

EUROPEAN COMMISSION PROPOSAL TO EXTEND THE SCOPE OF THE EC'S COMPETITION IMPLEMENTING RULES TO COVER AIR SERVICES BETWEEN COMMUNITY AIRPORTS AND THOSE OF THIRD COUNTRIES

SUMMARY OF RESPONSES TO CONSULTATION PAPER

Introduction

The Department issued a consultation paper on this proposal on 7 October 2003. We received 8 responses from the respondents listed in the table below.

The consultation paper posed the following specific questions:

Q 1. Have you any comments on the Commission's proposal to extend the scope of the Community's competition implementing rules to include air transport between Community airports and those of third countries?

Q 2. Have you any comments on the Commission's proposal that it should be empowered to grant block exemptions in respect of air transport services between Community airports and those of third countries?

Summary of Responses

Respondent	Q 1.	Q 2.
Department for Constitutional Affairs	The proposal is likely to have only a limited effect on UK courts, so no specific problems with it.	The proposal is likely to have only a limited effect on UK courts, so no specific problems with it.
Mark Furse, University of Glasgow	Supported the proposal.	Supported the proposal.
Martin Howe, Europe Economics	The proposal seems sensible because it is likely to lead to a more effective and consistent application of the competition rules to airlines to the benefit, ultimately, of consumers.	The proposal seems sensible because it is likely to lead to a more effective and consistent application of the competition rules to airlines to the benefit, ultimately, of consumers.

CBI	Initial view was that would be no major impact from a competition law viewpoint.	Initial view was that there would be no major impact from a competition law viewpoint.
HM Treasury	Content with proposal.	Content with proposal.
GAMTA (General Aviation Manufacturers and Traders Association)	Had no comment.	Had no comment.
British Airways	Welcomed the proposal as a further step towards a fully integrated and liberalised international aviation market. But noted that liberalisation should be accompanied by a normalisation of the competition rules, together with effective enforcement by a single European authority.	Saw no objection to the proposal.
Virgin Atlantic	Emphasised the importance of either the Office of Fair Trading or the European Commission (or both) having powers to enforce competition law with respect to air transport services provided between EU Member States and third countries	Had no objection to the proposal.

The DTI was grateful for the general support for the Commission's proposal, which is expected to be agreed very soon.

DTI
February 2004
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