

## **EUROPEAN COMPETITION DAY CONCLUDING REMARKS**

**LISBON, JUNE 9<sup>th</sup> 2000**

**( This draft to be checked against delivery)**

Dear Mrs Fonseca, Ladies and Gentlemen.

I am normally very moderate in my opinions but I think that we can really be satisfied with this first European Competition Day in Lisbon. During this one-day conference, we have had interesting debates and remarkable interventions from different kinds of participants. In particular, I would like to mention the first panel in which the positive impact of competition policy on the daily life of European citizens was very well illustrated. I was particularly pleased by the fact that we had a large number of citizens visiting the exhibition in the lobby and attending panel. Honestly, I did not expect so many people for this first event and I must confess that I am impressed by its success. I would like to compliment and to thank you, Mrs Fonseca and your services for the good quality of the organisation.

It is always difficult to conclude such a conference immediately after the last discussions. However, the main outcome of this Day is obvious to me and probably to many of you. We have clearly shown what competition policy means for the citizen and we have demonstrated some of the concrete benefits citizens can get from competition policy. That policy appears to be one of the most efficient tools to improve the quality of the citizens' day-to-day life and their standard of living. The competitive process results indeed in better products and services at a better price. In that respect, I am convinced that this policy responds to one of the most important objectives of the Treaty, that is to say, the economic and social progress of the European Union's people. This is the reason why, we, competition authorities, have to think about the impact of our decisions on citizens. And the reason why we have to better inform them to better convince them, as Commissioner Monti said this morning.

As far as the European Directorate General for competition is concerned, I would like to give you an outline of the measures we have taken and of those we intend to take in the coming weeks, in order to better focus our action on the citizens' interests and thus better involve our fellow citizens in competition policy.

### ***Taking into account citizens' interests.***

First of all, I would like to stress that we have never been indifferent to citizens. It would be wrong to state that being concerned by citizens' interests is a completely new approach for the European Commission. However, we can improve our attitude in the treatment of certain cases.

In the context of our modernisation exercise which is probably the most important reform of the last years, we have obviously taken into account the interests of European citizens. As you know, one of the main objectives of this exercise is to enable the European Directorate General for Competition to focus on those cases which affect significantly competition within the Common market. One of the most harmful anti competitive practices are cartels. When applied to final goods, these agreements which lead to price fixing directly affect consumers. They may also affect taxpayers when such agreements concern products which are bought by public authorities. To me, focusing on these kinds of anti competitive practices clearly means better defending citizens' interests at European level. Moreover, I would mention that the modernisation exercise will bring about closer involvement of national courts and of national competition authorities in European competition policy. This should give to European citizens easier and more familiar ways to complain. The modernisation exercise should be seen also in that light.

From a legal point of view, the Directorate General for Competition has to take into account consumers' interests in the treatment of cases. For instance, when the Commission assesses an agreement under article 81 and finds it restrictive of competition, it may exempt this agreement if certain conditions are fulfilled. This is the exemption procedure under 81(3). One of these conditions is that the agreement in question brings about some benefits for the consumers in the form of a lower price, a better quality of goods or services or faster marketing of new products. There is therefore a legal framework in European competition law which protects consumers.

I am convinced that in addition to these legal obligations the Commission has to be very aware of its responsibility in the protection of citizens' interests. In every case we deal with, we must bear in mind that any decision we take has an impact on citizens, either as consumers or as workers. We should therefore ask ourselves whether this decision is good and fair to them. In cases where the major impact of an anti competitive practice is born by the final consumer such as in the Volkswagen case or where the merger takes place in the retailing distribution sector such as in the Kesko/Tuko or Rewe/Mainl cases, the assessment of the Commission obviously takes into account the consumers' interests. In such cases, the Commission's decisions brings about clear benefits to the consumers. The Volkswagen decision protects the citizens' ability to buy a car in the Member state where prices are lower. The Kesko/Tuko and Rewe/Mainl decisions guarantees the existence of a real choice between several supermarkets for the Finish and Austrian consumers.

### ***Improving citizens' information.***

Secondly, I would like to draw your attention to the information issue. Citizens should know what we do in their interest. This is a matter of transparency. It is also a matter of efficiency to the extent that we could expect from better informed citizens greater support for and involvement in competition policy.

As you may be aware of, the Directorate General for Competition has made considerable efforts to increase transparency and spread information. We publish decisions, press releases, annual reports and a magazine "The Competition policy Newsletter" . We have a web site as well. We attend meetings and participate in conferences where we present our policy. Despite these efforts, Mr Monti's statement

that competition policy is still not very familiar to our fellow citizens is true. And it is clear to us that we have to develop new efforts in the direction of European citizens.

As Mr Monti mentioned this morning, our Directorate General should be in closer contacts with Consumers' associations. They are for us the best source of information to learn what are the consumers' concerns and to assess the impact of our decisions on the daily life of European citizens. They are also the best means to spread information to the public. Lastly, they may help us in finding clues of anti competitive practices because of their knowledge of markets.

In April, we organised a one-day conference with BEUC, one of the main European Consumers' association which has been represented today by Mr Forrest. I think that this meeting has been interesting for both parties. As far as my Directorate General is concerned, I would say that this meeting has caught the attention of many of the officials who were present. Following the event, we made a brief survey in our services. Most officials stated that we should multiply this kind of exchanges because they were fruitful for them and because they may constitute the basis for further discussions. I am convinced that this kind of meeting can contribute to improve our common understanding.

I have referred before to the efforts we made to increase transparency of competition policy. I mentioned also that our fellow citizens do not really know what we do and how competition policy may work in their favour. This paradox can be explained easily. The information we spread out is essentially dedicated to specialists: members of the business community, lawyers or politicians who are ready aware of our action. We must therefore develop new efforts to communicate to the public.

This is the reason why we have decided to write and publish a new brochure, the title of which is rather significant : "European competition policy and the citizen". I am convinced that this document is a sort of guide of the new approach we try to promote. This brochure contains a foreword by Commissioner Monti which constitutes a real political message for citizens. In this document, we have tried to explain clearly what are the main domains of competition policy and to what extent citizens can benefit from this policy. In order to be as concrete as possible we have quoted many examples. At the end of this brochure, we have given some practical guidance to the readers about "how to complain to the Commission" and "where to get information on competition policy". We thus encourage European citizens to be more closely involved in competition policy.

Lastly, the European competition Day is another means to draw the attention of the public on what we do. I am sure that this kind of event can bring about a positive outcome in terms of awareness. Today's event will be followed by a Competition Day in Paris in October. I hope it will be as successful as this first conference.

Thank you.