# **IMCO**



**Committee on Internal Market and Consumer Protection** 

## Newsletter

Issue 93 - June 2018

### SELECTED NEWS

The EU's horizontal regulatory framework for illegal content removal in the digital single market



IMCO committee will hold a public hearing on the 'EU's horizontal regulatory framework for illegal content removal in the digital single market: Towards a balanced and predictable overall liability regime for online platforms'. Speakers representing views of online intermediaries, stakeholders, academia and MS authorities will exchange on approaches and measures towards tackling illegal digital content while taking into consideration the existing EU horizontal legal framework and the e-commerce directive 200/31/EC. The way forward proposed in the EU Communication on tackling illegal content online from September 2017, the quidance in the Commission Recommendation on measures to tackle illegal content online, as well as different approaches, experience and good practices developed by Member States through voluntary measures, alternative dispute resolutions, cooperation with law enforcement authorities, remedies/redress, and impact on the Single Market will also be discussed.

LINK: Hearing

Promoting fairness and transparency for users of online intermediation services



The focus of the hearing is to address broadly the emergence of unfair practices in platform to business relationships (e.g. delisting, suspension of accounts, favourable treatment of the platform's own products and services) bearing in mind the increasingly important role of online platforms as vehicles for market access. In addition, the hearing proposes to explore any problems that may arise in terms of lack of redress and more broadly the risk of fragmentation in the internal market, as some Member States are putting forward regulatory responses in an isolated fashion. Discussion on the new proposal for a regulation from the Commission on Fairness and transparency for business users of online intermediation services, the current practices affecting the cross-border digital single market eco-system, on how to avoid market fragmentation and guarantee consumers choice and market access will take place among experts, stakeholders and policy makers.

LINK: Hearing

#### GDPR

Aimed at strengthening citizens' rights uniformly while reducing burdens for companies and public entities, the European General Data Protection Regulation (GDPR) applies fully as of 25 May 2018. The long-awaited (and often feared) law is part of a reform package adopted in 2016 to foster trust in a digital age. The recent revelations on misuses of data show how the underlying values of the GDPR standards are essential for democracy. A brief overview of the most important changes can be found in the Parliament's 'At a glance'. The IMCO Committee delivered an opinion to the LIBE Committee under the so-called Rule 53+ regime.

### **NEXT COMMITTEE MEETINGS**

(18-19 JUNE 2018)

Watch the committee meeting live

#### Import of cultural goods

The joint committee INTA-IMCO will hold a joint session on 18 June to consider the 380 amendments tabled to the draft report of MEPs Mosca (INTA) and Dalton (IMCO). The draft report reflected an agreement on a common position and deferred to potential future compromise amendments the negotiation of the most controversial aspects of the proposal. A series of technical meetings and shadow meetings have given rise to the day to 56 compromise proposals that will be considered jointly on 18 June.

DRAFTSPERSON: Daniel Dalton (ECR) Procedure file

#### Pan-European Personal Pension Product (PEPP)

On the 18th June, IMCO Committee will consider compromise amendments to the COM proposal for Regulation on the PEPP. 499 amendments were tabled by the deadline for amendments, and 143 amendments were proposed by the rapporteur in the draft opinion, representing 642 amendments in total. The vote in IMCO is scheduled on 19 June.

DRAFTSPERSON: Birgit Collin-Langen (EPP) Procedure file

#### The public procurement strategy package



IMCO will adopt an own-initiative Report in response to the package of soft measures adopted by the Commission on 3 October 2017, meant to enhance better implementation of the 2014 public procurement rules. Mr Coelho, the IMCO Rapporteur, has negotiated with the different political groups a set of 17 Compromise Amendments: in general these support the approach of the Commission and welcome the initiatives, while emphasizing that Member States need, amongst others, to intensify correct implementation, to move to qualitative criteria, to invest in training and e-procurement, to assist SMEs.

LINK: Subject file

#### **Dual quality of products in the Single Market**

20 compromise amendments have so far been proposed by the Rapporteur and discussed with Shadows. Among others, the compromises concern the national surveys already carried out in Member States, the Commission guidance Notice and recently published common testing methodology, enhanced cooperation activities in Member States, awareness raising activities for consumers as well as the New Deal for Consumers, specifically on the proposed legislative changes to Article 6 in the Unfair Commercial Practices Directive.

DRAFTSPERSON: Olga Sehnalová (S&D)

Procedure file

# General budget of the European Union for the financial year 2019

In the framework of the budget procedure for 2019 the rapporteur for opinion Mr Selimovic has submitted a draft opinion to the BUDG committee on the budget proposal for next year in which he presents his views on the concrete configuration of the budget allocations suggested by the Commission and underlines the priorities of IMCO in terms of policy actions that should be guaranteed sufficient funding during the next budgetary period, including the pilot projects and preparatory actions endorsed by IMCO.

