by way of transfer of assets ⁽³⁾.

II. THE PARTIES AND THE OPERATION

2. INEOS is the parent of a group of companies which are active in the manufacture of petrochemicals, specialty chemicals and oil products. Its subsidiary, INEOS ChlorVinyls, is a European producer of chlor-alkali products and a supplier of polyvinyl chloride ('PVC').
3. Solvay is the parent of a group of companies which are internationally active in the research, development, production, marketing and sale of chemicals and plastics. SolVin is a European supplier of PVC resins, controlled by Solvay with 75 % (minus one share), the remaining 25 % (plus one share) being held by BASF. Hereinafter, the terms Solvay and SolVin are used to identify the same group entity.
4. On 6 May 2013, the Notifying Parties signed a Letter of Intent ('LoI') with a view to combining their European chlorvinyls activities and related businesses in a JV, where each of them will hold a 50 % stake (the 'Transaction'). The LoI provides exit mechanisms under which INEOS would acquire Solvay's 50 % interest in the JV: the exit arrangements would have to be exercised between three and six years from the joint venture's formation, after which INEOS would be the sole owner of the business. In any event, following the sixth anniversary of the JV, INEOS will become sole owner of the JV. The Transaction was publicly announced on 7 May 2013.
5. The Commission considers that, under the terms of the LoI, the Transaction constitutes a concentration within the meaning of Article 3(1)(b) of the Merger Regulation and that it would amount to a full function JV within the meaning of Article 3(4) of the Merger Regulation.

III. EU DIMENSION

6. The undertakings concerned had a combined aggregate worldwide turnover of more than EUR 5 000 million in 2011. Each of them has an EU-wide turnover in excess of EUR 250 million and they do not achieve more than two-thirds of their aggregate EU-wide turnover within one and the same Member State. The Transaction has therefore an EU dimension.

⁽¹⁾ OJ L 24, 29.1.2004, p. 1.

⁽²⁾ With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('the Treaty') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the Treaty will be used throughout this summary of draft decision.

⁽³⁾ Publication in the *Official Journal of the European Union* No C 273, 21.9.2013, p. 18.

IV. THE PROCEDURE

7. Based on the results of the first phase market investigation, the Commission raised serious doubts as to the compatibility of the Transaction with the internal market and adopted a decision to initiate proceedings pursuant to Article 6(1)(c) of the Merger Regulation on 5 November 2013. The Notifying Parties submitted their written comments to the Article 6(1)(c) decision on 22 November 2013.
8. On 18 November 2013, at the request of the Notifying Parties, the time limit for adopting a final decision in this case was extended by 10 working days.
9. On 21 January 2014, the Commission adopted a Statement of Objections ('SO'). Access to the file was subsequently granted. The Notifying Parties replied to the SO on 5 February 2014.
10. A Letter of Facts was sent to the Notifying Parties on 5 February 2014. The Notifying Parties replied to the Letter of Facts on 12 February 2014.
11. At the request of the Notifying Parties an Oral Hearing took place on 10 February 2014.
12. On 13 February 2014, with the agreement of the Notifying Parties, the Commission extended the time limit for adopting a final decision by 10 working days.
13. On 27 February 2014 ('the Commitments of 27 February 2014'), the Notifying Parties submitted a first set of remedies. These commitments were not subject to market test and were replaced by a revised set of commitments submitted on 7 March 2014, triggering an automatic extension of the time limit for adopting a final decision in this case of an additional 15 working days. These remedies were subsequently modified on 10 and 11 March 2014 (the 'Commitments of 11 March 2014').
14. A market test was launched on 12 March 2014 to assess whether the modified remedies would be suitable to address the competition concerns identified by the Commission.
15. On 13 April 2014 the Notifying Parties submitted a final set of revised commitments, containing further improvements.
16. The Advisory Committee discussed the draft of the Decision on 22 April 2014 and issued a favourable opinion.

