Basic information

2001/2130(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Competition policy. 30th report 2000 **Subject** 2.60 Competition	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs	AGAG LONGO Alejandro (PPE-DE)	29/05/2001

Committee for opinion	Rapporteur for opinion	Appointed
JURI Legal Affairs and Internal Market	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Energy	2347	2001-05-14

European Commission

Commission DG	Commissioner
Competition	

Key events

Date	Event	Reference	Summary
07/05/2001	Non-legislative basic document published	SEC(2001)0694	Summary
14/05/2001	Debate in Council		
05/07/2001	Committee referral announced in Parliament		
13/09/2001	Vote in committee		Summary
13/09/2001	Committee report tabled for plenary	A5-0299/2001	
03/10/2001	Debate in Parliament		
04/10/2001	Decision by Parliament	T5-0509/2001	Summary

04/10/2001	End of procedure in Parliament		
11/04/2002	Final act published in Official Journal		

Technical information	
Procedure reference	2001/2130(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/5/14707

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0299/2001	13/09/2001	
Text adopted by Parliament, single reading		T5-0509/2001 OJ C 087 11.04.2002, p. 0158-0230 E	04/10/2001	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	SEC(2001)0694	07/05/2001	Summary
Document attached to the procedure	SEC(2001)0747	16/05/2001	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES1310/2001 OJ C 036 08.02.2002, p. 0007	17/10/2001	
EESC	Economic and Social Committee: opinion, report	CES1469/2001 OJ C 048 21.02.2002, p. 0003	28/11/2001	

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2001/2130(COS) - 04/10/2001 - Text adopted by Parliament, single reading

The European Parliament approved the resolution, drafted by Mr Alejandro AGAG LONGO (EPP-ED, E), by 255 to 139 with 100 abstentions. (Please refer to the previous text).

