



COMPETITION COMMITTEE

**ANNUAL REPORT ON COMPETITION POLICY DEVELOPMENTS
IN LUXEMBOURG**

2003

Legislative developments

1. Following the adoption of Council Regulation (EC) No 1/2003 of 16 December 2002 on the implementation of the rules on competition laid down in Articles 81 and 82 of the Treaty, effective as from 1 May 2004 (hereinafter: "Regulation"), the Minister for the Economic Affairs introduced on 31 October 2003 a Bill providing for a complete overhaul of the amended Act of 17 June 1970 on restrictive business practices.
2. This Bill is modelled on Articles 81 and 82 of the Treaty and, in the interests of consistency and legal security, it follows inasmuch as possible the rules of procedure laid down by the Regulation.
3. The Bill provides for the creation of an independent Competition Council responsible for enforcing Articles 81 and 82 of the Treaty and domestic competition law. This Council will be assisted in investigating cases by a Competition Inspectorate, to be created in the services of the Minister responsible for Economic Affairs.
4. The Bill specifies that the Competition Council may impose administrative fines, and introduces leniency rules allowing for immunity and reduced fines.
5. Lastly, the Bill lays down rules that will enable national officials to provide assistance to the European Commission in the event of inspections conducted by the Commission pursuant to the Regulation.
6. The independent Competition Council will be part of the future European network of competition authorities that will be established by the Regulation.

Commission on Restrictive Business Practices (CPCR)

7. In 2003, the CPCR closed the investigation of a case involving an alleged abuse of dominant position by a Luxembourg firm in the field of bank card pricing.
8. Another case involving an alleged abuse of dominant position in the field of petroleum product storage is pending before the Commission.
9. Lastly, a complaint was lodged with the CPCR involving an alleged refusal of membership of a professional association. This case is pending before the Commission.