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European Commission

Management Plan 2021

DG COMPETITION

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Contents

INTRODUCTION

EU competition policy and enforcement protects the EU single market, benefits consumers, businesses and society alike. It also projects competition values in the efforts to launch a pathway to recovery from the current health and economic crisis to achieve a greener, more digital and more resilient EU economy, in line with the Commission's broader agenda.

The mission of the Directorate-General for Competition is to enable the Commission to make markets deliver more benefits to consumers, businesses and the society as a whole, by protecting competition on the market and fostering a competition culture in the EU and worldwide. DG Competition does this by enforcing competition rules and through actions aimed at ensuring that regulation takes competition duly into account among other public policy interests. Competition policy is an indispensable element of a functioning internal market ensuring that all companies compete equally and fairly on their merits, thereby making markets more competitive and resilient, while generating higher productivity and growth.

This management plan defines the most important outputs DG Competition will deliver in 2021 to achieve the objectives set out in its strategic plan 2020-2024. The management plan follows the structure of the strategic plan and reflects the priority policy actions identified in the Commission Work Programme for 2021. In 2021, the planned outputs contribute in particular to the Commission headline ambitions "A European Green Deal", "A Europe fit for the digital age" and "An economy that works for people".[1] EU competition policy also strives to shape global economic governance by strengthening international cooperation in competition enforcement and making steps towards increased convergence of competition policy instruments across different jurisdictions.

In 2021, the DG Competition will continue to ensure that EU competition policy[2] is fit for the challenges ahead and enforced rigorously. In particular, DG Competition will continue to advance on its unprecedented policy review agenda encompassing a large number of its key block exemption regulations, guidelines and notices as well as moving forward the work on a number of ongoing initiatives to ensure fair competition in the Single Market, such as the foreign subsidies initiative and the negotiations on the Digital Market Act. DG Competition will continue its engagement with stakeholders to ensure competition rules better support the green transformation, and pursue its work on collective barganining for the self-employed, clarifying when working conditions can be improved with collective agreements in line with EU competition rules. DG Competition will also proactively

1 Ursula von der Leyen, "A Union that strives for more. My agenda for Europe" Political Guidelines for the next European Commission 2019-2024, Opening Statement in the European Parliament Plenary Session, 16 July 2019. See https://ec.europa.eu/commission/sites/beta-political/files/political-guidelines-next-commission_en.pdf.

2 It must be noted that, apart from the initiative of Levelling the playing field as regards foreign subsidies all current Commission policy initiatives in the area of competition policy intend also to achieve simplification and burden reduction (Refit).

contribute to other Commission initiatives building on its general market understanding stemming from competition cases and policy initiatives.

As demonstrated in the midst of the COVID-19 pandemic and during the lockdown in 2020, EU competition policy played a key role in stabilising the economy. The Commission took, and it will continue to take, swift State aid decisions under a Temporary Framework for State aid[3] to help Member States alleviate the economic effects of the COVID-19 pandemic, while limiting negative effects on the internal market. It has been amended four times since its adoption, demonstrating the Commission's ability to adapt its framework to the changing nature of the crisis. The Temporary Framework will be in place until the end of June 2021, except for recapitalisation measures for which the Commission has extended this period until the end of September 2021. Given the developing crisis, the Commission continues to monitor the situation and stands ready to adjust it as necessary, while planning to embark on an exit strategy to pave the way for recovery.

In antitrust, the Commission provided guidance in a Communication[4] and in ad hoc comfort letters to companies, setting out the main criteria the Commission follows when it assesses cooperation projects aimed at addressing shortages of supply of essential products and services during the COVID-19 outbreak such as medicines and medical equipment. The Commission has also engaged with companies, for instance in the automotive sector, providing informal guidance as to what kinds of cooperation were likely to be unproblematic, and identified the necessary safeguards for cooperation to bring benefits without the risk of anticompetitive effects. In the field of agriculture, the Implementing Regulations[5] allowed farmers and recognised Inter-Branch Organisations to take temporary collective actions to stabilise certain sectors.

The European Competition Network also issued a joint statement on the application of the antitrust rules during the COVID-19 crisis. Close cooperation and coordination on COVID-19 related competition issues in the ECN will continue in 2021.

In the area of merger control, a number of measures were taken to ensure business continuity, while ensuring compliance with legal obligations. Despite the pandemic, 361 transactions were notified to the Commission in 2020. DG Competition expects this high level of merger activity to continue also in 2021.

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[3] Temporary Framework to support the economy in the context of the coronavirus outbreak, OJ C 91I, 20.3.2020, p. 1–9. Amendments were adopted on 3 April, 8 May, 29 June and 13 October 2020 extending the scope of the Temporary Framework. First it was extended to cover support to companies that develop, test and manufacture much needed products to fight the coronavirus such as vaccines, medicines, medical devices, disinfectants and protective equipment, as well as wage support and tax deferral schemes (OJ C 112I, 4.4.2020, p. 1-9). Secondly, it was complemented by the types of measures included (OJ C 164, 13.5.2020, p. 3–15). Third, it was extended to enable Member States to provide public support to all micro and small companies, even if they were already in financial difficulty (OJ C 218, 2.7.2020, p. 3–8). Finally it was prolonged for six months until 30 June 2021, and the section to enable recapitalisation support is prolonged for further three months until 30 September 2021 (OJ C 340I , 13.10.2020, p. 1–10).

[4] Temporary Framework for assessing antitrust issues related to business cooperation in response to situations of urgency stemming from the current COVID-19 outbreak, OJ C 116I, 8.4.2020, p. 7–10.

[5] The Implementing Regulations are based on Article 222 in Regulation 1308/2013 on Common Markets Organisations.

In 2021, DG Competition will focus its efforts on supporting the Commission to implement the first pillar of the Next Generation EU, the Recovery and Resilience Facility (RRF)[6] to facilitate a sustainable and resilient recovery supporting the green and digital transition. DG Competition will, together with other Commission services, assist Member States in the preparation of the Recovery and Resilience Plans (RRPs) in compliance with competition rules and in particular with the State aid rules. To that end, DG Competition will continue to provide guidance to the Member States as to how State aid rules will be interpreted and applied in the context of the recovery process, in particular in the form of guiding templates, a set of which were published in December 2020.

The Multiannual Financial Framework 2021-2027 includes, for the first time, a dedicated programme for competition, within the Single Market Programme. The Programme will enable the Commission to directly support competition policy, enhance its enforcement capacity with advanced intelligence and investigative methodologies and strengthen cooperation with European public administrations as well as third-country authorities.

The three Commission headline ambitions, together with the Commission's efforts for a resilient recovery through the RRF, are in most cases mutually reinforcing and are driving simultaneously the various actions taken by DG Competition in antitrust, merger control and State aid areas. In this vein, the various policy and enforcement actions are enumerated below under each of the three headline ambitions on the basis of their most prominent features. The actions in the coming year by DG Competition are thus guided by the main objective of coherence with the twin green and digital transformation of the economy contributing to a resilient recovery in the EU and a well-functioning Single Market.

The year ahead will encompass the continuation of the heavy work streams of the past year and thus be a challenging one for DG Competition, significantly stretching its capacities and resources.

[6] Proposal for a Regulation of the European Parliament and of the Council establishing a Recovery and Resilience Facility COM (2020) 408 final 28.05.2020.

PART 1. Delivering on the Commission's priorities: main outputs for the year

General objective 1: A European Green Deal

All instruments of EU competition policy – antitrust, merger control and State aid – will contribute to the European Green Deal and the plan for a future-ready economy and a climate-neutral EU by 2050. To understand how competition rules and sustainability policies work together, DG Competition has launched a call for contributions[7] from the stakeholders, industry, environmental groups, consumer organisations and competition experts. The ideas and proposals from the stakeholders gathered through the call for contributions will feed into a conference to be held on 4 February 2021.

Updating rules and policy guidance in support of the European Green Deal

In the area of State aid, the Guidelines on State aid for environmental protection and energy (EEAG) enable Member States to support projects for environmental protection (including sustainable energy and measures for climate protection, like decarbonisation measures) and energy generation adequacy in a cost-effective and non-distortive manner. The current rules have been prolonged until end-2021 and evaluated as part of the State aid Fitness Check and will be revised before end-2021.[8] The two main building blocks for the review are the compatibility criteria for environmental protection, as well as an assessment of State aid to energy intensive users.

As part of the Fitness check, the General Block Exemption Regulation (GBER)[9] was also assessed in order to bring it in line with the European Green Deal. The GBER was prolonged until end 2021 and will also be revised at the same time.

Strengthening competition enforcement in support of the European Green Deal

State aid control

In the area of State aid control, the Commission will in 2021 continue assessing and authorise State measures promoting the deployment of renewables, improving energy efficiency, supporting where necessary the rollout of zero/low emission mobility infrastructure, stimulating demand for zero/low emission vehicles for public and private

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[7] Competition Policy supporting the Green Deal, Call for contributions, available at https://ec.europa.eu/competition/information/green_deal/call_for_contributions_en.pdf.

[8] In its Communications on the "European Green Deal" and on the "Sustainable Europe Investment Plan"/"European Green Deal Investment Plan", the Commission committed to revise the EEAG by 2021 to support a cost-effective transition of the economy and industry to climate neutrality by 2050.

[9] Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

transport, and reducing CO2 and other emissions (including decarbonisation measures) or improving circularity. In the area of measures for security of supply, well-designed capacity mechanisms and other adequacy measures in support of liberalised energy markets will facilitate the integration of growing renewables generation into the market.

Likewise, the Commission will continue assessing and authorise State aid in the areas of agriculture, forestry and fisheries with a view to supporting Member States in their effort for example to promote greener production methods in agriculture, to enhance the ecological value of forests, to limit the impact of fishing on the maritime environment, to adapt fishing to the protection of species, etc.

In 2021, the Commission will also continue to pursue its formal investigations, opened in October 2019 and August 2020, into regional aids envisaged by Hungary and Poland in favour of large investment projects by Samsung SDI and LG Chem, extending their existing plants for the production of battery cells for electric vehicles. In view of the strategic importance of battery cell productions for e-mobility, it is essential to ensure that competition in this market is not unduly affected by excessive aid.

