

Competition policy 2005

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The committee adopted the own-initiative report drawn up by Elisa FERREIRA (PT, PES) in response to the Commission Report on Competition Policy 2005. The report sounded a positive note overall with regard to the Commission's efforts to modernise competition policy and in particular "its reinforced stance on combating cartels, its renewed targeting of unauthorised State aid and (...) its achievements in the area of multilateral and bilateral cooperation".

MEPs in the committee welcomed the Commission's efforts to improve the quality of decision enforcement within the European Competition Network (ECN) through increased cooperation among national competition authorities (NCAs).

The report expressed concern about the excessive delay in recovering unauthorised State aid granted by several Member States and called on the Commission to increase the transparency and public accountability of the existing state aid mechanisms and to establish "clear criteria" for measuring state aid levels. The Commission was also urged to ensure compatibility between state aid and cohesion policy by making sure that state aid does not result in distortion of competition through relocation of companies from one Member State to another, with the ensuing loss of jobs in one region for the benefit of another.

The committee supported the Commission's efforts to introduce an EU-wide common consolidated corporate tax base (CCCTB), since this will make for easier comparisons between Member States and companies.

Among other points, the report expressed concern at the relative failure to date in achieving genuine competition in the energy markets, and stressed that the introduction of a level playing field that enables new market entry and facilitates the introduction of new environmentally-friendly technologies must be a priority. In this connection the committee congratulated the Commission for making full use of its powers in enhancing the efficiency of the energy market and praised the important role of the energy sector inquiry in identifying the necessary regulatory changes such as unbundling network and supply activities, removing regulatory gaps regarding cross-border issues and addressing market concentration and barriers to entry.

The committee also applauded the Commission's efforts to strengthen the instruments for tackling cartels, in particular, the revision of its leniency procedures and the new guidelines on the method of setting fines.

Other recommendations made by the report included the need to apply competition law to all players on the European market, whether or not they have their headquarters in the EU, and to make effective the right of victims who have suffered losses as a result of anti-competitive behaviour to obtain compensation.

The committee also congratulated the Commission for the progress made in the context of bilateral cooperation with the USA, Canada, Japan, Korea and China. Lastly, the report reaffirmed the need for a greater role for the European Parliament, including the promotion of codecision powers, in the formulation of competition law.