



EUROPEAN PARLIAMENT

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Committee on the Internal Market and Consumer Protection

2012/2306(INI)

17.1.2013

OPINION

of the Committee on the Internal Market and Consumer Protection

for the Committee on Economic and Monetary Affairs

on the Annual Report on EU Competition Policy 2011
(2012/2306(INI))

Rapporteur: Andreas Schwab

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SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Takes the view that enforcement of the law on state aid should seek to achieve the objectives set out in the EU2020 Strategy, in particular by enabling investment in the real economy and fostering a greater concentration of resources on research, innovation and sustainable development;
2. Notes that the European market in electronic payments is still fragmented, both across and within national borders; further notes that this fragmentation is likely to remain if incumbent card networks and mobile network operators are allowed to control these emerging new markets; encourages the necessary measures and enforcement to ensure a more open, transparent, innovative and competitive single market in payments, in such a way that it brings advantages and choice to all consumers with regard to card, internet and mobile payment options and mobile wallets, interoperability, costs and portability; asks the Commission, therefore, to assess the possible ways of bringing new entrants - banks or non-banks - into the European market for card, internet and mobile payments while protecting future technological innovations in this sector; believes that the supervision of multilateral interchange fees needs to be strengthened, and welcomes the proposals set out in the Single Market Act II relating to a revision of the Payment Services Directive and a legislative initiative on multilateral bank charges;
3. Approves the Commission's intention to remain vigilant with regard to the transparency of financial markets, but believes that an extra effort is needed to ensure that timely, reliable and high-quality information is provided, especially for the derivatives markets;
4. Believes that competition between companies must take place within a framework which ensures that consumer rights are effectively respected and that a collective redress system and an alternative dispute resolution system are vital tools for this purpose;
5. Calls on the Commission to undertake a thorough examination of recent developments in the EU air cargo and express services market; notes that the express market in the United States is dominated by a handful of economic operators, and believes that this has resulted in the foreclosure of the market to European service providers; points out that the EU has, by contrast, steadily opened up its delivery markets to non-EU companies; believes that this has resulted in EU companies being placed at a competitive disadvantage; accordingly considers that any mergers between US and European express services operators could have the effect of significantly limiting the number of major express and logistics companies operating on the worldwide and EU markets; considers that this would have a detrimental impact on price competition and in particular on consumers in the internal market; calls, therefore, for any related Commission investigations to be of a comprehensive nature and to include an analysis

of the effects on consumers, in line with the Commission's prerogatives under the Treaty on the Functioning of the European Union (TFEU);

6. Points out that it is the Commission's practice only to assess the misuse of a company's market position; believes that markets with only a few players run the risk of cartel agreements; requests the Commission to examine how markets with only a few market players function in reality and to assess how many market players are necessary to minimise the danger of cartels and maximise competition; calls on the Commission to put forward clear and transparent guidelines for competition policy which take account of these principles;
7. Urges the Commission to pursue the full implementation of the internal energy market package, given that an open and competitive single market in the energy sector has not yet been fully achieved; encourages it to actively monitor competition in energy markets, specifically whenever privatisation of public utilities originates in monopolistic or oligopolistic markets;
8. Notes that the lack of effective legal provisions for compensation of damage caused by breach of competition rules is to the disadvantage of consumers, and that fines for such breaches are paid solely to the benefit of the public budgets of the Member States;
9. Calls on the Commission to ensure a fair balance of bargaining power between manufacturers and distributors, while emphasising the following:
 - the importance of combating discriminatory practices in the field of online distribution as governed by the Vertical Restraints Block Exemption Regulation (Commission Regulation 330/2010), so as to safeguard the ability of distributors to use innovative distribution methods such as online platforms and to reach a greater number and variety of customers;
 - the importance of dealers on the markets for the sale of new motor vehicles following the expiry of Commission Regulation (EC) No 1400/2002 on 31 May 2013; asks the Commission to insist on the need to develop principles of good conduct between manufacturers and dealers with regard to vertical agreements in the motor vehicle sector, particularly with regard to the protection of investments after termination of a contract and the possibility of transferring a business to another member of the same brand network, in order to promote transparency in commercial and contractual relations between the parties;
10. Welcomes, in this context, the efforts made by stakeholders in the food supply chain to agree on principles of good practice in B2B relations and on implementing measures in respect of free and fair competition; calls on the Commission to maintain its commitment to monitoring the implementation of these principles, as will Parliament through its yearly Retail Roundtable;
11. Recognises that franchising is a good formula enabling independent retailers to survive in a highly competitive environment; notes with concern that the contracts for retailers to be part of a franchise are becoming more and more rigorous, for example

by prohibiting, after the termination of a franchise contract, the establishment of a new shop in the same sector for a period of one to three years; calls on the Commission to ensure a fair balance of bargaining power between franchiser and franchisee, by rebalancing the obligations laid down in Commission Regulation 330/2010 and monitoring developments in relations between franchisers and franchisees;

12. Considers that, alongside its relationship with the EP and the European Economic and Social Committee, the Commission should also ensure a better structuring of its cooperation with consumer organisations, and that this relationship should be considered an important aspect of the monitoring of competition rules; for this reason, the dialogue between the Commission's DG Competition and those organisations should be encouraged and stepped up;
13. Welcomes the state aid policy, which has helped stabilise the financial system when it was applied to banks; calls on the Commission to extend the assessment of the proper functioning of the single market to include state-owned long-term investment banks, including the European Investment Bank;
14. Believes that media ownership and management should be transparent and not concentrated; calls on the Commission to assess how existing competition rules relate to the increasing concentration of commercial media in the Member States; calls on the Commission to apply the competition rules and to intervene where there is excessive media concentration and where media pluralism is in danger; calls for rules to ensure that conflicts of interest are properly addressed and resolved;
15. Notes that product prices still vary between Member States, as in the case of prices charged for medicines by reason of different agreements between Member States and the pharmaceutical industry; calls on the Commission to examine this phenomenon and to come up with proposals for creating a more transparent internal market, avoiding any unnecessary price differences, in the interests of the consumer.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	18.12.2012
Result of final vote	+: 32 -: 1 0: 1
Members present for the final vote	Pablo Arias Echeverría, Adam Bielan, Cristian Silviu Buşoi, Jorgo Chatzimarkakis, Sergio Gaetano Cofferati, Birgit Collin-Langen, Anna Maria Corazza Bildt, António Fernando Correia de Campos, Cornelis de Jong, Vicente Miguel Garcés Ramón, Evelyne Gebhardt, Louis Grech, Thomas Händel, Małgorzata Handzlik, Philippe Juvin, Sandra Kalniete, Hans-Peter Mayer, Sirpa Pietikäinen, Phil Prendergast, Robert Rochefort, Zuzana Roithová, Heide Rühle, Christel Schaldemose, Bernadette Vergnaud, Barbara Weiler
Substitute(s) present for the final vote	Raffaele Baldassarre, Marielle Gallo, María Irigoyen Pérez, Constance Le Grip, Emma McClarkin, Sylvana Rapti, Olle Schmidt, Patricia van der Kammen
Substitute(s) under Rule 187(2) present for the final vote	Oldřich Vlasák