Ladies and Gentlemen,

I would first of all like warmly to welcome everyone of you to this specially organised hearing on the Evaluation Report on the functioning of Regulation 1475/95 on motor vehicle distribution and servicing agreements. I want to underline to you the importance the Commission attributes to this opportunity to listen to oral arguments from all concerned on this important matter.
Before going into the further steps in our process towards a new regime after the one that expires on 30 September next year, I would only like briefly to recall the background to and purpose of this hearing.

When soon six years ago, Regulation 1475/95 was adopted to succeed the first special Block Exemption Regulation for this sector, Regulation 123/85, one had not made any particular evaluation study on the functioning of the old Regulation. Instead, Article 11 of the new Regulation provided that the Commission before the end of year 2000 should make such a Report.

With this in mind, we started within the DG Competition already two years ago the work to prepare this Report. The first step consisted of carefully preparing the special questionnaires to be addressed to the various interested groups. In this preparation we also based ourselves on the experiences we had gained from the operation of the
Regulation. The information requests were sent out in September to be answered by end of November 1999.

We received all in all 115 replies, many of which quite substantial. On the basis thereof, as well as taking into account a number of expert studies, the work on the Evaluation Report could then be started a year ago.

For us it was in this work natural to take as point of departure the assumptions at the time underlying this Regulation and its predecessor, as well as the objectives it was expected to attain.

The result of this work was adopted by the Commission and published on 15 November last year. Any interested party was at the same time invited to submit written comments as well as to come to this oral hearing.
So far we have received 65 written submissions and for this hearing you are around 350 participants from more than 120 organisations and individual undertakings.

The basis of this hearing is thus the Evaluation Report as well as two studies carried out for DG Competition by independent consultants, which also were published on the Internet together with the Evaluation Report.

As you certainly have already noticed, the evaluation report analyses the current regime. It does not make any proposals as to the future regime. This is so, since we have wanted to make the evaluation strictly separate from any reflections that might prejudge the future regime.

All of this means that at this stage the Commission has an open mind as to the nature of the future regime. We are, however, very well aware of the considerable developments that the automotive industry has undergone during the last decade. These have more concerned a far reaching restructuring of the industry and rationalisation of
the manufacturing process than the distribution itself. However, new technical developments in that field have also to be taken into account. Your contributions today will therefore be of great importance for our further work.

After the hearing, the Commission will start its reflections as to options for the post-2002 regime, and will take all views expressed at the hearing into account.

The general purpose of this hearing is to give as many as possible of all the interested parties active on the automobile market the opportunity to express their views orally on the evaluation report. This will be done today, on day one of the hearing. Today’s general debate will be short, but I would hope that some of today’s unanswered questions could be dealt with during tomorrow’s debates.

Tomorrow, on the second day of the hearing, we will discuss a number of specific themes that have arisen from the Report itself and from the two studies related to it. If you have not been selected as a speaker, but feel that you
would still like to make an individual contribution on any of the two themes, you may make your contribution in writing to DG Competition, as many interested parties have already done.

As a final point, I would like to remind you that in order to keep these debates at a technical level, this meeting is not open to the media.

I now give the floor to Mr Van Ginderachter.