DRAFTSPERSON: Jasenko Selimovic (ALDE) Procedure file

# Rules and procedures for compliance with and enforcement of Union harmonisation legislation on products

A total of 564 Amendments were tabled for this proposal (of which 128 AM – in the Rapporteur's draft report). The amendments mainly go in the same direction as draft report, seeking to strengthen the provisions of the proposal, clarifying the powers of market surveillance authorities and customs, and further defining the obligations of the person responsible for compliance information. Some of the amendments, however, are seeking to extend the scope of the proposed regulation to non-harmonised products falling under the scope of General Product Safety Directive, which was not foreseen neither in original Commission's proposal, nor in the draft report. Furthermore, the amendment to reject the Regulation was tabled by one of the political groups.

DRAFTSPERSON: Nicola Danti (S&D) Procedure file

#### **Mutual Recognition of Goods**

220 amendments have been tabled in IMCO to the draft report. The amendments are overall supportive of the draft report and complementing the ideas introduced by the Rapporteur. In addition, some amendments suggest that Member States should have larger room for manoeuvre when it comes to taking decisions against mutual recognition of products, such as extending the list of legitimate public interests to restrict market access and broadening the scope for suspending products from the market. Further, it is also suggested to explicitly provide a link to the Transparency Directive (2015/1535).

**DRAFTSPERSON:** Ivan Štefanec (EPP) Procedure file

#### Regulation on health technology assessment

IMCO MEPs tabled 144 amendments on top of the 37 amendments contained in the IMCO draft opinion. Amendments aim, among other, at increasing transparency and impartiality and avoiding conflicts of interest in the proceedings of the Member State Coordination Group and modifying voting procedures, ensuring consultation of patient organisations, social partners, consumer organisations and healthcare professionals, introducing methodological standards in the basic act and allowing Member States to complement clinical assessments with additional clinical evidence and replacing certain implementing acts with rules to be established by the Coordination Group. The vote on the opinion is foreseen for 11-12 July 2018.

DRAFTSPERSON: Cristian-Silviu Buşoi (EPP) Procedure file

#### LAST COMMITTEE MEETINGS

(16-17 MAY AND 4 JUNE 2018)

#### Rail passenger rights

The Opinion on the rail passengers' rights and obligation recast Regulation (Rapporteur Mr Dennis de Jong (GUE/NGL)) to TRAN Committee was adopted by IMCO with 29 votes in favour, 1 against and 1 abstention – thus demonstrating a broad support from the majority of the political groups. In total the Rapporteur had negotiated with the Shadows a set of 26 Compromise Amendments, most of them supported by the vast majority of the political groups; the compromises sought to strike a balance between the protection of the consumers' interest and those of the rail undertakings.

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

# Deployment of infrastructure for alternative fuels in the European Union: Time to act!

The IMCO committee voted on the opinion of Mr. Matthijs van Miltenburg (ALDE) on the Action Plan for Deployment of infrastructure for alternative fuels in the EU, which was adopted with 28 votes in favour, 1 against, and 2 abstentions. The Rapporteur had negotiated compromises with the Shadows on seven paragraphs which form the final Opinion of IMCO, focusing on the need for better information for consumers; on the need for investments and better cooperation between manufacturers, institutions and consumers; on the importance of technological neutrality and smart development of infrastructure.

DRAFTSPERSON: Matthijs van Miltenburg (ALDE) Procedure file

#### Free flow of non-personal data

On 4 June, IMCO adopted its report on the 'Free flow of nonpersonal data' Regulation (Rapporteur: Anna Maria Corazza Bildt (EPP)) and overwhelmingly voted to open negotiations with Council. The IMCO report preserves the overarching aim of the proposal: to unlock the massive potential of the EU data market by creating a more competitive and integrated internal market for data storage and processing services. The report stresses that public authorities as well as private actors stand to benefit from the freeing up of the data-processing market.

DRAFTSPERSON: Anna Maria Corazza Bidlt (EPP)

LINK: Procedure file

## Measures to effectively tackle illegal content online

Members of IMCO exchanged views with Commission on its Recommendation on measures to effectively tackle illegal content online. The Commission gave a brief presentation of the main elements of the COM Recommendation, followed by a Q&A session which debated the following issues: identification of illegal content by Member States, cooperation between Member States regarding tackling illegal content and follow up by enforcement authorities, and how it could be improved. Also, how an exchange of best practices and cooperation at global level could be encouraged (Commission noted the initiatives of Global Internet Forum and the database of 'hashtags'), and the need for a balanced approach. Several Members called for further work on some parts of the ecommerce directive and for guidance on liability regime, in order to avoid potential abusive practices and risk of fragmentation. They reiterated the EP/IMCO call for a 'notice and action' directive under e-commerce, need to ensure that enforcement authorities can follow on illegal activity, need for safeguards and remedies (a possibility of recourse in case of a notice and take down/ removal of content on the basis of terms of use of a platform), and the need to ensure respect of fundamental rights.