The assessment of aid for the closure of coal-fired power plants will also contribute to the Green Deal objectives by reducing CO2 emissions of these highly polluting plants and leaving room for less polluting generation installations, while avoiding overcompensation and limiting undue distortions to competition.

The revised EU Emission Trading System State aid guidelines (ETS)[10] has entered in force on 1 January 2021 and notifications of new schemes are expected in 2021. These guidelines aim at minimising the risk of carbon leakage while reducing the risk of competition distortions and preserving the EU ETS objective to achieve cost-efficient decarbonisation of the economy.

Finally, in the context of the Recovery and Resilience Facility, State aid control will accompany and facilitate the implementation of the green transition[11], assisting Member States in ensuring that expenditure of the national reforms and investments related to green transition are well-designed to reach the green objectives in the most effective and non-distortive way.

Antitrust enforcement

Antitrust enforcement can target not only company behaviour potentially aimed at restricting competition in the development of clean technologies but can also deter conducts aimed at foreclosing access to essential infrastructures or to the free flow of resources that are necessary for the circular economy and the Green Deal's objectives.

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[10] Commission Communication Guidelines on certain State aid measures in the context of the system for greenhouse gas emission allowance trading post-2021 (OJ C 317/04, 25.9.2020).

[11] Target of at least 37% of the expenditure of the national reforms and investments related to green transition.

Specifically, antitrust enforcement ensures that the greening of the EU electricity sector takes place at the lowest cost and in an efficient way by fostering innovation, ensuring competition in the roll-out of clean technologies and tackling foreclosing conducts that may delay investments in greener infrastructures. In the gas sector, enforcement has targeted territorial and export restrictions in supply contracts that may have led to the segmentation of the EU internal market, thereby contributing to the free flow of gas within the EU and securing a safer and cheaper access to a commodity that can be of interest in the transition towards a clean energy mix.

In 2021, the Commission will continue its investigation in the Liquefied Natural Gas (LNG) markets,[12] to assess whether the long-term agreements of Qatar Petroleum, the largest supplier of LNG to the EU, contain territorial restrictions. The Commission will also continue its investigation of ethanol producers suspected of having colluded to manipulate ethanol benchmarks published by the price-reporting agency Platts.[13] The Commission will also continue its investigation against BMW, Daimler and VW (Volkswagen, Audi, and Porsche) for a suspected restriction of competition on emission cleaning technology[14]. Antitrust enforcement action can also play a role in supporting the Green Deal objective of developing a competitive and attractive passenger rail transport sector. For that purpose, the Commission will continue its ongoing investigations.[15]

Merger enforcement

In its merger assessment, the Commission pays attention to protecting competition for the benefit of customers, be they businesses or consumers, as well as to preserve incentives to innovate post-merger. In the context of the European Green Deal, merger control will aim at ensuring that mergers do not create excessive market power, eliminate promising emerging entrants, lead to foreclosure or reduce the incentives to innovate in all areas, including those that are central to the green transition, such as renewables, infrastructure essential for recycling, energy transportation and e-mobility, and other aspects of the circular economy.

In 2021, the Commission expects to continue assessing transactions involving mergers and acquisitions of renewable generation capacity, transport infrastructures for gas and electricity as well as e-mobility assets and services.

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12 Case AT. 40416 *LNG supply to Europe*, Commission decision of 21 June 2018. See: https://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=1_40416.

13 Case AT.40054 *Ethanol benchmarks,* Commission decision of 7 December 2015. See: https://ec.europa.eu/commission/presscorner/detail/en/IP_15_6259.

14 Case AT.40178, Car emissions, Statement of Objections of the Commission of 5 April 2019, https://ec.europa.eu/commission/presscorner/detail/en/IP_19_2008.

15 The Commission will continue its antitrust investigations, including in case AT.40156 Czech Rail case concerning suspected predatory pricing on the Prague-Ostrava passenger railway route, which is the backbone of the Czech rail network.

Supporting major initiatives and objectives forming part of the European Green Deal

Following the Commission's new Hydrogen strategy for a climate-neutral Europe published in July 2020, which aims at an ambitious cross-border deployment of hydrogen technologies and systems, it is expected that in 2021 a range of large investment projects along the hydrogen value chain will be notified to the Commission under the specific Important Project of Common European Interest (IPCEI) instrument. This instrument enables State aid to address market failures for large cross-border integrated projects for hydrogen and fuels derived from hydrogen that significantly contribute to achieve climate goals. They could encompass the scaling up of relevant new technologies for producing clean and especially so called green hydrogen as well as the necessary infrastructure for its transportation/transmission to the user industry.

Following the European Battery Alliance initiative, the Commission expects early in 2021 to approve the second and so far largest IPCEI in terms of participation, as it involves 12 Member States and almost 50 individual projects, in relation to innovative and sustainable battery technologies that will be key for the switch to electric mobility, for energy storage solutions and for recycling.

The Commission will also promote pro-competitive rules and outcomes through inter alia, actions under the Climate Law[16], the EU Emissions Trading System, the Circular Economy Action Plan,[17] the Just Transition Fund[18], the Farm to Fork Strategy[19] and the Strategy for sustainable and smart mobility.[20]

General objective 2: A Europe fit for the digital age

In 2021, EU competition policy actions in the field of antitrust, merger control and State aid control in a wide range of sectors will be guided by the objective of coherence with the digital transformation of the economy and contribution to a resilient recovery in the EU.

[16] Proposal for a Regulation of the European Parliament and of the Council establishing the framework for achieving climate neutrality and amending Regulation (EU) 2018/1999 (European Climate Law) of 4 March 2020,

[17] Commission Communication A New Circular Economy Action Plan for a cleaner and more competitive Europe COM(2020) 98 final 11.03.2020.

[18] Proposal for a Regulation of the European Parliament and of the Council establishing the Just Transition Fund, 14.1.2020 (COM 2020) 22 final.

[19] Communication from the Commission A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system COM(2020) 381 final, 20.05.2020.

[20] Communication from the Commission Strategy for sustainable and smart mobility COM(2020) 789 final 09.12.2020.

Updating rules and policy guidance in support of A Europe fit for the digital age, including tackling systemic competition in the platform economy and beyond

In 2021, the Commission will continue its substantive ongoing review of competition rules to ensure they are fit for the changing market environment, including the accelerating digitalisation of the economy.

Review of antitrust rules and guidance

As a centrepiece of the European digital strategy[21], presented by the Commission in February 2020, the Commission has put forward two Digital Acts aimed at creating a safer digital space for all users where their fundamental rights are protected, as well as a level playing field to allow innovative digital businesses to grow within the Single Market and compete globally. In addition to a Digital Services Act (DSA)[22], the Commission has adopted a proposal for a Regulation for a Digital Markets Act (DMA)[23] with a view to addressing more effectively the problems arising in digital markets, such as the gatekeeper power of large digital platforms. Both Commission proposals are subject to the ordinary legislative procedure and will be discussed in Parliament and Council during 2021 with a view to reaching an agreement on the final texts as swiftly as possible, mobilising important resources.

In 2021, the Commission will continue its analysis of the results of its consultations related to the evaluation of the Notice on the relevant market in competition cases (Market Definition Notice)[24]. The Market Definition Notice provides guidance on the principles and best practices of how the Commission applies the concept of relevant product and geographic market in its enforcement of EU competition law. The main objective of the evaluation is to look rigorously at all aspects of product and geographic market definition in order to provide up-to-date guidance to stakeholders on how relevant antitrust markets should be defined in different sectors. The results of the evaluation will be published in 2021. Depending on the outcome of the evaluation, the Commission may propose a revision of the Market Definition Notice.

In June 2020, the Commission launched a process[25], to assess whether there is a need for measures at EU level to ensure that EU competition law does not stand in the way of collective bargaining for self-employed in need of protection. DG Competition completed an

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[21] Proposal for a Regulation of the European Parliament and of the Council establishing the Just Transition Fund, of 14.01.2020, COM(2020) 22 final 2020/0006 (COD).

[22] Proposal for a Regulation of the European Parliament and of the Council a Single Market For Digital Services (Digital Services Act) and amending Directive 2000/31/EC COM(2020) 825 final 15.12.2020.

[23] Proposal for a Regulation of the European Parliament and of the Council on contestable and fair markets in the digital sector (Digital Markets Act) COM(2020) 842 final 15.12.2020.

[24] The Market Definition Notice provides guidance as to how the Commission applies the concept of relevant product and geographic market in its enforcement of EU competition law. Commission Notice on the definition of relevant market for the purposes of Community competition law, OJ C 372, 9.12.1997, p. 5.

[25] Public consultation on the Digital Services Act (see section V of the consultation, on "Self-employed individuals and platforms"). See press release of 30 June 2020 at https://ec.europa.eu/commission/presscorner/detail/en/IP_20_1237.

initial information gathering process as part of the consultation on the DSA. In parallel, DG Competition engaged closely with stakeholders including platforms and social partners. On 6 January 2021, the Commission published an inception impact assessment[26] setting out the initial options for future actions in order to gather views from the public and relevant stakeholders. A public consultation of envisaged policy options in the impact assessment will take place in the course of 2021.

The Commission will also continue its review of the Vertical Block Exemption Regulation and the accompanying Vertical Guidelines (VBER review)[27] with a view to having revised rules in place before the expiry of the current rules in May 2022.

The Commission will finalise its evaluation of the Research and Development and the Specialisation Block Exemption Regulations and the accompanying Horizontal Cooperation Guidelines (HBERs review), which was launched in 2019.[28] The two block exemptions will expire in December 2022. In 2021, the Commission will publish the results of the evaluation phase with a view to deciding whether the HBERs should be renewed, lapsed or revised.

In 2021, the Commission will publish the results of its evaluation of the Motor Block Exemption Regulation (MVBER)[29]. A public consultation was launched on 12 October 2020 and will run until 25 January 2021. The purpose of the evaluation is to gather facts and evidence on the functioning of the motor vehicle block exemption regime (including the application of Commission Regulation (EU) No 330/2010 to the motor vehicle sector), along with the corresponding Guidelines, notably by verifying the extent to which its objectives are fulfilled.

