Basic information

1997/2069(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Competition policy. 26th report 1996 **Subject** 2.60 Competition	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	ECON Economic and Monetary Affairs, Industrial Policy	AREITIO TOLEDO Javier (PPE)	23/01/1997
	Committee for opinion	**Rapporteur for opinion**	**Appointed**
	JURI Legal Affairs, Citizens' Rights	THORS Astrid (ELDR)	19/03/1997
Council of the European Union			

Key events

Date	Event	Reference	Summary
24/04/1997	Non-legislative basic document published	SEC(1997)0628	Summary
16/05/1997	Committee referral announced in Parliament		
09/10/1997	Vote in committee		Summary
09/10/1997	Committee report tabled for plenary	A4-0316/1997	
06/11/1997	Debate in Parliament		
06/11/1997	End of procedure in Parliament		
24/11/1997	Final act published in Official Journal		

Technical information

Procedure reference	1997/2069(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/4/08825

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A4-0316/1997 OJ C 339 10.11.1997, p. 0007	09/10/1997	
Text adopted by Parliament, single reading		T4-0539/1997 OJ C 358 24.11.1997, p. 0015-0055	06/11/1997	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(1997)0628	24/04/1997	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES1381/1997 OJ C 073 09.03.1998, p. 0019	10/12/1997	Summary

Competition policy. 26th report 1996

1997/2069(COS) - 10/12/1997 - Economic and Social Committee: opinion, report

The ESC commends the Commission on the expeditious publication of the Report on Competition Policy (1996) and the Fifth Survey of State Aids . Because of the growing significance of global trading, the ESC has noted with particular interest the recommendation that the World Trade Organization should set up a working group to do initial work on the development of an international framework for competition rules. The ESC hopes that the Commission will further develop its approach, policies and methodology on these global aspects of competition questions . The ESC notes that the suggestions made in this opinion will have relevance in the debate on Agenda 2000, published in July 1997, which has implications for competition, regional, industrial and agricultural policies in the next millennium. In view of the evolution of several critical aspects of competition policy in recent years, this may be an appropriate time to reconsider the application of competition policy. The general principles might be reviewed and then used as a basis for a reallocation of responsibilities for enforcement which allows for both decentralization and the application of subsidiarity. In this way, openness and transparency could be enhanced and a sharper focus on the needs of consumers and the role of SMEs might be developed. As globalization increasingly affects competition, the ESC suggests that the Commission should amplify its annual report on competition with a review of the state of competition policies in major competitor countries, particularly where their actions may affect the business of EU firms.

Competition policy. 26th report 1996

1997/2069(COS) - 24/04/1997 - Non-legislative basic document

OBJECTIVE: the Commission's submission of its 26th report on competition policy (1996). SUBSTANCE: In its report, the Commission stresses that the objective of competition policy, as with all the other Community policies, is, today more than ever, to enhance the economic prosperity of the Union and the wellbeing of all its people. The positive interaction between competition policy and other Community policy areas was particularly evident on the employment front in 1996. Competition policy plays its part in the overall strategy set out in the document 'Action for employment in Europe: a confidence pact' in order to boost economic growth and strengthen the link between job creation and growth. The 'confidence pact' proposes four types of structural action: a) to complete the internal market and implement it more effectively; b) to enhance the overall competitive environment in Europe;

c) to help small and medium-sized enterprises (SMEs); d) to open up wider access to the world market. The first two involve essential competition policy objectives under Articles 85, 86 and 90 of the EC Treaty and Regulation 4064/89/EC on mergers. The third was pursued in 1996 in the policy on state aid, with the adoption of a new, simpler, and more broadly based 'de minimis' rule, the introduction of new guidelines on aid for SMEs and a notice on the monitoring of state aid and reduction of labour costs. As a structural policy, competition policy must, if it is to perform its function fully, work with and anticipate trends in the economy so as to ensure efficient operation of markets without acting as a brake on their performance. In particular, in the Commission's view, it must: - take account of globalization; - help develop the full potential of the internal market; and - modernize its instruments. On the request of the European Parliament, the Commission has included in its annual report a chapter on the developments it expects and the actions it intends to take in 1997. In the area of horizontal actions, seven legislative priorities are identified: 1) The Commission will continue with and intensify the process begun in 1996 of ensuring that competition policy is applied taking full account of the rapidly evolving nature of the marketplace. 2) Certain sectors will be opened up to competition, in particular telecommunications; the liberalization of voice telephony is expected to take effect on 1 January 1998. 3) The Commission will continue the process of modernizing procedural rules and simplifying and increasing the transparency of its policy (e.g:: the procedure for oral hearings will be simplified; and the competition rules will be applied to air transport, with particular reference to links between the EU and third countries). 4) In view of the structural problems still facing Europe, in particular with respect to employment, the Commission will lay especial stress on its aid policy (it will codify the regional aid rules, adopt a multisectoral framework for regional aid to encourage major investment projects, introduce a new shipbuilding regulation, and adopt a new framework for aids to the motor industry). 5) The Community competition rules will be applied in a decentralized fashion. 6) In international cooperation, the Commission will continue its efforts on three main priorities: a) preparation for enlargement and ongoing actions to encourage the countries of central and eastern Europe to adopt a competition policy and instruments to enforce it; b) cooperation with the Union's main trading partners (especially the US and Canada) on anti-trust matters; c) promotion of effective competition policies worldwide through discussions in the working party set up by the WTO Ministerial Conference in Singapore in December 1996, and in the OECD. 7) With a view to reducing the regulatory costs for EU industry to the lowest level possible, the Commission will concentrate resources on cases of major legal, economic or political interest for the Union. To do so, it will revise its 'de minimis' notice, widening its scope by focusing more closely on the economic consequences of agreements. As far as enforcement of the rules is concerned, the Commission states that in 1997, as in earlier years, its efforts will concentrate on the effective treatment of notifications, complaints and ex officio proceedings regarding Articles 85, 86 and 90 of the EC Treaty, mergers and state aid.

Competition policy. 26th report 1996

1997/2069(COS) - 06/11/1997 - Text adopted by Parliament, single reading

Adopting the report by Mr Javier AREITO TOLEDO (PPE, E), the European Parliament called for better coordination and integration of resources by the Commission and the Member States in order to establish an efficient EU system for safeguarding fair competition. It called for closer cooperation among the Commission departments concerned and suggested that a separate department be set up within the Commission to evaluate the costs and benefits of implementing a competition policy, especially in terms of employment. As regards restrictive practices, the European Parliament deplored the lack of a genuine internal market for the distribution and servicing of motor vehicles and called on the Commission to ensure once and for all that there was a free market where consumers could buy a car outside their own Member State without any problems. It urged the Commission to take the first steps to decentralize control of collusive practices and considered that national competition laws should gradually be approximated. As regards the abuse of a dominant position, the European Parliament suggested that an examination was needed, on the basis of the ownership criterion, of predatory pricing and other unfair practices and barriers in the fields of mobile and satellite telecommunications, on-line services, media, air transport and the banking and financial sectors. As regards State monopolies, the European Parliament called in particular for greater liberalization of the gas market and in the management of airport and port infrastructures. In view of the increase in concentrations arising through mergers or cross-border alliances, it called for a practical definition of the "relevant market" based on the concept of substitutability of goods and services. Given the extremely high level of State aid in certain Member States, the European Parliament proposed in particular that a code of conduct be drawn up for State aid and urged that existing regulations be implemented to protect SMEs in the event of abusive aid being given to competitors. Finally, in view of the globalization of the economy, it believed it essential to strengthen cooperation with applicant countries and considered that the European Union needed to pay a more active role within the WTO.