Competition policy. 30th report 2000

2001/2130(COS) - 07/05/2001 - Non-legislative basic document

PURPOSE : to present the 30th report on competition policy 2000. CONTENT : competition policy is one of the pillars of the European Commission's action in the economic field. This action is founded on the principle, enshrined in the Treaty, of "an open market economy with free competition". It acknowledges the fundamental role of the market and of competition in guaranteeing consumer welfare, in encouraging the optimum allocation of resources and in granting economic agents the appropriate incentives to pursue productive efficiency, quality, and innovation. However, the principle of an open market economy does not imply an attitude of blind faith or, possibly, indifference towards the operation of market mechanisms; on the contrary, it requires constant vigilance aimed at preserving those mechanisms. This is particularly true in the present context of markets evolving at a fast pace and becoming increasingly integrated at global level. Besides, at a European level, the 2000 Review of the Internal Market Strategy adopted on 3 May gave a fresh impetus to the creation of a regulatory and institutional framework which stimulates innovation, investment and economic efficiency. Promoting competition by improving the business environment is also one of the targets set out in the strategy. Both technological developments and policy initiatives are reshaping the economic environment. Economies are increasingly based on knowledge, as evidenced by the growth of the service sector. Information systems have forced companies to re-evaluate and adapt their commercial relationships with both customers and suppliers and have enabled them to adopt more tightly managed and efficient business practices. Institutional changes have been added to technological developments. With regard to the Commission·s surveillance work in 2000, the total number of new cases was 1 206, comprising 297 antitrust cases (under Articles 81, 82, and 86), 345 merger cases, and 564 state aid cases. Comparable figures for 1999 were a total of 1 249 new cases, comprising 388 antitrust cases, 292 merger cases, and 569 state aid cases. The slight decrease in the overall number of cases was, therefore, due to the reduction in the field of antitrust, while the number of state aid cases remains stable and that of merger cases continues to increase and has doubled in the course of the last three years. The year 2000 was also marked by intense activity aimed at adapting the rules and practice of competition policy to the new environment. This activity has led to the adoption of new block exemption regulations in the field of horizontal agreements, supplemented by a set of guidelines, while further progress was made towards modernising the rules implementing Articles 81 and 82. New guidelines were issued on vertical restraints to supplement the block exemption regulation adopted in December 1999. More particularly, in the area of car distribution, an evaluation report was issued on the present regulation, which will serve as the basis for a review of the car distribution regime in the near future. In the merger field, a simplified procedure for certain categories of cases not giving rise tocompetition concerns, as well as a notice on remedies, were adopted by the Commission. The Commission also introduced three regulations on the application of the de minimis rule to state aid, on aid to small and medium-sized enterprises and on aid to training. Finally, considerable progress was made with Japan in the preparation of a cooperation agreement in the area of competition policy. It is expected that the agreement will be concluded during 2001. Further, a large part of the Commission's enforcement activity in 2000 was focused on recently liberalised markets, where a competitive environment is not yet fully established. Competition has as its corollary the constant reallocation of resources from declining firms or sectors to the emerging and fast growing ones. In the realm of the "new economy" - characterised by its largely intangible nature and by its foundation on knowledge and technology. In a context where markets are tending to become wider and where the critical mass that is necessary to be an active player is tending to increase, the number and complexity of mergers and alliances that fall under the Commission's scrutiny have been constantly growing during the last few years. In 2000 the Commission took 345 decisions, up by 18% on 1999. A number of these cases raised substantive issues, which led to developments in the Commission's analytical tools, in particular in the practical application of economic theory. The Commission is convinced of the need to increase transparency in the field of state aid. Therefore it aims to introduce, to this end, a public register of state aid and a scoreboard. In parallel with the new initiatives, the Commission has focused on the correct application of its decisions, notably concerning the recovery of illegal aid. The report also presents two considerations on the international dimension of competition policy which are worth noting: 1) the fact that the geographical scope of competition cases is widening means that more commercial transactions are falling within the jurisdiction of the growing number of countries that have adopted competition rules. To analyse these cases properly and avoid conflict, the Commission often has to liaise closely and exchange information with other competition authorities; 2) the Commission has to pay close attention to the competition aspects of the forthcoming enlargement. Enlargement should not create a major imbalance in terms of state aid or competitiveness. Hence the importance of working with the applicant countries and making sure that the same rules apply with equal effectiveness throughout an enlarged Union.

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2001/2130(COS) - 16/05/2001 - Document attached to the procedure

The Commission presented a draft Notice on agreements of minor importance which do not appreciably restrict competition under Article 81 (1) of the EC Treaty ("de minimis" Notice"). Article 81, paragraph 1 of the EC Treaty prohibits agreements which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the common market. However, according to the Court of Justice, this provision is not applicable where the impact of the agreement on intra-community trade or on competition is not appreciable. In the present communication the Commission quantifies, with the help of market share thresholds, what is not an appreciable restriction of competition. This Notice also applies to decisions by associations of undertakings and to concerted practices. The Commission holds the view that agreements between undertakings which affect trade between Member States do not appreciably restrict competition within the meaning of Article 81(1): - if the aggregate market share held by all the parties to the agreement does not exceed 10% on any of the relevant markets affected by the agreement, where the agreement is made between undertakings which are actual or potential competitors on any of the affected relevant markets (agreements between competitors); - if the market share held by each of the parties to the agreement does not exceed 15% on any of the relevant markets affected by the agreement, where the agreement is made between undertakings which are not actual or potential competitors on any of the affected relevant markets (agreements between non-competitors). In cases where it is difficult to classify the agreement as either an agreement between competitors or an agreement between non-competitors the 10% threshold is applicable. Where in an affected relevant market competition is restricted by the cumulative effect of parallel networks of agreements for the sale of goods or services established by several suppliers or distributors and which have similar effects on the market, the market share threshold under point 8 is reduced to 5% both for agreements between competitors and for agreements between non-competitors. The agreement of a supplier or distributor with a market share not exceeding 5% are in general not considered to contribute significantly to a cumulative foreclosure effect resulting from agreements of several suppliers or distributors.