



Malta-EU Steering & Action Committee

COMPETITIVENESS AND CONSUMER AFFAIRS



31.07.09

Anti-dumping duties

COM(2009) 396 - Proposal for a Council Regulation amending Regulation (EC) No 1890/2005 imposing a definitive anti-dumping duty on imports of certain stainless steel fasteners and parts thereof originating, inter alia, in Vietnam

In August 2008 the Commission initiated an interim review of the measures in force in respect of stainless steel fasteners originating in Vietnam further to a request made by a Vietnamese exporting producer. The request was based on *prima facie* evidence that the circumstances on the basis of which measures were established have changed; i.e. that the company now fulfils the criteria for market economy treatment (MET) and therefore the continued imposition of measures at the existing levels would no longer be necessary to offset dumping.

The investigation showed that the company fulfilled the criteria to be granted MET and that no dumping took place during the investigation period. It was also found that the circumstances during the current investigation period were of a lasting nature. Thus the Commission is proposing that the Council adopt the Regulation that would amend the anti-dumping measures currently in force.

Competition Policy

COM(2009) 374 – Report from the Commission Report on Competition Policy 2008

This is a report on the functioning of the EU competition policy in 2008. The first section of this report provides an overview of how the instruments of competition policy, namely the anti-trust rules and the rules on mergers and on State aid, were further developed and applied. The second section discusses how these and other instruments were deployed in selected sectors. Section three gives an overview of consumer related activities developed in the past year. Section four focuses on cooperation within the European Competition Network (ECN) and with national courts, while section five deals with international activities. Lastly, section six gives a brief description of inter-institutional cooperation.

Furthermore, the report features a focus chapter on Cartels and consumers whereby the Commission reports, inter alia, that in 2008 the Commission fined 34 undertakings a total of



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EUR 2 271 million in seven cartel cases. In the Car Glass case¹ the Commission imposed the highest fine for a cartel case to date, amounting to EUR 1 383 million.

Due to the very difficult financial and economic circumstances that Europe experienced in 2008, and the way they impacted on the viability of European businesses, particular attention is paid in this year's report to the Commission's assessment of rescue and restructuring measures.

Commission launches public consultation on review of competition rules for distribution sector

The European Commission is calling for comments on its proposal for a revised Block Exemption Regulation and Guidelines on supply and distribution agreements (vertical restraints). The current Regulation is due to expire in May 2010. The Commission considers that the rules are working well overall and should not be fundamentally modified. The main suggestions for amendments intend to take account of recent market developments, in particular the increased buyer power of big retailers and the evolution of on-line sales on the Internet.

Two major developments have marked the ten-year period following the entry into force of the current rules: a further increase in large distributors' market power and sales on the Internet. To take account of these developments, the Commission proposes that for a vertical agreement to benefit from the block exemption, not only the supplier's market share (as is currently the case) but also the buyer's market share should not exceed 30%.

Regarding on-line sales, on the one hand there is a need to protect consumers' possibilities to purchase to their advantage across borders, which is greatly facilitated by the Internet; on the other hand, certain sales restrictions that aim at limiting or preventing distributors from taking unfair advantage of marketing and brand promotion undertaken by others (i.e. free riding) may enable consumers to benefit from better services. The Commission's suggested approach therefore refines, in the on-line context, the distinction, between sales made as a result of active marketing and sales made as a result of the consumer taking the initiative (i.e. between active and passive sales), and explains how the revised Regulation would deal with conditions imposed in relation to internet sales.

The Commission invites interested third parties to comment by 28th September 2009.

To see the draft revised Block Exemption Regulation click [here](#)

To see the Guidelines click [here](#)

For the consultation click [here](#)

¹ *Commission vs Asahi, Pilkington, Saint-Gobain and Soliver*



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Regulations approved this week by Council

At its meeting on Monday 27th July, the General Affairs and External Relations Council adopted, *inter alia*, a regulation on cross-border payments and a directive on electronic money.

Cross-border payments

The regulation is aimed at achieving a single market for payment services in euros without distinction between cross-border payments and payments made on a national basis, thereby providing significant savings and benefits to the broader European economy.

It updates and replaces Regulation 2560/2001 on cross-border payments, which applies to credit transfers, cash withdrawals and electronic payments, including card payments, made in euros up to EUR 50 000. Regulation 2560/2001 has succeeded in bringing down the charges for cross-border payments to the level of national charges, and has encouraged the payments industry to build an EU-wide payments infrastructure for the "single euro payments area".

The new regulation extends the principle of the equality of charges to direct debits and addresses a number of enforcement problems that were identified in a report from the Commission on application of regulation 2560/2001. It also aligns the definitions and wording of the text with those of directive 2007/64/EC on payment services.

Electronic money

The directive is aimed at promoting the design of electronic money services that are both innovative and secure, whilst fostering competition between market participants and providing market access to new players.

Its adoption follows an assessment by the Commission of application of directive 2000/46/EC on electronic money institutions, which shows that electronic money is still far from delivering the benefits that were expected when that directive was adopted eight years ago. The number of newcomers to the market has been relatively low, and in most member states e-money is not yet considered a credible alternative to cash.

The new directive updates the provisions of Directive 2000/46/EC, with particular regard to the level of initial capital and the prudential supervision of electronic money institutions. It is also aimed at ensuring consistency with directive 2007/64/EC on payment services.