In 2021, the Commission will start assessing the completeness and conformity of the Member States' transposition measures of the ECN+ Directive[30] with the assistance of an external service provider to be selected following an open call for tenders. Member States must transpose the Directive into national law by 4 February 2021.

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[26] See publication at https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12483-Collective-bargaining-agreements-for-self-employed-scope-of-application-EU-competition-rules.

[27] Commission Regulation (EU) No 330/2010 of 20 April 2010 on the application of Article 101(3) of the Treaty on the Functioning of the European Union to categories of vertical agreements and concerted practices, OJ L 102, 23.4.2010, p. 1. Commission Notice - Guidelines on Vertical Restraints, OJ C 130, 19.05.2010, p. 1.

[28] Commission Regulation No 1217/2010 of 14 December 2010 on the application of Article 101(3) of the Treaty on the functioning of the European Union to categories of research and development agreements, OJ L 335, 18.12.2010, p. 36; Commission Regulation No 1218/2010 of 14 December 2010 on the application of Article 101(3) of the Treaty to categories of specialisation agreements, OJ L 335, 18.12.2010, p. 43. Communication from the Commission - Guidelines on the applicability of Article 101 of the Treaty on the Functioning of the European Union to horizontal co-operation agreements, OJ C11, 14.1.2011, p. 1.

[29] Commission Regulation 461/2010 on the application of Article 101(3) of the Treaty on the Functioning of the European Union to categories of vertical agreements and concerted practices in the motor vehicle sector, OJ L 129, 28.5.2010, p. 52.

[30] Directive (EU) 2019/1 of the European Parliament and of the Council of 11 December 2018 to empower the competition authorities of the Member States to be more effective enforcers and to ensure the proper functioning of the internal market. (the so-called ECN+ Directive).

On 26 June 2020, the Commission published a report[31] on the impact of the Interchange Fees Regulation (IFR) for card-based payment transactions. Given the initial positive impact of the IFR and the need for more time to see the full effects of the Regulation, the report has not been accompanied by a revised legislative proposal. In 2021 the Commission will continue monitoring market developments in this area.

Review of EU merger control rules and guidance

In 2021, the Commission will finalise its evaluation of selected procedural and jurisdictional aspects of EU merger control with the publication of a Staff Working Document summarising its main findings.[32] In line with better regulation requirements, the Commission will explore strengthening the use of Article 22 referrals to capture potentially problematic transactions below the turnover-based thresholds.

Review of State aid control rules and guidance

On 30 October 2020, the Commission published the Commission Staff Working Document summarising the results of the Fitness Check of the State aid rules adopted as part of the State Aid Modernisation package.[33] The Fitness Check concludes that, overall, the State aid control system and rules are fit for purpose. However, individual rules will need some adaptation including clarification, further streamlining and simplification, as well as adjustments to reflect a series of recent legislative developments. To allow sufficient time to incorporate changes, the Commission has prolonged[34] the validity of those State aid rules otherwise expiring by the end of 2020.

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[31] Report on the application of Regulation (EU) 2015/751 on interchange fees for card-based payment transactions, of 29 June 2020 SWD(2020) 118 final.

[32] The evaluation focusses on four topics, namely (i) possible further simplification of EU merger control, (ii) the functioning of the jurisdictional thresholds, (iii) the functioning of the referral system, and (iv) specific technical aspects of the procedural and investigative framework for the assessment of mergers.

[33] The Fitness check covered the following rules, which were adopted as part of the State Aid Modernisation: General Block Exemption Regulation (GBER); De minimis Regulation; Guidelines on regional State aid; Framework for State aid for research and development and innovation (RDI); Communication on important projects of common European interest (IPCEI); Guidelines on State aid to promote risk finance investments; Guidelines on State aid to airports and airlines; Guidelines on State aid for environmental protection and energy; Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty. In addition, it also covered the Railways Guidelines from 2008 and the Short term export credit Communication from 2012. Those rules were not revised as part of the State Aid Modernisation, but an evaluation was relevant in the light of developments in EU law and the Commission's case practice.

[34] On 30 October, 2020, the Commission decided to prolong the validity of the following State aid rules, which are due to expire by the end of 2020:
Prolongation by one year (until end 2021):
- Guidelines on regional State aid for 2014-2020
- Guidelines on State aid to promote risk finance investments
- Guidelines on State aid for environmental protection and energy
- Communication on the execution of important projects of common European interest (IPCEI)
- Communication on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to short-term export-credit insurance (STEC)

Prolongation by three years (until end 2023):
- General Block Exemption Regulation (GBER)
- De minimis Regulation

Therefore, GBER[35], Regional aid Guidelines[36], RDI Framework[37], IPCEI Communication[38], Risk Finance Guidelines and the EEAG will undergo a targeted revision by the end of 2021.

In September 2020, the Commission launched a public consultation of the Broadband Guidelines[39]. The public consultation will end in January 2021. On the basis of the results of the public consultation, case practice and an external report, in the first half of 2021, the Commission will finalise its evaluation and, depending on the results of the evaluation, may propose a revision of the Broadband Guidelines.

The Short-term export credit communication[40], has been temporarily revised to provide for more flexibility in response to the COVID-19 outbreak. Under the revised rules, all commercial and political risks associated with exports to the countries listed in the Annex to the Communication (including all Member States) are considered as temporarily non-marketable until 30 June 2021, in line with the duration of Temporary Framework. In 2021 the Commission will monitor very closely all related developments related to the application of this Communication. In 2021, the Commission will publish the results of its evaluation of the rules for Services of General Economic interest for health and social services. The purpose of the evaluation was to check if the rules on health and social services of general economic interest ('the services') meet their objectives under the 2012 services package.

The Common Agricultural Policy and the Common Fisheries Policy are in the process of being reformed. Both the agricultural and fisheries State aid rules will therefore have to be revised to bring them into line with these EU policies. This concerns the specific State aid Guidelines as well as the specific block exemption Regulations for each of these sectors. Moreover, it concerns the specific de minimis Regulation in the fisheries sector whilst the specific de minimis Regulation in the agricultural sector was already revised in 2019. The Commission will publish the results of its evaluation in agricultural and forestry rules in 2021.

As regards the review of the Notice on the Enforcement of State aid rules by national courts[41], the Commission intends to adopt a new Notice in 2021. This review takes into consideration the results of the study on the enforcement of State aid rules by national

- Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty

35 Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty. See: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32020R0972&from=EN.

36 Guidelines on regional State aid for 2014-2020. The new Guidelines have entered into force on 1 July 2014, Official Journal C 209, 23.07.2013, p.1. See: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52013XC0723(03)&from=EN.

37 Framework for State aid for research and development and innovation, OJ C 198 of 27.06.2014, p. 1.

38 Communication from the Commission — Criteria for the analysis of the compatibility with the internal market of State aid to promote the execution of important projects of common European interest, OJ C 188, 20.6.2014, p. 4–12.

39 State aid: Commission invites comments on State aid rules for the deployment of broadband networks, available at: https://ec.europa.eu/competition/consultations/2020_broadband/index_en.html and https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12398-Evaluation-of-State-Aid-rules-for-broadband-infrastructure-deployment.

41 Commission notice on the enforcement of State aid law by national courts OJ C 85, 9.4.2009, p. 1–22.

courts. Both the Commission and national courts have shared competences in enforcing State aid rules and good cooperation between them is therefore essential. The forthcoming notice will provide useful guidance in that respect.

Strengthening competition enforcement in support of A Europe fit for the digital age

Antitrust enforcement

The Commission will continue to expand its proactive ex-officio strategy to pursue a rigorous cartel and antitrust enforcement in all sectors, including digital ones. The Commission will further develop digital investigation methodologies to detect and prosecute competition infringements and strengthen its cooperation with other national competition enforcers. The Commission will continue to closely and actively monitor relevant market developments to detect companies which take advantage of the health crisis to breach EU antitrust law.

In July 2020, the European Commission launched an antitrust inquiry into the sector of Internet of Things (IoT)[42] for consumer-related products and services in the European Union. The sector inquiry will focus on products and services related to digital voice assistants, smart home devices and wearables, the use of which is steadily growing within the European Union. Knowledge about the functioning of these markets gained through the inquiry will contribute to the Commission's enforcement of competition law in this sector. The Commission expects to publish a preliminary report for consultation in the spring of 2021.

In 2021, the Commission will continue to investigate potential anti-competitive agreements and practices in the e-commerce sector that could be detrimental to the internal market and competition and follow up on concerns about "dual-role" platforms. This includes the on-going investigation to assess whether Amazon's use of sensitive data from independent retailers who sell on its marketplace is in breach of EU competition rules[43], the investigation into Apple’s App Store rules, cases in relation to the way that Facebook and Google obtain and use data in their products and a case relating to Facebook Marketplace.

In the financial sector, in 2021, the Commission will continue its antitrust investigation into Apple's conduct regarding Apple Pay opened in June 2020. The investigation concerns Apple's terms, conditions and other measures for integrating Apple Pay in merchant apps and websites, Apple's limitation of access to the Near Field Communication (NFC) functionality on iPhones for payments in stores, and alleged refusals of access to Apple Pay.

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42 See Commission press release, available at https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1326.

43 Case AT.40462 - *Amazon Marketplace*, Commission decision of 17 July 2019. https://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=1_40462.

Blockchain technology is entering payments at scale. It is the underlying technology for cryptocurrencies, including stablecoins such as Libra. In 2021, the Commission will actively monitor these developments to ensure a level playing field. The Commission will also continue to monitor the different markets for financial market data feeds and the platforms generating, collecting and distributing such (raw or consolidated) feeds.

Data pooling is of increased relevance across sectors in the digital age. Data pools are often desirable as they may enable entry and enhance effective competition. Yet, they could restrict competition if they allow for the sharing of competitively sensitive information or if the conditions of access and participation place undertakings at a competitive disadvantage. In 2021, the Commission will bring forward its investigation in the Insurance Ireland case that investigates the conditions of access to and participation in a data pool in the motor insurance sector.

