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**THIS ACTION IS FUNDED BY THE EUROPEAN UNION**

**ANNEX III**

to the Commission Implementing Decision on the financing of the annual action plan in favour of the PanAsia region for 2024, under the Multiannual Indicative Programme for the Asia-Pacific region

**Action Document for EU-Asia Cooperation on competition and subsidies control**

**ANNUAL PLAN**

This document constitutes the annual work programme within the meaning of Article 110(2) of the Financial Regulation, within the meaning of Article 23 of the NDICI-Global Europe Regulation.

## 1 SYNOPSIS

### 1.1 Action Summary Table

<b>1. Title</b> <b>CRIS/OPSYS</b> <b>business reference</b> <b>Basic Act</b>	<b>EU-Asia Cooperation on competition and subsidies control</b>  OPSYS number: ACT-62510  Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)
<b>2. Team Europe Initiative</b>	No
<b>3. Zone benefiting from the action</b>	The action shall be carried out in China, India and ASEAN Member States  Japan and the Republic of Korea may be associated to some of the activities under this action
<b>4. Programming document</b>	Regional Multi-Annual Indicative Programme for Asia and Pacific 2021-2027
<b>5. Link with relevant MIP(s) objectives / expected results</b>	<p>The proposed action aims to advance the priorities identified in the Specific Objective 1 of the Pan-Asia component of the Regional Indicative Programme for Asia-Pacific 2021-2027, namely:</p> <ul style="list-style-type: none"><li>• SO1: Forge international partnerships at continental, intra- and inter-regional levels which are aligned with EU external priorities, principles and values, to facilitate cooperation across policy areas</li></ul> <p>Relevant expected results from the RMIP:</p> <ul style="list-style-type: none"><li>• ER 1.1: Effective coordination and improved alignment with EU positions in various regional and international fora</li></ul> <p>Given its geographic scope, the action will also contribute to the strategic objectives for South East Asia/ASEAN (Implementation of the EU-ASEAN Strategic Partnership and Sustainable Connectivity) and deliver on the priority area “Pursuing EU Interests with Key Partners” in relation to China (SO1 “Promote European values and interests in the bilateral relations with China, in line with the multi-faceted approach”) and India (SO 1 “Support India’s sustainable modernisation objectives in line with the EU-India Strategy,</p>

	implementation of the EU-India Roadmap 2025 and the EU-India Connectivity Partnership”)			
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>				
<b>6. Priority Area(s), sectors</b>	Priority Area 1 – Regional integration and cooperation (DAC 250 – Business and other services)			
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG : SDG 8 (Decent Work and Economic Growth) Other significant SDGs: SDG 9 (Industry, Innovation and Infrastructure) SDG 17 (Partnerships for the Goals)			
<b>8 a) DAC code(s)</b>	25010 - Business policy and administration			
<b>8 b) Main Delivery Channel</b>	60000 - Private sector institution			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Aid to environment @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
<b>11. Internal markers and Tags:</b>	Digitalisation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		YES	NO	

	digital connectivity digital governance digital entrepreneurship digital skills/literacy digital services	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Connectivity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	digital connectivity energy transport health education and research	YES <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	NO <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
	Migration @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s) (article, item): 14.020131 Total estimated cost: EUR 4 000 000 Total amount of EU budget contribution EUR 4 000 000			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing</b>	Direct management through Procurement			

## 1.2 Summary of the Action

EU-Asia relations are characterised by a high degree of interdependence between the European and Asian economies. Given the importance of trade and investment in shaping these relations, it is important to ease market access for businesses and to ensure a level-playing field, undistorted by anti-competitive subsidies and by discriminatory behaviour.

Building on the experiences gained under the Cooperation on Competition in Asia project 2017-2024 and previous projects<sup>1</sup> carried out by the Commission, the proposed action seeks to promote a level playing field between the EU and Asia and reduce the barriers to trade and investments by improving EU cooperation with Asian competition authorities and advocating for competition enforcement and subsidies control.

The action will advocate for transparency in Asian subsidies policies and for systematic State aid control mechanisms as they are known in the EU<sup>2</sup>, foster convergence of the Asian competition regimes with EU competition policy and EU best competition enforcement practices. It also expected to contribute to improved and increased enforcement cooperation regarding concrete enforcement actions and reduce the potential for conflicting outcomes of enforcement actions and in the imposition of remedies. The action will also support the effectiveness of the Commission dialogues<sup>3</sup> with Asian competition authorities and countries with whom the EU is preparing

<sup>1</sup> Competition Cooperation Project (2018-2024), EU China Trade Project I & II (2004-2017), Capacity-building Initiative for Trade Development in India (2014-2017).

<sup>2</sup> The Commission has managed to establish state aid control dialogues with China and Korea thanks to previous technical cooperation.

<sup>3</sup> MoUs and competition cooperation agreements with the competition authorities in China, India, South Korea, and Japan.

negotiations, negotiating or has concluded negotiations<sup>4</sup> for Free Trade Agreements (FTA), Partnership and Cooperation Agreements (PCA) and Investment Agreements.

