



Council of the
European Union

Brussels, 22 May 2024
(OR. en)

10067/24

RC 19

NOTE

From:	General Secretariat of the Council
To:	Council
Subject:	Information on the Competition Day of 26 April 2024

Delegations will find attached information by the Belgian Presidency on the 26 April 2024 Competition Day as an AOB agenda item with a view to the meeting of the Competitiveness Council on 24 May 2024.

Information by the Belgian Presidency on the 26 April 2024 Competition Day

The European Competition Day, jointly organised by the Belgian Ministry of Economy and the Belgian Competition Authority as part of the Belgian Presidency of the EU, took place in Brussels on Friday 26 April 2024. The Competition Day provided an opportunity to discuss the challenges currently facing Europe, such as the digital economy and rising food prices.

The theme of the Competition Day was “**A competition policy that protects our people, strengthens our economy and prepares for our shared future**”.

Contributors to the EU Competition Day included EU Commissioner Margrethe Vestager, Professor Mathias Dewatripont, Professor Fiona Scott Morton, Professor Ioannis Lianos, DG COMP Director-General Olivier Guersent, ACM Chairman Martijn Snoep, BwB Director-General Natalie Harsdorf-Borsch, AdC Board Member Ana Sofia Rodrigues, DG COMP Director Inge Bernaerts and Heads of Unit Eddy De Smijter and Philippe Chauve, among others.

The first topic of the day was “**Which Competition Policy in Uncertain Geo-Economic Times?**”

- The **Belgian Minister of the Economy and Employment** highlights that competition policies should be made concrete for citizens by showing them the positive impact it has, for example the importance of healthy competition in the banking sector for consumers. The Minister also indicates that the sharp rise in consumer prices can be explained by territorial supply constraints and that the possibilities to tackle this problem is limited within the current regulatory framework.
- **Prof. Dr. Dewatripont** stresses the need for a competition-friendly industrial policy that manages to avoid the natural tendency for firms to try to operate in different sectors in order to relax price competition which is ultimately detrimental for consumers because prices are higher and it reduces economic dynamism. Competition policy and industrial policy are complementary and competition policy can be a useful check on industrial policy. He suggests that the experience of Covid, in which European countries joined forces to purchase and deliver vaccines, should be used in other sectors that require strategic autonomy, such as European defence.

- **Commissioner Vestager** advocates for a Union that is open, competitive and resilient. The role of competition policy must be clear because it keeps the single market together. Companies must be given a fair chance to enter the market where they cannot be afraid of the big power of large companies. Referring to the Letta report, companies must be able to take full advantage of the single market to scale up and innovate. Competitiveness is born out of free competition, not in distorting competition. We cannot give up on competition rules because it will make competition less effective. The Commissioner also emphasizes on new instruments such as the DMA and the FSR to protect fair competition and claims that we can go further by developing high standards of market access at the international level, taking into account factors such as sustainability, cyber and data security. She further believes competition policy is key for minimising our dependencies in strategic sectors.

A first panel focussed on “**Which National Competition Policy for the Digital Economy in the Post-DMA Context?**”

- The panel was introduced with the presentation of a study from the Ministry of Economy focusing on the Belgian market for online platforms that analyses the competition between online platforms operating in the Belgian market, the anti-competitive and unfair practices of which they are the perpetrators and the existing framework to which they are subject, with a view to formulating recommendation for Belgium. **Mr Eduardo Salvador** from IDEA Consult stresses the need for working in a two-step manner. First we should aim to effectively implement existing regulations, then we can look at national shortcomings to see if additional legislation is needed, such as a new competition tool, as already exists in the UK and Germany.
- **Ms Floriane de Kerchove**, Senior Advisor Advocacy Digital from Agoria, says that the success of the DMA will depend on the contribution of the business community. Businesses need guidance on how to best comply with the rules. A digital coordinator at national level between the different authorities will also help them to face the amount of regulations in the digital sector.

- **Ms Ana Sofie Rodrigues** from the Portuguese Competition authority sees a role for national competition authorities in the post-DMA Context when there is a gap between behaviour and regulation in order to address these gaps. Sometimes doubt exists on whether certain practices are harmful and a concrete investigation needs to be carried out. Moreover, a number of digital platforms are very dominant, especially at the local level and were not designated as gatekeepers.
- **Ms Inge Bernaerts** from DG COMP stresses the link between enforcement on the one hand and innovation and business opportunities on the other. Many antitrust cases focus on contestability and the room for new players to enter the market or to create alternative services.
- **Prof. Dr. Fiona M. Scott Morton** is sceptical about the room for innovation and contestability in the post-DMA chapter. There is a possibility that gatekeepers try to circumvent obligations under the DMA, leading to problems with non-compliance. The regulator will have to enforce strongly and quickly to avoid irreparable harm.

The afternoon session began with a key note speech by Mr Eddy De Smijter on “**Which Competition Policy to Protect the EU Economy? The Present and Future of the Foreign Subsidies Regulation**”

- **Mr Eddy De Smijter** states that FSR is not a protectionist instrument and does not protect us from foreign competition. On the contrary, it ensures fair competition by treating European state aid and foreign state aid in the same manner. The European economy is therefore protected without creating barriers to entry for foreign companies.

A second panel focussed on another important topic “**Which Competition Policy for the Agro-Food Industry in an Inflationary Context?**” was introduced by studies from the Ministry of Economy's Price Observatory (Mr Peter Van Herreweghe) and the Belgian Competition Authority (Mr Bert Willekens) on rising food prices, presenting the results of cross-border studies.

- **Ms Natalie Harsdorf-Borsch** of the Austrian Federal Competition Authority draws attention to an Austrian sector enquiry which revealed that four out of ten producers are confronted with unfair commercial practices (for example, territorial supply constraints), but very few complaints are lodged out of fear. She stresses the need for authorities to be proactive, because small producers lack the means to defend themselves.
- **Mr Philippe Chauve** from DG COMP indicates that price differences could have various reasons and should be addressed individually. When there is effective competition, prices are low. Here we have a responsibility for the consumers that need to switch. However, there is a lack of transparency for consumers and this is also linked to the market in question. Not all consumers are sensitive to proactively switching. Before introducing a new competition tool or a regulation on B2B geoblocking, fact-finding on practices is needed in order to properly address them and transparency for consumers should be improved.
- **Mr Martijn Snoep** from the Dutch Authority for Consumers and Markets stresses the need to include production costs in prices and to better inform consumers so they can choose between cheaper and more sustainable products.
- **Prof. Dr. Ioannis Lianos** indicates that there is a link between the high profits from big food companies and periods of high price volatility, allowing them to set prices. A better legal framework about speculation is needed to handle this issue.

The day ended with **concluding remarks** by Mr Olivier Guersent.

- **Mr Olivier Guersent** highlights that industrial and competition policies are both long-term policies with the same objective and must be developed together. They enhance the long-term competitiveness of the economy. To achieve this, everybody must play by the same rules. This is what tools like FSR and DMA aim for, which is why they are important in the future design of any competition policy.

Link to the program and video of the event can be found on: <https://economie.fgov.be/en/events/eu-competition-day-competition>