From: Jeff Rupp
Sent: Friday, June 3, 2022 7:26 PM
To: COMP SIMPLIFICATION_IMPACT_ASSESSMENT <COMP-SIMPLIFICATION_IMPACT_ASSESSMENT@ec.europa.eu>
Subject: HT.6038 - reply from an organisation - INREV, the European Association for Investors in Non-Listed Real Estate Vehicles

Dear European Commission,

INREV is the European Association for Investors in Non-Listed Real Estate Vehicles. We provide guidance, research and information related to the development and harmonisation of professional standards, reporting guidelines and corporate governance within the non-listed property funds industry across Europe.

INREV currently has approximately 490 members. Our member base includes institutional investors from around the globe including pension funds, insurance companies and sovereign wealth funds, as well as investment banks, fund managers, fund of funds managers and advisors representing all facets of investing into non-listed real estate vehicles in the UK and the rest of Europe. Our fund manager members manage more than 500 non-listed real estate investment funds, as well as joint ventures, club deals and separate accounts for institutional investors.

The Commission finalised its evaluation of procedural and jurisdictional aspects of EU merger control ('the evaluation') in March. The evaluation covered among other things a review of the 2013 Simplification Package and overall streamlining of merger procedures. The evaluation showed that the 2013 Simplification Package has been effective in increasing the application of simplified procedures to unproblematic mergers and in reducing administrative burden for both businesses and the Commission, while ensuring effective enforcement of the merger rules. However, it also showed that there might be cases that are typically unproblematic which are currently not captured by the simplified procedure, and in certain cases, information requirements may still be too extensive. At the same time, the evaluation pointed out that the current Notice on Simplified Procedure may not be clear enough in identifying the special circumstances in which cases that meet the requirements for simplified treatment nonetheless require a more detailed review.

The results of the evaluation therefore indicated that there is merit in considering further targeting of EU merger control by expanding, and clarifying, the scope of the Notice on Simplified Procedure and by revising the Implementing Regulation. The Commission therefore explored options for further targeting and simplifying its merger review, for both simplified and - where possible - non-simplified merger cases, without compromising effective merger enforcement.

INREV would like to thank the Commission for its proposal on revised draft texts which reflects careful consideration of many of the views and comments provided during the evaluation process. We think that, in general, the proposals are constructive, recognising that the Commission is unlikely to provide some sort of real estate joint venture exemption from filing, as we have previously advocated. However, we would question whether Section 8 needs to be completed for joint ventures between competitors taking place entirely outside the EEA, in particular in product markets with no prospect of exports to the EEA, such as real estate. This requirement seems wholly unnecessary and outside the scope of the Commission's interest in protecting consumers and markets in the EU, and we would strongly urge it be reconsidered.

We are available in case you would like to discuss this issue further.

Kind regards, Jeff Rupp

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