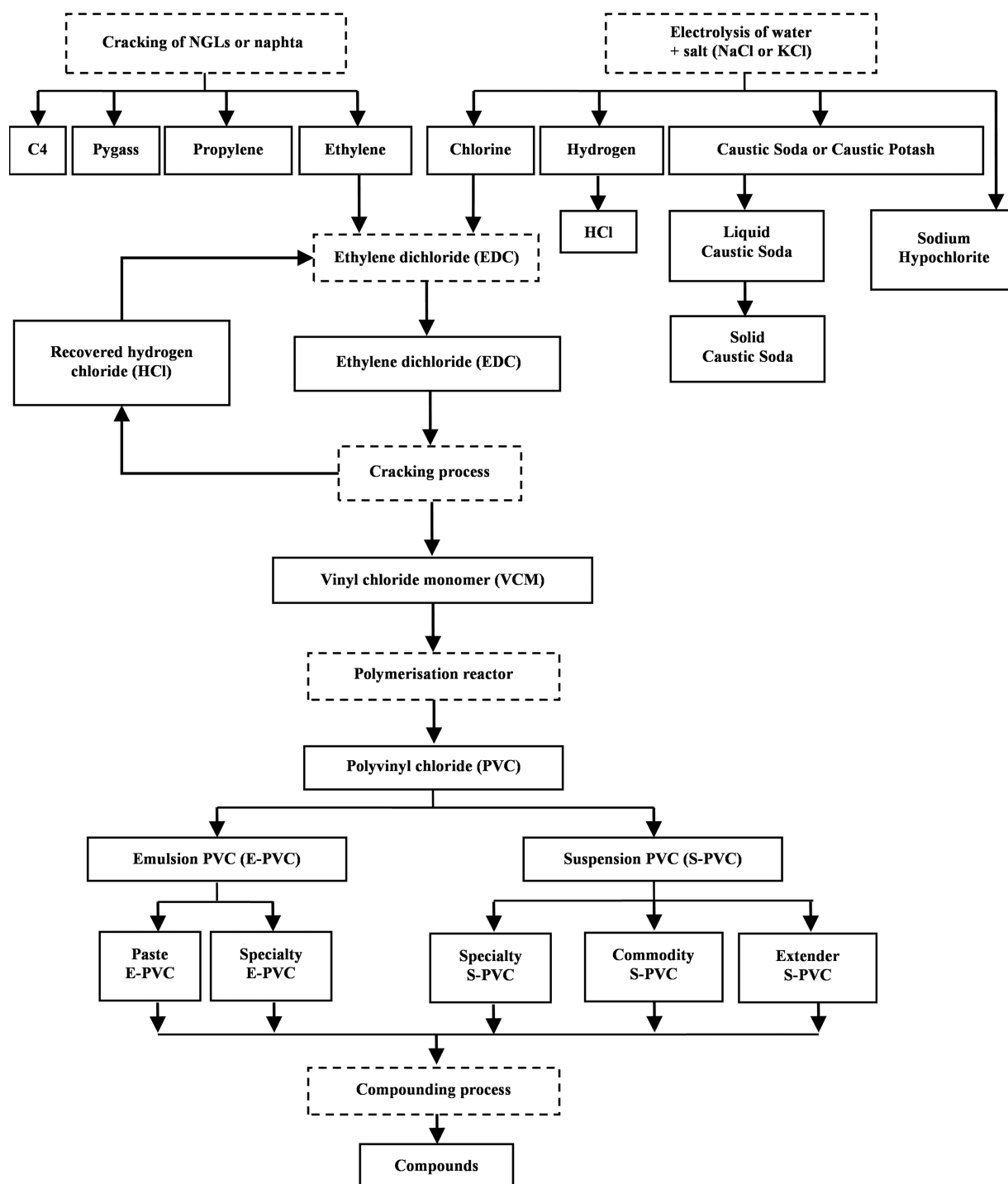
V. ASSESSMENT

17. The case concerns a substantial number of markets in relation with the production of PVC (⁽¹⁾). The production of PVC is an integrated chain of processes, where chlorine and ethylene are key inputs, as described in the figure below.

(¹) PVC is manufactured in several steps involving several intermediate products. Moreover, PVC production is closely tied to that of caustic soda.

