



Malta-EU Steering & Action Committee

COMPETITIVENESS AND CONSUMER AFFAIRS



13.03.09

Allocation of slots at Community airports

COM (2009) 121 - Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulation (EEC) No 95/93 on common rules for the allocation of slots at Community airports

The global economic and financial crisis is now seriously affecting the activities of air carriers. It has led to a significant reduction in air traffic over the winter 2008/09 scheduling season. The summer 2009 scheduling season will also be affected by the economic crisis.

The Commission takes the view that the current economic crisis and subsequent readjustments to services (suspension, reduction of frequencies) constitute exceptional circumstances that are having a negative impact on airline companies. Consequently, coordinators should interpret the provisions of Regulation (EEC) No 95/93 on the allocation of slots in such a way that airline companies do not risk losing the slots they fail to use because of the economic crisis ('use-it-or-lose-it' rule).

Article 10(2) of Regulation 95/93 establishes the 'use-it-or-lose-it' principle - air carriers will not be entitled to the same series of slots in the next equivalent scheduling season, unless they can prove to the satisfaction of the coordinator that they have operated them, as cleared by the coordinator, for at least 80% of the time during the season for which they were allocated.

In this proposal, the Commission is proposing the insertion of a new Article 10c into the Regulation, laying down that coordinators must accept, against the background of the economic crisis, that air carriers are entitled to the same slots



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in the summer 2010 scheduling season as allocated to them for the summer 2009 scheduling season (29 March 2009 to 24 October 2009).

Anti-dumping duties

COM (2009) 117 - Proposal for a COUNCIL REGULATION amending Regulation (EC) No 1212/2005 imposing a definitive anti-dumping duty on imports of certain castings originating in the People's Republic of China

By Regulation (EC) No 1212/2005, the Council imposed a definitive anti-dumping duty on imports into the Community of castings of non-malleable cast iron of a kind used to cover and/or give access to ground or sub-surface systems, and parts thereof, whether or not machined, coated or painted or fitted with other materials, excluding fire hydrants, originating in the People's Republic of China. Six companies have requested to be granted 'New Exporting Producer Treatment' (NEPT). Following investigations carried out by the Commission to verify whether these companies qualified for this treatment, it was established that one Chinese exporting producer, Weifang Stable Casting provided sufficient evidence to prove that it meets all the four criteria requested. In consideration of the findings of the investigation, it is concluded that the company Weifang Stable Casting should be added to the list of companies individually mentioned under Article 1(2) of Council Regulation (EC) No 1212/2005 with a duty rate of 28,6%. Hence this proposal to amend the Regulation so as to include Weifang Stable Casting in the list therein.

Internal gas and electricity market

COM (2009) 115- Communication from the Commission to the Council and the European Parliament Report on progress in creating the internal gas and electricity market

The liberalisation of the EU's electricity and gas markets, which began several years ago, has contributed to the rejuvenation of the energy sector. It has helped to develop entrepreneurial potential in this sector, with beneficial effects on a variety of energy-related activities.

This report shows that significant improvements have taken place in the EU electricity and gas market. Nevertheless, the full potential of liberalisation has not yet been realised. There are still a number of areas and Member States



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where the existing legislation (second internal market package) has not yet been properly implemented or where the need for new legislation has become apparent. The Commission is taking action to ensure the correct implementation of EU legislation at national level through the application of infringement procedures and complementing the internal market legislation with the third internal energy market package. The 3rd internal market package is meant to complement the existing EU legislation and must not be used as an excuse for the inadequate implementation of the existing 2nd internal market package.

The Commission's conclusions on this report are that in 2007 and 2008 a great deal of effort was put into enhancing competition on the wholesale market; significant progress was made through the regional initiatives. There also seems to be a new trend towards building new energy infrastructure, which is crucial to overcoming the longstanding fragmentation of EU energy markets.

