

Committee on Economic and Monetary Affairs
The Chairwoman

ACCES RESERVE

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Mr Jerzy Buzek
President of the European Parliament

Dear President,

In accordance with Rule 106 of the Rules of Procedure of the European Parliament, the Committee on Economic and Monetary Affairs held a public hearing on Tuesday 12 January 2010 with Mr Joaquín ALMUNIA, Commissioner-designate, who, subject to the positive outcome of the nomination procedure, will be responsible for Competition Policy.

Prior to the hearing, Parliament had sent the Commissioner-designate a list of written questions. My committee noted that Mr ALMUNIA answered those questions satisfactorily.

Mr ALMUNIA opened the hearing by making a statement in which he referred to the following:

- to his established relationship and cooperation with the European Parliament as former Commissioner for Economic and Monetary Affairs and which he is determined to pursue in the future.
- his support of European integration.
- that competition policy is a key instrument in providing Europe with an economy that can compete on the global scene.
- that competition instruments can and must contribute to make the EU a smarter, greener and social economy and be an important driver to achieve the Commission's transformational vision of the EU in the next decade (EU 2020).
- his determination to fight cartels, to prevent or stop companies from abusing their market power and to continue to apply the merger control rules.
- as regards State aid control, his intention to modernise the applicable procedures and carefully implement, when the right time comes, a phasing out strategy for financing support schemes in the financial sector.
- his support of guaranteeing the provision of services of general economic interest of high quality and that certain services are essential and access to the latter must be guaranteed at affordable conditions.
- his willingness to always cooperate with the European Parliament, including at committee level, for what concerns new initiatives as well as individual cases.

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Members then asked questions on the following subjects in particular:

- Cooperation with Parliament: debates, exchange of information, use of the ordinary legislative procedure (codecision)
- Communication of the benefits of competition policy to the EU citizens
- Action for damages / collective redress: decision-making procedure (ordinary legislative procedure), avoid excesses, adopt a broad approach of consumer protection
- Penalties for competition law infringements: level of fines, possibility of other type of sanctions and how they are distributed
- Sectors for State aid: financial, SMEs, environmental, transport
- Other types of State aid: indirect tax benefits and tax competition
- State aid: exit strategy from temporary measures in the context of the financial crisis, correct timing, responsibility of companies having received State aid
- Sectoral inquiries: use in the future, for instance in food distribution
- Services of general economic interest
- His independence as a Commissioner: political background, independence of decision-making, influence by national governments

During the debate, Mr ALMUNIA made the following specific commitments regarding his future Commission portfolio:

- to establish a close and fruitful relationship at all levels with the Parliament, in particular by being available to the Parliament and its committees and involving Parliament in consultations
- to work in a spirit of openness and transparency with the committees
- to provide all the necessary information on new initiatives and on individual cases, subject to confidentiality constraints
- to send all legislative, non-legislative and pre-legislative documents on competition matters to the European Parliament at an early stage, even in a draft form, when requested by Parliament or on his own initiative
- to work for the definition of a coherent policy in the areas of Economic and Monetary Affairs, Financial Markets and Competition and to include the ECON Committee in the development of this inter-portfolio area
- to enforce the EU competition rules in a firm and fair way and to fully respect due process and the rights of the defence
- to ensure that Parliament, in its oversight role of the respect of the due process in the Commission's decision-making in the area of competition, receives the relevant evidence and not unproven declarations
- to determinately fight cartels, the most damaging form of violation of competition rules
- to keep the current fining policy for competition infringements, where the level of applicable fines works as a good deterrent and where the resources stemming from these fines go to the EU budget
- to explore more in depth the issue of collective redress and make a proposal based on the ordinary legislative procedure while avoiding introducing the kind of excessive litigation and class actions often experienced in other countries
- to act firmly to prevent or stop companies in a monopoly position, or holding a dominant position, from abusing their market power in whichever sector or country
- to deal with the financial crisis and its aftermath as a priority as regards application of State aid rules and to avoid public money being used for bonuses

