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PE 388.350v01-00

AMENDMENTS 1-62

Draft report

Elisa Ferreira

Report on Competition Policy 2005
(2007/0000(INI))

(PE 386.540v01-00)

Motion for a resolution

Amendment by Sophia in 't Veld

Amendment 1

Citation 13

- having regard *to the European Parliament resolution from 27 April 2006 on sectoral aspects of the State Aid Action Plan: aid for innovation (2006/2044(INI))* and to the Commission staff paper on a Community Framework for State aid for Research and Development and Innovation of September 2006,

Or. en

Amendment by Sophia in 't Veld

Amendment 2

Citation 17 a (new)

- *having regard to the European Parliament resolution on State aid in the form of public service compensation (2004/2186(INI)) from 22 February 2005,*

Or. en

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PE 388.350v01-00

EN

EN

Amendment by Jonathan Evans

Amendment 3

Paragraph 1

1. Welcomes the Commission's action to modernise competition policy and, in particular, its reinforced stance on combating cartels, the renewed targeting of **unauthorised** State Aid and the launching of sector inquiries; congratulates the Commission on the steps it has taken towards the improved functioning of the European Competition Network (ECN);

Or. en

Amendment by Elisa Ferreira

Amendment 4

Paragraph 1

1. Welcomes the Commission's action to modernise competition policy and, in particular, its reinforced stance on combating cartels, the renewed targeting of State aid and the launching of sector inquiries; congratulates the Commission on the steps it has taken towards the improved functioning of the European Competition Network (ECN); ***congratulates the Commission on its achievements in the area of multi- and bilateral cooperation and calls for further progress in its activities towards international convergence of competition policy;***

Or. en

Amendment by Sahra Wagenknecht

Amendment 5

Paragraph 1

1. ***Points out that in many sectors concentration has speeded up enormously in recent years, entailing adverse consequences for consumers, employees, and small and medium-sized enterprises; calls, therefore, for much stronger Commission action to combat cartels and for the abandonment of a policy aimed first and foremost at promoting European 'champions';***

Or. de

Amendment by Sahra Wagenknecht

Amendment 6

Paragraph 1 a (new)

1a. Considers that Commission policy shows no discernible sign of a firm determination to counter the accelerating trend towards companies occupying a dominant market position; points out that the decisions to deregulate and open up the markets sparked off a privatisation and merger epidemic, which, especially in service sectors, has in turn spawned private monopolies; believes that the fact that there were more than 20 000 transactions in 2005, amounting in value terms to just over EUR 700 bn, and hence twice as many mergers as at the time of the new economy boom in the 1990s, graphically demonstrates the failure of the Commission's competition policy;

Or. de

Amendment by Sahra Wagenknecht

Amendment 7

Paragraph 1 b (new)

1b. Expresses disquiet at the rapid growth of alternative investment vehicles (hedge funds und private equity), which are giving rise to systemic risk, increasingly high degrees of leverage, and higher debt ratios for companies, and, moreover, to a situation in which other financial institutions are being exposed to serious risks; criticises the fact that the institutions involved are deliberately organised in a way precluding all transparency, thus preventing other investors from obtaining information about their strategies; calls on the Commission to bring the necessary regulation to bear in this area;

Or. de

Amendment by Sahra Wagenknecht

Amendment 8

Paragraph 2

2. Fears that the change from a rules-based approach to an economically based approach to competition policy will do away with clear yardsticks for measuring competition in individual sectors; welcomes the approach of the sector inquiries, which is closer to the realities of business practices, particularly as regards the financial services and energy sectors; further stresses that those inquiries should shed light on the current sector situation and trends and stimulate a forward-focused policy;

Or. de

Amendment by Benoît Hamon

Amendment 9
Paragraph 2 a (new)

- 2a. Takes the view that competition policy should not prevent policies being implemented in Europe and the Member States in support of small and medium-sized enterprises, following the model of the US Small Business Act, which, among other things, allows some public procurement contracts to be reserved for American SMEs;**

Or. fr

Amendment by Sahra Wagenknecht

Amendment 10
Paragraph 5

5. Renews the call in relation to services of general economic interest (SGEI), given the considerable differences in policies and concepts prevailing across the Member States, for further progress in relation to both the clarification of concepts and the practical application of the existing competition rules; ***points to the crucial fact that the legal basis is Article 16 of the EC Treaty, which stipulates that Member States, without prejudice to aid policy provisions, ‘shall take care that such services operate on the basis of principles and conditions which enable them to fulfil their missions’, the implication being that, when a service of general economic interest is to be provided on a competitive footing, the proper authority must be allowed to determine for itself what competition is meant to achieve;***

