Basic information

1995/2062(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Competition Policy. 24th report 1994 **Subject** 2.60 Competition	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs, Industrial Policy	RIIS-JØRGENSEN Karin (ELDR)	24/05/1995

Committee for opinion	Rapporteur for opinion	Appointed
RELA External Economic Relations	RANDZIO-PLATH Christa (PSE)	20/07/1995
JURI Legal Affairs, Citizens' Rights	MCINTOSH Anne Caroline B. (PPE)	24/05/1995

Council of the European Union

Council configuration	Meetings	Date
Industry	1843	1995-04-07

Key events

Date	Event	Reference	Summary
07/04/1995	Debate in Council		
28/04/1995	Non-legislative basic document published	COM(1995)0142	Summary
12/06/1995	Committee referral announced in Parliament		
18/12/1995	Vote in committee		Summary
18/12/1995	Committee report tabled for plenary	A4-0327/1995	
13/02/1996	Debate in Parliament		
14/02/1996	End of procedure in Parliament		
04/03/1996	Final act published in Official Journal		

Technical information	
Procedure reference	1995/2062(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/06594

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0327/1995 OJ C 032 05.02.1996, p. 0004	18/12/1995	
Text adopted by Parliament, single reading		T4-0052/1996 OJ C 065 04.03.1996, p. 0060-0090	14/02/1996	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1995)0142	28/04/1995	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES1311/1995 OJ C 039 12.02.1996, p. 0079	22/11/1995	Summary

Competition Policy. 24th report 1994

1995/2062(COS) - 28/04/1995 - Non-legislative basic document

In its 24th report on competition policy (1994), the Commission examines the importance of competition policy to the completion of a true internal market, to economic recovery in the Union and finally, in more general terms, as an instrument within the context of the globalization of world trade. Competition policy also needs to adapt to the new environment in which it is to be applied. From this point of view, the Commission needs to meet the twin challenges of improved efficiency and transparency. - Completion of the internal market: the Commission stresses that completing the legislative programme for the internal market does not mean that there is now no point in making any effort to complete a real internal market without borders. What now need to be addressed are all the obstacles in the public or private sectors which, in practice, prevent the market from operating smoothly. In this respect, identifying, prosecuting and dismantling cartels is still one of the Commission's priorities and it has therefore decided to set up a specialized unit within DG IV. This approach applies equally to the abuse of dominant positions. The Commission also wishes to adopt a more flexible attitude to vertical agreements which present competitive advantages and has therefore published a draft regulation on the exemption of certain categories of exclusive know-how and patent licensing agreements containing a shorter list of clauses which prevent exemption. Finally, the Commission is still convinced that controlling aid is the sine qua non to the completion of the single market and has therefore started by adopting guidelines on aid to save or restructure enterprises in difficulty, endeavouring to ensure that regional aid concentrates on the least favoured regions. Finally, it has maintained its approach to aid for privatization; - Economic recovery: in applying competition rules to public- and private-sector action,

the Commission has taken account of the need to support the restructuring of Community industry in order to increase its competitiveness and it intends to pursue this approach in the future. The Commission intends to maintain a favourable attitude to forms of cooperation which strengthen efficiency and hence the competitive position of the parties. However, it will run careful checks to ensure that a cartel is not dressed up as cooperation and that the operation does not exclude or reduce competition. As far as state aid is concerned, the Commission will take account of the situation of the enterprise in question and of its workers and the region affected. Finally, having taken action in the telecommunications sector, the Commission will now turn its attention to the liberalization of sectors such as post and energy, bearing in mind the specific requirements of each sector; - Globalization of trade: the success of the GATT negotiations will result in substantial new reductions in the number of obstacles to trade in the public sector and hence an increase in the volume of international trade. This could have three consequences for competition policy: greater account will have to be taken of trade with third countries when defining the markets concerned and real or potential competitors, an increasing number of cases dealt with by the Commission will also be examined by the competition authorities in third countries and a real body of competition rules will need to be established at international level.

