Competition policy – annual report 2020

2020/2223(INI) - 18/05/2021 - Committee report tabled for plenary, single reading

The Committee on Economic and Monetary Affairs adopted the own-initiative report by Johan VAN OVERTVELDT (ECR, BE) on competition policy - annual report 2020.

General considerations

Members consider the Commission's annual report on competition policy to be an indispensable exercise in terms of democratic scrutiny. They recalled that in recent years, Parliament has been involved through the ordinary legislative procedure in shaping the framework for competition

Rules. They insisted on Parliament's co-decision powers to shape the framework for competition rules.

Policy responses to COVID-19

Members welcomed the adoption of a Temporary Framework for State aid measures, and amendments to prolong and expand it, established in response to the COVID-19 crisis to enable Member States to support companies during the pandemic. They support the maintenance of exceptional measures for as long as the recovery is ongoing but underlined that the Framework is a temporary tool. They stressed that restoring effective competition in the medium to long term is key to ensuring that the recovery is rapid and consistent. The report noted substantial differences between Member States regarding their available fiscal space for the provision of State aid.

The Commission is called on to:

- adopt a legislative proposal in relation to the ban on protecting intellectual property rights for inventions or discoveries concerning vaccines designed to treat endemic or pandemic infectious diseases in the world population;

- ensure and monitor the proper use and distribution of the different EU funding measures in response to the COVID-19 crisis, including through Member States' National Recovery and Resilience Plans (NRRPs) of the Recovery and Resilience Facility.

Both the Commission and the Member States are called on to launch a post COVID-19 roadmap for better targeted State aid to promote competitiveness and safeguard jobs.

Competition policy in the digital age

Members welcomed the Commission's determination to address unfair terms and practices of platforms acting as gatekeepers, act decisively, and eliminate illegitimate obstacles to online competition in the European digital single market. However, they regretted the slowness of antitrust investigations compared to fast-moving digital markets. They stressed that 10 years after the opening of an investigation into Google search bias practices, the Commission has still not completed its investigation.

The Commission's appeal of the Apple ruling was welcomed by Members stressing that the Apple case shows once again the need for sound State aid rules, taking into account beneficial tax regimes.

Members considered that Parliament should play an active role in the political debate on competition policy, including through organising a public hearing with the CEOs of GAFA (Google, Amazon, Facebook, Apple) on their corporate strategies in the field of competition and taxation practices.

While underlining the importance of the transparency register to ensure public scrutiny of lobbying efforts with the aim of preventing distortion of competition, the report called for an enhanced EU transparency register with information related to funding of companies or associations in order to prevent stakeholders from acting on behalf of other companies without specifying that they are doing so.

State aid control

Members welcomed the recently adopted new Guidelines on regional State aid and recalled the need for a road map for better targeted State aid, especially for the delivery of Services of General Economic Interest (SGEI). They called on the Commission and the Member States to launch a territorial assessment of the socioeconomic impact of the COVID-19 crisis in the context of the application of State aid rules and the relevant ongoing revision process. In this regard, special attention should be paid to analysing impacts on enterprises based in EU islands and outermost regions.

Lastly, the report called for the alignment of all EU competition and State aid rules with long-term societal objectives, in particular the European Green Deal, taking into account the EU’s climate commitments.