

Brussels, 06.04.2017
Ares(2017)1960648

Dear Ms Stoczkiewicz,

Thank you for your letter of 27th March 2017 informing us of your concerns regarding the proposed mergers in the agri-business sector. I have read your letter with great interest.

Seeds and pesticides are products that matter – to farmers, consumers and the environment. We need effective competition in this sector so companies are pushed to develop products that are ever safer for people and better for the environment. Effective competition pushes companies to continue developing new products that meet the high regulatory standards in Europe. It also allows farmers to choose from a range of products at affordable prices.

Our job, as a competition authority, is to make sure a merger does not deny Europeans the benefits of competition. We need to ensure that a merger does not lead to higher prices for existing products or reduce choice or innovation for new and better products.

We have now approved both the Dow/DuPont and ChemChina/Syngenta transactions. We did so only after two very careful in-depth investigations and in both cases only on the conditions that the parties divest significant activities to preserve competition in the market.

On top of these two cases, the Commission will review the planned acquisition of Monsanto by Bayer. This acquisition has not yet been formally notified to the Commission under the EU Merger Regulation. When the Bayer/Monsanto transaction is notified, we will make a full assessment to avoid any significant impediment to effective competition on the single market within the rules of the EU Merger Regulation as applicable to the facts of the case. Our decision will be reviewable by the European Courts.

Our investigations rely on input from interested parties with knowledge about these markets. In this respect, we would welcome your submission in writing of any facts or evidence that you consider would be relevant for our assessment.

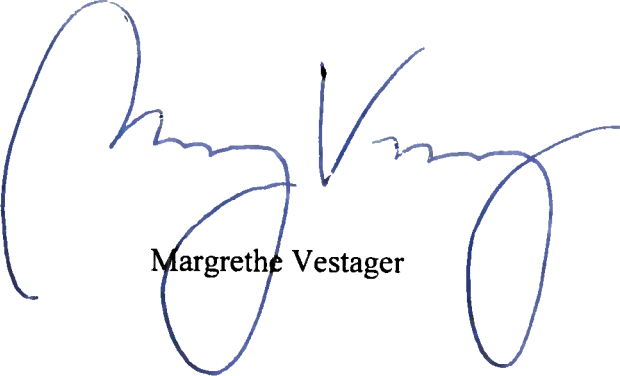
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When it comes to seeds and pesticides, there are of course other vital concerns in addition to competition. An obvious key issue is the safety of the products. This falls under the responsibility of my colleague Vytenis Andriukaitis. In Europe, we have strict standards that have at their heart the protection of human health and the environment. Of course they will remain just as strict after these mergers as before it.

All these aspects must come together to make sure the agro-chemical industry serves the needs of consumers, farmers and the environment.

Thank you again for your interest in this important matter.

Yours sincerely,



Margrethe Vestager