European Commission and UEFA consolidate cooperation

In the presence of First Vice-President Frans **Timmermans**, Tibor **Navracsics**, Commissioner responsible for Education, Culture, Youth and Sport, and Aleksander Čeferin, President of UEFA, are signing a new agreement, committing both parties to continue working together on common priorities such as the integrity of sport, good governance, respect for human rights and dignity, non-discrimination, solidarity and gender equality. The cooperation mainly takes the form of joint campaigns and exchanges at expert level – for example to tackle racism and discrimination, and to promote social inclusion of disadvantaged groups through sport. Specific fields of cooperation cover most of the challenges sport faces today, including violence, match-fixing, fair taxation, doping and racism. This second agreement builds on the previous one which ran from 2014 to 2017.

First Vice-President Frans **Timmermans** said: *"I am pleased that the European Commission and UEFA will continue to work together to promote our common values through this sport which means so much to so many Europeans. Football players, men and women, are role models for children and adults across Europe. This great power can be an important ally in the fight against racism and discrimination, and for the promotion of solidarity, sustainability and equality on the pitch and in our daily lives. Football is also a cross-border business, with cross-border threats to its security and integrity which can be tackled in partnership with the European Commission. Together, we are a great team*."

Commissioner for Education, Youth, Culture and Sport, Tibor **Navracsics,** said: *"Football is so much more than a game, a passion or entertainment. Sport in general and football in particular have the power to bring people together, promote social inclusion and the values of solidarity and mutual respect. Football has a central place in the lives of many Europeans, and the new cooperation agreement with UEFA will help us to keep addressing issues such as good governance, sustainability and gender equality for the benefit of European football, but also our societies at large."*

The agreement signed today also specifically highlights the importance of cooperation on UEFA EURO 2020, the European football championships in 2020, which will be the first to be held all over Europe, involving 12 different cities. It will be an opportunity to portray a positive image of Europe and its common values, whilst at the same time celebrating its cultural diversity. The Commission and UEFA agree on the importance of making the EURO 2020 a socially responsible and sustainable event leaving a positive legacy, while at the same time addressing challenges such as ensuring smooth travel across borders, safety and security.

Background

The European Commission and UEFA signed their first cooperation agreement in

October 2014 with the aim of strengthening the positive image of sport, especially football, and to realise its full potential in all areas of economic and social life.

UEFA is a contributor to the European Commission's [European Week of Sport.] UEFA also supports the European Commission's [pledge for good governance] in sport, and has recently introduced reforms in this area.

For more information

[Arrangement for Cooperation]

European Commission: [Sport]

[Antitrust: Commission fines maritime car carriers and car parts suppliers a total of €546 million in three separate cartel settlements]

All companies acknowledged their involvement in the cartels and agreed to settle the cases.

Commissioner Margrethe **Vestager**, in charge of competition policy said:*"The Commission has sanctioned several companies for colluding in the maritime transport of cars and the supply of car parts.The three separate decisions taken today show that we will not tolerate anticompetitive behaviouraffecting European consumers and industries. By raising component prices or transport costs for cars, the cartels ultimately hurt European consumers and adversely impacted the competitiveness of the European automotive sector, which employs around 12 million people in the EU."*

Maritime car carriers

The European Commission found that the Chilean maritime carrier **CSAV,** the Japanese carriers **"K" Line**, **MOL** and **NYK,** and the Norwegian/Swedish carrier **WWL-EUKOR** participated in a cartel concerning intercontinental maritime transport of vehicles, and imposed a total fine of €395 million.

For almost 6 years, from October 2006 to September 2012, the five carriers formed a cartel in the market for deep sea transport of new cars, trucks and other large vehicles such as combine harvesters and tractors, on various routes between Europe and other continents.

The Commission's investigation revealed that, to coordinate anticompetitive behaviour, the carriers' sales managers met at each other's offices, in bars, restaurants or other social gatherings and were in contact over the phone on a regular basis. In particular, they coordinated prices, allocated customers and exchanged commercially sensitive information about elements of the price, such as charges and surcharges added to prices to offset currency or oil prices fluctuations.