In line with the objectives of the Commission's new Pharmaceutical Strategy for Europe[44], antitrust enforcement in the pharmaceutical and biotechnology sectors in 2021 will continue to contribute to ensuring consumers' access to effective, innovative and affordable medicines. Regarding excessive pricing, the Commission's will continue its investigation in case *Aspen Pharma* following the market test of the commitments submitted by the company. Aspen committed to a ten-year price commitment for a range of cancer medicines in Europe (except Italy), thereby effectively reducing prices for these medicines on average by 73%. Regarding potentially anticompetitive practices delaying the entry of rival products, the Commission will continue investigating, for instance, the potential market foreclosure of generic or biosimilar versions of medicines.

In the area of retailer buying alliances, the Commission aims to advance its investigation of the business practices of retailers *Casino* and *Les Mousquetaires/Intermarché*.[45] The purpose of the retailer buying alliances is to pass on to consumers (downstream) the better prices obtained from their suppliers (upstream). However, retailers joining forces in buying alliances may not deliver such lower prices if they do not keep competing on downstream markets.

In the aviation industry, the Commission will continue its investigations relating airline ticketing by Amadeus[46] and Sabre[47]. The investigations concern terms in the agreements with airlines and travel agents which may restrict the ability of airlines and travel agents to use alternative suppliers of ticket distribution services.

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[44] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Pharmaceutical Strategy for Europe COM (2020) 761 final 25.11.2020.

[45] Case AT.40466. See: https://ec.europa.eu/commission/presscorner/detail/en/IP_19_6216.

[46] Case 40617 Airline ticket distribution (Amadeus). See: https://ec.europa.eu/competition/antitrust/cases/dec_docs/40617/40617_28_8.pdf.

[47] Case 40618 Airline ticket distribution (Sabre). See: https://ec.europa.eu/competition/antitrust/cases/dec_docs/40618/40618_35_7.pdf.

In the accommodation services sector, the Commission appointed an external contractor to conduct a market study on the distribution of hotel accommodation, covering the period 2017-2021. The study will provide up-to-date facts to serve as the basis for a re-assessment of the competitive situation in the sector.

In the electronic communications sector, in 2021 the Commission will continue its investigation into a mobile network-sharing agreement between the two largest operators in Czechia, O2/CETIN and T-Mobile[48].

In 2021, the Commission also intends to continue its investigation started after the judgments of 28 June 2016 in the Telefonica/Portugal Telecom case, in which the General Court confirmed the unlawfulness of the non-compete clause between Telefónica and Portugal Telecom (currently Pharol) and upheld the Commission's reasoning in its decision of 23 January 2013 but annulled the fines.[49] The General Court's findings as regards the fines remained uncontested in the appeal case resulting in a judgment by the CoJEC's of 13 December 2017, confirming the General Court's conclusions on the substance of the case.

In 2021, in its fight against cartels, the Commission will continue to investigate a range of different forms of cartel behaviour in different sectors. This includes inter alia the Car Emissions case (automotive sector), several cases in the financial sector (e.g. Supra-sovereign, Sovereign and Agency (SSA) bonds and European Government Bonds (EGB) cases) and cases in basic industries (e.g. the Styrene Monomer and Metal Packaging cases).

On-going investigations by the Commission are always without prejudice to the final decision to be taken by the Commission in the case.

Co-operation with the partners in the ECN Network

The Commission and the national competition authorities in all EU Member States cooperate with each other through the European Competition Network (ECN).[50] In 2021, DG Competition will continue to foster, organise and animate multilateral work in the European Competition Network at different levels.

To ensure the coherent application of Articles 101 and 102, national competition authorities inform the Commission and other national competition authorities about a new investigation at the stage of the first formal investigative measure and consult the

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[48] Case AT. 40305 Network sharing – Czechia, Commission decision of 7 August 2019. See: https://ec.europa.eu/competition/elojade/isef/case_details.cfm?proc_code=1_40305. On 7 August 2019, the Commission adopted a Statement of Objections against these operators. The Commission's preliminary view is that the network-sharing arrangement is anti-competitive because it is likely to remove the incentives of the two mobile operators to improve their networks and services, in particular in densely populated areas.

[49] Cases T-208/13, Portugal Telecom SGPS, SA v Commission and T-216/13, Telefónica, SA v Commission, judgments of 28 June 2016, ECLI:EU:T:2016:368 and ECLI:EU:T:2016:369.

[50] Commission Notice on cooperation within the Network of Competition Authorities, OJ C 101, 27.04.2004, p. 43-53 and OJ C 374, 13.10.2016, p. 10. Today around 90% of the enforcement decisions applying the EU competition rules are adopted at national level.

Commission on the decisions they envisage taking. Despite the COVID-19 outbreak, many authorities were able to successfully launch and conclude a high number of new investigations and even conduct inspections. In some cases, to overcome practical difficulties related to the pandemic (i.e. empty offices, sanitary measures, etc.), the authorities adapt their inspection protocols or used other investigative measures.

In March 2020, the European Competition Network issued a joint statement on the application of the antitrust rules during the COVID-19 crisis, sending a public message to companies and consumers that competition authorities would apply competition rules in a coordinated manner during the crisis. Following the joint statement, the Commission and the national competition authorities have worked and will continue to work hand in hand to ensure that the supply of essential goods and services during the pandemic is not disrupted.

The Commission also helps national courts to enforce the EU competition rules, for example by providing case-related information, opinions or by intervening as amicus curiae in cases before national courts. In 2021, with the aim of contributing to an effective and coherent application of EU competition law, DG Competition will continue to support the implementation of training activities for national judges. The training programme will focus on the application EU competition rules including private enforcement before national courts. In addition, DG Competition will continue to support the activities of the Association of European Competition Law Judges (AECLJ).

Merger control

Industry restructuring fosters efficient allocation of production assets. EU merger control strives to allow for a smooth market restructuring by assessing non-harmful mergers in a streamlined manner and ensuring that changes in the market structure which lead to significant impediment to effective competition do not occur.

In 2021, the Commission will remain vigilant in order to ensure that markets are kept open and competitive in the internal market and effectively underpin the Commission's key priorities, even in the current economic circumstances. The Commission has put in place a number of measures to ensure business continuity in this policy area and has continued to ensure the implementation of the EU Merger Regulation. The Commission continues to carry out a large number of EU merger control proceedings and currently does not see indications of the number of proceedings reducing in reaction to the pandemic. At the end of 2020 there were 28 phase I investigations, 7 phase II investigations, 31 litigations and 2 infringement proceedings open.

State aid control

Broadband infrastructure that meets the needs for very high digital speeds, capacities, and quality is key to meeting the EU 2025 connectivity objectives. State aid may contribute to the rollout of performant broadband networks in the EU in addressing market failures, i.e. situations and areas where there is no incentive for commercial operators to provide sufficient broadband coverage. In such cases, the Commission will continue to authorise State aid subject to certain conditions[51].

The COVID-19 outbreak has underlined the need to invest in more and better connectivity in rural and remote areas to bridge the digital divide. It is an EU priority, in line with the EU 2025 objectives and is also reflected in several EU programmes, including the Recovery and Resilience Facility, InvestEU and Connecting Europe Facility 2 (Digital).

In 2021, the Commission will continue its work in the media sector, including news, public service and audio-visual media.[52] Aid to news production, qualified journalism and public service broadcasting constitutes an important means to ensure media pluralism, editorial independence and tendering to the democratic, social and cultural needs of society, which are of fundamental importance to opinion forming in democratic societies, policy-making and economic development of the EU Member States. Similarly, aid to film production remains an important tool to keep the cultural diversity of the EU in the audio-visual sector.

Also in their Recovery and Resilience Plans (RRPs) in the context of the implementation of the Recovery and Resilience Facility (RRF), Member States have to duly consider the State aid framework. The State aid assessment is separate from the approval of the RRF national plan. The investments or reforms contained in the RRPs may entail State aid. In such cases, the measures concerned may fall under the General Block Exemption Regulation (GBER) or under an existing authorized scheme. If they do not benefit from these rules and schemes, they need to be notified to the Commission for approval before implementation.

Following the adoption of the Commission's Decision on the first IPCEI on microelectronics (a key enabling technology) in December 2018, in line with the Commission's new Industrial and Digital strategies for Europe, preliminary discussions for designing a second large cross-border integrated IPCEI in microelectronics have commenced. It is expected that Member States could pre-notify such projects to the Commission under the specific IPCEI instrument in the course of 2021.

Active recovery of incompatible aid and ex-post monitoring of State aid cases are important elements of State aid control.

The Commission will continue the recovery efforts in 2021. With respect to ex-post monitoring, in the monitoring cycle 2020/2021[53], the Commission continues conducting its

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[51] 15.01.2013 EU Guidelines for the application of state aid rules in relation to the rapid deployment of broadband networks, OJ C25, 26.01.2013, p.1. These conditions include the requirement to bring about a so-called step change, i.e. a significant improvement and to ensure full and effective wholesale access to the supported infrastructure, open on a non-discriminatory basis to all access seekers.

[52] Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Europe's Media in the Digital Decade: An Action Plan to Support Recovery and Transformation, 3.12.2020, COM(2020) 784 final, and Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions On the European democracy action plan, 3.12.2020, COM(2020) 790 final.

[53] Due to COVID-19, the *ex-post* monitoring, which usually would have been done in yearly cycles both in 2020 and 2021, has been combined into one cycle covering 2020/2021.

classical monitoring as well as a targeted monitoring[54] and analyses schemes covering 19 Member States.[55] Most schemes concern environmental aid, energy, Research, Development and Innovation (RDI) and regional aid, many falling under the GBER. For the first time, aid granted to agriculture is also monitored.

Promoting a competition culture and international cooperation in the area of competition policy

Establishing a fair business environment

The Commission will finalise an impact assessment report to assess the need and possible design of legislative or other regulatory action to address the distortions caused by foreign subsidies with a view of tabling a legislative proposal on Levelling the playing field for foreign subsidies[56] in the first half of 2021.

Establishing cooperation paths with the United Kingdom

In line with the EU-UK Trade and Cooperation Agreement, the Commission will in 2021 explore the cooperation possibilities with the United Kingdom also in the area of competition policy and enforcement of antitrust, merger control and State aid rules.