While building on the positive results and lessons learned of previous activities carried by the Commission in Asia, this action will expand the scope to emerging topics such as Digital market and Sustainability for which partner countries show a particular interest. In the years to come, other topics such as Artificial Intelligence are likely to become prominent and feature in the competition dialogue held with partner countries. The action is therefore expected to further enhance the positive impact of the previous phases of the programme, support the operationalisation of the EU Indo-Pacific Strategy<sup>5</sup>, in particular its priority area “Sustainable and inclusive prosperity” and increase the EU influence in the region.

By enhancing cooperation on competition policy, this action will contribute to the implementation of the Global Gateway Strategy<sup>6</sup> in Asia by supporting an enabling environment for investments, transparency and equal partnerships for more open and competitive markets, including digital markets. The action will primarily engage with Asian competition authorities. It will also be open to other relevant government authorities involved in competition policy – such as sectoral Ministries - bringing about a reflection among participants as to how Asian practices are convergent with best EU and international practices and how adherence to such practices can support Asian economies. While the action does not constitute a Team Europe Initiative as such, it will promote a Team Europe approach by mobilising the expertise of national competition authority of an EU Member State under several activities (Competition Weeks, the EU Visitors programme and the ad hoc seminar on topical issues). In particular, the European competition network (ECN International WG) will serve as a platform to identify opportunities and organise participation of EU Member States competition experts.

### 1.3 Zone benefitting from the Action

The Action shall be carried out in China, India and ASEAN Member States (Brunei Darusalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam), out of which all are included in the list of ODA recipients, except for Brunei Darusalam and Singapore.

Some activities, such as participation to the Competition Summer schools could be extended to High Income Countries – notably Japan and the Republic of Korea.

## 2 RATIONALE

### 2.1 Context

In Asia, the EU has four key trade partners: China, India, Japan and the Republic of Korea, while relations with the ASEAN Member States are growing in importance and relevance, notably under the Indo-Pacific Strategy.

Over past years, the EU has negotiated and concluded FTAs and PCAs with - inter alia - the Republic of Korea, Singapore and Vietnam. The EU is also negotiating – or proposing to negotiate - similar agreements with other ASEAN countries. All those agreements refer to competition policy and cooperation but the effective implementation of the provisions may be undermined by anti-competitive market conditions which, in Asia, represent a real risk given the omni-presence of concentrated State-Owned Enterprises.

The context in those countries varies significantly. While all Asian jurisdictions targeted by this proposed action have competition regimes relating to antitrust and mergers, they are at different stages of maturity. And although all countries are familiar with the notion of State aid control as WTO members, none of the Asian jurisdictions have control mechanisms equivalent to that of the EU.

<sup>4</sup> FTAs with Japan, Korea, Vietnam, and Singapore. Under negotiation with India, Indonesia and Thailand. Under preparation with Malaysia and the Philippines. PCAs with Malaysia, Thailand, Philippines, Indonesia, Singapore, Vietnam, Brunei-Darussalam, Cambodia.

<sup>5</sup> For the EU Indo-Pacific Strategy, see: [EU-Indo Pacific Strategy | EEAS \(europa.eu\)](#)

<sup>6</sup> For an overview of the Global Gateway strategy, see: [Global Gateway - European Commission \(europa.eu\)](#)

The specific context in each country and subregion, as well as existing relations with the EU regarding competition policy are the following:

### China

The Commission initiated cooperation with China in 2003, preceding the adoption by China of the 2007 Anti-Monopoly Law (AML). The basic provisions of the 2007 AML are inspired by the TFEU which is a positive result of the activities under the EU China Trade Project (EUCTP 2004-2015)<sup>7</sup>.

In 2016, China's State Council expanded the role of competition policy in China through the adoption of a Fair Competition Review System. From there, the National Development and Reform Commission (NDRC) agreed to establish a separate dialogue with the Commission on State aid control and Fair Competition Review.

Despite the existing dialogue and the AML in force, a gap remains between EU and China competition enforcement practices with EU concerns about procedural fairness, transparency, discrimination, and predictability of outcomes of investigations. The application of the AML to State-Owned enterprises remains an issue, judicial review needs development and, while the AML can arguably be applied to subsidy control, China has not yet developed any such mechanism.

There is therefore a wide range of issues that call for continued engagement and discussion in relation to competition policy and enforcement between the EU and China. The present action therefore seeks to continue to support EU-China Competition Policy Dialogue and move policy and enforcement cooperation forward between the respective competition authorities where possible.

### India

India's Competition Act was adopted in 2007 and the Competition Commission of India (CCI) became operational in 2009 together with the Competition Appellate Tribunal. Enforcement really took off in 2012 and there has been a significant number of litigations before the Indian courts.

Since 2013, the cooperation between the Commission and the CCI supports dialogue on competition policy and India has been open to take inspiration from EU cutting edge developments such as e.g. sustainability issues in competition enforcement.

### ASEAN

Competition policy is an important area of work for ASEAN countries and the ASEAN Experts Group on Competition (AEGC) was created in 2007 to enact enforceable competition rules in all Member States and strengthen regional cooperation on competition policy. It was followed by the adoption of the ASEAN Competition Action Plan (ACAP) 2016-2025 to contribute to an effective competition policy and the creation of an ASEAN Competition Enforcers Network (ACEN) in 2018.

Competition policy is also an important element under the ASEAN Economic Community Blueprint 2025 that seeks to increase the region's competitiveness and productivity *inter alia* by engendering a level playing through effective competition policy and strengthening related regulatory frameworks and overall regulatory practice and coherence at the regional level.