The carriers agreed to maintain the status quo in the market and to respect each other's traditional business on certain routes or with certain customers, by quoting artificially high prices or not quoting at all in tenders issued by vehicle manufacturers.

The cartel affected both European car importers and final customers, as imported vehicles were sold within the European Economic Area (EEA), and European vehicle manufacturers, as their vehicles were exported outside the EEA. In 2016, some 3.4 million motor vehicles were imported from non-EU countries, while the EU exported more than 6.3 million vehicles to non-EU countries in 2016. Almost half of these vehicles were transported by the carriers that have been fined today.

The Commission's investigation started with an immunity application submitted by MOL. During its investigation, the Commission cooperated with several competition authorities around the world, including in Australia, Canada, Japan and the US.

Fines

The fines were calculated on the basis of the Commission's 2006 Guidelines on fines (see also MEMO).

In determining the fines, the Commission took into account the sales value on the intercontinental routes to and from the EEA achieved by the cartel participants for the transport services, the serious nature of the infringement, its geographic scope and its duration. The Commission also applied a 20% fine reduction for CSAV, to take into account its lesser involvement in the infringement.

Under the Commission's 2006 Leniency Notice:

- MOL received full immunity for revealing the existence of the cartel, thereby avoiding a fine of ca. €203 million.
- CSAV, "K" Line, NYK and WWL-EUKOR benefited from reductions of their fines for their cooperation with the Commission. The reductions reflect the timing of their cooperation and the extent to which the evidence they provided helped the Commission to prove the existence of the cartel.

In addition, under the Commission's 2008 Settlement Notice, the Commission applied a reduction of 10% to the fines imposed on the companies in view of their acknowledgment of the participation in the cartel and of their liability in this respect.

The breakdown of the fines imposed on each company is as follows:

Company	Reduction under Leniency Notice	Reduction under Settlement Notice	Fine (€)
MOL	100%	10%	0
NYK	20%	10%	141 820 000
“K” LINE	50%	10%	39 100 000
WWL-EUKOR	20%	10%	207 335 000
CSAV	25%	10%	7 033 000

Spark plugs

In a second decision, the Commission has found that **Bosch** (Germany), **Denso** and **NGK** (both Japan) participated in a cartel concerning supplies of spark plugs to car manufacturers in the EEA and imposed a total fine of €76 million.

Spark plugs are automotive electric devices built in petrol engines of cars, delivering high voltage electric sparks to the combustion chamber. Bosch, Denso and NGK’s customers are car manufacturers with production facilities in the EEA.

The cartel lasted from 2000 until 2011 and aimed at avoiding competition by respecting each other’s traditional customers and maintaining the existing status quo in the spark plugs industry in the EEA.

The three companies exchanged commercially sensitive information and in some instances agreed on the prices to be quoted to certain customers, the share of supplies to specific customers and the respect of historical supply rights. This coordination took place through bilateral contacts between Bosch and NGK, and between Denso and NGK.

The Commission’s investigation started with an immunity application submitted by Denso.

Fines

The fines were calculated on the basis of the Commission’s 2006 Guidelines on fines (see also MEMO).

In determining the fines, the Commission took into account the companies’ sales generated in the EEA from the supply of spark plugs to car manufacturers with production facilities in the EEA. The Commission also considered the serious nature of the infringement, its geographic scope and its duration. The Commission also applied a 10% fine reduction for Bosch and Denso, to take into account their lesser involvement in the infringement.

Under the Commission’s 2006 Leniency Notice:

- Denso received full immunity for revealing the existence of the cartel, thereby avoiding a fine of ca. €1 million.
- Bosch and NGK benefited from reductions of their fines for their cooperation with the investigation. The reductions reflect the timing of their cooperation and the extent to which the evidence they provided helped the Commission to prove the existence of the cartel.

In addition, under the Commission's 2008 Settlement Notice, the Commission applied a reduction of 10% to the fines imposed in view of the parties' acknowledgment of their participation in the cartel and of their liability in this respect.

