COMMISSION OF THE EUROPEAN COMMUNITIES



Brussels, 7.4.2004 COM(2004) 235 final

2002/0067 (COD)

OPINION OF THE COMMISSION

pursuant to Article 251 (2), third subparagraph, point (c) of the EC Treaty, on the European Parliament's amendments to the Council's common position regarding the proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

concerning protection against subsidisation and unfair pricing practices in the supply of airline services from countries not members of the European Community

AMENDING THE PROPOSAL OF THE COMMISSION pursuant to Article 250 (2) of the EC Treaty

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1. Introduction

Pursuant to point (c) of the third subparagraph of Article 251(2) of the EC Treaty, the Commission delivers opinions on amendments proposed by the European Parliament on second reading. Below is the Commission's opinion on the amendment proposed by Parliament.

2. BACKGROUND

- Date of transmission of the proposal to the European Parliament and Council (COM(2002)110 final - 2002/0067 (COD)): 13 March 2002
- Date on which the European Economic and Social Committee adopted its opinion:
 18 September 2002
- Date on which the Committee of the Regions adopted its opinion: N/A
- Date on which the European Parliament gave its opinion at first reading: 14 January 2003
- Date on which the Commission adopted the amended proposal (COM(2003)228 final 2002/0067 COD): 7 May 2003
- Date on which the Council adopted the common position: 18 December 2003
- Date on which the Commission communicated its view on the common position (COM(2004)7 final - 2002/0067 (COD)): 9 January 2004
- Date on which the Common Position was received by the European Parliament: 15 January 2004

On 11 March 2004, the European Parliament adopted one amendment at second reading.

3. OBJECTIVE OF THE PROPOSAL

The proposal concerns a draft trade defence instrument for the air transport sector, aimed at combating subsidies that have been granted by third countries to their own airline(s) and cause damage to the Community industry.

The proposal is based on definitions and standards currently in use at multilateral level and by the Community in order to overcome distortions caused by certain subsidies in the trade in goods. Furthermore, the proposal is without prejudice to the consultation and conflict-resolution mechanisms provided for under the bilateral agreements among Member States; recourse should be had to the Community's anti-Subsidy Regulation only in cases where a satisfactory solution cannot be arrived at through the bilateral agreements.

4. COMMISSION'S OPINION ON THE EUROPEAN PARLIAMENT'S AMENDMENTS

On 11 March 2004, the European Parliament adopted the sole proposed amendment. The Commission can support this amendment.

Amendments accepted by the Commission

Amendment $\underline{1}$ amends recital 5 of the draft Regulation in order to ensure consistency between the latter and Articles 1(2) and 7(2) thereof concerning the rules for the application of national and Community instruments over time.

5. CONCLUSION

Pursuant to Article 250(2) of the EC Treaty, the Commission amends its proposal as set out above.