# **IMCO**



**Committee on Internal Market and Consumer Protection** 

## Newsletter

Issue 89 - February 2017

#### SELECTED NEWS

#### Contracts for the sales of goods



On 22 February, the IMCO Committee is to vote on the draft report from Rapporteur Pascal Arimont (EPP) on the contracts for the sales of goods file and to adopt the mandate to enter into interinstitutional negotiations. The Rapporteur has proposed a set of 53 draft Compromise Amendments, namely 21 on the Articles and 32 on the Recitals. These draft compromise amendments have been discussed during several Shadows meetings, the last one was held on 6 February. The majority of political groups support most of the draft compromises. The proposed Compromise Amendments cover amongst others Article 2a on scope, Article 3 on the level of harmonisation; Articles 9, 9a, 10, 12, 13 on remedies available to consumers; lengths of both the legal guarantee period and the reversal of burden of proof; Article 15 on a voluntary commercial guarantee, Article 16 on spare parts, and Article 20a on review of the application of the Directive after five years.

LINK: Subject file

#### Single digital gateway



On 22 February, IMCO will vote on the adoption of the draft report by Marlene Mizzi (S&D) on Regulation on the Single Digital Gateway. Over 250 amendments were tabled in IMCO by the shadow rapporteurs and other MEPs. The amendments generally support and further develop the proposals put forward by the Rapporteur in her draft report. Issues addressed include the 'once-only' principle, further strengthening the data protection requirements, the number of languages required for information and procedures, the deadline for entry into force of the Regulation etc. 55 Compromise Amendments have been proposed by the rapporteur and agreed by Political Groups. Following the vote on the adoption of the proposal, MEPS will proceed to vote on the mandate to start inter-institutional negotiations.

DRAFTSPERSON: Marlene Mizzi (S&D) Procedure file

## EXCHANGE OF VIEWS WITH COMMISSIONER ELŻBIETA BIEŃKOWSKA AND COMMISSIONER MARIYA GABRIEL

The IMCO Committee will hold a Structured Dialogue with Commissioner Commissioner Bieńkowska (responsible for Internal Market, Industry, Entrepreneurship and SMEs) on 21.02.18 at 15.00. The debate is expected to look into the overall implementation of the Single Market Strategy (Goods package, SMIT, Single Digital Gateway). Another Structured Dialogue will be

held with Commissioner Gabriel (responsible for Communications Networks, Content and Technology) on 22.02.18 at 11.15 focusing on the overall implementation of the Digital Single Market, including in particular upcoming initiatives on online platforms and ongoing negotiations on free flow of data and cybersecurity.

### NEXT COMMITTEE MEETINGS

(21-22 FEBRUARY 2018)

Watch the committee meeting live

#### Regulation on ENISA

On 21 February, the IMCO Committee will consider the draft opinion on the Regulation on ENISA, "The Cybersecurity Act". The draft opinion welcomes the Commission proposal, and in particular the introduction of the new EU-wide cybersecurity certification framework to increase safety and avoid costly fragmentation of the Single Market. However, the Rapporteur also draws attention to some outstanding elements, which need further clarification and improvement. Among others, increasing the involvement of relevant stakeholders, reinforcing the monitoring and surveillance provisions of both ENISA and the national authorities, and raising awareness by introducing a new EU Trust Label.

DRAFTSPERSON: Nicola Danti (S&D) Procedure file

#### Rail passenger rights

Regulation (EC) 1371/2007 was adopted to ensure minimum protection for rail travellers in the Union and entered into force in December 2009. In a 2013 report on the Regulation, the Commission highlighted certain problematic areas which are meant to be addressed by the revision (recast) proposed in September 2017. The TRAN committee is leading the file in the Parliament, while IMCO will deliver an opinion under Rule 53+, with Rapporteur Mr Dennis De Jong (GUE/NGL). IMCO Members will hold a first exchange of views on the proposal on Wednesday 21 of February. The vote in IMCO is currently scheduled for June 2018.

DRAFTSPERSON: Dennis De Jong (GUE/NGL) Procedure file

Import procedures: shortcomings in the legal framework and an ineffective implementation impact the financial interest of the EU



The Member of the Court of Auditors Mr Russo will present the main findings of this special report, which point to a number of weaknesses that result in a real impact on the effectiveness of the processes on the collection of duties -a traditional own resource for the budget of the Union- and of the VAT. Findings point out that the Customs 2013 program did not achieve that all customs administrations act as if they were one, and exporters to the Union have an incentive to go "port shopping" for more advantageous conditions; as well, Member States do not follow a uniform approach to customs control of imports, which can lead to underpayment of customs duties (estimated 2 billion euro for the period 2013-2016 due to undervaluation of textiles and footwear imported from China into the UK); ultimately, there is a disincentive for Member States to carry out customs controls, since the Commission can hold a Member State financially liable in case of administrative errors.

