


# Procedure file

Basic information	
INI - Own-initiative procedure	2002/2046(INI)
EC Treaty Art.81(3): application to vertical agreements and concerted practices in motor vehicle industry	
Subject 2.60 Competition 3.40.03 Motor industry, cycle and motorcycle, commercial and agricultural vehicles	
Procedure completed	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>ECON</b> Economic and Monetary Affairs		06/11/2000
		PPE-DE <a href="#">KONRAD Christoph</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>JURI</b> Legal Affairs and Internal Market		26/06/2001
		PSE <a href="#">BERGER Maria</a>	

Key events			
11/04/2002	Committee referral announced in Parliament		
23/04/2002	Vote in committee		Summary
23/04/2002	Committee report tabled for plenary	<a href="#">A5-0144/2002</a>	
29/05/2002	Debate in Parliament		
30/05/2002	Decision by Parliament	<a href="#">T5-0272/2002</a>	Summary
30/05/2002	End of procedure in Parliament		
07/08/2003	Final act published in Official Journal		

Technical information	
Procedure reference	2002/2046(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 54
Stage reached in procedure	Procedure completed

## Documentation gateway

Committee report tabled for plenary, single reading		<a href="#">A5-0144/2002</a>	23/04/2002	EP	
Text adopted by Parliament, single reading		<a href="#">T5-0272/2002</a> <a href="#">OJ C 187 07.08.2003, p. 0024-0149 E</a>	30/05/2002	EP	Summary

## EC Treaty Art.81(3): application to vertical agreements and concerted practices in motor vehicle industry

The committee adopted the own-initiative report by Werner KONRAD (EPP-ED, D) in response to the draft Commission regulation on reviewing the application of EU competition rules to the motor industry. It suggested a number of amendments to the proposal (even though Parliament had not been officially consulted thereon) relating to the link between distributors and car repairers, showroom sales of various makes, spare parts, legal contracts and a timetable for the new system. One amendment urged a delay until at least 1 October 2005 (instead of October 2003) regarding the freedom of dealers to establish themselves in other Member States. MEPs believed the Commission should also have to prove that such freedom was needed to ensure cross-border competition. The committee's aim was to give small and medium-size dealers a longer adjustment period. The committee also tabled an amendment seeking to ensure that after-sales services, if subcontracted, would be provided close to the distributor. Another amendment sought to prevent a free-for-all and would allow manufacturers to limit the number of repairers. As far as dealers were concerned, the committee also proposed amendments designed to promote wider choice of different brands in showrooms. Other amendments related to legal guarantees to ensure consumer protection in the new environment. ?

## EC Treaty Art.81(3): application to vertical agreements and concerted practices in motor vehicle industry

The European Parliament adopted its own-initiative report drafted by Werner KONRAD (EPP-ED, Germany) and resolved to seek a delay in the introduction of new rules designed to open up the European car industry to EU competition rules. (Please refer to the document dated 23/04/02.) Parliament stated that the "location clause" relating to a selective distribution agreement should not be introduced until 2005, and then only after a review showing that such a change would be necessary to comply with competition rules. Other main amendments made by Parliament include the following: - to protect dealers, Parliament stipulates a two-year period of notice for terminating an agreement with the manufacturer. The latter should pay compensation in the event of the distributor making substantial investments in a new showroom and related facilities which cannot be covered as a result of the loss of a dealership; - the arbitration provisions when an agreement is terminated are strengthened; - manufacturers are not obliged to disclose sensitive technical information relating to, for example, engine speed or exhaust emissions; - restrictions on the opening of the market in maintenance and repairs. ?