WRITTEN QUESTION E-3878/08 by Christoph Konrad (PPE-DE) to the Commission

Subject: Competition in the German gas market

The end of 2003 saw the purchase of around 48% of the shares of VNG Verbundnetz Gas by the Oldenburg-based EWE AG and 25% by a number of East German local authorities as part of the merger between E.ON and Ruhrgas. This sale of the shareholdings to improve competition was a condition for the German Ministry for Economic Affairs granting an authorisation for the merger, which in turn caused the vote by the Federal Cartel Office to be overturned. This provision was aimed at producing more competition in the German gas market.

- 1. Does the Commission think that these measures have caused an increase in competition in the German gas market? If so, in what area? If not, why not, and what is the Commission's reaction?
- 2. Does the cooperation between VNG and EWE conform to the conditions set out above? Does the Commission consider that the relationship between VNG and EWE has developed into a strategic partnership as a result of the acquisition of shares in VNG by EWE, as called for by the ministry authorisation? If so, to what extent? If not, why not?
- 3. Are there synergies between the two companies, and if so, are they used?
- 4. Can the Commission discount the possibility that in future precisely the opposite of improved competition will prevail, since EWE is in fact aiming at a complete takeover of VNG, which would result in a strengthening of EWE's market position to the detriment of other competitors?

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