LINK: Procedure file

#### Regulation on ENISA



On 17 May, IMCO adopted the draft opinion by Rapporteur Nicola Danti (S&D) to ITRE Committee on "The Cybersecurity Act" with 31 votes in favour, 2 against and 1 abstention – thus expressing a broad support from the majority of the political groups. A total of 393 amendments were tabled in IMCO and the Rapporteur has proposed 25 compromises. The rapporteur will continue discussions on the file as part of the ITRE procedure. IMCO has shared competence on Title III of the legislative proposal.

Draftsperson: Nicola Danti (S&D) Procedure file

#### Promoting fairness and transparency for users of online intermediation services

IMCO held an exchange of views with the Commission on the Proposal for an EU Regulation on fairness and transparency for business users of online intermediation services, presented on 26 April together with the creation of an Observatory on the online platform economy. The proposal is underpinned by an impact Assessment that incorporates evidence and stakeholders' views collected during a two-year fact-finding exercise. The Commission's representatives explained the intentions and views behind this key proposal, and MEPs expressed their initial opinions, views and asked questions on the matter.

#### Exchange of views with Vice-President Andrus Ansip, responsible for Digital Single Market



IMCO held an exchange of views with Vice-President Andrus Ansip as part of the Structured Dialogue with the European Commission. Among the key topics that the VP discussed with IMCO MEPs were the new proposals presented by the Commission on 25 and 26 of April, including the legislative proposal on Platforms (P2B), the communications on Fake News and Artificial Intelligence, and the new 'data package', among others. A discussion on the state of play and implementation of other key Digital Single Market proposals also took place.

## UPDATE ON IMCO TRILOGUES

#### **European Electronic Communications Code**



On 5 June, a provisional political agreement was reached between Parliament and Council on the European Electronic Communications Code, the once-in-a-decade overhaul of EU telecoms rules. ITRE is the lead committee but IMCO was exclusively responsible for large parts of the text. On consumer rights, one of the main achievements is an obligation on operators to send public warnings by text message or mobile app in the event of public emergencies. There was also agreement that, from 15 May 2019, intra-EU calls will not be allowed to cost more than 19 cents, and intra-EU SMS messages no more than 6 cents.

DRAFTSPERSON: Morten Løkkegaard (ALDE)

Procedure file

#### Contracts for the supply of digital content

On 16 May, the IMCO Co-Rapporteur, Mrs Evelyne Gebhardt, reported back on the fifth informal trilogue on the Directive on the supply of digital content. This trilogue, which took place on 26 April, allowed to conclude negotiations on the so-called 'data cluster' (including the exemption for free software developers from the scope of the Directive and from the right of redress), on the obligation to provide for updates, on termination of long-term contracts and on transposition deadlines. Further exchanges were held on the right to damages, on the need for a coherent approach on number-independent interpersonal communication services in both the Digital Content Directive and the European Electronic Communications Code, and on possible solutions for embedded digital content/digital services. The sixth trilogue meeting is to take place on 18 June.

LINK: Subject file

#### **European Accessibility Act**

The Rapporteur on the European Accessibility Act, Mr Løkkegaard (ALDE), leading the interinstitutional negotiations from the side of the Parliament on this file, will report back to IMCO Members on the fourth informal trilogue that took place on 7 June 2018. This fourth informal trilogue concluded the political negotiations on issues discussed in depth during the last trilogue and enabled the clarification of positions on the most sensitive and yet unresolved issues, such as on the scope, including emergency services, tourism and transport, the micro-enterprises, the built environment, and other Union acts (including public procurement); and on the CE marking. The next political trilogue is foreseen to take place on 26 June.

DRAFTSPERSON: Morten Løkkegaard (ALDE) Procedure file

#### **Single Digital Gateway**

The Third Trilogue on the Proposal for a regulation on a Single Digital Gateway took place on 24 May. An overall agreement was reached at political level on the remaining key elements of the proposal, particularly on languages, article 11, article 5, article 12, ANNEX I and ANNEX II, pending only some technical work on the text to finalize. Some elements need to still be agreed and worked on at technical level but it can be said safely that an overall agreement has been reached to finalize this file under the Bulgarian presidency.

DRAFTSPERSON: Marlene Mizzi (S&D) Procedure file

#### **Notifications in services**



On 18 June the EP Rapporteur, Mr Gutierrez Prieto will report back on the third trilogue on the Notifications procedure, held on 6 June 2018. The proposal is part of the Services package and aims at facilitating free movement and ensuring transparency for service providers throughout the EU with regard to the national rules which need to be applied. The third trilogue focussed on the so-called 'standstill period' and the scope of the notification obligation, including as regards the legal regime of provisions, relating to urban planning.

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

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