



Remarks prepared for the Deutsche Post lunch on December 6 2005

Competition Policy, Competitiveness and Economic Performance

A decorative graphic consisting of overlapping colored shapes (red, blue, yellow) and a black crosshair.

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*The views expressed are those of the author and do not necessarily reflect those of DG COMP or the European Commission



Lisbon - competitiveness

- n revamped Lisbon Agenda / social model
- n contribution of competition policy
- n role of CE (information point)



EU competition policy instruments

(i) Cartels & Agreements (Art. 81)

- n Priority for NK - separate unit in DG COMP
- n Leniency & fines & private action initiative

(ii) Treatment of Dominant Firms (Art. 82)

- n current review – describe process
- n more effects-based (economics) – legal certainty
- n “as efficient competitor test”
- n exploitative abuses – link to regulation?
- n convergence with the US?



EU competition policy instruments

(iii) Merger Control

- n Horizontal - Innovation, Efficiencies, market definition
- n Non-horizontal - current review
 - n important judgments (GE-HWL, 12/14)
 - n describe process
- n National/European champions debate
- n the 2/3 rule
- n industrial policy vs. competition policy

(iv) Sector inquiries

- n financial markets (payment systems, retail banking, insurance)
- n energy markets



State Aid Control – “less and better targeted”

Describe process (SAAP, Innovation Communication)

- (+) focus more on market failures
=> R&D&I, risk capital
- (+) social objectives (cohesions)
- (-) distortion of competition

Goals:

- Better targeted (refined economic approach)
- Simplify architecture (super block exemption)
- Legal certainty important
- Jurisdiction – when and where? (effect on trade, distortion on competition)



Competition Policy as an instrument of a modern Industrial Policy

- n important reforms (Art. 82, vertical and conglomerate mergers)
 - n state aid
 - n concentrate the role of governments on market failures and social issues
 - n focus on long-term issues ("making Europe attractive for R&D")
 - n competition policy and market integration the right instruments
- ÜA European citizens agenda.....