Or. de

Amendment by Heide Rühle and Alain Lipietz

Amendment 11
Paragraph 5

5. Renews the call in relation to services of general economic interest (SGEI), given the considerable differences in policies and ***definitions*** prevailing across the Member States, for further ***clarification of concepts to distinguish between services of general economic interest (SGEI), services of general interest (SIG) and other services, and to see whether and to what extent EU rules on the single market apply; reiterates its conviction of having a framework instrument voted in codecision on services of general economic interest, that enables in full respect of the subsidiarity principle the public authorities to ensure the prevalence of general interest over competition rules and to lay down and monitor conditions for ensuring quality, availability, social***

standards, territorial cohesion and compliance with environmental requirements;

Or. en

Amendment by Jonathan Evans

Amendment 12
Paragraph 5

5. Renews the call in relation to services of general economic interest (SGEI) given the considerable differences in policies (***deletion***) prevailing across the Member States, for further progress in relation to both the clarification (***deletion***) and the practical application of the existing competition rules;

Or. en

Amendment by Sophia in 't Veld

Amendment 13
Paragraph 5

5. Renews the call in relation to services of general economic interest (SGEI), given the considerable differences in policies and concepts prevailing across the Member States, for further progress in relation to both the clarification of ***the existing competition rules*** and ***their*** practical application (***deletion***);

Or. en

Amendment by Benoît Hamon

Amendment 14
Paragraph 5

5. Renews the call in relation to services of general economic interest (SGEI), given the considerable differences in policies and concepts prevailing across the Member States, for further progress in relation to both the clarification of concepts and the practical application of the existing competition rules; ***calls on the Commission to propose a framework directive on services of general economic interest;***

Or. fr

Amendment by Jonathan Evans

Amendment 15
Paragraph 6

deleted

Or. en

Amendment by Sophia in 't Veld

Amendment 16
Paragraph 6

deleted

Or. en

Amendment by Gunnar Hökmark

Amendment 17
Paragraph 6

6. Welcomes further clarification of ***the conditions for providing public services*** and the improved ***openness to cross-border competition*** in the case of SGEIs, ***in strict compliance with the EU's rules for state aid***, given the varying regulatory traditions, degree of participation of civil society, and enforcement capacities across the different Member States;

Or. sv

Amendment by Sahra Wagenknecht

Amendment 18
Paragraph 6

6. Calls, ***(deletion)*** given the varying regulatory traditions, degree of participation of civil society, and enforcement capacities across the different Member States, ***for further clarification of aid policy, taking these different traditions into account***;

Or. de

Amendment by Sahra Wagenknecht

Amendment 19
Paragraph 9

deleted

Or. de

Amendment by Heide Rühle and Alain Lipietz

Amendment 20
Paragraph 9

9. Expresses concern about the excessive delay in the processes of recovery of unauthorised State aid granted by several Member States; stresses that inadequate enforcement of rules in this area may seriously harm fair competition; ***underlines also that State aid which are not in line with the Lisbon-Göteborg Strategy or which has no other effect but to increase private profits should be targeted and reduced in the future;***

Or. en

Amendment by Elisa Ferreira

Amendment 21
Paragraph 9 a (new)

- 9a. Welcomes the adoption of EU competition policy rules by the new Member Countries of the European Union and recommends the continued refinement of the quality of implementation of such rules;***

Or. en

Amendment by Elisa Ferreira

Amendment 22
Paragraph 9 b (new)

- 9b. Notes the key role that adequate competition policy can play towards achieving the goals set out in the Lisbon agenda; recalls that this role can be enhanced if it is adequately coupled with cohesion policy;***

Or. en

Amendment by Gunnar Hökmark

Amendment 23
Paragraph 10

deleted

Or. en

Amendment by Jonathan Evans

Amendment 24
Paragraph 10

10. Points to the need to monitor new forms of competition distortion among European firms, ***including*** through the abuse in the utilisation of low-cost highly skilled labour ***(deletion)*** contracts ***(deletion)***;

Or. en

Amendment by Pervenche Berès

Amendment 25
Paragraph 10 a (new)

- 10a. Calls on the Commission to consider carefully how tax competition among the Member States is affected by certain taxation practices, especially in relation to companies;***

Or. fr

Amendment by Pervenche Berès

Amendment 26
Paragraph 10 b (new)