Since then, progress has been positive and there are comprehensive competition laws and authorities in place in Indonesia, Malaysia, the Philippines Singapore, Thailand and Vietnam, while Brunei Darussalam, Cambodia, Lao PDR and Myanmar are setting up competition regimes.

The EU has concluded FTAs with some of the ASEAN countries and is in a negotiation or scoping process with most of the remaining ASEAN countries. All texts refer to competition law. While the EU engages with individual ASEAN countries on competition issues bilaterally on an ad hoc basis, more systematic engagement on a regional basis is desirable as the EU also operates at regional level, which should facilitate discussions and the development and adoption of common best practices.

In the region, the EU also engages regularly with two High Income countries which will be associated to some activities of the project:

### Japan

<sup>7</sup> After China joined the WTO in 2001, the "Support to China's Integration into the World Trading System" Project (also called EU-China Trade Project – EUCTP) is the 2<sup>nd</sup> EC-financed trade-related assistance projects with the country. It was implemented from 2004 to 2009. The 3<sup>rd</sup> EC trade project, "Support to China's Sustainable Trade and Investment System" (EUCTP II) ran from 2010 to 2017 and was followed by the Competition Cooperation Project – CCP (2018-2024).

Japan's competition policy revolves around the 1947 Antimonopoly Act.

The Japan Fair Trade Commission (JFTC), initially influenced by US competition law, has later shown an increased interest in EU competition law and the EU signed a formal Competition Cooperation Agreement with Japan in 2003.

Since then, cooperation has intensified but despite the existing dialogue and the framework established with the 2019 EU-Japan EPA, it has been observed that the principles of fair competition enforcement in Japan are sometimes undermined by industrial policy objectives and distortions of competition in Japanese markets. Some competition-related issues therefore require a long-term strategic dialogue and continuous trust-building interactions with Japanese competition authorities.

#### Republic of Korea

The Republic of Korea is a key like-minded partner with growing influence in the region and in the world (as member of G20, OECD, WTO, etc.). It is also a country with which the EU concluded a Free Trade Agreement (FTA) in 2010, which includes a rather concise competition law chapter.

In terms of competition policy, the Korean Fair Trade Commission (KFTC) is in charge of enforcing the 1981 Monopoly Regulation and Fair Trade Act. Cooperation between the EU and KFTC is based on the Cooperation Agreement signed in 2009.

Overall, Korean competition policy is considered as less transparent than the EU rules and enforcement is sometimes ambiguous, for example on Intellectual Property Rights matters. Even though State aid control is to a certain extent part of the FTA, the Republic of Korea has so far not been fully engaged on this area. However, in 2023 both sides agreed to celebrate on an annual level EU-ROK Subsidy Dialogues, the first edition of which took place in November 2023.

## 2.2 Problem Analysis

#### Short problem analysis:

In the framework of trade relations and trade agreements, competition policy plays an important role. Adequate competition policies and rules enable businesses to compete on equal terms across Member States, while incentivising them to strive to offer the best products at the lowest price for consumers. This, in turn, drives innovation and spurs long-term economic growth.

Competition policy and competition rules are therefore the foundation to ease market access and ensure a level-playing field for businesses. But a proper enforcement of competition rules requires continuous efforts and dialogue between different jurisdictions to support the non-discriminatory application of laws and ensure that there are avenues for discussions when there are global cases. Dialogue also reduces risks of conflicting decisions.

The Commission has dedicated annual competition dialogues with China, Japan and the Republic of Korea and also discusses competition issues with the other Asian countries in the Joint Committees when topics such as regulatory frameworks, industrial policy, Intellectual property rights (IPR), market access, transparency, etc are raised.

The present action will support - and complement - competition and policy dialogues undertaken by the EU and will increase their impact by supporting the preparation and follow-up of initiatives agreed under the competition and subsidies dialogues with, notably, China<sup>8</sup> and India.

Despite the different level of development of competition law among Asian countries, the action will promote the same kind of activities across all the countries since issues encountered are of similar nature. But the approach will be sufficiently flexible to respond to local context and specificities and will also encompass joint activities to facilitate cross-fertilisation across jurisdictions. This approach has been adopted by the Commission under

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<sup>8</sup> [https://competition-policy.ec.europa.eu/system/files/2021-06/China-EU\\_memorandum-of-understanding\\_2019\\_en.pdf](https://competition-policy.ec.europa.eu/system/files/2021-06/China-EU_memorandum-of-understanding_2019_en.pdf)



previous phases of the programme (for instance the EUCTP programmes with China and the Competition Cooperation Action 2017-2024<sup>9</sup>) and has demonstrated its efficiency.

The action will be complementary with other EU-supported ongoing actions, with which synergies should be explored, notably :

- the Trade-Related Assistance (ARISE + Thailand) implemented by the International Trade Center (ITC) with a focus on increasing transparency and simplification of regulations, for trade competition and public procurement;
- the activities that may be undertaken with the Malaysia Competition Commission which has expressed willingness to enhance cooperation with the EU through TAIEX and Twinning technical assistance.
- in Cambodia, the ARISE+ follow up bilateral programme (EU GATE) will work with Consumer Protection Competition and fraud repression Directorate-general (CCF), mostly in the area of Consumer Protection.