Multilateral relations

In 2021, the Commission will continue its endeavours to improve international rules for subsidies. Reforming the subsidy rules is one of the EU's main priorities for the modernisation of WTO trade rules. Moreover, the Commission engages in several international initiatives addressing sectoral issues, for example the G20 Global Forum on steel excess capacity. The Commission will also continue the work with EU Member States in the International Subsidy Policy Group, exchanging views and coordinating initiatives concerning international subsidy policies at multilateral and bilateral level.

In 2021, DG Competition will continue its active engagement in competition-related international fora such as the OECD Competition Committee, the International Competition Network (ICN), and United Nations Conference on Trade and Development (UNCTAD). In particular, DG Competition is co-chairing the ICN Unilateral Conduct Working Group, where it is notably responsible for the multi-annual project on Dominance in the digital era. DG Competition will also continue to contribute to the Cartel Working Group's evaluation of the implementation of existing work products, in particular the recent Guidance on Enhancing

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[54] Under targeted monitoring in 2020/2021, the criterion "undertakings in difficulty" is monitored, i.e. it is verified whether companies received aid while being in financial distress.

[55] Austria, Belgium, Croatia, Czechia, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Latvia, Netherlands, Poland, Portugal, Spain, Slovakia, Sweden and United Kingdom.

[56] See Commission Work Programme 2021, available at https://ec.europa.eu/info/sites/info/files/2021_commission_work_programme_and_annexes_en.pdf https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12621-Trade-investment-addressing-distortions-caused-by-foreign-subsidies.

Cross-border Leniency Cooperation[57]. DG Competition is also an active member in the other ICN Working Groups and participates in the UNCTAD Intergovernmental Group of Experts on Competition Law and Policy.

Bilateral relations

Negotiations on a Comprehensive Investment Agreement with China were concluded with Agreement in Principle on 30 December 2020. The Commission will continue to support the finalisation, ratification and enforcement of the Agreement. The Commission will also continue its close cooperation in competition policy and in cases with China's State Administration for Market Regulation (SAMR). DG Competition's technical cooperation activities with the Japanese, Korean, Indian, Chinese and ASEAN[58] competition authorities will continue in the coming years (2021-2022).[59] Similarly, the Commission will continue its technical cooperation on competition policy and enforcement with the EU's main trading partners with which the Commission has signed Memoranda of Understanding (currently the BRICS countries and Mexico).

As regards the draft Second Generation Cooperation Agreement between the Commission and Canada, DG Competition is in regular contact with the Competition Bureau of Canada to find a solution on data protection in Canada so that it aligns with the standards established by the Opinion of the Court of Justice on the 2014 EU Canada Passenger Name Record Agreement. DG Competition will continue the negotiations with Japan on a Second Generation Agreement with a view to updating the existing cooperation agreement from 2003.

At bilateral level, the Commission aims at including provisions on competition and State aid control when negotiating Free Trade Agreements (FTAs). In 2021, the Commission will continue FTA negotiations with Australia, Azerbaijan, Chile, Indonesia, New Zealand and Uzbekistan. In 2021, the Commission will also be actively engaging with several African national and regional authorities to develop cooperation in the competition field.

The Commission also assists neighbouring countries and negotiations with enlargement candidate countries and potential candidate countries[60] as well as monitors and assists candidate countries' compliance with their commitments under the Stabilisation and Association agreements.

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[57] Other ICN Cartel WG projects include i) "Survey on Trends and Developments in Anti-Cartel Enforcement in the Second Decade of ICN (2011-2020)" by taking stock of DG Competition's most important cartel decisions, including the trends on leniency; (ii) "Crisis Cartels and Horizontal Cooperation in the time of COVID-19"; and (iii) the "Big Data and Cartels Project".

[58] Association of Southeast Asian Nations.

[59] https://competitioncooperation.eu/.

[60] The Commission's main policy objective - in addition to advocating a competition culture - is to help these countries to create legislative frameworks with well-functioning operationally independent competition authorities that build up a solid enforcement record.

Supporting major initiatives and objectives forming part of A Europe fit for the digital age

DG Competition will contribute proactively to several major initiatives and objectives forming part of the Europe fit for the digital age, building on the general market understanding stemming from competition cases and policy initiatives. It will also promote a pro-competitive and digital narrative in the actions, inter alia, under European Data Strategy[61], Digital Services Act[62], Shaping Europe's Digital future Strategy,[63] White Paper on Artificial Intelligence[64], European Cloud Initiative, Communication on a new Industrial Strategy and its update, including the establishment of the Industrial Forum and related work on alliances and industrial ecosystems[65], SME Strategy[66], Single Market Enforcement Barriers Report, and Enforcement Action Plan[67], European network of Broadband Competence Offices[68].

General objective 3: An economy that works for people

The social market economy is a foundation the EU is built upon and EU competition policy underpins it. Individuals and businesses thrive when the economy works for them. Therefore, it is essential to take the necessary measures to support the EU economy to recover from the COVID-19 crisis and facilitate a resilient recovery and successfully implement the measures taken to this effect, i.e. the NextGenerationEU and the Recovery and Resilience Facility.

In 2021, enforcement action by all EU competition policy instruments: antitrust, merger control and, in particular State aid control, will support this headline ambition of the Commission, whether by facilitating and approving growth-enhancing horizontal aid in the common interest or intervening against distortive aid without any countervailing benefits.

Updating rules and policy guidance in support of An Economy that works for people

Throughout 2020 the Commission continued to apply the Temporary Framework[69] in the State aid area to help target support to the economy, while limiting negative effects on the

61 Communication from the Commission A European strategy for data COM(2020) 66 final, 19.02.2020.
62 Commission Work Programme 2020, as amended, 27.05.2020.
63 Commission Communication Shaping Europe's Digital future, 19 February 2020.
64 White Paper on Artificial Intelligence -A European approach to excellence and trust COM(2020) 65 final, 19.02.2020.
65 A new Industrial Strategy for a globally competitive, green and digital Europe COM(2020) 102 final, 10.03.2020.
66 Commission Communication An SME Strategy for a sustainable and digital Europe COM/2020/103 final, 10.3.2020.
67 Commission Communication Long term action plan for better implementation and enforcement of single market rules 10.3.2020 COM(2020) 94 final.
68 For further information see https://ec.europa.eu/digital-single-market/en/broadband-competence-offices.
69 See footnote 3.

internal market caused by the COVID-19 pandemic and will continue to do so in 2021, where necessary.

Moreover, as the EU moves from crisis management to economic recovery, State aid control will also accompany and facilitate the implementation of the Recovery and Resilience Facility (RRF).

In this context, the Commission will in 2021:

- engage with Member States to ensure investment and reform projects supported by the RRF are compatible with State aid rules – unless they are intended to provide direct support to citizens or do not need to be notified since they fall under block exemptions or previously authorised schemes;

- provide guidance to Member States as regards the investment and reform projects contained in their national RRPs, including by updating and reviewing where necessary the State aid guiding templates[70] published in December 2020;

- push ahead with revising key State aid rules by the end of 2021 to accommodate the green and digital transitions.

In 2021, the Commission will also assess in which areas State aid rules, including the GBER, could be further streamlined in view of achieving the recovery objectives. The Commission will assess all State aid notifications received from Member States in the context of the RRF as a matter of priority.

Strengthening competition enforcement in support of An Economy that works for people

State aid control facilitates aid in the common interest

Aid for horizontal objectives in the common interest accounted for the overwhelming majority of all aid. Much of horizontal aid falls under the General Block Exemption Regulation (GBER)[71]. Already now, the GBER allows Member States to implement a wide range of public support measures in areas such as research and development, environmental protection or support to SMEs.

To ensure that national and EU funds can be combined seamlessly under the proposed Multiannual Financial Framework for 2021-2027 without undermining competition in the internal market, the objective is to improve the interplay between EU funding rules and

70 Available at https://ec.europa.eu/competition/state_aid/what_is_new/covid_19.html.

71 Aid for horizontal objectives in the common interest have accounted for the overwhelming majority of all aid, while much of the horizontal aid fell under the GBER. Leaving aside the largest State aid scheme in 2018, the share of GBER in State aid spending (49% and 45.0 billion EUR) was at a comparable level as spending for notified schemes (51% and 46.8 billion EUR) in 2018. Other categories of horizontal aid included research, development and innovation (9%) and regional development (9%).

State aid rules and streamline State aid control of national funds, including EU shared management funds, combined with funds from EU programmes managed centrally by the Commission.

In 2021, the Commission will continue to examine evaluations of the impact of large national aid schemes involving horizontal objectives.

Banking aid necessary to safeguard financial stability, while protecting competition

Before the COVID-19 outbreak, the EU financial sector had, to a large extent, overcome the financial crisis. In 2021, the Commission will continue to assume its role in State aid control in the financial sector.

In this context, the Commission will continue assessing public support in the financial sector either for ailing banks to exit the market or for solvent banks to overcome a temporary liquidity strain or potential capital challenges under adverse scenarios. In the current economic conditions, this control activity continues to play an important role, together with other actors in bank supervision and resolution, to ensure that any potential provision of public support would preserve equality of treatment among Member States and maintain the integrity of the internal market. The Commission will consider a holistic review of the entire banking crisis framework including the relevant State aid rules.

State aid enforcement in the area of taxation: Taking actions against selective tax advantages

The fight against tax evasion and tax avoidance remains high on the Commission's agenda.

Notwithstanding the annulment of two Commission decisions by the General Court in the cases of Starbucks[72] and Apple[73], the General Court confirmed the Commission in all cases the application of important principles, such as the use of State aid rules to assess tax rulings and the application of the arm's length principle in fiscal State aid cases. Therefore, the Commission intends in 2021 to continue its pending formal investigations into the alleged aid granted by the Netherlands to Inter IKEA[74] and by Luxembourg to Huhtamäki.[75] The Commission will also continue its investigations initiated in 2019, namely as regards alleged aid granted by the Netherlands to Nike,[76] and the 39 individual Belgian "excess

[72] Joined Cases T-760/15, T-636/16, Kingdom of the Netherlands and Others v European Commission, ECLI:EU:T:2019:669.

[73] Joined Cases T-778/16, T-892/16, Ireland and Others v European Commission, ECLI:EU:T:2020:338. The Apple case is under appeal, https://ec.europa.eu/commission/presscorner/detail/en/statement_20_1746.