The breakdown of the fines imposed on each company is as follows:

Company	Reduction under Leniency Notice	Reduction under Settlement Notice	Fine (€)
Denso	100%	10%	0
Bosch	28%	10%	45 834 000
NGK	42%	10%	30 265 000

Braking systems

In a third decision, the European Commission found two cartels relating to braking systems. The first concerned the supply of hydraulic braking systems (HBS) and involved **TRW** (USA, now ZF TRW, Germany), **Bosch** (Germany) and **Continental** (Germany). The second cartel concerned the supply of electronic braking systems (EBS) and involved **Bosch** and **Continental**. The Commission imposed a total fine of €75 million.

In both cartels, the three car part suppliers aimed at coordinating their market behaviour by exchanging sensitive information, including on pricing elements. The coordination took place at bilateral meetings and through phone conversations or email exchanges.

The first cartel lasted from February 2007 to March 2011 and related to discussions of general sales conditions of hydraulic braking systems for two customers, Daimler and BMW. The second cartel lasted from September 2010 to July 2011 and related to one specific tender for electronic braking systems for Volkswagen.

The Commission's investigation in this case started with an immunity application by TRW.

Fines

The fines were calculated on the basis of the Commission's 2006 Guidelines on fines (see also MEMO).

In setting the level of fines, the Commission took into account, in particular, the sales value in the EEA achieved by the cartel participants for the products in question, the serious nature of the infringement, its geographic scope and its duration.

Under the Commission's 2006 Leniency Notice:

- TRW received full immunity for revealing the HBS cartel, thereby avoiding a fine of ca. €54 million.
- Continental received immunity for revealing the EBS cartel, thereby

avoiding a fine of ca. €22 million for this cartel.

- Bosch and Continental (for the cartel for which it did not receive immunity) benefited from reductions of their fines for their cooperation with the Commission investigation. The reductions reflect the timing of their cooperation and the extent to which the evidence they provided helped the Commission to prove the existence of the cartels in which they were involved.

In addition, under the Commission's 2008 Settlement Notice, the Commission applied a reduction of 10% to the fines imposed on the companies in view of their acknowledgment of the participation in the cartel and of the liability in this respect.

The breakdown of the fines imposed on each company is as follows:

	Company	**Reduction under Leniency Notice**		**Reduction under Settlement Notice**	**Fine (€)**
		Daimler	BMW		
1	TRW Bosch Continental	100% 35% 20%	100% 35% 100%	10% 10% 10%	0 12 072 000 44 006 000
		VW			
2	Continental Bosch	100% 30%		10% 10%	0 19 348 000

Background

Article 101 of the Treaty on the Functioning of the European Union (TFEU) and Article 53 of the EEA Agreement prohibit cartels and other restrictive business practices.

Today's decisions concerning **spark plugs** and **braking systems** are part of a series of major investigations into cartels in the automotive parts sector. The Commission has already fined suppliers of automotive bearings ,wire harnesses in cars, flexible foam used (inter alia) in car seats, parking heaters in cars and trucks, alternators and starters, air conditioning and engine cooling systems,lighting systems, and occupant safety systems.

More information on these cases will be available under the case number AT.40009 (maritime car carriers), AT.40113 (spark plugs) and AT.39920 (braking systems) in the public case register on the Commission's competition website, once confidentiality issues have been dealt with. For more information on the Commission's action against cartels, see its cartels website.

The settlement procedure

Today's decisions are the 26th, 27th and 28th settlement decisions since the introduction of the settlement procedure for cartels in June 2008 (see press releaseand MEMO). Under a settlement, undertakings that have participated to a cartel acknowledge their participation in the infringement and their liability for it. The settlement procedure is based on the Antitrust Regulation 1/2003and allows the Commission to apply a simplified procedure and thereby reduce the length of the investigation. This is good for consumers and for taxpayers as it reduces costs; good for antitrust enforcement as it frees up resources to tackle other suspected cases; and good for the companies themselves that benefit from quicker decisions and a 10% reduction in fines.