**Identification of main stakeholders and corresponding institutional and/or organisational issues (mandates, potential roles, and capacities) to be covered by the action:**

The key stakeholders that will be involved in this action include senior decision makers in the respective competition authorities at national level and in economy ministries.

More specifically:

On the EU side :

- European Commission : DG COMP is considered one of the world's leading competition agencies and plays an important role in the work of the International Competition Network (ICN). There is a strong demand from Asian competition agencies for European experts and work visits with the Commission and European National Competition authorities.
- EU Delegations in the countries covered by the action
- EU Member States experts from national competition authorities involved in developing and enforcing EU competition policy

China:

- State Administration for Market Regulation

India:

- Competition Commission of India

ASEAN:

- Brunei Darussalam: the Competition Commission of Brunei Darussalam.
- Cambodia: Competition Commission of Cambodia.
- Indonesia: Komisi Pengawas Persaingan Usaha
- Lao PDR: Ministry of Industry & Commerce, Department of Domestic Trade
- Malaysia: Malaysia Competition Commission
- Myanmar: Myanmar Competition Commission.
- Philippines: Philippines Competition Commission
- Singapore: Competition Commission of Singapore
- Thailand: The Office of Trade Competition Commission
- Vietnam: Vietnam Competition Authority and Vietnam Competition Council

High Income countries:

- Japan: Japan Fair Trade Commission and Ministry of Economy, Trade and Industry, Ministry of Foreign Affairs, and the Ministry of Finance
- Republic of Korea: Korean Fair Trade Commission and the Ministry of Trade, Industry & Energy

<sup>9</sup> <https://asia.competitioncooperation.eu/>

## 3 DESCRIPTION OF THE ACTION

### 3.1 Objectives and Expected Outputs

The Overall Objective of this action is to foster an enabling environment and a level playing field for trade and investment between the EU and Asian countries.

The Specific Objectives of this action are to :

- SO1: To support EU-Asia regional and bilateral policy dialogues related to competition and subsidies policies
- SO2: To facilitate regulatory convergence of competition laws in Asia with EU competition law and best international practices
- SO3: To enhance enforcement cooperation between EU and Asian competition agencies

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives are:

Outputs 1: Contributing to Specific objectives 1 and 2:

- Output 1.1: Asian competition authorities' awareness and understanding of EU competition rules and best practices is increased
- Output 1.2: EU understanding of context and challenges in Asian competition jurisdictions is increased

Output 2: Contributing to Specific objectives 1 and 3:

- Competition issues and possible remedies are discussed at technical level between European and Asian counterparts

Output 3: Contributing to Specific objectives 1, 2 and 3:

- Interpersonal relations and mutual trust between EU and Asian competition authorities are fostered

### 3.2 Indicative Activities

*Indicative activities contributing to Output 1:*

- **Competition Summer School:**

The activity is a two-week training, teaching up to 30 officials of competition authorities per class about all areas of competition law (procedures, restrictive agreements, abuse of dominance, merger, State-owned enterprises and advocacy for State aid control). Classes are taught by academics, lawyers and former/current Commission and Member States officials with a view to give a broad introduction to competition law and update participants on most recent trends in EU competition law.

The teaching takes place in Europe with one-day visit to the Commission offices in Brussels. Under the action, board and lodging will be provided to the participants. The list of participants (indicating the position and organisation) shall be discussed and agreed ahead of each event.

Representatives of competition authorities from Japan and the Republic of Korea may be associated to this activity.

- **EU Visitors programme:**

The EU Visitors Programme is a learning visit for officials from competition authorities of the partner countries in Asia to the Commission or to a national competition authority of an EU Member State. The programme is conducted over a period of up to three months and is accessible to three visitors from the Asian competition authorities per year. For the selection of participants, priority will be given to jurisdictions who have not yet had a visitor in the EU, seeking to achieve a balanced representation of participants from Asia, including ASEAN.

The EU Visitors Programme provides the visitors with an immersive placement including internal trainings held by the host. During the activity, participants will be given the opportunity to conduct activities such as reviewing case studies, work-shadowing and field trips. The final list of participants, degree of integration and duration of the stay will depend on the security clearance by the Commission and Member States own authorities.

This programme has demonstrated its value added and has helped in the past to facilitate the emergence of “ambassadors” and privileged interlocutors in the competition authorities of partner countries.



*Indicative activities contributing to Output 2:*

- **EU Competition Weeks**

The activity is composed of a series of presentations and discussions held over up to one week about specific topics of relevance and interest to the EU and the partner competition jurisdictions chosen from all areas of competition law (procedures, restrictive agreements, abuse of dominance, merger, State-owned enterprises and State aid control). Both the EU officials and the partner competition officials present their own policy initiatives and enforcement actions in the chosen topics in order to facilitate in-depth exchange of information and discussions. The Competition Weeks are used actively to discuss proposals for new regulations or guidelines and it has been observed that they often have a positive impact as comments or approaches discussed during the session are reflected in legislation adopted by the Asian jurisdictions such as for example China's rules for a simplified merger review.

The events are organised with the support of a Competition Expert who moderates all the sessions, while speakers are usually mainly Commission officials, officials from EU National Competition Authorities, as well as occasionally also competition and State aid experts from the private sector. Special attention will also be paid to ensuring a gender-balanced representation in the different panels of the sessions.

