

EU pauses inquiry into Bayer-Monsanto takeover

BRUSSELS, Belgium: The EU said Thursday it had "stopped the clock" on its probe into German chemical firm Bayer's proposed mega-takeover of US agri-giant Monsanto while it waits for the companies to provide information.



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Brussels launched an in-depth investigation in August into the \$66 billion (56-billion-euro) deal, which would create the world's largest integrated pesticides and seeds company.

The European Commission, which serves as the powerful anti-trust regulator for the 28-nation European Union, cited concerns it could reduce competition in key products for farmers.

It was originally due to decide on 8 January 2018 but that has already been pushed back to 22 January, and the pause announced by the commission on Thursday will delay the ruling further.

"The commission has stopped the clock in its in-depth investigation into Bayer's proposed acquisition of Monsanto," a European Commission spokesman said.

"This procedure in merger investigations is activated if the parties fail to provide, in a timely fashion, an important piece of

information that the commission has requested from them.

"Once the missing information is supplied by the parties, the clock is re-started and the deadline for the Commission's decision is then adjusted accordingly."

A Bayer statement said: "We are making every effort to answer all of the commission's questions as soon as possible. Bayer and Monsanto will continue to cooperate with the authorities in order to complete the transaction by early 2018."

Bayer won over Monsanto's management in September 2016 for the deal after a months-long pursuit in which it raised its offer price several times.

If the tie-up goes ahead, the new company would have some 140,000 employees around the world with combined annual revenues from agriculture alone of about 23 billion euros.

But the deal has drawn criticism from environmental groups because of Monsanto's long history of promoting genetically modified crops.

The European Commission also expressed concern that Bayer produces one of the few alternatives to glyphosate, a weedkiller that Monsanto markets under the name Roundup, one of the most widely sold weed-killers in Europe.

The European Union is currently deciding whether to renew the licence of the controversial herbicide which expires at the end of the year.

Source: AFP

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