



6 January 2002

## Letter to the Editor

With the New Year upon us, the Canada Europe Round Table for Business (CERT), a permanent forum for dialogue among business leaders, Canadian and European, and between business leaders and governments, has taken the opportunity to reflect on the state of global competition policy, and in particular on Commissioner Mario Monti's planned changes to the European Union's (EU) Competition regulations. CERT applauds these attempts to modernise the current EU regime. However, in making these changes, Mr. Monti has not yet committed to taking a leadership role on the real issue for business – the need for convergence on the many different and often conflicting merger review processes that are in place worldwide.

From a business standpoint, it is critical to eliminate the cost and investment risk posed by the multiple applications and reviews that are necessary for many cross-border mergers and acquisitions. For example, when Alcan attempted to merge with Alusuisse and Pechiney, the three companies (which had holdings in 40 countries) were required to complete 16 merger filings in eight different languages, hire a huge battery of lawyers, consultants and translators, and absorb massive costs, which unfairly penalised shareholders, employees, customers and consumers.

On November 28 and 29, 2001 CERT hosted its successful CEO Round Table and Symposium on Competition Policy. Business leaders and competition experts from Canada, Europe and around the globe unanimously agreed on the need for convergence in international merger review. For instance, Interbrew CEO Hugo Powell addressed the human cost of the multiple merger reviews, and Calvin Goldman, former Director of the Canadian Competition Bureau, told of the high cost and the complex, even contradictory, regimes that corporations face when attempting multi-jurisdiction mergers. Officials from both the EU and Canada agreed that convergence must be addressed, but CERT is disappointed that neither government has committed to leading this effort.

Now is the time for the Governments of Canada and the European Union to work together towards a new harmonised competition system. Such an initiative is of vital interest to business operating across the Atlantic, and is in line with the priorities of both the 2001 WTO agreement in Doha and the 1999 Canada-EU bilateral competition agreement. It is time for our governments to stand up and be counted – to lead the way towards multilateral convergence of merger review rules and procedures.

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