

# EU Consults on Revised Competition Rules for Technology Transfer Agreements

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*October 10, 2025*

The European Commission (Commission) is consulting on proposed revisions to the Technology Transfer Block Exemption Regulation (TTBER) and to the Technology Transfer Guidelines. These rules govern how technology transfer agreements are assessed under EU competition law, particularly Article 101 of the Treaty on the Functioning of the European Union (TFEU).

## What Does the TTBER Cover?

The TTBER provides a “safe harbor” for certain technology licensing agreements, exempting them from the prohibition of anticompetitive agreements under Article 101(1) of the TFEU. The guidelines clarify the scope of this exemption and offer interpretative guidance for agreements that fall outside the TTBER, including by providing a “soft safe harbor” for arrangements that are unlikely to restrict competition.

## What Changes Has the Commission Proposed?

The draft revised rules introduce changes in four key areas:

1. **Market share thresholds:** The application of the safe harbor in the TTBER depends, among other things, on the combined market share of the parties to the agreement. In the revised rules, technologies that have not generated sales will be treated as having a zero market share in their relevant markets. The grace period for exceeding market share is extended from two to three years. The Commission also provides additional guidance on how market shares should be calculated.
2. **Technology pools:** These are arrangements where two or more owners of technology rights combine them in a package and license them jointly. The revised guidelines strengthen the conditions for the soft safe harbor to apply, requiring transparency and essentiality of pooled technologies and introducing safeguards against “double dipping,” that is, being charged more than once for the same rights.
3. **Licensing negotiation groups (LNGs):** LNGs involve several potential licensees joining together to negotiate licensing terms jointly. In response to the increasing number of LNGs across different industries, new guidance distinguishes pro-competitive LNGs from anticompetitive buyer cartels and sets out conditions under which LNGs may benefit from a soft

safe harbor.

4. **Data licensing for production purposes:** The revised framework clarifies that data licensing agreements — particularly those involving databases protected by copyright or *sui generis* rights — may fall within the TTBER's scope.

### Next Steps

- **Consultation period:** The consultation is available [here](#) and is open until October 23, 2025. Stakeholders are invited to submit feedback via the Commission's consultation portal.
- **Finalization:** The Commission will review the feedback and adopt the revised TTBER and guidelines ahead of the expiration of the current TTBER on April 30, 2026.

### UK Parallel Process

The UK Competition and Markets Authority (CMA) is conducting a parallel review of the Assimilated TTBER, which mirrors the EU regime. The CMA has proposed a UK Technology Transfer Block Exemption Order with notable changes, including these:

- new exemption test based on the presence of three or more competing technologies, replacing market share thresholds
- expanded definitions of technology rights to include copyright in databases and database rights
- enhanced powers for the CMA to withdraw exemptions in exceptional cases

This divergence may lead to regulatory fragmentation, and businesses operating across the EU and UK should monitor both processes closely.

### What Should You Be Doing Now?

To prepare for the upcoming changes to the TTBER and Guidelines, businesses involved in technology licensing should consider the following actions:

- Assess the impact of the revised TTBER and Guidelines on existing and future licensing strategies.
- Consider submitting feedback to the European Commission or the UK CMA to help shape the final rules—particularly if your business model may be affected by the proposed changes.
- Map out cross-border compliance strategies, especially if your operations span both the EU and UK, where regulatory divergence may emerge. Identify opportunities or risks arising from participation in technology pools or LNGs, and assess whether current arrangements meet the updated transparency and essentiality criteria.
- Examine data licensing practice, especially where databases are protected by copyright or *sui generis* rights, to ensure alignment with the revised framework.

Whether you are a licensor, a licensee, or part of a technology consortium, you should act now to ensure your licensing strategies remain compliant and competitive under the evolving EU and UK regimes.

*Thank you to Pablo Fernández Altozano, trainee for Sidley's Antitrust practice, for his significant contribution to this Sidley Update.*

## CONTACTS

If you have any questions regarding this Sidley Update, please contact the Sidley lawyer with whom you usually work, or

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