While Competition Weeks in the past editions of the action have been organised in Asia, it is proposed to organise them also in the EU, including in Member States. The list of participants (indicating the position and organisation) shall be discussed and agreed ahead of each event.

Whenever relevant, the seminars will indeed mobilise Member State expertise (Team Europe) and needs/topics will be discussed, as required, within the European competition network (ECN International WG) which serves as a platform for the European Commission and the national competition authorities in all EU Member States to cooperate with each other.

Some of the costs incurred under this activity (cost of venue, interpretation, etc) will be shared with the host countries when the Competition week is organised in Asia. In Europe, costs of venue, interpretation, etc will be covered by this action.

All activities also contribute to Output 3.

### 3.3 Mainstreaming

#### **Environmental Protection & Climate Change**

This action will indirectly contribute to addressing the environment and climate change priorities as competition policy and antitrust enforcement also support the green transition<sup>10</sup>, by keeping markets open, competitive and protecting the competition that drives companies to innovate more, and to operate more sustainably, e.g. by removing competition induced restrictions impeding the development of a more circular economy. The broad moves to address environment and climate change priorities feeds into competition policy work in the three main areas : antitrust, merger control, and State aid. Antitrust enforcement contributes to the pursuit of sustainability objectives by prohibiting anticompetitive practices, it ensures that prices remain cost-reflective and companies face incentives to come up with efficient and sustainable solutions. In its merger enforcement practice, the Commission already takes into account consumer preferences for sustainable products, either in market definition, to identify in and out-of-market constraints and/or in the competitive assessment as a parameter of differentiation which affects closeness of competition. The new State aid guidelines ("Climate, Energy and Environment Aid Guidelines" - CEEAG) and the revision of the related sections of the General Block Exemption Regulation ("GBER") will open up and support to a maximum, and in a more flexible and future-proof manner than earlier, those aid measures that are consistent with the Green Deal.

**Outcomes of the EIA (Environmental Impact Assessment) screening** (relevant for projects and/or specific interventions within a project)

<sup>10</sup> [https://competition-policy.ec.europa.eu/about/green-gazette/competition-policy\\_en](https://competition-policy.ec.europa.eu/about/green-gazette/competition-policy_en)

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

**Outcome of the CRA (Climate Risk Assessment) screening** (relevant for projects and/or specific interventions within a project)

The Climate Risk Assessment (CRA) screening concluded that this action is no or low risk (no need for further assessment)

### **Gender equality and empowerment of women and girls**

As per the OECD Gender DAC codes identified in section 1.1, this action is labelled as G0. This implies that this action does not specifically contribute to gender equality, but the action will promote women's meaningful involvement in the activities.

Though competition law has been traditionally considered as gender-neutral, according to the OECD<sup>11</sup> gender in competition policy can be analysed in terms of women's roles within firms, and in terms of their experience as consumers. However, this dimension is beyond the scope of the project which will engage with competition authorities but not directly with private sectors and consumers' organisations. As far as this action is concerned, despite, women are well represented within competition authorities of partner countries, they represent a relatively low proportion of management positions. Then, the project will actively encourage a meaningful participation of women in activities with a view to achieve a gender balanced action.

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### **Human Rights**

The action will integrate a rights-based approach and will contribute to ensuring that consumers as rights holders are taken into account and capacities of competition authorities, as duty bearers are reinforced.

At all stages gender-responsive and human rights-based approach principles (applying all human rights for all, meaningful and inclusive participation and access to decision-making, non-discrimination and equality, accountability and rule of law for all, and transparency and access to information supported by disaggregated data at least by sex, age and disability) will guide the planning and implementation of the Action.

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### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the action is not considered relevant for inclusion of persons with disabilities. Whenever possible, measures will be taken to address this issue, by addressing the particularities of people with disabilities when promoting inclusive participation and ensuring accessibility conditions to the different activities.

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### **Reduction of inequalities**

The action is labelled as I-0 as it is not considered relevant for inequality reduction.

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### **Democracy**

This action focuses on competition policy and seeks to remove obstacles to EU investment and EU exports. Development of clear regulatory frameworks will be promoted with a strong emphasis in ensuring good governance and transparency in the policy and regulatory adoption. The action will therefore contribute to uphold the principles of good governance and the rule of law by promoting procedural fairness, rights of defence, transparency and judicial review.

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### **Conflict sensitivity, peace and resilience**

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<sup>11</sup> Gender Inclusive Competition Policy and the OECD Toolkit available at <https://www.oecd.org/daf/competition/gender-inclusive-competition-policy.htm>

The action will not have a core focus on peace and resilience, however in line with the development- security nexus, it will contribute to economic sustainable growth as a precondition for sustainable development.

### Disaster Risk Reduction

This action will not target or impact disaster risk reduction, however it will ensure climate impact mitigation through the strengthening of harmonized regulations (regional/national) on Competition complying with international standards.