Figure 1

Overview of Processes and Intermediate Products Involved in the Production of PVC



Source: Form CO

18. The Transaction gives rise to the following horizontally affected markets: (i) suspension PVC ('S-PVC'), (ii) sodium hypochlorite, (iii) butadiene, (iv) raffinate1, (v) chlorine, (vi) liquid caustic soda, (vii) Vinyl Chloride Monomer ('VCM'), (viii) hydrochloric acid, (ix) emulsion PVC ('E-PVC'), (x) methylene chloride, (xi) chloroform. It also results in horizontal overlaps in ethylene, pygas, propylene, butadiene, ethylene dichloride ('EDC'), and S-PVC compounds.
19. The Transaction also gives rise to a number of vertically affected markets: (i) propylene and allyl chloride, (ii) chlorine and EDC, (iii) chlorine and chlorine production technologies, (iv) chlorine and electrocoating, (v) salt and caustic soda, (vi) salt and sodium hypochlorite, (vii) chlorine production technologies and caustic soda, (viii) chlorine production technologies and sodium hypochlorite, (ix) electrocoating and caustic soda, (x) electrocoating and sodium hypochlorite, (xi) EDC and EDC/VCM technologies, (xii) EDC and VCM, (xiii) VCM and EDC/VCM technologies, (xiv) EDC catalysts and EDC, (xv) E-PVC and VCM, (xvi) S-PVC and S-PVC technologies, (xvii) S-PVC and PVC additives, (xviii) E-PVC and PVC additives, (xix) S-PVC and S-PVC compounds, (xx) carbon tetrachloride and perchloroethylene, (xxi) carbon tetrachloride and HFC-365mfc.
20. The Commission considers that the Transaction gives rise to competition concerns as regards the horizontal overlaps concerning the S-PVC and sodium hypochlorite markets. The Commission has not raised objections as regards the remaining affected markets. Therefore these other markets will not be discussed in this summary ⁽¹⁾.

1. Product market definition

21. S-PVC is used for both rigid (unplasticised) and flexible (plasticised) end-applications. Rigid applications include pipes, moulded fittings, and profiles (i.e. window and door frames). Flexible applications include wire and cable insulation films and sheets. S-PVC has many other applications such as the manufacture of bottles.
22. The Commission concludes that the relevant product market for the assessment of the effects of the Transaction is the overall market for the production and supply of Commodity S-PVC including all K-values, excluding co-polymers in general as well as High Impact S-PVC. Some differentiating factors between the different grades of Commodity S-PVC are, however, taken into consideration — where relevant — for the purpose of the competitive assessment. In addition, because of supply side considerations, in the computation of market shares based on capacity, the Commission takes into account the ability and the incentive of each PVC supplier to redeploy capacity previously used for other types of S-PVC for the production of Commodity S-PVC.
23. Sodium hypochlorite is used in varying strengths for various applications. It is used as a disinfectant and a bleaching agent in household and industrial applications and for water treatment. The majority of sodium hypochlorite production in the EEA is an inevitable by-product in the production of chlorine ('fatal' sodium hypochlorite). When demand exceeds the 'fatal' volume produced as a by-product of the chlorine production process, sodium hypochlorite can also be produced intentionally ('voluntary' sodium hypochlorite.)
24. The Commission considers, in line with its precedents, that sodium hypochlorite constitutes a single product market.

2. Geographic market definition

25. With regard to the market for Commodity S-PVC, the Commission concludes that the geographic scope of the market is regional and narrower than the whole EEA. Qualitative and quantitative evidence in the Commission's file points to North Western Europe ('NWE'), a region encompassing Belgium, Luxembourg, Netherlands, Denmark, France, Germany, Ireland, Sweden, Norway and the United Kingdom, as a stand-alone cluster, where competitive conditions are homogeneous. However, for the purpose of this Decision, it is not necessary to reach a definitive view as to whether this regional market encompasses only NWE or extends to a broader geographic area (the so called 'NWE+' cluster, that is to say NWE plus Austria, Finland, Italy and Switzerland), because the Transaction results in a significant impediment to effective competition under both market delineations.
26. With regard to the market for sodium hypochlorite, taking into account the specificities of the Benelux region and the absence of significant barriers to trade, the Commission concludes that the relevant geographic market for sodium hypochlorite can in this case be considered as regional, encompassing the whole Benelux region.

