

# Mergers: Commission clears the merger of aerospace equipment suppliers Safran and Zodiac

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *“Both Safran and Zodiac are significant French actors in the aeronautics markets but competition in these markets in Europe will remain strong. We can green light this transaction and the emergence of a strong European player with our EU merger rules.”*

Both Safran and Zodiac are active worldwide in the aerospace equipment industry. The Commission carried out a broad investigation of the markets where the companies are active:

- Both companies supply **aircraft electrical systems**. However, the Commission found no serious competition concerns because the increase in market shares resulting from the transaction is very limited, and the merged entity will continue to face strong competition from other established suppliers.
- On markets on which the merging companies are active at different stages of the supply chain, for example as suppliers of landing gears and wiring systems or related components, the Commission found that **the merged entity would not have the ability and/or incentive to foreclose third parties**, notably because alternative suppliers and customers would in any event remain available.
- On the **combination of the companies’ product portfolios** and any possible detrimental effects on competition by enabling the merged entity to shut out rivals supplying a narrower range of products, the Commission found that the merged entity would not have the ability and/or incentive to exclude competitors by tying or bundling the supply of different systems and equipment.

In view of the above, the Commission therefore concluded that the proposed transaction would raise no competition concerns in any of the markets concerned.

## **Companies and products**

**Safran** of France is active in the aerospace and defence industries worldwide. Safran’s aerospace propulsion business includes the development and manufacture of aircraft engines, helicopter turbine engines and space engines. Safran also supplies other types of aircraft equipment such as landing systems, wheels and brakes, nacelles, electrical systems and wiring systems.

**Zodiac Aerospace** also of France is active in the aerospace industry in the development and manufacture of aircraft equipment such as electrical and wiring systems, on-board systems such as seats and galley inserts, as well as

solutions for space applications. Its product offering includes aircraft seats, cabin interiors and various equipment including safety, electrical, control and water and waste systems.

### **Merger control rules and procedure**

The transaction was notified to the Commission on 16 November 2017.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the [Merger Regulation](#)) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has a total of 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

More information will be available on the Commission's [competition](#) website, in the public [case registry](#) under the case number [M.8425](#).

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## **[Commission proposes to improve transparency and predictability of working conditions](#)**

As part of the follow-up to the European Pillar of Social Rights, the European Commission has adopted today a proposal for a [new Directive for more transparent and predictable working conditions across the EU](#). The Commission's proposal complements and modernises existing obligations to inform each worker of his or her working conditions. In addition, the proposal creates new minimum standards to ensure that all workers, including those on atypical contracts, benefit from more predictability and clarity as regards their working conditions.

Valdis **Dombrovskis**, Vice-President responsible for the Euro and Social Dialogue, Financial Stability, Financial Services and Capital Markets Union said: *"The consultations of social partners confirmed the need for more transparent and predictable working conditions in the EU. This proposal respects the compromise of more secure employment in current and future types of working arrangements, allowing for flexibility, and ensuring a level playing field. This proposal fully respects national social dialogue practises, by allowing social partners to implement the new minimum requirements relating to working conditions through collective agreements."*

Marianne **Thyssen**, Commissioner for Employment, Social Affairs, Skills and Labour Mobility, added: *“With today’s proposal we are taking action to improve transparency and predictability of working conditions. The world of work is changing fast with a growing number of non-standard jobs and contracts. This means that more and more people are at risk of not being covered by basic rights anymore, starting from the right to know the terms under which they work. Increased transparency and predictability will benefit to both workers and businesses.”*

The Commission estimates that 2 to 3 million additional workers on atypical contracts will be covered and protected by the proposal compared to existing legislation. At the same time, the proposal also puts measures in place to avoid administrative burden on employers, for instance by giving them the possibility to provide the requested information electronically. The new rules will also create a level-playing field for companies, so that employers will benefit from fairer competition in the internal market, with fewer loopholes. More transparent and predictable working conditions are also important for a more motivated and productive workforce.

More concretely, the Commission aims to reduce the risk of insufficient protection of workers by:

- Aligning the notion of worker to the case-law of the European Court of Justice. Under current rules, the definitions may vary and certain categories of workers end up being excluded. By using the definition of worker from the case-law of the Court, this Directive would ensure that the same broad categories of workers will be covered.
- Bringing within the scope of the Directive forms of employment that are now often excluded. This includes domestic workers, marginal part-time workers or workers on very short contracts, and extending it to new forms of employment, such as on-demand workers, voucher-based workers and platform workers.
- Ensuring that workers are provided with an updated and extended information package directly at the start of employment from day one, instead of two months following the starting date as is currently the case.
- Creating new minimum rights, such as the right to greater predictability of work for those working mostly with a variable schedule, the possibility to request transition to a more stable form of employment and receive a reply in writing, or the right to mandatory training without deduction from salary.
- Reinforcing the means of enforcement and redress as a last resort to resolve possible disagreements, should dialogue not suffice.

The proposed Directive would need to be adopted by the European Parliament and the Council of the European Union, and be implemented by the Member States, either through legislation or by social partners’ collective agreements. Fully recognising the importance of social dialogue, social partners would be able to modulate the minimum rights proposed by the Directive as long as its overall level of protection is respected.

This initiative is one of the Commission’s actions to implement the [European](#)

[Pillar of Social Rights](#), which was proclaimed at the Social Summit for Fair Jobs and Growth in Gothenburg on 17 November 2017. More specifically, the Directive contributes to implementing Principle 5 on 'Secure and Adaptable Employment' and Principle 7 on 'Information about Employment Conditions and Protection in case of Dismissals'.