- 10b. Takes the view that some of the taxation practices applied by certain Swiss cantons constitute State aids that contravene the agreement of 22 July 1972 between the European Economic Community and the Swiss Confederation and distort competition, and calls on the Member States to finalise a clear-cut negotiating brief for the Commission;***

Or. fr

Amendment by Pervenche Berès

Amendment 27
Paragraph 10 c (new)

10c. Supports the Commission's efforts to introduce a Europe-wide common consolidated corporate tax base (CCCTB), since this will make for easier comparison, and draws attention to the views endorsed in its resolution of 13 December 2005 on 'taxation of undertakings in the European Union: a common consolidated corporate tax base';

Or. fr

Amendment by Benoît Hamon

Amendment 28
Paragraph 10 a (new)

10a. Expresses disquiet at the tax competition among Member States seeking to encourage SMEs to set up by lowering tax rates and making tax bases as 'attractive' as possible; accordingly supports the Commission's efforts to introduce a Europe-wide common consolidated corporate tax base (CCCTB), which, until such time as fiscal policies have been properly coordinated, will serve to remedy this distortion of competition;

Or. fr

Amendment by Sahra Wagenknecht

Amendment 29
Paragraph 10 a (new)

10a. Points out that the strategies employed by multinational groups to minimise their tax burden (transfer prices, intragroup loans) grossly distort competition in the EU; calls on the Commission to clamp down firmly on tax dumping by large corporate groups;

Or. de

Amendment by Sophia in 't Veld

Amendment 30
Paragraph 11

11. Reaffirms the need for an increased role of Parliament, including the promotion of co-decision powers, in the **formulation** of competition **law**;

Or. en

Amendment by Elisa Ferreira

Amendment 31
Paragraph 11 a (new)

11a. *Recalls the need to promote adequate capacity-building at the EU level, in order to meet the ambitious agenda and deal with eventually highly staffed firms and national regulatory agencies;*

Or. en

Amendment by Ieke van den Burg

Amendment 32
Paragraph 12 a (new)

12a. *Suggests as one of the issues for exchange of practices and coordination between national competition authorities (and possibly for guidance by the European Commission) the approach of setting standard or minimum obligatory or recommended tariffs for work performed by self employed or free lance professionals in low income categories, taking into account the overlapping fields of competence of labour law and competition policy;*

Or. en

Amendment by Benoît Hamon

Amendment 33
Paragraph 13

deleted

Or. fr

Amendment by Heide Rühle and Alain Lipietz

Amendment 34
Paragraph 13

13. Expresses its concern at the relative failure to date in achieving genuine competition in the energy markets ***despite two waves of liberalisation directive, which too often led to***

private oligopolies; notes that *the energy sector inquiry led by the Commission to assess the competition conditions on European gas and electricity markets has highlighted that*, in many Member States, ownership unbundling has proven insufficient to ensure proper competition, as very high incumbent market shares are associated with insufficient market access and market foreclosure;

Or. en

Amendment by Heide Rühle and Alain Lipietz

Amendment 35

Paragraph 13 a (new)

13a. Strongly believes that the introduction of a level playing field that enables new market entrants and facilitates the introduction of new environmentally friendly technologies must be a priority; congratulates in this respect the Commission for making full use of its power under antitrust rules, state aid control, and merger control rules, in view of enhancing the efficiency of the energy market; welcomes the fact that in parallel to enforcement in individual cases, the energy sector inquiry has played an important role in the Commission's work on identifying necessary regulatory changes, in particular issues such as: achieving adequate unbundling of network and supply activities, removing the regulatory gaps, in particular for cross border issues, addressing market concentration and barriers to entry, and increasing transparency in market operations; urges the Commission in its enforcement of competition policy to strike a proper balance between incentives for ex-ante investments and ex-post competition and to review the existing legislation in accordance with the Lisbon-Göteborg Strategy and the fight for climate change;

Or. en

Amendment by Benoît Hamon

Amendment 36

Paragraph 14

deleted

Or. fr

Amendment by Heide Rühle and Alain Lipietz

Amendment 37

Paragraph 14

14. ***Welcomes the overall objective of the energy inquiry which is to address the barriers currently impeding the development of a EU-wide energy market by 1st July 2007; believes that*** the completion of ownership unbundling in the energy sector, alongside the dismantling of vertical conglomerates and the guarantee of conditions for effective market access ***is a priority***, in this context, suggests that further clarification of national and European champion strategies would be welcome; ***shares equally the views of the Commission that the powers of national regulators need to be strengthened and that European coordination must be enhanced, particularly as regards to cross-border issues; calls on the creation of a EU regulator whose exclusive tasks would consist of overcoming the current regulatory cross-border gap;***

