



**2024/2079(INI)**

11.12.2024

# **DRAFT REPORT**

on competition policy – annual report 2024  
(2024/2079(INI))

Committee on Economic and Monetary Affairs

Rapporteur: Lara Wolters

## CONTENTS

	<b>Page</b>
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION.....	3
EXPLANATORY STATEMENT .....	7
ANNEX: ENTITIES OR PERSONS FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT .....	8

## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

### on competition policy – annual report 2024 (2024/2079(INI))

*The European Parliament,*

- having regard to the Treaty on the Functioning of the European Union, in particular to Articles 101 to 109 thereof,
- having regard to the publication of 18 July 2024 by Ursula von der Leyen entitled ‘Europe’s choice: political guidelines for the next Commission 2024-2029’,
- having regard to the report of September 2024 by Mario Draghi entitled ‘The future of European competitiveness’,
- having regard to the report of April 2024 by Enrico Letta entitled ‘Much more than a market’,
- having regard to European Court of Auditors Special Report 21/2024 entitled ‘State aid in times of crisis – Swift reaction but shortcomings in the Commission’s monitoring and inconsistencies in the framework to support the EU’s industrial policy objectives’,
- having regard to Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the EC Merger Regulation)<sup>1</sup>,
- having regard to the judgments of the Court of Justice of the European Union of 22 September 2022 in Case C-611/22 P (*Illumina v Commission*)<sup>2</sup>, of 10 September in Case C-465/20 P (*European Commission v Ireland and Apple Sales International*)<sup>3</sup> and of 10 September 2024 in Case C-48/22 P (*Google and Alphabet v Commission*)<sup>4</sup>,
- having regard to the Commission’s report of 2024 entitled ‘Protecting competition in a changing world – Evidence on the evolution of competition in the EU during the past 25 years’,
- having regard to the report entitled ‘CRA Market Share Report: 2023 edition’ published by the European Securities and Markets Authority,
- having regard to Rule 55 of its Rules of Procedure,
- having regard to the report of the Committee on Economic and Monetary Affairs (A10-0000/2024),

---

<sup>1</sup> OJ L 024, 29.1.2004, p. 1., ELI: <http://data.europa.eu/eli/reg/2004/139/oj>.

<sup>2</sup> [Appeal brought on 22 September 2022 by Illumina, Inc. against the judgment of the General Court delivered on 13 July 2022 in Case 62021TJ0227, Illumina v Commission, OJ C 432, 14.11.2022, p. 13..](#)

<sup>3</sup> Judgment of the General Court of 10 September 2024, *European Commission v Ireland and Apple Sales International*, 62020CJ0465, ECLI:EU:C:2024:724.

<sup>4</sup> Judgment of the Court of Justice of 10 September 2024, *Google LLC and Alphabet Inc. v European Commission*, 62022CJ0048, ECLI:EU:C:2024:726.

- A. whereas a challenging geopolitical context requires a renewed approach to European competitiveness;
- B. whereas the proper enforcement of the EU competition policy framework leads to lower prices, higher quality, faster innovation and a more resilient economy;

### ***General considerations***

- 1. Considers that EU competition shields against concentrations and accumulations of market power, and reaffirms the role of competition policy in protecting consumers;
- 2. Reiterates that competition policy should contribute to all of the EU's policies, notably in the fields of the environment and digitalisation; welcomes the Commission's commitment to a new State aid framework to accompany the Clean Industrial Deal;
- 3. Emphasises that the global strength and importance of the EU single market derives not only from its internal and external competitiveness but also from its ability to set common social and environmental standards;

### ***A competitive Union***

- 4. Supports the Commission's commitment to investing in sustainable competitiveness; welcomes Mario Draghi's emphasis on innovation, investments, market integration, decarbonisation and resilience, and Enrico Letta's focus on integration, autonomy and solidarity; encourages policies that promote innovation and sustainable and inclusive growth;
- 5. Underlines the need for industrial policy to boost European competitiveness; notes that this must not result in market dominance or abuse thereof, and cautions against allowing market integration through mergers;
- 6. Takes note of the Commission's report asserting that market concentration, markups and profits have increased over the past 25 years, while industry dynamism has decreased, despite the active enforcement of competition law;
- 7. Points out that State aid is increasingly used to support industrial policy objectives; notes the divergent fiscal capacities of Member States and warns that fragmented State aid creates an uneven playing field; calls on the Commission to monitor these effects; calls on the Commission and Member States not to engage in a subsidy competition; concludes that temporary State aid frameworks have failed to prevent further fragmentation; calls for stricter State aid notification monitoring and enhanced State aid reporting and transparency in line with the recommendations of the European Court of Auditors;
- 8. Takes note of Mario Draghi's estimate that, in order to protect our EU competitiveness, an additional EUR 800 billion per year is needed; acknowledges the importance of public investment in this context; considers the introduction of a permanent EU investment capacity to be vital;

