Basic information

1996/2067(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Competition policy. 25th report 1995 **Subject** 2.60 Competition	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	ECON Economic and Monetary Affairs, Industrial Policy	GARCÍA ARIAS Ludivina (PSE)	05/02/1996
	Committee for opinion	**Rapporteur for opinion**	**Appointed**
	JURI Legal Affairs, Citizens' Rights	FLORIO Luigi Andrea (UPE)	19/03/1996
Council of the European Union			

Key events

Date	Event	Reference	Summary
10/04/1996	Non-legislative basic document published	COM(1996)0126	Summary
18/04/1996	Committee referral announced in Parliament		
10/10/1996	Vote in committee		Summary
10/10/1996	Committee report tabled for plenary	A4-0324/1996	
12/11/1996	Debate in Parliament		
13/11/1996	End of procedure in Parliament		
02/12/1996	Final act published in Official Journal		

Technical information

Procedure reference	1996/2067(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/4/07778

Documentation gateway				
European Parliament				
Document type	**Committee**	**Reference**	**Date**	**Summary**
Committee report tabled for plenary, single reading		A4-0324/1996 OJ C 362 02.12.1996, p. 0004	10/10/1996	
Text adopted by Parliament, single reading		T4-0591/1996 OJ C 362 02.12.1996, p. 0093-0135	13/11/1996	Summary
European Commission				
Document type		**Reference**	**Date**	**Summary**
Non-legislative basic document		COM(1996)0126	10/04/1996	Summary
Other institutions and bodies				
Institution/body	**Document type**	**Reference**	**Date**	**Summary**
EESC	Economic and Social Committee: opinion, report	CES1510/1996 OJ C 075 10.03.1997, p. 0022	19/12/1996	Summary

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1996/2067(COS) - 19/12/1996 - Economic and Social Committee: opinion, report

It is desirable that, as part of the growing moves to "promote" competition law, more space be devoted to the chapters on the application of national and EU competition rules in the Member States. - The Committee notes the explicit assurance that Article 85(3) makes it possible to consider agreements between cooperatives "with the necessary flexibility"; - On the subject of information exchange agreements, the Committee points out that communication technologies have advanced dramatically. "Real time" information is now a key requirement of businesses and, for many of them, is intrinsic to productivity and efficiency and hence to competitive growth. - The Committee applauds the Commission's intention to extend the scope of the block exemption regulations so as to allow pro-competitive agreements between SMEs, and welcomes its commitment to look favourably on cooperation in general. The Committee again asks the Commission to reconsider vertical cooperation with the necessary flexibility, as such cooperation should not necessarily be prohibited under Article 85. As regards procedural law, the Committee thinks that the rights of the defendant, access to files and the length of procedures (although progress has been made in this latter regard) all need to be improved. An effective EU competition policy increasingly calls for cooperation from national authorities. The demarcation criteria must be clear and precise. If further steps were also made to harmonize national legislation, the risk of "diversified" interpretations or implementation could be considerably reduced.

Competition policy. 25th report 1995

1996/2067(COS) - 13/11/1996 - Text adopted by Parliament, single reading

In adopting the report by Mrs Ludivina GARCIA ARIAS (PSE, E) on the XXVth Annual Report on Competition Policy, Parliament reaffirmed the importance of the Commission's role as guardian of the Treaties and representative of the Union's general interest. It rejected therefore categorically the proposal made by the government of the Federal Republic of Germany to create an ad hoc body which would be exempt from any democratic control. As regards State aid, Parliament called on the Commission to oblige the Member States to meet their obligations to give notice of any plans to grant aid, and to prohibit the granting of any aid which was not compatible with the Common Market. Parliament called on the Commission to apply rigorously, even after 2002, the relevant rules concerning the allocation of State aid to the iron and steel sector and to prevent new derogations from

Article 95 of the EC Treaty. Furthermore, Parliament noted with concern the growing disparities between the central and peripheral regions as regards the increase in state aid to undertakings in the wealthy regions, a trend which is not in accordance with the goal of cohesion. As regards monopolies, Parliament pointed out that the deregulation of a sector does not necessarily entail, or prevent, the privatization of the undertakings responsible for providing services of general interest. However, it took the view that if an undertaking belongs in part to the government, the management authority must be clearly separate from the authority responsible for the exercise of ownership, failing which competition could be subjected to unwanted effects.

Competition policy. 25th report 1995

1996/2067(COS) - 10/04/1996 - Non-legislative basic document

OBJECTIVE: the aim is to take stock of European competition policy in 1995. SUBSTANCE: in its XXVth annual report, the Commission notes that European competition policy in 1995 was marked by a sharp increase in the number of cases referred to it and the number of decisions taken. The number of new cases referred to the Commission in all areas taken together (anti-trust, mergers, state aids) increased by more than one third. A significant part of this increase is due to the accession of three new Member States to the European Union, but also to the increased pressure of competition forcing European companies to cooperate in order to remain competitive. The Commission stresses that competition policy plays a vital role in creating a favourable climate for business, which is needed to ensure lasting economic growth and job creation. In particular, it is important for achieving and maintaining an internal market, in particular through the enforcement of rules ensuring that the regulatory barriers to trade are not replaced by private or other public restrictions having the same effect. Another fundamental objective of competition policy is consumer protection. With this in view, the Commission has penalized activities by companies seeking to block parallel imports and prevent consumers benefitting from price differences between Member States. For the same reason, the new regulation on car distribution ensures individual consumers the freedom to use parallel imports, while allowing the existence of structured networks to provide after-sales service. The Commission is displaying the same determination vis-à-vis companies which seek to curb access to the market for new competitors. The Commission has also continued its efforts to introduction competition to markets traditionally in the grip of monopolies (energy, public transport, telecommunications), while ensuring that the measures proposed are consistent with the fulfilment by public services of tasks of general economic interest such as providing universal service to all citizens at an affordable price. In this connection, application of the rules of competition to the information society has continued to be a priority. Significant progress has been made in introducing legislation to liberalize telecommunications services (mobile telephones from 1995, alternative networks from 1 July 1996, voice telephony on 1 January 1998). In several Member States, new entrants to the mobile telephone market are treated on an equal footing with the initial operator. However, the Commission is attempting to go further by preventing operators from concluding agreements or using practices which have the same effect as the former legal protection. That is why strategic alliances, which are increasingly frequent, can be authorized only if they do not close off national markets. The Commission has also prohibited two operations in order to protect the scope for competition by third parties in the sensitive audiovisual sector. With regard to state aid, the Commission has sought to continue its rigorous policy, allowing aid to be granted only under specific common rules to achieve priority objectives (e.g. research and development). In the air transport sector in particular state aids are seen as counter-productive and serving only to delay the necessary restructuring. In order to continue adapting European competition policy to the needs of the European economy, the Commission intends to open discussions with all parties concerned in the following sectors: cooperation with national competition authorities, a system of fines in the event of cartels, a green paper on mergers and vertical restraints on distribution, and an amendment of the rules on de minimis agreements to lighten the burden of constraints on undertakings as far as possible.