The Commission's finding with respect to market concentration is that progress has generally been slow. A number of wholesale markets, in particular, still suffer from limited competition and the lack of liquidity. There are signs that the situation on the retail market is about to improve. Member States should put even more effort into providing comprehensive data for supplier switching. A major issue in the reporting period was the increase in energy prices, in part due to the rising price of oil on the international market. This triggered major increases in energy end prices.

While short-term solutions, such as regulated prices, might appear to be advantageous in the light of rapidly increasing energy prices, the report stresses the likely consequences of such measures: investor confidence is undermined, market entry is deterred and the full benefits of the internal energy market are placed at risk. Over the coming two decades, the EU - like other parts of the world - has to address the need for major investments in infrastructure. In the long term only a properly functioning internal electricity and gas market can send the right price signals to encourage investment.

COUNCIL CONCLUSIONS

The last Council meeting on matters of Competitiveness was held on the 5th and 6th March 2009. The following are the main results of this Council meeting:

The Council adopted a "key issues paper" on competitiveness and conclusions on the review of the single market, in preparation for the next Spring European Summit.

The Council also adopted conclusions in support of the automotive industry.

In the field of research, the Council held debates on the future of the European



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A hearing on "Research and development: in support of competitiveness" will be held in Prague on the 18th March 2009. The topics addressed will include the barriers still present in the field of research and development, cooperation between science and industry, innovation policy and the knowledge triangle.

The hearing will be opened by the Czech Deputy Minister for Education, Youth and Sport, Mgr. Jakub Dürr. A total of six high-level speakers will be heard, sitting on two panels, and the public will have the opportunity to participate in an open debate.

INDUSTRIAL COMPETITIVENESS

Challenges, opportunities, and the role of policy in difficult times

17th March 2009, Brussels

This high-level conference will bring European and international leaders together to discuss the way ahead. The European economy is greatly affected by the unwinding of the global financial and economic crisis. Falling demand and lost jobs are hitting businesses, families and communities throughout the EU. The EU has every interest in maintaining a strong and competitive industrial base as it moves towards a knowledge-based and low carbon economy. The European Union needs to intelligently use its economic policies to reinvigorate growth and job creation and to fully exploit its long term strengths. A key speaker is Paul Krugman, winner of the 2008 Nobel Prize for Economics. The President of the European Commission, José Manuel Barroso, and the Vice-President and Commissioner for Enterprise and Industry, Günter

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Support for the European car industry

The economic recession has had a huge negative impact on the car industry. In the margins of the discussions on the European economic recovery plan, the Competitiveness Council adopted conclusions on 5 March aimed at strengthening the EU's efforts to tackle the crisis and support the sector.

An urgent problem to be solved is access to finance. The Commission and the European Investment Bank (EIB) have been invited to present proposals for supporting measures consistent with the principles of the internal market and the need to prevent distortion of competition. The Council stressed the importance of avoiding protectionism and discriminatory measures in the global car market.

For more information [click here](#)

For Council conclusions [click here](#)

In response to this, the EIB has, yesterday, approved plans to lend an additional three billion Euros to auto makers.

For more information [click here](#)

State Aid - Update of the Handbook on Community State aid rules for SMEs

This Handbook gives a concise overview of the aid possibilities for the SMEs as allowed by the Community State aid rules. It also includes measures covered by the Temporary framework for State aid measures to support access to finance in the current financial and economic crisis

To see handbook [click here](#)

Steps for small businesses

On Monday, European Parliamentarians debated three reports which look at various ways to help small and medium size companies across Europe. These include a single private company statute which would make it easy for companies to operate abroad as they would have a single legal identity.

Another non-legislative report aims to establish a common set of principles to guide SMEs as well as steps to cut red tape. A third report asks the EC to submit a directive aimed at facilitating cross-border transfers of registered businesses within the EU.

Directive on airport charges

The European Parliament and the Council have agreed on a Directive on airport charges.

The Directive provides a clear legal framework for setting airport charges and reflects current commercial practices. Once implemented, the new legislation will promote better dialogue between airlines and airports. It is essential to ensure