[74] For further information see IP/17/5343 of 18 December 2017 http://europa.eu/rapid/press-release_IP-17-5343_en.htm.

[75] For further information see IP/19/1591 of 7 March 2019, https://ec.europa.eu/commission/presscorner/detail/en/IP_19_1591.

[76] For further information see IP/19/322 of 10 January 2019, https://ec.europa.eu/commission/presscorner/detail/en/IP_19_322.

profit" rulings[77] as well the Starbucks case, which is still pending after the General Court annulled the Commission Decision.[78]

The Commission is also conducting an inquiry into all 27 Member States' ruling practices for the years 2014 to 2018 as well as changes to Member States' national tax legislation.

Beyond the area of aggressive tax planning, DG Competition will remain vigilant ensuring that Member States do not use fiscal tools to unduly favour certain companies/economic sectors or shelter national companies from international competition. For example, after having ensured that ports in the Netherlands, Belgium, France, Spain and Italy are subject to corporate income taxation, DG Competition will continue its investigations in the remaining Member States where ports seem to benefit from corporate tax exemptions or mitigations. In this respect, State aid enforcement needs to go hand in hand with a change in corporate philosophies and the right legislation to address loopholes and ensure fairness and transparency.

The Commission will also continue to provide guidance to Member States and help them design tax measures that comply with State aid rules and limit discrimination and effects on competition to the minimum necessary, as already done for example in the context of COVID-19 related tax measures.

Temporary support of the economy through COVID-19 aid

Since 21 March 2020, the Commission has adopted more than 370 decisions concerning measures by Member States to alleviate the effects of COVID-19 pandemic under Article 107(2)b Article 107(3)b, Article 107(3)c TFEU and under the Temporary Framework. In 2021, it will continue to do so, where necessary.

As the EU is moving from crisis management towards economic recovery and implementation of the Recovery and Resilience Facility (RRF) under the Multiannual Financial Framework 2021-2027, EU competition policy and State aid control in particular will accompany and facilitate the implementation of the RRF.

In 2021, the DG Competition will therefore contribute to the assessment of the Recovery and Resilience Plans (RRPs) by the Member States under the RRF, and, wherever relevant, assess individual State aid notifications on specific projects implementing the RRPs.

As regards, the key priorities and so-called flagship projects, the Commission will, where appropriate, update and review the State aid guiding templates (published in December 2020) in order to help Member States to structure their investment and reform projects in a competition compliant way from the outset, in particular from a State aid perspective.

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77 For further information see IP/19/5578 of 16 September 2019, https://ec.europa.eu/commission/presscorner/detail/en/IP_19_5578.

78 Joined Cases T-760/15, T-636/16, Kingdom of the Netherlands and Others v European Commission, ECLI:EU:T:2019:669.

Supporting major initiatives and objectives forming part of An Economy that works for people

DG Competition will contribute proactively to several major initiatives and objectives forming part of the Europe that works for people, building on the general market understanding stemming from competition cases and policy initiatives. It will also promote a pro-competition, level playing field and digital narrative in inter alia, actions aimed at completing the implementation of the Recovery package in the context of the European Semester, the Capital Markets Union and the Banking Union, actions relating to Anti-Money Laundering, effective taxation[79] DG Competition will work closely with DG FISMA and other institutions, such as the ECB, on the implementation of the Digital Finance Strategy[80], which sets out general lines on how Europe can support the digital transformation of finance in the coming years, while regulating its risks, and of the Retail Payments Strategy[81], which lays down key actions to foster a competitive European payments market.

[79] Communication from the Commission. Action Plan to fight tax evasion and to make taxation simple and easy (Q2 2020) included in the Adjusted Commission Work Programme 2020 COM(2020) 440 final Annex 1 and 2, 27.05.2020.

[80] Communication from the Commission: Digital Finance Strategy for the EU, 24.09.2020, COM(2020) 591 final.

[81] Communication from the Commission: Retail Payments Strategy for the EU, 24.09.2020, COM(2020) 592 final.

PART 2. Modernising the administration: main outputs for the year

This section explains how DG Competition envisages to deliver the planned outputs and results described in the previous section. In particular, robust human resource and information management are traditionally securing the delivery of competition policy objectives. In 2021, the ongoing modernisation of the case management systems and the transition to the competition programme remain high priorities.

The internal control framework[82] supports sound management and decision-making. It notably ensures that risks to the achievement of objectives are taken into account and reduced to acceptable levels through cost-effective controls.

DG Competition has established an internal control system tailored to its particular characteristics and circumstances. The effective functioning of the service's internal control system will be assessed on an ongoing basis throughout the year and be subject to a specific annual assessment covering all internal control principles.

A. Human resource management

DG Competition will elaborate on the main actions for 2021 to improve human resource management. As a priority, DG Competition will ensure that its resources are effectively allocated to the priorities set, especially in view of the new workstream on the Recovery and Resilience Facility (RRF), the assessment of the national Recovery and Resilience Plans (RRPs), the ongoing COVID-19 related enforcement work, as well as the numerous competition policy initiatives. For example, advancement and intensification of the workstream related to third-country subsidies is expected to lead to the need of internal reallocations and new resources.

In 2021, DG Competition will define and implement the local HR strategy, in coordination with the upcoming indications flowing from the corporate HR strategy. DG Competition will also elaborate on the first female appointments to middle management positions and staff engagement index.

DG Competition's HR strategy

DG Competition is currently developing a new HR strategy covering the period 2020-2024. The four pillars of the proposed strategy are inspired by the six-pillar approach of the corporate strategy outline developed by DG HR. From these six pillars, the following four pillars have been identified as the most relevant for DG Competition: "**Talent**", "**Leadership & Management**"; "**Workplace & Wellbeing**" and "**Organisation & Culture**".

[82] Communication C(2017)2373 - Revision of the Internal Control Framework.

As a starting point, the HR strategy will take into account the input staff has given in the context of the sounding board exercise as well as the contribution to the staff survey in 2018. An outline of strategy has been endorsed mid-September 2020. Moreover, a staff survey was launched mid-October 2020 to have staff's views on specific topics to be elaborated further in the strategy with the aim of adopting the HR strategy and its action plan in January 2021.

DG Competition's 10 DOs – the charter for good people management

The compliance with the '*10 DOs for people management*', signed by all senior and middle managers as well as Deputy Heads of Unit in 2018, will be further monitored in 2021 through entry, exit and career development interviews with staff members. Furthermore, following the appointment of a new Director-General and other managers in DG Competition, a new signing ceremony could be envisaged in 2021.

180° feedback development exercise for DG Competition's managers

As an integral part of its staff motivation, engagement, and retention strategy, DG Competition conducted 180° feedback exercises for all senior and middle managers as well as Deputy Heads of Unit. Based on the results of the exercises in terms of areas for further development, follow-up courses focussing on 'managing and dealing with conflicts' and 'coaching and developing others' have been organised. Moreover, regular lunchtime sessions - including on the crucial issue of prevention of psycho-social risks - for managers dedicated to issues of people management have taken place virtually in the course of 2020 and will continue to take place in 2021. In autumn 2021, DG Competition will launch another round of the 180° feedback exercise for senior management.

Staff engagement index

In comparison to the 2016 staff survey, DG Competition staff engagement index increased by 6 pts to 76% which is higher than the Commission staff engagement index of 69%. Moreover, DG Competition ranked on average highly on the vast majority of indicators as compared to the rest of the Commission.

Other initiatives for a better workplace

As regards career development and guidance, in 2021 DG Competition strives to continue securing staff integration through dedicated coaching and mentoring for every newcomer. Furthermore, it will continue to conduct entrance, career development, exit and return interviews.

Moreover, further reflection on alternative career paths (i.e. Senior Experts) and on additional initiatives to retain and attract experienced staff will continue in 2021.

On 19 July 2017, the Commission adopted a Communication on *A better workplace for all: from equal opportunities towards diversity and inclusion*[83]. The Diversity and Inclusion Charter is an integral part of the Communication, setting out the guiding principle for the Commission's HR policies. It also reinforces and formalises the institution's commitment to diversity and inclusion. Also in 2021 and beyond, DG Competition is committed to giving all staff members the same opportunities independent of their background and undertakes to respect the principle of non-discrimination in all its forms and at all stages of human resources management.

On 1 April 2020, the Commission adopted measures to reach gender equality at all levels of management by the end of 2024 (Decision SEC (2020)146). To this effect, the Decision sets quantitative targets of first female appointments to made per Directorate-General and service at middle management. DG Competition should make two first female appointments until 2022 and reach a female representation of 50%. DG Competition's demography and the predominance of women in the lower and middle AD-grades makes the DG confident to be on track to achieve this goal.

Objective: DG Competition employs a competent and engaged workforce and contributes to gender equality at all levels of management to effectively deliver on the Commission's priorities and core business

Main outputs in 2021:

Output	Indicator	Target
Implementation of initiatives aimed at increasing the number of female candidates to middle management position	First female appointments to middle management	DG Competition was assigned a quota of two first female appointments by 2022[84]. Baseline: 20 women out of 44 middle managers (45%) on 1 December 2019
Implementation of the Action Plan in the framework of DG Competition's Smarter Working initiative	Staff engagement index	At least 76% and maintain above Commission average (69% in 2018)
Local fit@work and well-being activities, tailor-made to DG Competition's need	Percentage of staff who feel that the Commission cares about their well-being	At least 59% and maintain above Commission average (55% in 2018)

[83] Communication of 19 July 2017 from the Commission *A better workplace for all: from equal opportunities towards diversity and inclusion,* C(2017)5300 final.

[84] The target will be reviewed for the period 2023-2024 by January 2023.

B. Sound financial management

Since 2021 the Multiannual Financial Framework includes a dedicated programme for competition (Competition Programme), within the Single Market Programme. When adopted, the Competition Programme will enable the Commission to directly support EU competition policy and strengthen enforcement. In addition, DG Competition will have a modest administrative budget that covers administrative costs in support of DG Competition's operations, such as in particular missions, advisory committees and external staff costs.