### Other considerations if relevant

N/A

## 3.4 Risks and Lessons Learnt

The action is building on previous phases of the programme. Engagement and cooperation on competition issues with partner countries have helped identified the following risks, mitigating measures and lessons learnt:

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
People and organisation	Low engagement of Asian authorities	M	M	Strong alignment between technical work and agreements/outcomes from high level political dialogue.
People and organisation	Limited flexibility of Asian counterparts in defining areas of collaboration	L	L	Close dialogue and reciprocal awareness on key competition issues to be addressed at all levels from Summit to regular technical discussions.
People and organisation	Commitment of the Asian Governments to the economic reform process leading to more openness and transparent rules may decrease.	M	M	Commitment is expected to be enhanced thanks to the demand-driven approach adopted during the design of the action, responding to needs identified in close collaboration with the beneficiaries.
Communication and information	Limited access to information regarding topics where the EU has offensive interests	M	L	Build on existing large network of officials, academic and think tanks with which the EU has been working effectively in recent years.
People and organisation	Lack of willingness/reluctance from the private sector or academics to participate/contribute	M	L	Involvement of private sector/academia stakeholders in workshops as appropriate.
External environment	As for the China component and in view of recent EU subsidy investigations	H	M	A thorough preparation of the programme and early outreach to Chinese stakeholders, building on previous substantive engagement, will aim to

	into Chinese companies, the successful implementation of activities largely depends on the engagement by Chinese stakeholders. A risk exists that Chinese engagement may not be constant over time or decrease, leading to dialogue processes on hold without satisfactory results.			further limit this risk. Appropriate mechanisms should allow for the necessary flexibility to adapt activities and plans to evolving circumstances. Lessons learnt from previous actions showed a general interest of Chinese stakeholders and policy-makers to engage in this area.
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### Lessons Learnt:

The action builds on past phases of the programme during which well-established tools were developed and put into practice by the Commission, namely the Competition Summer School, the Competition Weeks and the EU Visitor programme.

Those activities have led to the noticeable results:

- In China, a longstanding sustained working relationship has been established with the Chinese competition authority facilitating communication. This has enabled the EU to obtain support for concrete enforcement action in the EU with regards to Chinese undertakings. Moreover, substantive Chinese competition legislation shows clear traces of inspiration from EU law and Chinese counterparts acknowledge that EU competition law has been used for inspiration when drafting new domestic rules and that the Competition Weeks help better understand and integrate the EU competition concepts in Chinese law. The EU uses the action to consistently highlight towards the Chinese authorities requirements of transparency and procedural fairness in competition enforcement – which has seen some improvements in China over the years. Finally, China's enforcement decisions thus far have not been incompatible with EU enforcement decisions and when there have been instances of potential friction, the Chinese authorities have initiated a dialogue with the EU. Lessons learnt from recently launched investigations from the European Commission on potential market-distorting subsidies from foreign governments including China (e.g., in the solar and rail sectors) will also be integrated into this action.
- In India, past activities have increased awareness of EU competition policy and improved the EU relationship with the Competition Commission of India which has facilitated negotiations of the antitrust and mergers provision of the FTA. Activities would build on such achievements and seek to deepen EU-India trade and investment ties.
- In relation to ASEAN, the most popular activities were the internships and the Competition Policy School and the action would build on those to foresee dialogue and activities supporting the FTA negotiations, convergence and enforcement cooperation.
- In relation to Japan and Korea, past activities have contributed to convergence in novel areas of the law e.g. sustainability and digital developments that have also been the focus of Competition Weeks. It is therefore proposed to continue to invite those two countries to the Competition Summer Schools while the possibility for them to organise and host Competition Weeks could also be discussed in case they indicate their interest.

These past activities have also highlighted some key lessons learnt that the present action will build upon – and take further:

- the action enables the establishment and consolidation of personal interactions among officials of national competition authorities which is a key element to facilitate relations and cooperation over time and is an element of the EU soft power;

- the flexible approach that is adopted under the action, which allows to look into new topics that require evolutions of competition law, is a key added value as the EU is considered as being good at facing and addressing new competition challenges. It also helps the dialogue to remain relevant in an evolving context. This is for instance the case with the Digital Market Act (DMA) which has generated many new standards and shown the limitations of anti-trust enforcement. Recently, there have been extensive discussions with the Republic of Korea on DMA while India is keen to engage on the topic of sustainability.
- the interaction with European case developers is highly valued by the participants and the EU competition decisions are often analysed and can influence developments elsewhere.

Once available, the findings of the evaluation of the Cooperation on Competition in Asia project 2017-2024 will feed into the activities of the current action.

### 3.5 The Intervention Logic

The activities undertaken under this action are complementary and reinforce each other. The underlying intervention logic for this action is that :

*IF* Competition Summer schools, EU Competition Weeks, EU Visitors programme and ad hoc seminars are organised *AND* participants are willing to engage and discuss relevant competition examples/cases, *THEN* participants from Asian competition authorities will have a better awareness and understanding of EU competition rules and best practices, they will be able to discuss competition issues and possible remedies at technical level with their European counterparts with whom they will develop stronger interpersonal relations and mutual trust.

*IF* Asian competition authorities' awareness and understanding of EU competition rules and best practices is increased, competition issues discussed at technical level between European and Asian counterparts and interpersonal relations and mutual trust are fostered *AND* Asian Governments see the value of enhanced competition rules and enforcement to bring about benefits for consumers and production efficiency, *THEN* EU-Asia regional and bilateral policy dialogues related to competition and subsidies policies will be supported, regulatory convergence of competition laws in Asia with EU competition law and best international practices will be facilitated and enforcement cooperation between EU and Asian competition agencies will be enhanced, *BECAUSE* there will a sufficient level of information, of trust and opportunities for dialogue to facilitate the joint identification of solutions to pending issues.