## **Background**

The Commission's proposal for a Directive on "Predictable and Transparent Working Conditions" updates and replaces the 1991 [Written Statement Directive \(91/533/EEC\)](#), which gives employees starting a new job the right to be notified in writing of the essential aspects of their employment relationship. After more than 25 years, this Directive does not no longer capture changing labour market realities, in particular the new forms of work that have developed in recent years. Increased labour market flexibility and a growing diversity of forms of work have created new jobs and allowed more people to become professionally active. But it also exposed some gaps in the protection of workers and, in some cases involving vulnerable workers, contributed to new forms of precariousness.

The initiative was announced in April 2017 together with the [European Pillar of Social Rights](#). It is part of the 2018 [Commission Work Programme](#) and followed a two-stage **consultation** of social partners. The social partners did not enter into negotiations to propose their own agreement. Therefore the Commission decided to take action in line with the Treaty on the Functioning of the European Union.

The initiative also responds to the Resolutions of the European Parliament of 19 January 2017 on a European Pillar of the Social Rights, requesting a framework Directive on decent working conditions in all forms of employment, and of 4 July 2017 on working conditions and precarious employment, calling for a revision of the 1991 Directive to take account of new forms of employment.

The European Council of 14-15 December called upon the EU legislator to progress swiftly on pending social files at EU level referring also to the initiatives announced by the Commission in its Work Programme, which includes this Directive.

The proposed Directive was prepared on the basis of a dedicated public consultation and an extensive evaluation of the existing legislation, the results of which are summarised in the impact assessment.

## **Next steps**

In accordance with the ordinary legislative procedure, this proposal will now be examined by the European Parliament and the Council.

## **For more information**

[MEMO: Commission's proposal to increase transparency and predictability of working conditions – Questions and Answers](#)

[News item with links to legal documents on the DG Employment website](#)

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## [Greece: European Investment Bank confirms EUR 70 million loan for ElvalHalcor planned expansion](#)



Signature with EIB-ElvalHalcor

European Investment Bank confirms EUR 70 million loan for ElvalHalcor planned expansion

21/12/2017

EIB

[Greece]

The European Investment Bank (EIB) has agreed to provide EUR 70 million loan to support a planned EUR 150 million investment programme of ElvalHalcor Hellenic Copper and Aluminium Industry S.A in technical and building infrastructure, which will also demand additional operating and working capital funds of more than EUR 50 million in the next 5 years. This loan contract is the first step in implementing this important investment, since ElvalHalcor envisages to attract further international financing. ElvalHalcor is a leading aluminium rolling company worldwide, one of the largest Greek exporters and the only aluminium rolling company in Greece.

The planned investment programme at the Company's plant in Oinofyta in Voiotia, Greece, aims to increase the company's overall production capacity and support the development of new aluminium products and the plant's further modernisation. In addition it will introduce the latest industrial technology, improve energy use and reduce waste.

"New investment by Greek companies is crucial to benefit from new business opportunities, at home and abroad. With this investment, the Company plans to expand production and create new jobs. The European Investment Bank is pleased to provide EUR 70 million to support transformational investment at

the Oinofyta site that will strengthen specialist production of an impressive range of aluminium products. This new loan demonstrates the EIB's strong partnership with Greek business and we look forward to accelerating essential investments with other industry leaders across the country." said Jonathan Taylor, European Investment Bank Vice President.

The finance contract for the EUR 70 million up to 8 years EIB loan was signed in Athens yesterday by Nicholas Jennett, Deputy Director General of the European Investment Bank and Lampros Varouchas, Managing Director of the aluminium rolling division of ElvalHalcor and Dimitris Kyriakopoulos, Executive Vice President of ElvalHalcor.

Over the last decade the European Investment Bank has provided more than EUR 5 billion for business investment across Greece.

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## ["Appalling winter downturn" as almost 50,000 patients languish in ambulances for over 30 minutes](#)

Labour's analysis of the latest weekly winter data (11 December to 17 December) released today by NHS England reveals that in the first month of winter:

- 46,993 patients have been stuck in the back of ambulances for over 30 minutes and 9,775 have had to wait longer than one hour. There has been an 86% rise in the number of delays for over one hour in just the past two weeks as the cold snap has hit.
- Average bed occupancy has risen at an alarming rate. Last week it averaged at 95%- a 0.7% increase since winter began. This is 10% higher than the recommended safe level of 85%.
- There have already been 105 diverts from A&E Departments.

**Jonathan Ashworth MP, Labour's Shadow Health Secretary**, responding to Labour's analysis of the first month of winter, said:

"Patients should be under no illusions: there has been an appalling winter downturn across our NHS over the past month.

"Despite the heroic efforts of our brilliant NHS staff, it's unacceptable that so many patients have been stuck in the back of ambulances for such a long time.

"With vacancies of 100,000 across the NHS, alongside the biggest financial squeeze in its history, patients are paying the price for Theresa May's neglect of the NHS this winter."

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## [John McDonnell responds to Public Sector Finance figures](#)

**John McDonnell MP, Labour's Shadow Chancellor**, commenting on Public Sector Finance figures published today by the ONS, said:

"These figures are further bad news just before Christmas following on from the IMF's gloomy outlook issued yesterday. They only remind us yet again of the broken Tory promises to eliminate the deficit by 2015. The national debt continues to grow despite the tricks the Chancellor attempted in his Budget last month with Housing Association debt to hide his failure on the economy. This continued failure by the Tory Government over these past seven years is simply unacceptable.

"These figures today reaffirm why we need an urgent change of course next year, halting the growing emergency in our public services and ending the failed Tory austerity cuts.

"The next Labour government will set out a serious plan for the public finances with strategic investment underpinned by our Fiscal Credibility Rule, to help build a high-wage, high-skill economy for the many not the few."

Ends