Both the operational and the administrative budget will be under direct centralised management and procurement will remain as the main spending mode. Therefore, financial management will continue not to be a critical challenge for the DG's operations.

In 2021, DG Competition will focus on ensuring the transition from purely administrative to mainly operational budget, and on implementation of the Competition Programme, so that it maintains legality and regularity of transactions, effective budget execution, and payment times within the contractual limits and that the share of estimated cost of controls does not increase. DG Competition will also ensure that it has in place a monitoring and evaluation system for the Programme. As the Competition Programme is implemented through actions in support of competition policy and enforcement, the evaluation of the programme is inherently linked to the policy and enforcement objectives outlined in the first part of this Management Plan.

Objective: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions

Main outputs in 2021:

Output	**Indicator**	**Target**
Effective controls: Legal and regular transactions	Risk at payment	remains < 2 % of relevant expenditure
	Estimated risk at closure	remains < 2 % of relevant expenditure
Efficient controls	Budget execution and time-to-pay	remains >90% of budget appropriations remains >90% of payments (in value) on time
Economical controls	Overall estimated cost of controls	remains<8% of funds managed

C. Fraud risk management

In 2021, DG Competition will implement its revised Anti-Fraud Strategy through various actions around spending and non-spending activities. Particular attention will be devoted to maintaining a robust ethical culture, and ensuring that staff understands fraud risks and is able to detect and report potential fraud. This will be done through reinforced training and information awareness on ethics, anti-fraud and security matters. Sensitive functions will also be reviewed to ensure that the controls are optional and proportionate to the risks.

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission Anti-Fraud Strategy (CAFS)[85] aimed at the prevention, detection and correction[86] of fraud		
Main outputs in 2021:		
Output	**Indicator**	**Target**
Provide specific guidance for staff on fraud prevention particularly relevant for DG Competition	Guide announced to staff and published on the intranet	[Y]
All newcomers follow ethics training	% of newcomers that attended the corporate or specific DG Competition training on ethics	100%

D. Digital transformation and information management

The section on digital transformation and information management will detail the expected actions for 2021 in accordance with the four clusters defined in DG Competition's Digital Modernisation Plan: case management solutions, digital interactions with external stakeholders, data and artificial intelligence solutions and on premise data access points. The outcomes of these actions will contribute directly to increasing both, the enforcement capacity and the operational efficiency of DG Competition. The aspects of information management, data governance and data protection will also be emphasised.

Document and information management, including data protection

Document and information management is essential to the mission of DG Competition since competition enforcement must be based on factual evidence. Documents are delivered to case handlers in an electronic format in the reference file hosted within the electronic Case Management Information systems.

DG Competition is observing that its data processing operations are in line with the Commission data protection rules (Regulation 2018/1725), Data Protection Action Plan

85 Communication from the Commission 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 176 of 29 April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'.

86 Correction of fraud is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

(C(2018)7432) and DG Competition specific Decision concerning competition files (C(2018)8109).

In 2021, DG Competition will continue to monitor data processing activities in the DG to make sure that they follow the rules. For this purpose, the data protection coordination team will pursue awareness raising actions with DG Competition staff, including information points during management and/or Directorate/unit meetings, inclusion of data protection in the internal training sessions for newcomers or experienced staff, and, where relevant, integration of personal data protection elements in DG Competition manuals of procedure.

Digital transformation

DG Competition considers digital transformation as one of the key priorities for 2021 and works on the implementation of its Digital Solutions Modernisation Plan.

DG Competition's digital transformation needs to remain lean to allow for enough flexibility to scale-up/down projects. In the context of the COVID-19 crisis, the Commission has gone through an accelerated digitisation. In 2021, DG Competition will build on this development and concentrates its efforts on actions to increase enforcement capacity as follows:

Case management modernisation

DG Competition is the Commission's domain leader for modern case management solutions and has developed a common case management platform (CASE@EC) for the Commission and beyond. At DG Competition, CASE@EC will replace progressively the ageing case and document management systems. In the first half of 2021, the full roll-out for all State Aid processes as well as greatly enhanced Horizontal Tasks will be completed as well as interconnections to 13 local and corporate applications. In the second half of 2021, the focus will shift to implementing CASE@EC for all Antitrust/Cartels cases and analyse Merger processes.

It is expected that CASE@EC will empower staff and management in their every-day-work and enable more efficient work via a workflow-driven way of handling cases.

Digital exchanges with Member States' administrations, companies and citizens

To better support and digitise communication and collaboration processes with its external stakeholders, DG Competition continues to improve its ecosystem of digital solutions that enable compliance with, and enforcement of, EU competition rules. In 2021, DG Competition will:

- Improve the State Aid digital solutions (GENIS), the platform to communicate securely with the European Competition network in the context of Antitrust and Mergers proceedings (ECN2) and the digital solution for leniency applications (eLeniency). To increase reusability and support collaboration with Member States, DG Competition will share eLeniency with interested National Competition Authorities;

- Digitise fully submissions in the context of leniency, settlements and cooperation cases (eLeniency), negotiations on confidentiality claims (eConfidentiality) and Requests for Information (eRFI). It is expected that both new systems, eConfidentiality and eRFI, will bring net benefits to Mergers and Antitrust/Cartel case teams by reducing the time spent on interactions with external stakeholders, reduce the error rate and increase the quality of information processing; and,
- Revamp the publication of case data on EUROPA to increase openness towards citizens and other external stakeholders.

Automation of competition enforcement tasks with data analytics/artificial intelligence tools

DG Competition faces an exponential increase in the volume of electronic communications with parties, of electronic evidence, as well as more complex and demanding IT in a data driven world. In order to increase its enforcement capacity, DG Competition needs innovative artificial intelligence-based solutions to serve all instruments and competition policy. In 2021, DG Competition will deliver:

- A data governance in line with corporate principles, gearing at data standardisation; a harmonised description and overview of datasets to foster data interoperability and usability. An initial pilot with State Aid will serve as basis for extending data governance to cover all instruments;
- A basic data space for competition enforcement, making high-value data sets available (i) for operational units to address competition enforcement needs, and (ii) enabling the effective application of innovative new solutions for all instruments. DG Competition's data space will run on a combination of powerful, secure data infrastructure on premise and in the cloud;
- Start revamping eDiscovery (document review solution) with advanced search/filtering functions and classification using machine learning. This will improve the accuracy of the document review processes and reduce the time and resources involved in the process;
- Tailored tools to support large requests for information/public consultations results: reduce time in preparing and getting to use submitted data, better insights of survey results, including complex multi-dimensional insights;
- Maintain and enhance Forensic IT and investigative capabilities to detect and prosecute anticompetitive conduct; and,
- Dashboards to improve the visualisation of complex information for decision-making.

In 2021, DG Competition will analyse sustainable solutions to reform the handling of large case related submissions, oral statements and access to file on-premise processes. The Commission will also start a reflection to assess whether the Commission's investigative measures could be further optimised for a more effective competition enforcement in the digital age. In the meantime, the Commission will continue to digitise its communication with the parties in cases. It will improve its eLeniency tool and launch the eConfidentiality platform designed to streamline the communications in the context of access to file and the publication of decisions.

Objective: DG Competition is using innovative, trusted digital solutions for better competition enforcement, information management and administrative processes to forge a truly digitally transformed, user-focused and data-driven Commission in the competition domain and beyond		
Main outputs in 2021:		
Output	**Indicator**	**Target**
CASE@EC: support for all State Aid processes & advanced features for horizontal projects	Degree of implementation of the digital solutions modernisation plan: case management solutions (CASE@EC)	43,75%
Solutions for confidentiality claims (eConfidentiality) and requests for information (eRFI) Improvements to State Aid solutions, secure exchange platform for Mergers and Antitrust and Leniency statements solution	Degree of implementation of the digital solutions modernisation plan: exchanges with external stakeholders (aggregated)	68,18%
Data tools and support for sector inquiries, Enhanced eDiscovery solutions: advanced search and document review (NLP, machine learning), Dashboards for management, Basic data space for competition enforcement	Degree of implementation of the digital solutions modernisation plan: data analytics/artificial intelligence (aggregated)	37,5%
Data governance for State Aid	Percentage of DG Competition key data assets for which corporate principles for data governance have been implemented	25%
New information systems (going into production in a given year) have a security plan and/or a security risk	Percentage of new information systems (going into production in a given year) having a security plan and/or a security risk assessment	100%

assessment to safeguard information[87]		
All newcomers follow data protection training	Percentage of newcomers attending awareness raising activities on data protection compliance	100%

E. Sound environmental management

In 2021, DG Competition will continue to perform its sound environmental activities in line with the Eco-Management and Audit Scheme (EMAS) of the Commission and contribute to the reduction of the building's energy consumption, CO2 emissions, waste generation, water use and office paper consumption. DG Competition will continue the waste sorting stations pilot project of the Commission and Office for Infrastructure and Logistics in Brussels (OIB), closely cooperating with DG Internal Audit Service (IAS) and the OIB Proximity team. The COMP Green Team will further encourage waste reduction and will promote waste-sorting events and practices in the DG via the internal communication. The COMP Green Team will revise its objectives (in the table below) to align with the expected corporate measures on Greening the Commission, to be adopted in the first quarter of 2021.