*IF* EU-Asia regional and bilateral policy dialogues related to competition and subsidies policies are supported and regulatory convergence of competition laws in Asia with EU competition law and best international practices is facilitated and enforcement cooperation between EU and Asian competition agencies is enhanced *AND* there is a political commitment from Asian Governments to embrace a level playing field with the EU, *THEN* the action will contribute to an enabling environment for trade and investment between the EU and Asian countries. This is *BECAUSE* competition will be more transparent, procedural fairness will be upheld and investment climate and market access will be improved.

### 3.6 Logical Framework Matrix

This indicative logframe constitutes the basis for the monitoring, reporting and evaluation of the intervention.

On the basis of this logframe matrix, a more detailed logframe (or several) may be developed at contracting stage. In case baselines and targets are not available for the action, they should be informed for each indicator at signature of the contract(s) linked to this AD, or in the first progress report at the latest.

New columns may be added to set intermediary targets (milestones) for the Output and Outcome indicators whenever it is relevant.

- At inception, the first progress report should include the complete logframe (e.g. including baselines/targets).
- Progress reports should provide an updated logframe with current values for each indicator.
- The final report should enclose the logframe with baseline and final values for each indicator.

The indicative logical framework matrix may evolve during the lifetime of the action depending on the different implementation modalities of this action.

The activities, the expected Outputs and related indicators, targets and baselines included in the logframe matrix may be updated during the implementation of the action, no amendment being required to the Financing Decision.

PROJECT MODALITY (3 levels of results / indicators / Source of Data / Assumptions - no activities)



Results	Results chain (a): Main expected results (maximum 10)	Indicators (a): (at least one indicator per expected result)	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To foster an enabling environment and a level playing field for trade and investment between the EU and Asian countries	1. EU-Asia trade in goods balance	1: China -396 bn€ (2022)  1.2 Japan +1.8 bn€ (2022)  1.3 ASEAN - 87.7bn€ (2022)	N/A	1. Commission trade statistics	Not applicable
		2. Business Enabling Environment	2: Not yet available (B-READY to be launched in September 2024)		2. World Bank Business Ready (B-READY)	
		3. Number of new agreed FTAs with competition provisions	3: 0 at the start of implementation of the action		3. Commission trade statistics	
Outcome 1	To support EU-Asia regional and bilateral policy dialogues related to competition and subsidies policies	1.1 Number of high level competition policy encounters held	1.1: 0 under the current action)	1.1: 1 annual competition encounter at high level with China, India, Japan and RoK including in the margins of international fora (OECD, ICN, UNCTAD)	Commission website, social media, press releases and internal reporting	Asian Governments are committed to embrace a level playing field with the EU

		1.2 Number of press releases or statements issued following competition dialogues	1.2: 0 under the current action)	1.2: 1 per country per year		
<b>Outcome 2</b>	To facilitate regulatory convergence of competition laws in Asia with the EU competition law and best international practices on antitrust, mergers and State aid control	2.1: Number of consultations on legislative proposals or enforcement cases held between the Commission officials and Asian competition jurisdictions	2.1: 0 under the current action)	2.1: 5 per year	Commission Annual competition report	
		2.2: Number of conflicts caused by regulatory inconsistencies across jurisdictions	2.2: tbc (average nb of cases per year over past years to be compiled at the start of the implementation of the action)	2.2: reduction in nb of potential conflicts, % tbc		
<b>Outcome 3</b>	To enhance enforcement cooperation between EU and Asian competition agencies	3.1: Number of enforcement cooperation cases	3.1: 0 under the current action)	3.1: 10 per year	Commission Annual competition report	
		3.2: Number of conflicting outcomes of enforcement actions	3.2: tbc (average nb of conflicting outcomes per year over past years to be compiled at the start of the implementation of the action)	3.2: reduction in nb of conflicting outcomes, % tbc		

<b>Output 1</b>  <b>relating to Outcomes 1 and 2</b>	1.1 Asian competition authorities' awareness and understanding of EU competition rules and best practices is increased	1.1.1: Number of Asian competition officials trained (data disaggregated by gender and nationality)	1.1.1: 0 under the current action)	1.1.1: 70 persons trained per year	- Reports on the activities from the service provider  - Ex-ante questionnaires at Competition Weeks, Competition Summer Schools and Visitors Programme.  - Follow-up surveys among participants to activities	Asian Governments see the value of enhanced competition rules and enforcement to bring about benefits for consumers and production efficiency
	1.2 EU understanding of context and challenges in Asian competition jurisdictions is increased	1.2.1: Number of Commission officials teaching at Competition summer schools or working in units where a participant to the Visitor programme is detached (data disaggregated by gender, age, disability and nationality)	1.2.1: 0 under the current action)	1.2.1: 30 persons per year		
<b>Output 2</b>  <b>relating to Outcomes 1 and 3</b>	Competition issues and possible remedies are discussed at technical level between European and Asian counterparts	2.1.1 Number of meetings (conference calls) between cases teams in Commission and Asian competition jurisdiction on competition issues	2.1.1: 0 (under the current action)	2.1.1: 10 per year		
<b>Output 3</b>  <b>relating to Outcomes 1, 2 and 3</b>	Interpersonal relations and mutual trust between EU and Asian competition authorities are fostered	3.1.1: Number of Asian competition officials participating to the Competition Summer Schools (data disaggregated by gender, nationality, age and disability)	3.1.1: 0 (under the current action)	3.1.1: 30 per year		
		3.1.2: Number of Asian competition officials participating to the EU Visitors Programme (data disaggregated by gender, nationality, age and disability)	3.1.2: 0 (under the current action)	3.1.2: 3 per year		