#### The public procurement strategy package



On 3 October 2017, the Commission presented a package of soft measures in the field of public procurement, including setting out (six) priority areas for improvement in the area, both at Member State and Commission level. The IMCO Committee will produce an own-initiative report, with Rapporteur Mr Carlos Coelho (EPP), in order to respond to these initiatives of the Commission, commenting on what is necessary for the implementation of the Union public procurement legislation and policy and drawing attention to the challenges ahead, including that of achieving end-to-end electronic procurement by the end of 2018. IMCO Members will hold a first exchange of views on the report on Thursday 22 of February.

LINK: Subject file

#### Legislative scrutiny on firearms



On 21 February 2018 the IMCO committee will hold a scrutiny session with the Commission on the revised Firearms Directive (Directive (EU) 2017/853) with particular focus on the revision of the standards on deactivation. A representative from the Directorate General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) of the European Commission will address the Members of IMCO. IMCO Members may seek information and question the Commission on the ongoing implementation process of revising the 2015 EU deactivation standards, including on the exact content of modifications, on the timing for adoption, and on the process of deciding on equivalent national standards on deactivation.

LINK: Subject file

### LAST COMMITTEE MEETINGS

(22-23 JANUARY 2018)

## Establishing the European Defence Industrial Development Programme



On 23 January, the IMCO committee adopted the Opinion of Ms Van Bossuyt (ECR) on a Regulation establishing a European Defence Industrial Development Programme, with 28 votes in favour and 8 against (no abstentions). A set of Compromise Amendments were adopted with the support of the vast majority of political groups, covering the most of the Articles and Recitals of the proposed Regulation. The most controversial issues concerned the involvement of third country entities and the relevant aspects on intellectual property rights. The Opinion allows the participation of undertakings established in third countries, but their actions should not receive financial support from the Programme. It also amends the required participation of undertakings and Member States (three and three) and proposes to fund 100% the SMEs actions and promote their involvement with another 10% to the consortium's financing percentage. ITRE is the lead committee on the file and will be voting its Report on 21 February.

DRAFTSPERSON: Anneleen Van Bossuyt (ECR) Procedure file

#### Free flow of non-personal data



On 23 January, IMCO will hold an exchange of views with the Commission on its proposed Regulation on the free flow of non-personal data in the European Union, which it published in September. The overarching objective of the proposed Regulation is to unlock the massive potential of the EU data market by creating a more competitive and integrated internal market for data storage services and other data processing services. The proposal flows from the 2015 DSM Strategy, and builds on the E-commerce Directive and Services Directive. One of the key provisions would prohibit any national rule that requires data to be located in a specific territory in the Union for the purpose of data storage or other data-processing services.

DRAFTSPERSON: Anna Maria Corazza Bidlt (EPP)

LINK: Procedure file

#### Services e-card

At its meeting on 21-22 February, the IMCO Committee will discuss compromise amendments to the Commission proposal for the Regulation on European Services e-card and related administrative facilities (Rapp. A Van Bossuyt) and the proposal for a Directive on Legal and operational framework of the European services e-card introduced by the ESC Regulation (Rapp. M. Lokkegaard).

In total, 260 amendments were tabled on the COM proposal for Directive and 180 amendments on the COM proposal for Regulation. Many amendments focus on the process for application, assessment and decision taking regarding an application for Services e- card (timeline), fees for issuing services e card, validity of the services e card, professional insurance liability and insurance liability certificate, list of services eligible for Services e card (Annex), powers of authorities in particular with regard to checks and verifications (establishment of an applicant for services e card, validity of information, request to re-verify information in case of justified doubts, etc.), relation between the Services e-card and the Professional qualifications Directive and EPC, tackling certain regulatory barriers in services, need for experts and stakeholders' consultation. Sets of compromise amendments were proposed by the two rapporteurs. Several groups tabled amendments rejecting both Commission proposals.

DRAFTSPERSON:Anneleen Van Bossuyt (ECR)Procedure fileDRAFTSPERSON:Morten Løkkegaard (ALDE)Procedure file

#### **Presentation of Goods Package**



On 22 January, the Commission presented its Communication on "The Goods Package", published on 19 December 2017. It consists of two new legislative proposals: (i) Proposal for a Regulation on the Mutual Recognition of Goods, and (ii) Proposal for a Regulation on Compliance and Enforcement. They seek to (i) boost and clarify the existing mutual recognition framework for products, and (ii) strengthen compliance and enforcement of EU product rules by e.g. intensifying compliance checks and promoting cross-border cooperation. Alongside, new soft law initiatives will aim at supporting Member State implementation. The Members were all welcoming and positive about the new proposals. In the exchange of views, focus was among others on the challenges of Member State resources concerning the introduction of new powers and duties for market surveillance authorities, the need for high quality information to both consumers and businesses, e-commerce and counterfeit products from third countries, and the 2013-product safety package.