Action for damages

Any person or company affected by anti-competitive behaviour as described in this case may bring the matter before the courts of the Member States and seek damages. The case law of the Court and Council Regulation 1/2003 both confirm that in cases before national courts, a Commission decision constitutes binding proof that the behaviour took place and was illegal. Even though the Commission has fined the cartel participants concerned, damages may be awarded without being reduced on account of the Commission fine.

The Antitrust Damages Directive, which Member States had to transpose into their legal systems by 27 December 2016, makes it easier for victims of anti-competitive practices to obtain damages. More information on antitrust damages actions, including a practical guide on how to quantify antitrust harm, is available here.

Whistleblower tool

The Commission has set up by a tool to make it easier for individuals to alert it about anti-competitive behaviour while maintaining their anonymity. The new tool protects whistleblowers' anonymity through a specifically-designed encrypted messaging system that allows two way communications. The tool is accessible via this link.

The Economic Cost of IPR Infringement in the Tyres and Batteries Sectors

February 21, 2018 About the EUIPO

The Economic Cost of IPR Infringement in the Tyres and Batteries Sectors

The latest report in the quantification of infringement study series, released today by the EUIPO, through the European Observatory on Infringements of Intellectual Property Rights, shows that EUR 2.4 billion is lost each year through counterfeiting in the tyre and battery sectors in the EU.

The findings of this study show that:

- EUR 2.2 billion – corresponding to 7.5 % of all sales in tyres for cars, trucks and two-wheeled vehicles – is lost each year due to counterfeiting across the EU.
- The presence of counterfeit batteries in the EU market costs legitimate industry EUR 180 million each year, which is equivalent to 1.8 % of the sector's sales.
- These lost sales translate into the loss of approximately 8 400 jobs across the sector, as legitimate manufacturers employ fewer people than they would have done in the absence of counterfeiting.
- In terms of lost taxes, the total loss of government revenue as a result of counterfeit tyres and batteries amounts to EUR 340 million.

The full study in English and the Executive Summaries in 23 languages can be found here

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Speech: Liam Fox highlights success of British manufacturing

Good morning.

It is a great pleasure to be here with you all at the EEF Manufacturing Conference.

In the course of my job as Secretary of State for International Trade, I have been invited to address representatives of all of Britain's major industries.

Each has their own innovators, and each of them has a number of world-leading companies, breaking new ground and raising this country's profile overseas.

None of them, though, boasts quite the same concentration of talent, of drive, and of cutting-edge technology as manufacturing.

And few other industries are doing as much to enhance the UK's global reputation.

Since the Department for International Trade was created in July 2016, the ministerial team and I have conducted around 150 overseas visits.

Everywhere we go, the British manufacturing stamp is a kitemark of quality, innovation, and world-leading technological advances.

Our industrial heritage, of course, plays no small part in this.

But all too often we encounter the lazy assertion that 'Britain doesn't make anything anymore'.

How many here today have, like me, gritted their teeth when confronted by such ill informed negativity.

So let's today send out a loud and clear message that British manufacturing is not only alive and well but capable, cutting-edge and confident.

Those of us familiar with the UK’s manufacturing capabilities know that the United Kingdom is one of the largest manufacturing economies in the world, with nearly £270 billion in exports.

It would be nice to see more of this reflected in our media.

Last year saw a particularly robust performance, with manufacturing growing by 2.8%, compared to 1.8% for the economy as a whole.

We’ve had the longest period of consecutive monthly manufacturing growth for 30 years, and order books for British manufacturers are well above their long term trend.

And this in an economy that has record levels of employment and saw the highest FDI in our history in 2017.

The mills and foundries of the last century may have largely disappeared. But in their place has emerged an industry built upon expertise, research and development, fuelled by a world-class education system.

Sheffield, for example, is a city long famed for the quality of its steel.

