

## **“After Thunder Comes Rain”: The ECJ Finally Rules on the Boundaries of the EUMR Standstill Obligation**

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**ABSTRACT:** In its judgment of 31 May 2018, case C-633/16, the European Court of Justice ruled on the preliminary questions referred by the Danish Maritime and Commercial Court in the context of a merger notified to the Danish Competition and Consumer Authority by KPMG DK and EY DK. The referring court asked the ECJ to clarify on the scope of the so-called standstill obligation imposed on the parties of a notifiable transaction by article 7 of the Council Regulation (EC) No. 139/2004 (EUMR).

The decision was long awaited, since after having imposed several fines for gun jumping practices in recent times, it is the first case ever in which the Court has been asked to take position on the matter through a preliminary ruling. As for substance, the European Court of Justice stated that article 7, paragraph 1 of the EUMR must be interpreted as meaning that a concentration is implemented only by a transaction which contributes to the change in control of the target undertaking.

In doing so, the Court gives a broad overview of the EU merger control system, recalling the fundamental concepts of concentration, control and standstill in order to give a systematic interpretation of the provisions at stake.

**KEYWORDS:** Merger control; concentration; EUMR; standstill; gun jumping.

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