

# Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	<a href="#">2002/2142(COS)</a>	Procedure completed
Competition policy. 31st report 2001		
Subject 2.60 Competition		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>ECON</b> Economic and Monetary Affairs		21/11/2001
		V/ALE <a href="#">LIPIETZ Alain</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>JURI</b> Legal Affairs and Internal Market		20/06/2002
		PPE-DE <a href="#">DOORN Bert</a>	
	<b>ITRE</b> Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
	<b>EMPL</b> Employment and Social Affairs		12/06/2002
		PSE <a href="#">ETTL Harald</a>	
Council of the European Union	Council configuration	Meeting	Date
	Industry	<a href="#">2433</a>	06/06/2002
European Commission	Commission DG	Commissioner	
	<a href="#">Competition</a>		

Key events			
29/04/2002	Non-legislative basic document published	<a href="#">SEC(2002)0462</a>	Summary
06/06/2002	Debate in Council	<a href="#">2433</a>	
01/07/2002	Committee referral announced in Parliament		
08/10/2002	Vote in committee		Summary
08/10/2002	Committee report tabled for plenary	<a href="#">A5-0352/2002</a>	
21/11/2002	Debate in Parliament		
21/11/2002	Decision by Parliament	<a href="#">T5-0569/2002</a>	Summary
21/11/2002	End of procedure in Parliament		

Technical information	
Procedure reference	2002/2142(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ECON/5/16363

Documentation gateway					
Non-legislative basic document		<a href="#">SEC(2002)0462</a>	29/04/2002	EC	Summary
Committee report tabled for plenary, single reading		<a href="#">A5-0352/2002</a>	08/10/2002	EP	
Text adopted by Parliament, single reading		<a href="#">T5-0569/2002</a> OJ C 025 29.01.2004, p. 0224-0402 E	21/11/2002	EP	Summary
Economic and Social Committee: opinion, report		<a href="#">CES0069/2003</a> <a href="#">OJ C 085 08.04.2003, p. 0118-0125</a>	22/01/2003	ESC	

## Competition policy. 31st report 2001

**PURPOSE** : to present the 31st Commission report on competition policy. **CONTENT** : the year 2001 saw intense activity in all three areas of competition policy: antitrust, merger control and State aid. In 2001, the total number of new cases was 1 036, comprising 284 antitrust cases (under Articles 81, 82 and 86), 335 merger cases, and 417 State aid cases (excluding complaints). Comparable figures for 2000 were a total of 1 211 new cases, comprising 297 antitrust cases, 345 merger cases, and 569 State aid cases. The decrease in the overall number of new cases therefore represents an overall trend due to a slight decrease in the field of antitrust, the first decrease in merger cases in several years and a significant drop in the number of State aid cases. The total number of cases closed was 1 204, comprising 378 antitrust cases, 346 merger cases, and 480 State aid cases. It should be noted that the number of cases closed (378) largely exceeds the number of new cases (284). The slight slowdown in mergers and alliances coming under Commission scrutiny in 2001 appears to reflect the general worsening of economic conditions in the industrialised world and the business community's changed perception of the success of recent M&A activity. For the first time since 1993, the number of mergers notified to the Commission fell, from 345 in 2000 to 335 in 2001, but the level is still much higher than in 1999. Whilst there was a pause in 2001 in the upward trend in the overall number of merger notifications, merger cases are becoming increasingly complex and markets more concentrated. In particular, the number of opened cases requiring in-depth investigation has increased more rapidly than the overall number of cases. In the field of State aid, the number of notifications was down by approximately 30 % and new cases of non-notified aid decreased by about 45 % compared with 2000, while requests for the review of aid schemes increased nearly fivefold. The number of proceedings initiated, however, remained stable (66 in 2001 against 67 in 2000). Negative final decisions increased slightly (31 in 2001 against 26 in 2000). Overall, the number of cases pending has also increased (from 584 in 2000 to 621 in 2001) due to the number of complaints. The report underlines that with the final phase of the introduction of the euro starting on 1 January 2002 and enlargement of the European Union on an unprecedented scale, the prospect of a modernisation of the rules on antitrust, mergers and State aid is essential if the Commission is to be able to respond to the fast-changing economic environment. In 2001, a series of cartel decisions highlighted the sustained effort by the Commission to tackle flagrantly anticompetitive behaviour by undertakings in a wide range of sectors. The Commission's action in the merger field is being carried on against a background of globalisation and an increasing complexity of cases. Multi-jurisdictional aspects raised by global mergers increasingly require intensive international cooperation in different forums, such as the International Competition Network (ICN), and under bilateral agreements. In order to ensure that the European merger control system is properly equipped to deal with the challenges raised by these global mergers, as well as the challenges that the enlargement of the European Union will bring, the Commission is undertaking a thorough review of the EC merger regulation. A consultation document (Green Paper) covering jurisdictional, procedural and substantive issues was published in December 2001. In the State aid field, major improvements in transparency were brought about in 2001, with the adoption of the State aid scoreboard and the opening to the public of an online State aid register. The Commission's policy of updating and modernising its State aid rules continued with the adoption of new rules on State aid for risk capital and the start of three major new policy reviews concerning aid for employment, for research and development and for large regional investment projects. As concerns monitoring and enforcement, particular attention was given to the definitive entry into force of the two block exemption regulations governing aid for SMEs and training aid, and the regulation on de minimis aid. The Commission has to pay close attention to the competition aspects of the forthcoming enlargement and work with the applicant countries in order to make sure that the same rules will apply with equal effectiveness throughout an enlarged Union.?

## Competition policy. 31st report 2001

The committee adopted the report by Alain LIPIETZ (Greens/EFA, F) on the Commission's 31st report on competition policy (2001). It called for a review of the current system of appeal to the Court of Justice and asked the Commission to study the possibility of an independent body, such as a new judicial panel, so that cases could be dealt with quickly and effectively by judges with special knowledge of competition and state aid. It also suggested that the final decision in merger cases could be subject to a preview by such an independent body in a fast-track procedure, giving greater legal security for the companies concerned and their competitors. The committee also shared the concerns that had been expressed about the need for separation of the powers of the Commission in the area of competition policy, and wanted to see a review of its role. It also called for an enhanced role for Parliament in the competition policy area through the application of the codecision procedure, in the context of the revision of the Treaty in 2004. While welcoming the Commission's publication of the state-aid "scoreboard", in the interests of transparency and democracy, the committee nevertheless felt that more needed to be done to crack down on state aid in general and to ensure that EU rules applied to the candidate countries. It added, however, that the rules on state aid must be applied to those countries in a non-discriminatory manner. The report stressed the need to strengthen international cooperation in view of the increasing number of worldwide mergers. It was also critical of the slow progress in liberalising the gas and electricity markets and urged the Commission to investigate the acquisition activities of firms in the electricity sector and the setting of electricity tariffs. Finally, the committee urged the Commission to lodge a complaint against South Korea, under WTO procedures, in respect of its state aid to shipyards.?

## Competition policy. 31st report 2001

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The European Parliament adopted a resolution drafted by Alain LIPIETZ (Greens/EFA, France) on the Commission's report on competition policy. (Please refer to the document dated 8/10/02.) In general, Parliament welcomed the action taken by the Commission and congratulated Commissioner Monti on the approach adopted. It stated that even in markets with low rates of mergers where competition theoretically exists, restrictive agreements might occur which promote price-fixing or excessively high margins. It is in the consumer's interest to obtain better quality and improved services at a lower price, but what consumers want above all is that the service required actually exists. The consumer is above all a citizen and resident who may use his vote to assert his demand for a general interest service in a specific form.?