Now, Sheffield University’s Advanced Manufacturing Research Centre has built Europe’s largest aerospace castings facility, and is producing some of the biggest castings in the world today.

This is just one success story among many. The sheer diversity of businesses represented in the UK is testament to this.

From automotive and aerospace, to energy and engineering, the UK offer is as diverse as it is deep.

The advent of digitalisation, the adoption of automation, and an increasing pressure on companies to create more energy-efficient products is driving a revolution in global manufacturing.

British companies are at its forefront.

The UK composite materials sector, for example, predicts that the UK domestic market will grow 6 times by 2030, to some £12 billion, driven by the need to develop lightweight structures for energy efficiency.

In aerospace, the government has worked in partnership with UK primes and tier 1s to identify new supply chain opportunities for fuel systems and cockpit assemblies.

And last year, the automotive sector manufactured more than 2.7 million engines in the UK.

Car production remains one of the prides of British manufacturing. Last year, around 15% of the total UK r&d spend was generated by automotive companies.

Firms like Nissan, who have announced another £250 million investment in their Sunderland plant, are here because of that access to new technology and industry developments.

It is small wonder that, in 2017, a new car rolled off a British production line every 19 seconds.

The government is keen to further its support for critical, cutting-edge technologies.

We have committed to raising the UK’s r&d spend to 3% of GDP, putting us in the top quartile of OECD countries.

This has been backed with substantial government support.

Many of you will be familiar with the £246 million Faraday Challenge, designed to boost the development of the next generation of battery technology.

We have also committed £100 million of spending for connected and autonomous research and development for the automotive sector.

And, together with the aircraft industry, we have devoted a combined £3.9 billion towards aerospace r&d.

This level of government support is unprecedented. It demonstrates a real and sustained commitment to attract the right investment in the right areas, in line with our Industrial Strategy.

Indeed, manufacturing courses through the Industrial Strategy, whether it’s our ambition for pharmaceutical production in the Life Sciences Sector Deal, or the vision for advanced manufacturing in Juergen Maier’s Industrial Digitalisation review.

So does trade, with the Industrial Strategy keeping us at the forefront of crucial areas of comparative advantage, such as clean growth, artificial intelligence and the automotive industry.

But we shouldn’t be surprised that trade and manufacturing are central to our plan to improve productivity, when manufacturing productivity has been growing up to 3 times faster than the wider economy and the 9% of businesses that export play such a central role in our productivity growth.

Our approach is already paying off. Companies like Airbus, who are jointly investing with the government to create a new research facility in the South West, are continuing to show their confidence in the strength of the United Kingdom.

As the MP for North Somerset, I particularly welcome Airbus’s expansion in the South West. Their new wing-testing centre near Bristol will serve as an innovation space for supply chain companies across the region. It has also cemented the UK aerospace industry as the second-largest in the world.

Investments such as these demonstrate the high esteem in which British manufacturing is held around the world. But as well as attracting inward investment, my department stands ready to ensure that this capability is shared beyond the borders of the UK.

Time and again, research has shown that companies which export their products are more profitable, resilient and productive.

In short, exporting can increase your bottom line, driving up profits which then in turn allows businesses to invest more.

It is a virtuous cycle, which can be kicked off by the right government support.

My department's ultimate aim is to open up the world's fastest-growing markets for UK companies.

Soon, for the first time in more than 4 decades, we will be able to develop a trade policy framework that works, first and foremost, for the UK economy, UK firms, and UK citizens.

Already, we are laying the groundwork for new trading relationships with countries across Africa and Asia.

Many of these economies will be the drivers of global growth in the 21st century. In fact, the IMF projects that 90% of global growth in the next 10 to 15 years is likely to come from outside the EU.

As their people become more affluent, and their domestic industries more mature, demand for British manufacturing expertise will grow exponentially.

We know that the UK is in a unique position to partner these countries, and that our manufacturing firms stand ready to help realise their ambitions.

Already, my department is deploying our extensive overseas network, stretching across 108 countries, to seek opportunities and provide in-market support for UK firms.