Competition Policy. 24th report 1994

1995/2062(COS) - 14/02/1996 - Text adopted by Parliament, single reading

The European Parliament adopted the report by Mrs Karin RIIS-JORGENSEN (ELDR, DK) on the 24th report of the Commission on competition policy. The principal elements of the EP resolution were as follows: - The competition authority: the EP insisted that all cases of state aid be dealt with by the Commission's DG IV in order that it could truly become the EU's competition authority; - Transparency and subsidiarity: the EP stressed the need to strengthen the democratic control of competition policy. This meant greater cooperation between the EP and the Commission involving, in addition to the annual debate, regular meetings whose arrangements would be determined by common consent between the Committee on Economic and Monetary Affairs and Industrial Policy and the Member of the European Commission responsible for competition. The latter would personally inform MEPs of the latest decisions and developments in the sphere of competition policy. The Commission was £also invited to present an annual report on industrial policy. Furthermore, the EP proposed the introduction of a hotline to inform SMUs of relevant decisions. - The challenges: the EP stressed that a firm line should be taken on state aids. On the other hand, the Commission needed to be more flexible about agreements between undertakings within markets, such as telecommunications and information technology, which faced liberalization and globalization, and about vertical agreements within sectors. The EP called for progress to be made on reducing the turnover thresholds above which a concentration operation could be deemed to be of Community dimension. It also called for the continuation of the process aimed at introducing competition to sectors hitherto protected by national governments. It called on the Commission to develop proposals on the definition and financing of public services and called for the inclusion of a definition of public services in the Treaty during the 1996 IGC. - State aid: the EP called upon the Commission to apply rigorously the rules concerning the granting of state aids, while reconciling their application with the principles of economic and social cohesion and with the protection of Community interests in its regional policy. Whilst regretting the level of aid granted to European airlines it nevertheless called for state aid to be granted for the conversion of industries hit by structural change, and for temporary aid for the affected workforce. - International aspects: the EP stressed the need to coordinate competition rules with the countries of central and eastern Europe and to introduce a new set of competition rules at international level aimed at removing obstacles to trade both in the private and in the public sector. It called for the prompt opening of negotiations under the aegis of the WTO with the aim of incorporating minimum standards on competition and on social and environmental protection in multilateral trade.

Competition Policy. 24th report 1994

1995/2062(COS) - 22/11/1995 - Economic and Social Committee: opinion, report

The ESC felt that there was a need for more coherence between competition policy and other EU policies, especially the policies on trade and industry, employment, social cohesion, competitiveness, inflation and consumer protection. Special competition rules should be drawn up for market cooperatives and non-profit organisations operating in sectors far removed from business interests. Agreements: sanctions against cartels should be commensurate with the various intervention levels of each participant. Mergers and concentrations: the ESC urged the Commission, in light of the efforts and experience already gained with the task force, to take an increasingly global view in assessing the markets and to keep a careful eye on the unfair practices deployed by third country firms in some strategic sectors. State aid: the ESC considered that the general policy should be to obtain a gradual reduction in direct and indirect State aid in individual Member States, and at the same time increase Community funds for reducing social and geographical imbalances. Liberalisation of the public sector: the White Paper drawn up by Mr DELORS advocated the opening-up of all sectors to competition. The introduction of competition was impeded by entrenched rules and regulations in the Member States that allowed monopolies for certain services traditionally the preserve of the public sector. These rules reflected differing values, habits, and legislative and social practices or, in some cases, the efficiency of public monopolies. The ESC called on the Commission to make a study of the impact competition had had in areas where it had been introduced. The subsidiarity principle: the ESC highlighted the Commission’s intention to leave responsibility for part of the implementation of competition law to the national authorities. The ESC’s Opinion on the XXIIIrd Report mentioned the need for Member States to ‘act more effectively’. The ESC would consider this matter in more detail when the Commission issued its communication on the subject. Globalisation and competition policy: in the ambit of the WTO, it was essential to adopt a minimum number of rules on workers’ and trade union rights as laid down in ILO Conventions; the intention would not be protectionist, but rather would be to further civil progress at world level, as advocated in the final document of the UN Conference in Copenhagen, and to safeguard the EU’s social system. It was in fact clear from these international documents that the violation of minimum workers’ rights represented an actual distortion of rules of competition between companies. Consultation procedures: in consultations on competition policy, the Commission should seek a dialogue with European trade unions and other interested EU socio-economic organisations, as well as with BEUC and UNICE, which had requested it. Other factors that distort competition: the ESC considered that the Commission should be particularly attentive to at least two such disruptive factors: a) the destabilisation of interest rates and exchange rates caused by speculation on the money markets; b) competition policy could not turn a blind eye to the possibility of social dumping between weak and strong areas in the absence of minimum labour legislation.