DRAFTSPERSON:Nicola Danti (S&D)Procedure fileDRAFTSPERSON:Ivan Štefanec (EPP)Procedure file

#### UPDATE ON IMCO TRILOGUES

#### **Digital content**

On 21 February, the two co-Rapporteurs, Mrs Evelyne Gebhardt (IMCO) and Mr Axel Voss (JURI), are to jointly report back on the third informal trilogue on the supply of digital content, held on 30 January 2018. A first exchange took place on right to termination (Articles 13, 13a, 13b, and 13c); right to damages (Article 14); modification of digital content or digital service (Article 15); right to terminate long-term contracts (Article 16); and liability of the supplier/trader (Articles 9/9a in the EP and Council positions). This was followed under the "Any other business" part by two clarification points from respectively the Parliament on the definition of minor lack of conformity; and the Council on data as counter-performance.

LINK: Subject file

#### **Fertilising products**

A first informal trilogue in the fertilisers file (proposal for a regulation laying down rules on the making available on the market of CE marked fertilising products) was held on 25 January. It was exploratory in nature. The actors agreed a provisional outline of issues to be tackled at political level, thus allowing work on the remaining parts of the text to begin at technical level. The issues provisionally identified for discussion at political level were industry by-products; delegation of powers to the Commission; and cadmium limits. Technical work will begin on 2 March. A second informal trilogue is scheduled for 20 March.

DRAFTSPERSON: Mihai Ţurcanu (EPP) Procedure file

#### **Notifications procedure**

On 21 February, the Rapporteur, Mr Sergio Gutiérrez Prieto is to report back on the first informal trilogue on the Notifications is Services, held on 20 February 2018. During the first trilogue, a first exchange was held on the objectives of the proposal, as well as on the main political priorities, to be further discussed, namely on the legal consequences of the breach of the obligation to notify draft measures, the scope of the notification obligation and the standstill period clause. Two more trilogue dates have been scheduled for 22 March and 26 April 2018, under the Bulgarian Presidency.

DRAFTSPERSON: Sergio Gutiérrez Prieto (S&D) Procedure file

#### **Proportionality test**

On 21 February, the Rapporteur, Mr Andreas Schwab, is to report back on the second informal trilogue on the proportionality test, held on 20 February 2018. A first exchange took place on 30 January 2018 where the main political priorities of the colegislators were presented. The second trilogue focussed on the specificity of professional regulation in the healthcare sector, on the need to ensure transparency and public consultations of all interested parties before adopting new regulation of professions, as well as on clarifying the legal regime for professional services, provided on a temporary or occasional basis, in line with the existing rules in Title II of the Professional Qualifications Directive.

DRAFTSPERSON: Andreas Schwab (EPP) Procedure file

#### IMCO DELEGATION TO MADRID

From 12-14 February took place the IMCO Mission to Madrid. Among the main topics of the mission was the Digital Single Market, as the current Spanish Government has put forward an ambitious agenda to accomplish the objectives of the DSM Strategy. In this context the MEPs held meetings with the Parliamentary Committee for Energy, Tourism and the Digital Agenda of the Spanish Congress Later on, the Members of the Delegation held a meeting with the Secretary of State for European Affairs, were they exchanged views on the main related initiatives and also on the impact of Brexit on the Internal Market. In order to hear and have the point of view of the stakeholders, particularly SMEs and start-ups, an event with Spanish young entrepreneurs and start-ups took place at the office of the European Parliament in Madrid, were Spanish start-ups and young entrepreneurs provided input on how EU legislation is affecting them and the challenges and barriers still existing in the Internal Market. In the same field, another visit to Campus Google Madrid was made, a pioneer initiative operated by Google for the promotion of start-ups and entrepreneurs. Visits to the Central Offices of Distrito C (Campus-headquarters of Telefonica) and of

IBM Client Centre Madrid allowed MEPS to receive input on last innovations in the Digital Economy and ICT Technologies, as well as insight on last developments and applications on the use of Data, Cybersecurity, Artificial Intelligence etc. Another key topic of the mission was Accessibility. The Accessibility Act, the ongoing implementation of the web accessibility directive as well as other Spanish initiatives to boost the market for accessible products and services were also analysed by the Delegation. For this purpose, a meeting with the Spanish Minister for Health, Social Services and Equality (responsible for accessibility and consumer protection) took place. Also on this topic, a visit to ONCE (Foundation for Cooperation and the Social Inclusion of the Disabled) and its facilities of ILUNION (a world example of accessible building and a model of special employment centre) was organised. Finally, the President of the Region of Madrid received the IMCO Delegation in an institutional meeting, and exchanged views with MEPs on the opportunities offered by the Internal Market and the DSM to local companies, and on the promotion of EU policies and values by the Regions, among other topics.

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