Competition: financial relations between Member States and public undertakings (amend. Directive 80/723/EEC)

2000/2065(COS) - 18/04/2000

The committee adopted the report by Christa RANDZIO-PLATH (PES, D) on the Commission proposal to amend the 1980 directive on the transparency of financial relations between Member States and public undertakings. It welcomed the proposed changes whereby public undertakings, and private undertakings that performed public tasks, would be obliged to carry out separate accounting procedures for their public and commercial activities if they had a net turnover of more than EUR 40m. The development of the internal market had led to greater competition between public and private undertakings, and it was necessary to ensure that funds from the reserved (public) sphere of a given business were not used to support that same undertaking's competitive activities. The committee felt that these new rules on separate and analytical accounting were of crucial importance in making financial relations more transparent and enabling the Commission to ensure compliance with the Treaty's competition rules. However, a key point raised by the committee was that the directive concerned services of general economic interest that were indispensable to society and that, under the Treaty, it was for the Member States to determine which services were of general economic interest. It felt that this point was not made sufficiently clear in the Commission's draft directive and called for the text to be amended in places. The committee also took the view that the new transparency rules should apply to public broadcasting services which also operated commercial services, but it emphasised that government funding of public broadcasters, granted for the fulfilment of their public service remit, was permitted by the protocol on public broadcasting as laid down in the Amsterdam Treaty, and that the scope and content of that public service remit was a highly important issue with lingustic, political and cultural implications for the various Member States.