Or. en

Amendment by Gunnar Hökmark

Amendment 38

Paragraph 14

14. ***Underlines that*** the completion of ownership unbundling in the energy sector, alongside the dismantling of vertical conglomerates and the guarantee of conditions for effective market access, should ***(deletion)*** be given stronger priority; ***(deletion)***

Or. en

Amendment by Jonathan Evans

Amendment 39

Paragraph 14

14. ***Calls for*** the completion of ownership unbundling in the energy sector, alongside the dismantling of vertical conglomerates and the guarantee of conditions for effective market access, ***to*** be given stronger priority; in this context, suggests that further clarification of national and European champion strategies would be welcome;

Or. en

Amendment by Elisa Ferreira

Amendment 40

Paragraph 14

14. Wonders if the completion of ownership unbundling in the energy sector, alongside the dismantling of vertical conglomerates and the guarantee of conditions for effective market access, should not be given stronger priority; ***calls on the Commission to pursue enforcement action including fines against companies which breach competition rules; encourages the Commission to pursue Member States which unduly protect national energy companies;*** in this context, suggests that further clarification of national and European champion strategies would be welcome;

Or. en

Amendment by Pervenche Berès

Amendment 41

Paragraph 14 a (new)

- 14a. Calls on the Commission to examine the respective competition situations of rating agencies, auditing firms, and large investment banks;***

Or. fr

Amendment by Gunnar Hökmark

Amendment 42

Paragraph 14 a (new)

- 14a. Stresses that competition law must be applied to all actors on the European market, irrespective of whether they have their headquarters within or outside the EU. It is important for the Commission to act with equal firmness and consistency towards both foreign and domestic undertakings;***

Or. sv

Amendment by Heide Rühle and Alain Lipietz

Amendment 43

Paragraph 14 a (new)

- 14a. Welcomes the initiative taken by the Commission to commission a study to identify whether the rise in prices for energy is mainly due to the rise of fuel prices and to the impact of the EU Emissions Trading Scheme (ETS), or whether it is due to anti-***

competitive behaviour of market's actors; shares the view of the Commission that creating a competitive market will substantially contribute to reducing the scope for excessive profits of energy companies;

Or. en

Amendment by Sahra Wagenknecht

Amendment 44
Paragraph 14 a (new)

14a. Is of the opinion that ownership unbundling of large utility companies is not sufficient to loosen the stranglehold of companies occupying a dominant position on the energy markets; takes the view that energy networks at least should be transferred to public ownership in order to provide the means of implementing an energy policy oriented towards ecological and social goals;

Or. de

Amendment by Sahra Wagenknecht

Amendment 45
Paragraph 14 b (new)

14b. Calls on the Commission and the Member States to work towards decentralisation of energy generation and distribution; is also of the opinion that municipally owned electric utilities come under services of general economic interest and do not have to be unbundled;

Or. de

Amendment by Elisa Ferreira

Amendment 46
Paragraph 15 a (new)

15a. Welcomes the Commission's purpose to support the interconnectivity of infrastructure networks; calls for special attention to be paid to the specific features of peripheral markets;

Or. en

Amendment by Elisa Ferreira

Amendment 47

Paragraph 18 a (new)

18a. Welcomes the Commission's Merger Remedies Study on the impact of proposed remedy measures over 1996-2000; considers that such ex-post examinations provide crucial policy insights, and consequently should be extended to other areas of competition policy enforcement;

Or. en

Amendment by Sophia in 't Veld

Amendment 48

Paragraph 19

19. Notes that, according to the Commission's Merger Remedies Study, the effectiveness of structural remedies is often undermined by the uncompetitive behaviour of the firms **and public authorities**, in particular by the limitation of market access; consequently calls on the Commission to increase its vigilance as regards that possible loophole in merger remedy enforcement;

Or. en

Amendment by Heide Rühle and Alain Lipietz

Amendment 49

Paragraph 20

20. **Notes that State aid policy is an integral part of competition policy and that State aid control reflects the need to maintain a level playing field for all undertakings carrying out activities in the single European market;** welcomes **in this respect** the Commission's efforts to increase the transparency and public accountability of the existing mechanisms of State aid; welcomes further efforts to improve transparency in this context;

