DRAFT REPORT

on the Annual report on Competition Policy
(2017/2191(INI))

Committee on Economic and Monetary Affairs

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CONTENTS

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION ........................................... 3
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

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The European Parliament,

– having regard to the Treaty on the Functioning of the European Union (TFEU), in particular Articles 39, 42 and 101 to 109 thereof,
– having regard to the Commission report of 31 May 2017 on Competition Policy 2016 (COM(2017)0285) and to the Commission staff working document published as a supporting document on the same date,
– having regard to Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty¹,
– having regard to Commission Regulation (EU) 2017/1084 of 14 June 2017 amending Regulation (EU) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation (EU) No 702/2014 as regards the calculation of eligible costs²,
– having regard to the proposal for a directive of the European Parliament and of the Council to empower the competition authorities of the Member States to be more effective enforcers and to ensure the proper functioning of the internal market (COM(2017)0142),
– having regard to its resolution of 5 February 2014 on EU cooperation agreements on competition policy enforcement – the way forward³,
– having regard to the relevant Commission rules, guidelines, decisions, resolutions, communications and papers on the subject of competition,
– having regard to the Interinstitutional Agreement on Better Law-Making⁶,
– having regard to Rule 52 of its Rules of Procedure,
– having regard to the report of the Committee on Economic and Monetary Affairs and the opinions of the Committee on International Trade, the Committee on the Internal

⁴ Texts adopted, P8_TA(2016)0004.
Market and Consumer Protection and the Committee on Agriculture and Rural Development (A8-0000/2017),

1. Welcomes the Report on Competition Policy 2016 of 31 May 2017 (COM(2017)0285);

2. Strongly supports the independence of the Commission in its mission of shaping and enforcing the EU competition rules for the benefit of EU consumers;

3. Welcomes the efforts of the Commission to maintain regular contact with the members of Parliament’s competent committee;

4. Calls on the Commission to ensure regular information and exchanges with Parliament on the preparation and implementation of EU legislation, international agreements and other soft law concerning competition policy;

5. Calls on the Commission to monitor the implementation of directives linked to the completion of the single market, particularly in the energy and transport sector, and to enhance the enforcement of EU competition rules in order to avoid uneven application thereof in the Member States;

6. Calls on the Commission to reallocate adequate financial and human resources to its Directorate-General for Competition in order to cope with this DG’s increasing workload;

7. Takes note that EU rules do not establish target time frames for antitrust investigations as is the case for formal merger review deadlines and the common practice of many national competition authorities; notes that this implies that decisions are sometimes made too late, after competitors have been obliged to exit the market;

8. Calls on the Commission to adopt guidelines to limit the duration of antitrust investigations, in order to avoid uncertainty or excessive burden for businesses and shape a competitive landscape which is not detrimental to consumers;

9. Underlines that while the speed of investigations has to be balanced with the need to adequately preserve the rights of defence, clear time frames would help the antitrust authorities to make more efficient use of their resources;

10. Believes that the Commission could be more efficient if it organised pre-trial meetings, separately or collectively, with the parties under investigation, the complainants and other interested third parties in order to agree on targeted timetables and key issues of the file to be investigated;

11. Takes note that most of the decisions concerning antitrust issues and State aid are taken at national level, and believes that the Commission should guarantee the global consistency and independence of competition policy measures within the internal market, with the support of the European Competition Network (ECN);

12. Believes that the Commission should verify that national competition authorities (NCAs) are sufficiently equipped in terms of financial and human resources to guarantee their independence, and that it should submit an annual report to Parliament regarding this key point;
13. Calls on the Commission to send Parliament regular information on the activities of the ECN and to include in its annual report statistics and a reasoned synthesis of the activities conducted by the NCAs;

14. Reiterates that all market players should pay their fair share of tax; welcomes the Commission’s in-depth investigations into anti-competitive practices such as selective tax advantages and excess profit ruling systems; stresses that the reduction of tax fraud and tax avoidance is fundamental in order to consolidate sound public budgets;

15. Welcomes the Commission decision taken against Luxembourg on the illegal tax benefits granted to Amazon (around EUR 250 million);

16. Underlines that the bailout of Veneto Banca and Banca Popolare di Vicenza was based on the assumption that these were systemic banks in their region, and calls on the Commission to develop this line of thinking in compliance with EU rules and the bail-in principle;

17. Believes that the financial crisis has increased concentration in the banking sector and calls on the Commission to carry out a region-by-region study at European level to examine this phenomenon and its effects on competition;

18. Notes that, following the Commission decision, Google’s shopping comparison service has been judged illegal and the company is now a dominant player subject to specific obligations;

19. Calls on the Commission to ensure that Google implements this remedy effectively; believes that the greatest danger now would be if the Commission were to settle for a partially effective remedy, failing to truly restore the level playing field required for competition and innovation to thrive;

20. Notes that, without full-blown structural separation between Google’s general and specialised search services, an auction-based approach cannot deliver equal treatment, since in the context of an auction, Google’s proposed functional separation would simply transfer profit from one Google business unit to another;

21. Calls on the Commission to intervene in the other sectors, such as travel search and local search, where Google is allegedly abusing its dominance;

22. Warmly invites the Commission and the Google CEO to attend a joint public hearing of the Committees on Economic and Monetary Affairs (ECON) and the Internal Market and Consumer Protection (IMCO);

23. Calls on the Commission to speed up and conclude the Android investigation by the spring of 2018; stresses that Google is accused of abusing its dominant position by imposing restrictions on Android device manufacturers and mobile network operators, and that Google Search is pre-installed and set as the default or the only search engine on most Android devices sold in Europe;

24. Encourages the Commission to ensure that it has a full complement of high-tech engineers and specialists in cutting-edge technologies available to resolve specific
digital economy cases;

25. Welcomes the EUR 880 million fine imposed by the Commission on Scania for participating in a trucks cartel;

26. Asks the Commission to apply State aid rules strictly and uniformly to European airlines such as Alitalia and Air Berlin; believes that restructuring aid is one of the most distortive forms and that the same rules should be applied to national and low-cost carriers;

27. Welcomes the revision of Regulation (EC) No 868/2004 on safeguarding fair competition, aimed at ensuring reciprocity and eliminating unfair practices, including alleged State aid to airlines from certain third countries; believes that transparency in the fair competition clause is an essential element to guarantee a level playing field;

28. Stresses that, in line with the current Commission Guidelines, all airports financed by the EU budget should be based on a positive cost-benefit analysis to avoid the financing of ghost airports in Europe; calls on the Commission to come up with a public list of such potential ghost airports;

29. Calls on the Commission to open up competition in the transport sector in order to complete the single market, in particular in those Member States where public port and airport networks are managed and monopolised by the central government or where such networks persistently generate public deficits;

30. Calls on the Commission to assess whether the imposition of specific hubs, based on the 1 000-plus bilateral agreements between Member States and third countries, is detrimental to competition and consumers’ interests;

31. Invites the Commission to look at the bilateral aviation agreement between Spain and Russia which obliges all flights going through Siberia to depart from or land at the Madrid hub airport, giving an unfair advantage to the Iberia national carrier;

32. Calls on the Commission to analyse how lack of competition in certain parts of the food supply chain could be affecting prices and the viability of many agricultural producers;

33. Instructs its President to forward this resolution to the Council, the Commission and the national parliaments of the Member States.