



Commission launches review of Foreign Subsidies Regulation

Brussels, 12 August 2025

The European Commission has launched today its first review of the [Foreign Subsidies Regulation](#) ('FSR'). As a first step of this review, the Commission is seeking feedback from interested parties, with a deadline of 18 November 2025.

The Commission aims to collect feedback through:

- a [public consultation](#) to gather views on specific elements of the implementation and enforcement of the FSR from all interested parties, like companies, law firms, Member States, business associations, individuals or research community and
- a [call for evidence](#) seeking more general feedback from all interested parties on the main aims of the FSR review report, its scope and context.

The review report would focus on: (i) the assessment of foreign subsidies that distort the internal market, (ii) the application of the balancing test (i.e. whether positive effects of the foreign subsidy counterbalance its distortive effects), (iii) the review of foreign subsidies with a possible distortive effect in the internal market on the Commission's own initiative, (iv) the notification thresholds and, (v) more generally, the level of complexity of the rules and the costs incurred by businesses.

Next steps

All parties who have an interest in the matter can submit their views on the Call for Evidence and respond to the questionnaire in any official EU language on the Commission's Have your say portal until 18 November 2025. The Commission will use this feedback in the FSR review report that will be presented to the European Parliament and the Council.

Background

The [Foreign Subsidy Regulation](#) started to apply on 13 July 2023. This new set of rules enables the Commission to address any distortions to competition caused by foreign subsidies in the internal market. It allows the EU to ensure a level playing field for all companies, while remaining open to trade and investment. Foreign subsidies can reach the internal market through participation in any economic activity and in any sector. This includes acquisitions of control, participation in public procurement procedures and other forms of direct investments.

The FSR requires the Commission to review its practice of implementing and enforcing the Regulation by July 2026 and every three years thereafter and to present a report to the European Parliament and the Council, accompanied, if appropriate, by relevant legislative proposals.

For More Information

More information will be available on the Commission's competition [website](#) and on the Commission's ["Have your say" portal](#).

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Quote(s):

"The first review report will be due in July 2026, three years after the Foreign Subsidies Regulation started applying. It will be an opportunity to take stock of the implementation and enforcement of the Regulation so far, and to envisage possible improvements. With today's public consultation and call for evidence, Member States and stakeholders can submit their views and help the Commission review its FSR practice, so that it can best address distortions caused by foreign subsidies in the internal market, while minimising the regulatory burden."

Teresa Ribera, Executive Vice-President for Clean, Just and Competitive Transition - 12/08/2025

"Public procurement accounts for roughly 15% of the EU's gross national product. Given the scale of this figure, Europeans expect that the selection process is fair and not distorted by subsidies coming from third countries.. However, monitoring of this objective should be as unbureaucratic and transparent as possible. I invite you, as a stakeholder, to take advantage of this opportunity to submit your comments regarding the complexity of the rules, the costs incurred as a result and to share your ideas for a possible simplification."

Stéphane Séjourné, Executive Vice-President for Prosperity and Industrial Strategy - 12/08/2025

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