### ***Enforcement priorities***

9. Welcomes Mario Draghi's proposal for a 'new competition tool' as a flexible market investigation tool designed to address structural competition problems by lowering entry barriers for competitors, with the aim of increasing competitiveness, incentivising innovation and protecting vulnerable consumers;
10. Recalls that under the Treaty, the Commission is empowered to address exploitative abuses; maintains that prioritising exploitative abuses of consumers could help to directly address price hikes caused by profit-driven inflation or greedflation; regrets that exploitative cases have seldom been pursued by the Commission and asks for the relevant guidelines to be updated with due regard to consumer vulnerability;
11. Acknowledges the existence of a legal base for structural remedies against the abuse of market dominance; regrets the reluctance of the Commission to address market dominance through structural remedies; reiterates its invitation to make better use of structural remedies and end the primacy given to behavioural remedies;
12. Welcomes the priority given to housing by the new Commission; calls on the Commission to assess how EU competition principles affect the supply of services of general economic interest (SGEI); calls for an SGEI revision that expands the exemption for affordable housing to middle-income households; calls on the Commission to assess the position of social services of general interest;

### ***Merger and antitrust***

13. Notes with concern the General Court's interpretation of Article 22 of the EC Merger Regulation in Case C-611/22 P (*Illumina v Commission*), rescinding the Commission's approach of accepting referrals of non-notifiable deals; acknowledges that the EC Merger Regulation leaves the Commission ill-equipped to address killer acquisitions; strongly believes that the impact of merger decisions on the single market warrants the addition of a single market legal base in the EC Merger Regulation, so as to fully involve co-legislators, in a manner similar to that of the Digital Markets Act; encourages the Commission to prompt Member States that have or can claim the relevant jurisdiction to review potential killer acquisitions in the light of their national merger control laws, and to continue to refer those deals in accordance with Article 22 of the EC Merger Regulation;
14. Welcomes Mario Draghi's proposal for an 'innovation defence'; furthermore calls for matters of public interest, such as climate protection, sustainability and the impact on workers, to be taken into account when examining the impact of a concentration on the internal market;
15. Calls for merger assessment frameworks to be updated to reflect the realities of the digital economy, where market power can be manifested in ways beyond traditional market share; supports the development of new methodologies to analyse data-driven dominance and network effects;
16. Calls on the Commission to address excessively long antitrust investigations during which companies continue to benefit from their anticompetitive practices;

### ***Sectoral policies***

17. Welcomes the two recent landmark cases confirming the Commission's assertion that the Irish tax deal with Apple and Google constitutes anticompetitive practice;
18. Emphasises the worrying market concentrations in various digital markets, such as social media, search engines, artificial intelligence, cloud services and online advertising; underlines the actual and potential negative impact on European competitiveness, data protection, society and democracy; urges the Commission to address issues that are specific to the tech market, including infrastructural power, vertical concentration and market leveraging in digital markets;
19. Calls for the vigorous enforcement of all competition rules, including the Foreign Subsidies Regulation and the Digital Markets Act, to address gatekeeper practices and foster contestable markets and fair competition;
20. Notes with concern the fragmentation in numerous consumer markets, including financial services, telecoms and household energy, and calls for faster and greater market integration where there are benefits for consumers;
21. Notes with concern the high degree of market concentration in the European financial sector, as well as its sustained over-reliance on non-EU service providers;

#### ***Parliamentary involvement***

22. Stresses that Parliament should be sufficiently involved in shaping competition policy; calls on the Commission to enter into negotiation for an interinstitutional agreement on competition policy;

◦

◦ ◦

23. Instructs its President to forward this resolution to the Council and the Commission.

## EXPLANATORY STATEMENT

According to Rule 56(2) of the Rules of Procedure, the explanatory statement will be included closer to the vote.

## ANNEX: ENTITIES OR PERSONS FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur declares that he received input from the following entities or persons in the preparation of the draft report:

Entity and/or person
Autoriteit Consumenten en Markt
Universiteit van Amsterdam
Forvis Mazars
Aedes
EDPIA
BEUC

The list above is drawn up under the exclusive responsibility of the rapporteur.

Where natural persons are identified in the list by their name, by their function or by both, the rapporteur declares that he has submitted to the natural persons concerned the European Parliament's Data Protection Notice No 484 (<https://www.europarl.europa.eu/data-protect/index.do>), which sets out the conditions applicable to the processing of their personal data and the rights linked to that processing.