Competition policy: strengthening international cooperation and rules

1995/2216(COS) - 12/07/1995 - Non-legislative basic document

OBJECTIVE: the Commission communication presents the recommendations of the group of experts on strengthening international cooperation and the application of competition policy rules. CONTENT: the recent success of the Uruguay Round negotiations and the gradual lifting of state obstacles to world trade which should result from them highlight the need to put an end restrictive practices which hamper trade between the main economic zones of the world, meaning that defining international competition rules and implementing a mechanism for controlling the application of these rules are once again on the agenda. The Commission has therefore set up group of experts to discuss these prospects and help define them at Community level on the basis of the Community's experience in integrating the internal market. In short, the group has issued the following recommendations: - given that it is in their interest to prevent restrictive trade practices, countries or regional groupings need to be encouraged to introduce a suitable set of competition rules and ensure that these rules are applied efficiently. If need be, technical assistance should be provided to developing countries which so request; - the modular approach proposed by the group is a two-pronged approach which aims to: 1) extend bilateral agreements (to include the possibility of confidential data exchange and improve use of the "positive courtesy" mechanism). A "second generation" agreement between the United States and the Community is a priority in this respect. Such an agreement would create the framework for even closer cooperation between the two partners' competition authorities. Negotiating a bilateral agreement with Japan is another step which needs to be taken; 2) create a multilateral framework (to include the elements already laid down in bilateral agreements plus a set of minimum rules, a binding "positive courtesy" mechanism and an efficient mechanism for settling differences). This would initially be limited to the core disciplines and countries (e.g. the Member States of the EU, the OECD, CEECs, Korea, Hong Kong, Singapore, Taiwan), but the domino effect would gradually extend the geographical scope of this multilateral agreement, together with the standards contained in it and the degree of supervision exercised. The group takes the view that, as the two initiatives are complementary and mutually reinforcing, these recommendations can be implemented in parallel.