⁽¹⁾ See Sections 7 and 9 of the Decision.

3. Competitive assessment

27. With regard to Commodity S-PVC, INEOS and Solvay are respectively the largest and the second largest supplier in NWE. In 2012 INEOS' market share based on sales and capacity was [30-40] % whilst Solvay's market share on the same year was of approximately [20-30] %. The Transaction would result, both for NWE and NWE+, in the creation of an undisputed market leader with market shares of [50-60] % under all metrics (sales and capacity).
28. The Commission also found qualitative and quantitative evidence indicating that INEOS' current position in NWE/NWE+ market can allow it to exercise some degree of market power. More precisely, INEOS' currently holds a strong position in the Commodity S-PVC market, which is partially the result of two previous mergers cleared by the Commission on the basis of the information available at that time. The Commission found evidence that the acquisition of Tessenderlo by INEOS resulted in a [0 to 10 %] price increase in NWE.
29. In addition, the Commission found that Solvin is INEOS' most significant competitive constraint and that the remaining Commodity S-PVC suppliers located in NWE and EEA suppliers located outside of this region do not have the incentive, even if taken collectively, of expanding their output sufficiently so as to offset a price increase from the JV. Moreover, imports do not currently play an important role in the market for Commodity S-PVC and are unlikely to increase in the near future to such an extent as to constrain the behaviour of an INEOS/Solvay combined entity post-transaction.
30. Finally, on the basis of an economic analysis carried out during Phase II, the Commission considered that the variable cost efficiencies as claimed by the Notifying Parties do not meet the three cumulative criteria set out in the Horizontal Merger Guidelines ⁽¹⁾.
31. Therefore, the Commission concluded that the Transaction is likely to consolidate the degree of market power held by INEOS and lead to a significant impediment to effective competition through non-coordinated effects resulting in the creation of a dominant player that will be able and is likely to have the incentive to increase prices and reduce output in the Commodity S-PVC market, whether this is defined as encompassing NWE or NWE+.
32. With regard to sodium hypochlorite, the transaction would combine the first and second suppliers in the Benelux region and create a clear market leader with a combined market share of [60-70] %. As a result, any competition between these two important players in the market would cease to exist. Only one significant player would remain, Akzo, with [20-30] %.
33. Consequently, the Commission concluded that the Transaction will lead to a significant impediment to effective competition through the creation of a dominant player that will be able and is likely to have the incentive to impose higher prices and reduce output in the sodium hypochlorite market in the Benelux

4. Conclusion

34. The Article 8 decision, therefore, concludes that the transaction would significantly impede effective competition in the internal market as a result of its horizontal non coordinated effects in the markets for Commodity S-PVC market in NWE/NWE+ and in the sodium hypochlorite market in the Benelux.

VI. COMMITMENTS

1. Description of the Commitments

35. The Commitments finally retained were those submitted by the Parties on 11 March, as revised on 13 April 2014.
36. These Commitments consist of the divestment to a up front purchaser of (i) INEOS' vertically integrated PVC chain comprising the membrane electrolysis cellroom, the EDC/VCM plant and related production assets (including sodium hypochlorite production assets) operated by INEOS at Tessenderlo, Belgium (but excluding the on-site mercury electrolysis cellroom and the associated caustic potash production assets) and INEOS' S-PVC plants in Mazingarbe (France) and Beek Geleen (the Netherlands) (the 'LVM package') and; (ii) INEOS' vertically integrated PVC chain comprising chlorine and EDC assets at Runcorn (United Kingdom) and VCM/S-PVC operations in Wilhelmshaven (Germany) (the 'Wilhelmshaven/Runcorn Package').