		3.1.3: Number of Asian competition officials participating to the Competition Weeks (data disaggregated by gender, nationality, age and disability)	3.1.3: 0 (under the current action)	3.1.3: 30 per year		
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## 4 IMPLEMENTATION ARRANGEMENTS

### 4.1 Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner countries.

### 4.2 Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 90 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3 Implementation Modalities

The Commission will ensure that the EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>12</sup>.

#### 4.3.1 Direct Management (Procurement)

The procurement will contribute to achieving Specific Objectives under Section 3.1.

#### 4.3.2 Changes from indirect to direct management mode (and vice versa) due to exceptional circumstances (one alternative second option)

As a fallback option, in case procurement envisaged under section 4.3.1 cannot be implemented due to circumstances outside of the Commission's control, this action may be implemented in indirect management with an entity, which will be selected by the Commission's services using the following criteria:

- i) Technical capacities and available expertise in the countries targeted by the action;
- ii) Past experience in EU actions;
- iii) Experience in working with the public sector
- iv) Capacity to develop a strong EU communication and visibility programme.

### 4.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

### 4.5 Indicative Budget

Indicative Budget components	EU contribution
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<sup>12</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

	(amount in EUR)
<b>Implementation modalities</b> – cf. section 4.3	
<b>Procurement</b> – total envelope under section 4.3.1	4 000 000
<b>Evaluation</b> – cf. section 5.2	May be covered by another Decision
<b>Audit</b> – cf. section 5.3	May be covered by another Decision
<b>Contingencies</b>	N.A
<b>Totals</b>	4 000 000

#### 4.6 Organisational Set-up and Responsibilities

A dedicated steering committee will be set up for the follow up of this action. It will have an advisory role and will provide the strategic and policy guidance needed to ensure smooth project implementation.

The steering committee, whose composition will be further detailed in the legal commitments, will comprise the relevant Commission services (including EU Delegations), as well as the implementing partner (contractor).

The steering committee will meet at least once a year and will define the priority work streams to be addressed. The steering committee will review and endorse annual work plans, monitor project outputs and achievements and provide advice on how to address obstacles and challenges identified during implementation. Within the steering committee, the Commission will ensure the general oversight of the programme and supervision of the implementation of the activities.

EU Member States with an interest and/or active in the issues addressed may be invited to join the steering committee as observers.

Other relevant services – such as the EEAS - will be kept up-to-date on any activities under this action that are relevant to dedicated strategic communication and/or public diplomacy actions.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action and may sign or enter into joint declarations or statements, for the purpose of enhancing the visibility of the EU and its contribution to this action and ensuring effective coordination.

## 5 PERFORMANCE MEASUREMENT

### 5.1 Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support). All monitoring and reporting shall also assess how the action is considering the principle of gender equality, human rights-based approach and rights of persons with disabilities including inclusion and diversity. Indicators shall be disaggregated at least by sex and age, and disability if possible.



The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

The implementing partner (contractor) will be responsible for day-to-day monitoring and reporting based on the agreed indicators in the logframe. It includes entering the logframe in OPSYS at the beginning of the project as well as the current values on an annual basis. For baseline and/or endline targets that need to be defined for specific indicators, the implementing partner shall take the responsibility to collect data using appropriate tools including surveys and present the results in the progress report for approval by the contracting authority. Funding for the baseline and endline data collection will be incorporated into the overall budget entrusted to the implementing partner. Adjustments to the agreed indicators will be subject to a discussion and approval of the contracting authority. The contracting authority will also be responsible for the approval of interim progress reports including the updated current values of the logframe indicators in OPSYS.

## 5.2 Evaluation

Having regard to the nature of the action, a final evaluation may be carried out for this action or its components via independent consultants contracted by the Commission

A final evaluation may be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that this action supports activities feeding into policy dialogue and has the potential for continued support over time.

Evaluation shall also assess to what extent the action is taking into account the human rights-based approach as well as how it contributes to gender equality and women's empowerment and disability inclusion. Expertise on human rights, disability and gender equality will be ensured in the evaluation teams.

The Commission shall inform the implementing partner at least 2 months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports may be shared with the partners and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, apply the necessary adjustments.

The financing of the evaluation may be covered by another measure constituting a Financing Decision.

## 5.3 Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

# 6 STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

In line with the 2022 “[Communicating and Raising EU Visibility: Guidance for External Actions](#)”, it will remain a contractual obligation for all entities implementing EU-funded external actions to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. This obligation will continue to apply equally, regardless of whether the actions concerned are implemented by the Commission, partner

countries, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU member states.

However, action documents for specific sector programmes are in principle no longer required to include a provision for communication and visibility actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.