

EN

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Answer given by Executive Vice-President Vestager
on behalf of the European Commission
(16.6.2020)

1. The consequences of the COVID-19 outbreak may require companies to cooperate to ensure the supply and distribution of scarce products to consumers. As announced in a Joint Statement¹, the Commission and the national competition authorities will not actively intervene against necessary and temporary measures put in place to avoid shortages of supply, which are unlikely to restrict competition under Article 101 of the Treaty on the Functioning of the EU (TFEU) or that will generate efficiencies that would most likely outweigh any such restriction. If companies have doubts about the compatibility of such cooperation initiatives with EU/EEA² competition law, they can reach out to the Commission, the European Free Trade Association (EFTA) Surveillance Authority or the national competition authority concerned any time for informal guidance.

Furthermore, as part of a package of measures³ announced on 22 April 2020, the Commission adopted on 30 April 2020 three Implementing Regulations allowing operators in certain sectors (milk, potatoes and flowers) to adopt collective market stabilisation measures to address supply and demand imbalances. These measures are derogations from Article 101 TFEU based on Article 222 of the Common Markets Organisation Regulation⁴, they must strictly aim to stabilise the sectors concerned, without partitioning the internal market.

In March 2020, the Commission adopted a Temporary State aid framework⁵, setting out temporary State aid measures that it considers compatible under Article 107 (3)(b) TFEU, which can be approved very rapidly upon notification by the Member State concerned. Member States can use these possibilities to support the economy, including primary producers of agricultural products, as well as the processing and marketing thereof.

2. Trade Agreements with third countries promote bilateral trade. Safeguard clauses in these Agreements allow for a temporary suspension of the preferences granted, if they have led to an unforeseen and injurious increase of imports. Their aim is not to give preferences to European products in times of crisis. However, the Commission will examine any duly documented complaint in order to assess whether the imposition of any trade defence measures would be justified.

3. On 30 April 2020 and 4 May 2020, the Commission adopted a package of measures to help sectors that have been hit significantly by this public health crisis. For the dairy and meat sectors, the Commission adopted acts granting private storage aid that allow the temporary withdrawal of products to rebalance the market. For wine, fruits and vegetables, olive oil, apiculture and the EU's school scheme, the Commission introduced flexibility in the implementation of market support programmes to allow the reorientation of funding priorities towards crisis management, including withdrawals. Withdrawal prices are set in advance at the appropriate level to serve as a safety net in case of crisis: there is no reason to change them when a particular crisis occurs.

¹ https://ec.europa.eu/competition/ecn/202003_joint-statement_ecn_corona-crisis.pdf

² European Economic Area

³ https://ec.europa.eu/commission/presscorner/detail/fr/IP_20_788

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:02013R1308-20190101>

⁵ Temporary State aid Framework adopted by the Commission on 19 March 2020, C(2020) 1863 final, as latest amended on 8 May 2020, OJ C 164, 13.5.2020, p. 3–15.