



MEETING OF MR ALEXANDER ITALIANER, EUROPEAN COMMISSION'S DIRECTOR GENERAL OF THE IN CHARGE OF COMPETITION POLICY, WITH BUSINESSEUROPE DELEGATION

5 JULY 2010, BRUSSELS

Participants

European Commission:

- *Alexander Italianer (Director General of DG COMP)*

BUSINESSEUROPE

- *Philippe de Buck, Director General*
- *Ian Rodgers, Chairman of the State aid Working group)*
- *Anders Stenlund, Chairman of the Competition Working group and Vice-Chair of Legal Affairs Committee*
- *Guido Lobrano, Legal adviser*

BUSINESSEUROPE is meeting for the first time with Director General Alexander Italianer in this new capacity in DG COMP. He was previously deputy Secretary General of the Commission.

1. BUSINESSEUROPE GENERAL POSITION ON COMPETITION POLICY

BUSINESSEUROPE is resolutely in favour of developing and sustaining a competitive commercial environment in the EU and is convinced that competition provides the best incentive for efficiency, encourages innovation and guarantees consumers the best choice. We are also supportive of an efficient redress system for consumers.

Antitrust law is crucial and its enforcement is fundamental for creating and sustaining a competitive economy. It needs to provide companies with legal certainty and uniform application of its principles across the EU and worldwide.

BUSINESSEUROPE also supports effective enforcement and application of state aid rules to maintain a well-functioning Single Market and a level playing field for all undertakings, no matter in which Member State they are established.

We are organising a conference on antitrust policy with the US Chamber and we plan to invite Vice-President Almunia and US' Assistant-Attorney General Christine Varney.

2. BUSINESSEUROPE PRIORITIES ON COMPETITION

BUSINESSEUROPE is resolutely in favour of a competitive commercial environment in the EU and is convinced that competition provides the best incentive for efficiency, encourages innovation and guarantees consumers the best choice.

We are also supportive of an efficient redress system for consumers. It is in the interest of companies that wrongdoings are condemned and victims compensated. We need a balanced system for fighting against antitrust breaches and ensuring compensation. Compensation and enforcement are however two separate objectives: enforcement must stay firmly in the hands of public authorities.

- **Damages actions:** the Commission is expected to launch a joint consultation on the principles guiding action on collective redress at EU level. It is not clear though what will happen with the other measures contained in DG COMP's white paper of 2008, which are specific to competition cases.

We are skeptical about collective court actions and particularly wary of any type of opt-out. We recommend more active promotion of Alternative Dispute Resolution mechanisms (ADR).

- **Due process:** We firmly believe that the assurance of procedural fairness not only helps to protect the businesses involved but also contributes to vigorous and credible enforcement of antitrust law. The consultation on the best practices prompted a lively debate. We encourage the Commission to take concrete steps to follow it up, both at EU an international level (OECD debate on procedural fairness).
- **Compliance:** BUSINESSEUROPE will take action to promote antitrust compliance, identifying general principles and support companies efforts' in this area.

We aim to encourage greater interest and a more positive attitude towards compliance issues among public authorities. We recognize the need to develop robust standards for evaluating credible compliance programmes in Europe.

It is important to receive the support of the Commission to determine these standards and encourage companies' adherence to such compliance programmes in its enforcement.

- **Consultation on horizontal agreements:** BUSIENSSEUROPE is finalizing its position. There are important aspects related to standardization and IPR that need to be carefully considered.

3. BUSINESSEUROPE PRIORITIES ON STATE AID

BUSINESSEUROPE strongly supports the willingness and effort of the Commission to provide transparent, effective and predictable State aid policy and enforcement. This will be beneficial for all parties and will result in a more efficient single market.

- BUSINESSEUROPE sent a letter to Commissioner Almunia with our views on the application of the **temporary framework for state aid** that was launched in 2008 to counterbalance the crisis. We encourage the Commission to phase out the framework quickly in order to avoid distortions of competition.

In most Member States there are concerns that while individual aid measures put in place do not seem to cause problems, the cumulative effect of aid can cause considerable distortions of competition in the Single Market.

At the same time, a few specific measures that have proven particularly useful and non distortive should remain in place. This is the case for assistance schemes to access to finance for SMEs and short term export credit schemes.

- Consultation on **Altmark package** (State aid rules applicable to services of general Economic interest - SGEI): we have a joint meeting of the State aid and SGEI groups on 6 July to discuss our submission. The package defines the conditions for compatibility with state aid rules when member states provide compensation (public financing) for the provision of SGEI.

We stress that undistorted competition and transparency in the application of state aid rules to SGEIs are key to avoid protectionist trends, reinvigorate the single market and promote the provision of better public services.

- In the area of **R&D aid**, the Commission should complement the “new” EU state aid rules for R&D with clearer operational guidelines. This can participate in creating a conducive environment, able to foster industrial investment in R&D and innovation.
- The new rules on **carbon emissions** contain state aid elements. We support the need to stimulate investment in certain types of low carbon technology, to adequately compensate electricity-intensive industries for the adverse impact of higher power prices.

The guidelines expected by DG COMP must balance these against the need to minimise distortions of competition. We offer our support to work closely with the Commission as it develops the guidelines.

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