

## **GSF questions the EC on P3 Global Alliance**

**The Global Shippers' Forum (GSF) has officially raised its concerns over the proposed P3 Global Alliance between Maersk Line, CMA-CGM and Mediterranean Shipping Company (MSC) by submitting detailed questions to the European Commission Competition Directorate in Brussels.**

The GSF has said that "it is aware that the P3 members consider that their Global Alliance falls outside the EU consortia block exemption (BER) and therefore requires a more in-depth assessment. Accordingly, the GSF needs to be in a position to submit its views on the competition law and market impact issues that may arise from the proposed Alliance".

The purpose of the GSF submission to the EC Competition Directorate, is to request the essential features and details of the P3 Global Alliance in order that the GSF will be in a position to complete its own legal analysis of the proposed agreement.

In particular, the GSF has asked for confirmation from the European Commission competition authorities that it has commenced a formal investigation.

GSF Secretary General, Chris Welsh said:

*"We have raised these questions with the European competition authorities on behalf of shippers from all over the world because they are rightly concerned about the market impact of the P3". The question on every shipper's mind is "what will be the impact on my rates and the quality of services".*

*GSF has described the proposed P3 Global Alliance as a recognised industry 'game-changer' that will fundamentally change the structure and competitive state of the global container shipping market.*

Mr Welsh continued:

"Shippers are rightly worried about the potential of the P3 to eliminate effective competition in the world's main liner trades. We therefore need an in-depth assessment of the P3. That's why we are asking the European Commission to provide us with the essential details of the P3 and to confirm whether they have started a formal investigation or intend to do so.

We need information and answers so that the GSF is in the position to protect the commercial interests of shippers internationally"

In view of the nature of the P3, it is fully expected and understandable that other regulatory and competition authorities will want to analyse the agreement; GSF has stated that if required, it will assist its members throughout these enquiries.

Welsh added:

*"GSF members are equally focused on expected future inquiries of other national competition authorities with competency and regulatory oversight of maritime transport sector, especially in Asia and in the United States where the Federal Maritime Commission is uniquely positioned to assess the potential competitive impacts of this never-before-seen aggregation of market share".*