This network is being bolstered by 9 HM Trade Commissioners to promote UK industry abroad. I was delighted to recently announce our commissioners for South Asia, China and North America: Crispin Simon, Richard Burn and Antony Phillipson.

These new Commissioners will lead our overseas teams, and will develop a regional trade plan that will set out the priorities to be delivered across export promotion, investment and trade policy. They will have more autonomy to do what works best in their region to improve trade with key markets of the future.

And UK Export Finance is one of the unsung heroes of our economy, working to ensure that no viable manufacturing export fails due to a lack of financing or insurance options, so that once firms do decide to export, there are no unnecessary barriers in their way.

In the last financial year they made £3 billion available to help boost UK exports; at the same time we have seen exports of UK goods increase by over 11%.

And it’s not just for big business. Accessing government-backed export finance is faster and easier for SMEs than ever before.

As of October 2017, small and medium-sized businesses can get UKEF bonds and working capital support for up to £2 million in a matter of seconds directly from their bank, without having to apply separately.

But trade doesn’t just benefit exporters themselves.

Supplying to exporters allows smaller companies to access new markets and benefit from the worldwide demand for UK goods and services while they’re still growing. And the benefits from trade have positive spill-over effects across the supply chain.

Capital is the lifeblood of commerce. If companies can’t get export finance it doesn’t matter where along the supply chain it happens – it still clots. But if finance flows freely the benefits do not just accrue to those actually doing the exporting.

They circulate to their suppliers and throughout the economy, better practices and higher productivity from contact with overseas markets and better returns from selling abroad.

That’s why small UK businesses who are not yet exporting themselves, but sell to other UK companies that do, can now also benefit from UKEF’s trade finance support.

And that’s why in the 2017 Autumn Budget we announced a new supply chain product for exporters, which will help exporters access financing to pay their suppliers.

This allows smaller companies in exporters’ supply chains to receive early payment to support their cash flow, at the same time as giving the exporter time to pay for supplies of goods and raw materials.

UK Export Finance is here today: if you’re considering exporting, they could be the help you need to start selling overseas.

All of these innovations come, of course, at a time when we are seeking a new partnership with the European Union.

I understand that every business here today will be hoping for a glimpse of what this new relationship will look like.

I know that businesses value certainty and stability above all else.

I cannot comment on the negotiations that are still underway. I can, however, tell you that this government opposes erecting barriers to trade where none yet exist, or disrupting the commercial relationships that exist between this country and our continental partners.

I am currently taking the Trade Bill through Parliament, to give you the certainty you need that there will be a functioning trade regime on day one. The implementation period will also provide time to adjust, which manufacturers tell us they need.

Our Trade and Customs Bills will give us the powers we need to transfer the EU's existing trade arrangements with third countries, which will allow us to protect your access to overseas markets.

They will also give us the tools we need to fight back against any unfair subsidies or dumping from abroad.

We are currently consulting on which of the EU's existing trade defence measures we should keep. I want the interests of UK businesses and consumers to be foremost in the government's mind, so I encourage you to contribute your views.

We want to protect the interests of British manufacturing. We want to maintain your access to markets across Europe, and beyond. And we want to ensure that the UK continues to attract the best and brightest talent from across the world.

I am greatly encouraged by new data from UCAS that shows a record number of European students applying to study in the UK's world-leading universities, despite the dire predictions being made.

The UK will always be the finest place in the world to live, study, or do business.

Outside the EU we have now established a series of working groups and high-level dialogues with key trade partners from the USA to Australia and China to explore the best ways to progress our trade relationships for the future.

The efforts of the manufacturing industry have ensured that Britain will remain a world-leading technology hub far into this century.

We are a nation of innovators. And, as government and industry work together, we can build a brighter and more prosperous future, for the UK and the world.

So let's talk up the success of a UK manufacturing sector that is not only investing and exporting, but is a confident and key player in building that more prosperous future.

There is a big world out there – and British manufacturing can lead the charge to ensure that the people of this country can take their rightful place in the global prosperity of the future.

Thank you.