Objective: DG Competition takes full account of its environmental impact in all its actions and actively promotes measures to reduce the related day-to-day impact of the administration and its work		
Main results and outputs in 2021:		
Output	**Indicator**	**Target**
Implementation of Corporate level monitoring scheme	Reduction of energy consumption in the building, water use, office paper consumption, CO_2 emissions from building and waste generation	In line with Commission average
Functional DG Competition EMAS Team	Establishing the DG Competition EMAS Team with volunteers and ambassadors in the DG Competition ecosystem	(1) Two meetings per year (2) Defining responsibilities and fields of action of the team members
Promote the EMAS corporate campaigns – Development and implementation of a DG Competition EMAS action plan	(1) Adoption of the DG Competition EMAS plan (2) Implementation of the DG Competition EMAS plan by the DG Competition EMAS volunteers and ambassadors	(1) Adoption of the plan: Mid 2021 (2) Implementation of at least 50% of the defined actions by end 2021
Reduce number of missions	Reduction of number of missions	In line with Commission average,

[87] Contained in IT Risk file. IT Risks and mitigating actions are discussed by the DG Competition governance body for IT (DIT) and documented in the IT Risk Register.

by promoting remote inspections, video conferencing, etc.	compared to 2019.	adjusted to the post-COVID-19 new normal
Reduce office paper consumption	Number of sheets / person / day	-20% compared to 2019
Increase VeloMai participation	1) Number of COMP participants 2) Amount of CO_2 saved	1) 80 2) 1500KG CO_2
Adoption of the Waste Sorting Stations	Info campaign on waste reduction	-30% general waste, compared to 2019

F. Example(s) of initiatives to improve economy and efficiency of financial and non-financial activities

In recent years, the volume of documentation linked to competition cases has been consistently increasing. At the same time, the Commission has to manage its limited human resources smartly, efficiently and flexibly in line with the priorities. In view of also replacing the different legacy case management applications with a common new case management tool CASE@EC, DG Competition will carry out a comprehensive review of the case management processes and working arrangements in its registry. In 2021, the focus will be in the harmonisation of the registry working arrangements across the three competition instrument specific registry teams to function as much as possible as one single registry.

ANNEX I: Performance tables

1. A European Green Deal

General objective: European Green Deal		
***Specific objective 1**: State aid control contributes to environmental protection, renewables and energy savings*		*Related to spending programme: Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics*
Initiatives linked to regulatory simplification and burden reduction		
Output	**Indicator**	**Target**
The Guidelines on State aid for environmental protection and energy (EEAG) [88]	Adoption	Q4 2021
Revision of the State Aid General Block Exemption Regulation (GBER) in light of the Green Deal	Adoption	Q4 2021
Enforcement actions		
Output	**Indicator**	**Target**
State aid expenditure to environmental protection, renewables and energy savings	Total State aid expenditure for environmental protection, renewables and energy savings as a percentage of total State aid in the EU	Increasing trend

2. A Europe fit for the digital age

General objective: A Europe fit for a digital age		
***Specific objective 2.1**: Updated rules and policy guidance in support of A Europe fit for the digital age, including tackling systemic competition in the platform economy and beyond*		*Related to spending programme: See above in 1.1*
New policy initiatives		
Output	**Indicator**	**Target**
Levelling the playing field (follow-up to the White Paper on foreign	Adoption of Commission Proposal	Q2 2021

[88] The icon indicates that the policy initiative or Refit item is included in the Commission Work Programme.

subsidies)		
Initiatives linked to regulatory simplification and burden reduction		
Output	**Indicator**	**Target**
Revision of Regional Aid Guidelines	Adoption	Q1 2021
Revision of the State Aid General Block Exemption Regulation (GBER) in light of the Green Deal	Adoption	Q4 2021
Revision of the Risk Finance Guidelines	Adoption	Q4 2021
Revision of the Communication on Important Projects of Common European Interest	Adoption	Q4 2021
Revision of the Research, Development and Innovation State aid Framework	Adoption	Q4 2021
Revision of the Guidelines on State aid for the fishery and aquaculture sector, Block Exemption Regulation (FIBER) and Regulation on de minimis	Public consultation	Q4 2021
Revision of the Vertical Vertical Block Exemption Regulation and the accompanying Vertical Guidelines (VBER review)	Public consultation	Q1 2021
Evaluations and fitness checks		
Output	**Indicator**	**Target**
Sector inquiry on IOT	Publication of Preliminary report	Q2 2021
Evaluation of procedural and jurisdictional aspects of merger control	Publication of the evaluation results	Q1 2021
Evaluation of the Guidelines on State aid to the Agricultural and Forestry Sectors and in Rural Areas and Agricultural Block Exemption Regulation (ABER)	Publication of evaluation results	Q1 2021
Evaluation of the Horizontal Cooperation (HBERs review)	Publication of evaluation results	Q4 2021
Evaluation of State aid rules for	Publication of the evaluation	Q2 2021

broadband infrastructure deployment	results	
Evaluation of State aid rules for health and social services of general economic interest	Publication of the evaluation results	Q3 2021
Evaluation of the Commission Notice on market definition in EU competition law	Publication of the evaluation results	Q3 2021
Evaluation of the Motor Block Exemption Regulation (MVBER)	Publication of the evaluation results	Q3 2021
Specific objective 2.2: *State aid State aid control contributes to high performant broadband network*		*Related to spending programme: See above in 1.1*
Enforcement actions		
Output	**Indicator**	**Target**
Commission decisions authorising State aid for broadband measures	Number of the Commission decisions per year	Increasing trend
Specific objective 2.3: *Strengthening competition enforcement in support of A Europe fit for the digital age*		*Related to spending programme: See above in 1.1*
Enforcement actions		
Output	**Indicator**	**Target**
Enforcement of antitrust rules	Number of the Commission decisions per year (intervention rate) [89]	No target
Effective support to NCAs on individual cases with a view to ensure coherent and effective application of Articles 101 and 102 TFEU	Number of envisaged enforcement decisions and similar case consultations in the European Competition Network (ECN)	No target
	Implementation rate of comments on envisaged decisions received from the NCAs pursuant to article 11.4 of Regulation (EC) No 1/2003.	No target
	Time to reply to NCAs pursuant to article 11.4 of Regulation (EC) No 1/2003	Within 30 days or as otherwise agreed with the NCAs
Enforcement of EU merger control	Number of the Commission decisions per year	No target

[89] Intervention rate consists of antitrust interventions (decisions) by the Commission. In 2019, 15 interventions by the Commission included 10 antitrust decisions (3 commitment decisions, 4 cooperation decisions, 3 prohibition decisions and 1 procedural decision), 5 cartel prohibition decisions (4 settlement decisions and 1 prohibition decision).

	Number of the Commission decisions adopted in a simplified procedure per year	No target
	Intervention rate[90]	No target
	Ratio of the Commission merger decisions adopted in a simplified procedure	Stable trend
Enforcement of EU State aid control	Number of opening decisions per year	No target
	Adoption of Commission decisions in the field of State aid in accordance with EU State aid rules	No target
Monitoring of schemes in the field of State aid (2020-2021)	Number of aid schemes subject to ex-post monitoring	Around 50
Prevention and recovery of incompatible aid	Adoption of recovery decisions in the field of State aid in accordance with EU State aid rules	No target

3. An Economy that works for people

General objective: An Economy that works for people		
***Specific objective 3.1**: State aid control facilitates aid in the common interest*		*Related to spending programme: See above in 1.1*
Enforcement actions		
Output	**Indicator**	**Target**
State aid falling under the GBER	State aid scoreboard value	Increasing trend
***Specific objective 3.2**: Banking aid necessary to safeguard financial stability, while protecting competition*		*Related to spending programme: See above in 1.1*
Enforcement actions		
Output	**Indicator**	**Target**
State aid enforcement in the financial sector	Number of Commission decisions adopted	No target

[90] Intervention rate indicator includes the Commission's prohibition decisions and mergers approved subject to commitments, as well as withdrawals during second phase investigation (in-depth investigation by the Commission).mission).

***Specific objective 3.3**: Temporary support of the economy through COVID-19 aid*		*Related to spending programme: See above in 1.1*
Initiatives linked to regulatory simplification and burden reduction		
Output	**Indicator**	**Target**
RRF Guiding Templates to Member States relating to State aid	Review and update of the 11 templates	Q2 2021
Enforcement actions		
Output	**Indicator**	**Target**
Commission decisions adopted based on the State aid Temporary Framework to support the economy in the context of the COVID-19 outbreak, based on Article 107(3)(b) of the Treaty on the Functioning of the European Union	Number of Commission decisions adopted per year in 2020 and 2021	No target
Commission guidance provided to the market participants in the field of antitrust in the context of the COVID-19 outbreak	Number of comfort letters adopted per year in 2020 and 2021	No target
Amount of COVID-19 aid	Aid granted under the Temporary Framework (Article 107(3)(b)) and Article 107(2)(b)	Decreasing (2021)

ANNEX II: Digital Transformation indicators calculation

1. Calculation for Case management solutions (CASE@EC)

ID	Principle	Baseline 2019	2021	Interim milestone 2022	Target 2024
5.3	Agile	0	0	1	1
5.2	Data driven	0	1	1	2
5.1	User centric	1	1	2	2
4.2	Cross border	N/A	N/A	N/A	N/A
4.1	Interoperability	0	1	2	2
3.2	Transparency	N/A	N/A	N/A	N/A
3.1	Openness	N/A	N/A	N/A	N/A
2.2	Privacy	1	1	2	2
2.1	Security	1	1	2	2
1.2	Once only	0	1	2	2
1.1	Digital by default	0	1	2	2
	Average	**18,75%**	**43,75%**	**87,5%**	**95%**

2. Calculation for Digital interactions with external stakeholders

ID	Principle	Baseline 2019	2021	Interim milestone 2022	Target 2024
5.3	Agile	1	1	1	2
5.2	Data driven	1	1	1	2
5.1	User centric	1	2	2	2
4.2	Cross border	1	1	1	2
4.1	Interoperability	1	1	2	2
3.2	Transparency	1	1	1	2
3.1	Openness	1	1	1	2
2.2	Privacy	1	1	2	2

ID	Principle	Baseline 2019	2021	Interim milestone 2022	Target 2024
2.1	Security	1	1	2	2
1.2	Once only	1	1	1	2
1.1	Digital by default	1	2	2	2
	Average	**50%**	**68,18%**	**73%**	**100%**

3. Calculation for data and artificial intelligence for competition enforcement

ID	Principle	Baseline 2019	2021	Interim milestone 2022	Target 2024
5.3	Agile	0	1	1	2
5.2	Data driven	1	1	1	2
5.1	User centric	0	1	1	2
4.2	Cross border	N/A	N/A	N/A	N/A
4.1	Interoperability	0	0	1	2
3.2	Transparency	N/A	N/A	N/A	N/A
3.1	Openness	N/A	N/A	N/A	N/A
2.2	Privacy	1	1	2	2
2.1	Security	1	1	2	2
1.2	Once only	0	0	1	2
1.1	Digital by default	0	0	1	2
	Average	**18,75**	**37,5%**	**62,5%**	**100%**