

## Foreword to the Annual Competition Report 2023

by Margrethe Vestager, Executive Vice-President and Commissioner for Competition

When we take stock of all that has happened in 2023, it is hard to untangle our achievements from the continued effects of crisis. The war in Ukraine followed immediately on the back of the global pandemic, and the effects of both continued to play out, forcing the European Commission to divide our attention between - on the one hand - continuing crisis measures, and - on the other hand - making progress on our longer-term policy goals.

Fortunately, in competition policy as in other areas, we were able to do both. On the crisis front, it was another exceptional year for State aid control, with more than 200 decisions taken under the Covid-19 Temporary Crisis Framework (TCF), and the TCF/Temporary Crisis and Transition Framework (TCTF) that followed Russia's attack on Ukraine. This came on top of an already busy State aid agenda – over 600 decisions in total..

In antitrust and cartels, the workload was also heavy. We reached five decisions, issued six Statements of Objections and carried out seven unannounced inspections. That included some landmark cases, like the fine against *Intel* for abusing market dominance in the market for central processing units (CPUs) for computers, or the first-ever cartel decision in the defence sector.

For merger control, the increase in merger and acquisition activity caused by the crisis led to another hectic year for the Commission. In 2023, we adopted 333 merger decisions, of which 271 were approved following a simplified procedure. In 11 proposed acquisitions, the Commission intervened, and it prohibited one proposed merger, the acquisition of *eTraveli* by *Booking*. A particularity was the *Illumina/GRAIL* case, which despite our prohibition a year earlier, still occupied our attention with restorative measures requiring *Illumina* to unwind the transaction.

In parallel to all this activity, the Commission continued to pursue the policy priorities that we set out in 2019, at the start of the mandate. For the digital transition, the pandemic has only sped up the process. That makes it more urgent for the EU to put in place the right policies - policies that ensure our digital markets are open, contestable, and safe, in a way that serves the interests of European consumers and businesses. And crisis or no, the effects of climate change are having real impacts on Europe and the world; showing just how much we need to keep moving towards Net Zero.

In 2023, the work on Important Projects of Common European Interest (IPCEI) continued apace. The approval of up to €1.2 billion of State aid for research, development and first industrial deployment of advanced cloud and edge computing technologies involved seven member States and 19 companies – including small and medium-sized enterprises. These ground-breaking projects will allow major advances in data processing technologies, and produce positive spillover effects for the EU as a whole.

For the green transition, competition policy is of course not the European Commission's most central tool. Still, it has an important role to play in moving the dial on the EU's carbon emissions. In 2023, State aid under the TCTF supported the EU's decarbonisation and climate efforts in numerous ways – from supporting Europe's steel industry towards renewable hydrogen; to offshore wind; to helping coal miners as the EU transitions away from fossil fuels. We also published new guidelines on horizontal cooperation, clarifying how companies could legally cooperate, to make environmental improvements in their industry.

Finally, 2023 saw important progress on the Digital Markets Act and the Foreign Subsidies Regulation. For the Digital Markets Act, the Commission designated six digital platforms as 'gatekeepers', covering a total of 22 core platform services. By obliging Gatekeepers to comply with the full list of do's and don'ts, the DMA will bring about more choice and more freedom for consumers and business users of their services.

The Foreign Subsidies Regulation also started to apply in 2023. This Regulation will help level the playing field when it comes to companies who receive subsidies from outside the EU. The Commission now has the power to investigate this aid, to ensure it doesn't create distortions to our Single Market. And if it does, we can take the appropriate action – fines, remedies and even blocking transactions.

All this comes on top of the continued work to streamline our procedures and rules, making sure they are fit for the challenges to come. Because as much as 2023 has been a juggling act – managing crisis and progressing on our policy goals – I know there will be a lot more to come. Thankfully, we have shown how resilient we can be when it comes to enforcing our competition rules effectively and consistently.

We are ready.