⁽¹⁾ The Notifying Parties put forward an economic model for the assessment of the effects of the Transaction which includes the claimed efficiencies. The Commission notes that, even reflecting the Notifying Parties current efficiency claims in the modelling results, the Transaction would still result in price effects of a significant magnitude.

37. These Commitments remove the overlap almost entirely in terms of S-PVC installed capacity. Moreover, the three S-PVC plants offered are very well located in NWE. The inclusion of upstream assets with good access to key inputs is consistent with the results of the market investigation and the market test showing that vertical integration and ethylene supply are key to compete effectively on the Commodity S-PVC market. These Commitments also remove the entire overlap in the Benelux sodium hypochlorite market.
38. Based on the above and taking into account the upfront buyer clause, the Commission concluded that the Commitments submitted on 11 March, as revised on 13 April 2014, were sufficient to remove the competition concerns raised by the Transaction.

VII. CONCLUSION AND PROPOSAL

39. The Article 8(2) decision concludes that, subject to full compliance with the Commitments of 11 March 2014, the Transaction would not significantly impede effective competition in the internal market or in a substantial part of it. Consequently, the Commission declares the Transaction compatible with the internal market and the EEA Agreement, in accordance with Articles 2(2) and Article 8(2) of the Merger Regulation and Article 57 of the EEA Agreement.
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EUROPEAN UNION CIVIL SERVICE TRIBUNAL

Criteria for the assignment of cases to Chambers

(2014/C 407/07)

On 1 October 2014, in accordance with Article 4 of Annex I to the Statute of the Court of Justice and its Rules of Procedure, the Tribunal decided to assign cases, as soon as the application has been lodged, to the First, Second and Third Chambers in turn according to the order in which they are lodged at the Registry and without prejudice to referrals to the full court or to a single judge.

The President of the Tribunal may derogate from the above rules on assignment for reasons of connections between cases and to ensure a balanced and consistent workload within the Tribunal.

EURATOM SUPPLY AGENCY

Publication of the final accounts for the financial year 2013

(2014/C 407/08)

The complete version of the final accounts may be found at the following address:

<http://ec.europa.eu/euratom/accounts.html>

V

(Announcements)

PROCEDURES RELATING TO THE IMPLEMENTATION OF COMPETITION
POLICY

EUROPEAN COMMISSION

Prior notification of a concentration**(Case M.7400 — Federal-Mogul Corporation/TRW Engine Components)****(Text with EEA relevance)**

(2014/C 407/09)

1. On 10 November 2014, the European Commission received a notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 ⁽¹⁾ by which Federal-Mogul Corporation ('FDML', USA) acquires within the meaning of Article 3(1)(b) of the Merger Regulation sole control over the engine valve components business of TRW Automotive Inc. ('TEC', USA), by way of purchase of shares and assets.
2. The business activities of the undertakings concerned are:
 - for FDML: it is an international company which develops, manufactures and sells engine, transmission and driveline components as well as brake friction materials, chassis, sealing and wiper products for automotive, rail and other applications. FDML also distributes, markets and sells brake fluids and hardware (e.g. discs), chassis, sealing and engine components as well as ancillary equipment,
 - for TEC: it is active at worldwide level in the engine components business relating to the designing, developing, simulation, testing, manufacturing and selling of engine valves, valve train components, valve rotators, retainers, tappets and rocker arm assemblies, in each case for the automotive industry or heavy-duty engine applications.
3. On preliminary examination, the European Commission finds that the notified transaction could fall within the scope of the Merger Regulation. However, the final decision on this point is reserved.
4. The European Commission invites interested third parties to submit their possible observations on the proposed operation to the European Commission.

Observations must reach the European Commission not later than 10 days following the date of this publication. Observations can be sent to the European Commission by fax (+32 22964301), by e-mail to COMP-MERGER-REGISTRY@ec.europa.eu or by post, under reference number M.7400 — Federal-Mogul Corporation/TRW Engine Components, to the following address:

European Commission
Directorate-General for Competition
Merger Registry
1049 Bruxelles/Brussel
BELGIQUE/BELGIË

⁽¹⁾ OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation').

