Basic information

2000/2003(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Competition policy: vertical restraints, guidelines **Subject** 2.60.01 Trade restrictions, concerted practices, dominant positions	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	ECON Economic and Monetary Affairs	THYSSEN Marianne (PPE-DE)	17/01/2000
Council of the European Union			

Key events

Date	Event	Reference	Summary
24/09/1999	Non-legislative basic document published	N5-0009/2000	Summary
17/01/2000	Committee referral announced in Parliament		
22/03/2000	Vote in committee		Summary
22/03/2000	Committee report tabled for plenary	A5-0077/2000	
13/04/2000	Debate in Parliament		
03/05/2000	Decision by Parliament	T5-0186/2000	Summary
03/05/2000	End of procedure in Parliament		
07/02/2001	Final act published in Official Journal		

Technical information

Procedure reference	2000/2003(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/5/12114

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0077/2000 OJ C 040 07.02.2001, p. 0005	22/03/2000	
Text adopted by Parliament, single reading		T5-0186/2000 OJ C 041 07.02.2001, p. 0007-0019	03/05/2000	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	N5-0009/2000 OJ C 270 24.09.1999, p. 0012	24/09/1999	Summary

Competition policy: vertical restraints, guidelines

2000/2003(COS) - 03/05/2000 - Text adopted by Parliament, single reading

In adopting the report by Mrs. Marianne THYSSEN (EPP/ED, Belg), the European Parliament approves the legislative resolution on the draft guidelines on vertical restraints. Firstly, the European Parliament welcomes the Commission's initiative of publishing Guidelines on the application of Article 82, because businesses are thus provided with an instrument enabling them to assess their vertical agreements with a view to the way in which the Commission proposes to implement the policy. However, the Parliament notes it would be possible for businesses to make this assessment still more effective if the Guidelines contained references to earlier administrative decisions and constant law case. Secondly, the European Parliament considers that the Guidelines are generally clear and unambiguous, but asks the Commission nevertheless to take into account the following observations: - Guidelines should contain more interpretation and concrete examples of cases in which the supplier makes significant investments to the benefit of the purchase; - clarify the uncertainty among undertakings; - pay attention to the actual current economic situation when refering to agency agreements; - the need to go into more detail when evaluating exclusivity clauses in agency agreements; - the need for the Commission to make it clear in the Guidelines that, if only a limited number of retailers has a turnover slightly exceeding EUR 50 million, the general evalution pursuant to Article 81 will not normally differ from instances where all members respect the turnover ceiling; - in particular habitual practices specific action should be taken in respect of these practices, since they are not only inimical to competition, but are regularly used to block parallel imports in order to create watertight national markets; - the need to specify the cases in which a non-compete clause may remain valid for more than 5 years, ruling out cases where suppliers resort to bogus transactions (establishing surface rights, usufruct, sale to the distributor with a buy-back agreement, and so forth) to extend the life of a contract and foreclose the market; - when referring to markets for spare parts, it is necessary to specify the cases in which the market for a make's spare part constitutes a distinct market (as defined in the Hugin rule). Furthermore, the European Parliament calls on the Commission to evaluate the application of the Guidelines over time and where appropriate adjust them. It has also suggested that the Commission carry out this evaluation within four years, and urges it to notify Parliament of the results, together with any proposed amendment of the Guidelines and to publish them in the Official Journal of the Euroepan Communities. In conclusion, the Parliament considers it at any rate appropriate that the Commission, should it depart for whatever reason from its policy set out in these Guidelines, should issue a communication to notify businesses of this.

Competition policy: vertical restraints, guidelines

2000/2003(COS) - 24/09/1999 - Non-legislative basic document

PURPOSE : the application of Article 81 (3) of the EC Treaty to categories of vertical agreements and concerted practices. CONTENT : The Commission invites all interested parties to send their comments on the draft Commission regulation on the application of Article 81(3) of the Treaty, as well as on the draft of the accompanying Guidelines. The Regulations deal with block exemptions from restrictions on distribution, purchasing and franchise. The guidelines outline the enforcement policy of tthe Commission in the application of Article 81 to vertical agreements. The structure of the guidelines is as follows: -Section II describes vertical agreements falling outside Article 81(1) -Section III comments on the Block Exemption Regulation (BE) Section IV describes the withdrawal and disapplication procedure of the BE. -Section V addresses market definition issues. -Section VI describes the general framework of analysis for vertical agreements and the enforcement policy of the Commission outside the scope of application of the BE. By issuing these guidelines, the Commission aims to assist companies to make their own assessment of vertical agreements under EC competition rules, but adds the caveat that the guidelines must be applied in the circumstances specific to each case. This excludes a mechanical application.