- to examine how State aid procedures can be modernised, possibly by speeding up investigations
- as regards services of general economic interest, to submit the results of an assessment to the Parliament for its consideration and for the establishment of a new general framework
- to use all means possible to combat illegal use of tax benefits related to State aid
- to support the establishment of a financial transaction tax, even if it may be difficult to implement in practise, and to give full attention to its discussion also at the global level
- to cooperate closely with other authorities in third countries in order to ensure convergence of rules and practices and that European companies are fairly treated

The ECON Committee takes note that the new Commission will carry out a public consultation on how to ensure a coherent approach between collective redress procedures in different policy areas, and underlines the commitment expressed by Commissioner-designate ALMUNIA to favour the ordinary legislative procedure when making a specific proposal on damages actions for breach of the EC antitrust rules.

Before the end of the hearing, the Commissioner-designate made a brief closing statement in which he reaffirmed his willingness to co-operate closely with the Parliament, namely by sending all relevant documents to Parliament at an early stage and involving Parliament in consultations in policy-making. He also stressed his commitment to enforce EU competition rules in a firm and fair way.

On the basis of the responses of the Members present at the hearing, as well as the comments made by my committee's coordinators, who met after the hearing under my chairmanship, I hereby give the following assessment:

As former Commissioner, Mr ALMUNIA has the experience and personal qualifications needed to become a new Commissioner and this was confirmed during the hearing. He expressed several times during the hearing his independence vis-à-vis national governments and has shown, in particular through his past work, a commitment to European goals. During three hours, he proved to have strong communication skills and sufficient knowledge in the area of competition. He expressed a strong willingness to continue cooperating with the Parliament, in particular at committee level. Mr ALMUNIA agreed to sign the commitments proposed by the ECON Chair (annexed).

The general outcome of this hearing is that the Commissioner-designate gave a convincing impression of his aptitude to be a member of the College of Commissioners and to carry out the specific tasks assigned to him.

This represents the opinion of a consensus of the Members who attended the hearing.

Yours sincerely,



Sharon Bowles

Encl.

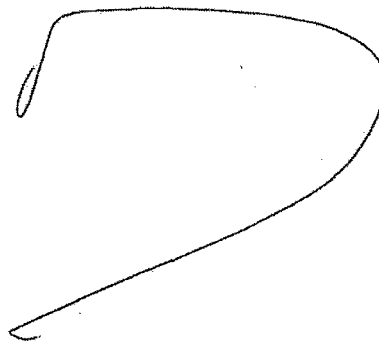
Joaquín ALMUNIA

Chair's Remarks

1 The ECON Committee appreciates your willingness, expressed in your written response, to work in a spirit of openness and transparency with the Committee. We would like to underline the importance of informing and sending legislative, pre-legislative and non-legislative documents to the Parliament at an early stage, maybe draft form, in order to give time for an effective decision making procedure. This should extend not just to those things that we might ask for, but also when appropriate to some of those things you know about that we do not. **We would very much appreciate your commitment on this point.**

2. During the financial crisis the three Commissioners responsible for Economic and Monetary Affairs, Financial Markets and Competition have had to work closely together, and it is presumed this cooperation will need to continue. ECON has responsibility for all of these policy areas and wishes to participate in this vital joining up of policy. **So we would appreciate your commitment to assist in the inclusion of the Committee in this inter-portfolio area.**

3. In your written response you have said that the Commission's institutional set-up and decision making system for competition is a very strong one, with guarantees as regards effectiveness, fairness and due process. Nevertheless the system is one that can be difficult to follow, and one in which it can be difficult to demonstrate that the guarantees click in at an early enough stage. **Therefore, I ask you to recognise this problem and that for Parliamentarians to do our job of oversight, we require more than unproven declarations concerning process.**

A handwritten signature in black ink, consisting of a large, stylized loop that starts on the left, curves upwards and to the right, then loops back down and to the left, ending with a small hook.

(Mr. ALMUNIA's signature)