



10 March 2020

Mr. Ibrahim Baylan
Minister for Business, Industry and Innovation
Ministry of Enterprise and Innovation

Ms. Margarethe Vestager
Executive Vice-President and
Commissioner for Competition
European Commission

Dear Executive Vice-President,

We have very much appreciated your hard work enforcing the European state aid and competition rules during your previous term, and we are looking forward to working with you in your new capacity as Executive Vice-President responsible for A Europe fit for the digital age.

In a global context where multilateralism and free trade voices are increasingly challenged by mercantilist tendencies, it should be recalled what has made the European Union a success. A strong and independent competition policy has delivered benefits to consumers and businesses of all sizes, enabling European companies to innovate and sell their products and services to an internal market of 450 million consumers. To make it possible for European companies to continue to flourish, a well-functioning Single Market, underpinned by strict competition rules and an independent competition enforcement, together with access to global markets and value chains, must remain a key priority for the European Union as the driver for innovation and transition to a green economy.

Against this background, it is important that any review of Europe's competition rules, including the review of State aid rules and guidance, is based on proven principles, evidence and economic research, in order to avoid inflicting harm on consumers, SMEs and the Single Market. Any moves to soften and politicize EU competition rules would be detrimental for the whole European Union. We are fully confident that an update of our current rules will be considered by the Commission in a careful and thorough way, and we would caution against an overly speedy process.

At the same time, we agree that the EU must not be naïve when facing a rapidly changing global landscape, where unfair foreign subsidies or state control of firms have a detrimental effect on the functioning of the internal market. To avoid market distortions, operators from third countries must compete under similar conditions as their European counterparts. We support the EU strategy of addressing this at global level through multilateral

and bilateral agreements, where stronger rules in the World Trade Organisation is of outmost importance and where inspiration can be drawn from the trilateral initiative of the EU, Japan and the US aimed to address illegal subsidization practices.

Finally, we look forward to discussing the announced white paper on foreign subsidies. Any Commission proposal aiming at creating a level playing field on the internal market will have to be based on a thorough impact analysis as well as reliable economic data.

We wish you every success in your important endeavours, and we look forward to working closely with you and the Commission on these crucial issues for Europe.

Yours sincerely,



Ibrahim Baylan,

on behalf of

Karel Havlíček, Deputy Prime Minister, Minister of Industry and Trade,
Minister of Transport, Czechia

Raivo Aeg, Minister of Justice, Estonia

Mika Lintilä, Minister of Economic Affairs, Finland

Heather Humphreys, T.D., Minister for Business, Enterprise and
Innovation, Ireland

Edgars Rinkēvičs, Minister of Foreign Affairs, Latvia

Zygimantas Vaiciunas, Minister for Energy and acting Minister for Economy
and Innovation of Lithuania

Eric Wiebes, Minister for Economic Affairs and Climate Policy, the
Netherlands