Or. en

Amendment by Sophia in 't Veld

Amendment 50

Paragraph 20

20. Welcomes the Commission's efforts to increase the transparency and public

accountability of the existing mechanisms of State aid; welcomes further efforts to improve transparency in this context; ***stresses, furthermore, the need for clear criteria for measuring the state aid levels;***

Or. en

Amendment by Gunnar Hökmark

Amendment 51
Paragraph 20 a (new)

20a. Reiterates its earlier call for follow-up and open reporting on the development of state aid, with comparisons between the Member States, with a view to achieving the desired objective of reducing such aid;

Or. sv

Amendment by Heide Rühle and Alain Lipietz

Amendment 52
Paragraph 20 a (new)

20a. Recalls that the EC Treaty, in Articles 86 and 87, explicitly authorises certain exceptions to the ban on State aid when the aid regime proposed have clearly beneficial effects for the population and doesn't harm the general activities of the Union; in particular, stresses that State aid can be used to correct market failures, thereby improving the functioning of the market and enhancing European competitiveness, to reduce differences in living standards between regions in the European Union, pursue policy objectives such as R&D, promotion of SMEs, social cohesion and environmental and cultural protection; considers therefore essential, when assessing whether State aid is compatible with the Treaty, to find the right balance between the negative effects of State aid on competition and its positive effects in terms of common interests;

Or. en

Amendment by Sahra Wagenknecht

Amendment 53
Paragraph 22

deleted

Or. de

Amendment by Heide Rühle and Alain Lipietz

Amendment 54

Paragraph 22

22. Recalls the principle of compatibility between State aid and EU cohesion policy; ***calls on the Commission, in view of the EU's objectives and its cohesion policy, to ensure that State aid doesn't result in distorted competition in terms of inciting relocation of companies from one Member State to another, which may lead to subsidy shopping by enterprises without any added value for the common goals of the EU and in particular, to job being lost in one region for the benefit of another;*** recalls that individual regional aid approved outside authorised regional aid schemes entails intrinsically higher risks of distortion to competition;

Or. en

Amendment by Elisa Ferreira

Amendment 55

Paragraph 22 a (new)

- 22a. ***Welcomes the increased sensitivity of the Commission in relation to the Lisbon agenda issues, in the context of State aid management, and the concerns with the catching up on such issues of less developed regions in the Community;***

Or. en

Amendment by Elisa Ferreira

Amendment 56

Paragraph 23 a (new)

- 23a. ***Calls on the Commission to ponder the possibility of extending the practice of decentralisation of the enforcement of EU competition policy rules, as introduced by Regulation 1/2003, to the field of State Aid control; recognises, however, that such a move goes beyond normal cooperation between NCA's and the Commission and requires a high level of effectiveness of the institutional framework ;***

Or. en

Amendment by Elisa Ferreira

Amendment 57

Paragraph 23 b (new)

23b. *Recalls the need to guarantee that compliance with EU targets on climate control, combined with environmental State Aid, across different countries and sectors, are compatible with competition objectives; calls on the Commission to address this issue in the forthcoming review of the Block Exemption on Environmental State Aid;*

Or. en

Amendment by Elisa Ferreira

Amendment 58

Paragraph 23 c (new)

23c. *Welcomes the progress done in the context of bilateral cooperation with the EU's main partners, namely the USA, Canada, Japan and Korea, including dialogue on issues of common concern, namely merger remedies and cartel investigations; considers this cooperation to be of crucial importance to achieve a consistent enforcement of decisions on cases with a shared impact;*

Or. en

Amendment by Elisa Ferreira

Amendment 59

Paragraph 23 d (new)

23d. *Welcomes the Commission's cooperation with Chinese authorities towards the establishment of a competition authority in that country; exhorts the Commission to continue its efforts towards instituting an effective competition culture in that country;*

Or. en

Amendment by Gunnar Hökmark

Amendment 60

Paragraph 23 a (new)

23a. *Stresses that the Commission's analyses of the competition situation within various sectors as regards the acquisition of undertakings should be carried out in the light of the whole internal market and not principally with regard to the situation on the local*

and national market;

Or. sv

Amendment by Sahra Wagenknecht

Amendment 61
Paragraph 24

deleted

Or. de

Amendment by Jonathan Evans

Amendment 62
Paragraph 24 a (new)

24a. Calls upon the Commission and Council to improve and better focus their joint efforts in the organisation of the EU Competition Day initiative to highlighting to European consumers and citizens the crucial importance of EU Competition Policy in delivering economic growth and jobs throughout the EU;

Or. en