IMCO



Committee on Internal Market and Consumer Protection

Newsletter

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SELECTED NEWS

General budget of the European Union for the financial year 2019



The IMCO Committee budgetary procedure for 2019 comes to its conclusion on 12 July with the annual vote on the budgetary amendments tabled to the draft budget on the lines under the responsibility of IMCO, as well as on the budgetary cover of the pilot projects that the Members have decided to present to IMCO Committee. On the same occasion, a vote will take place on the draft opinion of Mr Selimovic to BUDG for the draft budget. A session for consideration of the amendments and compromises will take place on 11 July, one day before the vote.

DRAFTSPERSON: Jasenko Selimovic (ALDE) Procedure file

Dual quality of products in the Single Market



On 12 July, IMCO will vote on the adoption of the draft INI-report on Dual quality of products in the Single Market. A total of 22 compromise amendments have been proposed by the Rapporteur Ms Sehnalova. Among others, the compromises concern the Commission guidance Notice and recently published common testing methodology, enhanced cooperation activities in Member States, awareness raising activities targeting consumers, as well as the New Deal for Consumers on proposing legislative changes to Article 6 in the Unfair Commercial Practices Directive.

DRAFTSPERSON: Olga Sehnalová (S&D)

Procedure file

AUSTRIAN PRESIDENCY

e 2 0 u 1 8 · a t On 11 July, IMCO will hear a presentation of the Council Presidency's Programme by Mrs Margarete Schramböck, Austrian Federal Minister of Economy. The Austrian Presidency will give priority to dossiers which contribute to the completion of the Digital Single Market, such as the dossier on platform-to-business trading (P2B). The Presidency will

strive to achieve progress in the negotiations on the draft Directive on digital content and to further develop the proposal for a Directive on online sales of goods. Furthermore, the Austrian Presidency will aim at concluding the negotiations on the European Accessibility Act. Austria will continue constructive negotiations on the Single Market Programme, on the goods, services and compliance packages as well as on the 'New Deal for Consumers' package. The Austrian Presidency will also focus on the conclusion of the negotiations on the withdrawal of the United Kingdom from the European Union (Brexit), on the negotiations on the Multiannual Financial Framework and on the negotiations with Switzerland.

LINK: Presidency

NEXT COMMITTEE MEETINGS

(11-12 JULY 2018)

Watch the committee meeting live

Regulation on health technology assessment

After a discussion on the compromise amendments on 11 July, the vote on the health technology assessment opinion will take place on 12 July. Compromises have been negotiated on transparency and confidentiality, conflicts of interest, consultation, the voting majority in the Coordination Group and the possibility to object and to ask updates. IMCO will also have to decide on the inclusion or exclusion from the scope of medical devices, and on the use of delegated or implementing acts, or yet another form of secondary or tertiary legislation.

DRAFTSPERSON: Cristian-Silviu Busoi (EPP) Procedure file

Single Market Information Tool

At its July meeting, the IMCO Committee will consider the amendments tabled to, and vote on, the report on the Single Market Information Tool (SMIT). Three amendments rejecting the Commission's proposal have been tabled, and four amendments to the legal basis for the proposal. Two of these amendments follow the opinion of Parliament's Legal Service, namely that Article 337 TFEU is the appropriate legal basis for the proposal. This legal basis does not foresee a legislative role for Parliament.

DRAFTSPERSON: Eva Maydell (EPP) Procedure file

Union Customs Code

On 11 July IMCO will consider the draft report on the proposal of the Commission to amend the Union Customs Code in order to extend the period of time during which paper-based transactions will be admissible by the customs administrations of the Member States. The current transition deadline from paper to electronic-based transactions is set to 2020. The Commission defends a postponement on the basis that the technical work necessary to deploy the electronic infrastructure will not be completed by then.

DRAFTSPERSON: <u>Jasenko Selimovic (ALDE)</u>

Procedure file

Better enforcement and modernisation of EU consumer protection rules



On 11 July, the IMCO Committee will hold a public hearing on the Post-REFIT proposal on consumer law - Better enforcement and modernisation of EU consumer protection rules. Speakers representing views of academia, Member States authorities, business including SMEs, and consumer protection organisations will exchange on penalties laid down by Member States for the violations of the provisions of four consumer protection directives (Unfair Commercial Practices, Consumer Rights, Unfair Contract Terms and Price Indication), but also changes to the Unfair Commercial Practices Directive (e.g. restriction of doorstep selling, dual quality of products), and to the Consumer Rights Directive including right of withdrawal, coverage of 'free' digital services, and transparency of online marketplaces.

LINK: <u>Hearing</u>

Unfair trading practices in B2B relationships in the food supply chain

On 11 July, the IMCO Committee will consider Mr Tarabella's draft opinion on the Commission's proposal for a directive on unfair trading practices in business-to-business relationships in the food supply chain. The Commission's proposal was adopted on 12 April, and a swift timetable for adoption of the committee report has been agreed between the IMCO Committee and the lead committee, the AGRI Committee. The IMCO Committee has shared competence for the entire proposal under Rule 54 of Parliament's Rules of Procedure.

DRAFTSPERSON: Marc Tarabella (S&D) Procedure file

Autonomous driving in European Transport



IMCO is delivering an opinion to TRAN on their INI report on autonomous driving in European transport. IMCO has exclusive competence on the areas of standardisation, product safety and consumer protection. The draft opinion of Mr Kohn elaborates on these aspects that are of transversal nature and will have a strong influence in the way that the nascent industry of autonomous and connected driving will be developed in the near future. The draft opinion will be considered on 12 July.

DRAFTSPERSON: Arndt Kohn (S&D) Procedure file

Re-use of public sector information (recast)

On 12 July the Rapporteur for opinion, Ms Julia Reda will present her draft opinion on the proposal for a directive on the re-use of public sector information. The draft opinion focuses on limiting the obstacles to access and re-use of data, based on the principle that the access to information is a fundamental right. The new aspects also include a list of categories of high value data and exemplary datasets from areas, such as statistics, procurement and national law. The Commission is given delegated powers to update this list. Member States are encouraged to design open data policies, to use more permissive licences and to limit charging.

DRAFTSPERSON: Julia Reda (Greens/EFA) Procedure file

The impact and the state of implementation of the Late Payment Directive in the Member States

On 12 July IMCO will hold a public hearing on the implementation of the Late Payment Directive. The first panel will examine business-to-business (B2B) transactions, featuring speakers representing business associations. The second panel will focus on public authorities-to-businesses transactions (P2B), with speakers concentrating on problems reported on the ground and on measures that could be employed by public administrations to tackle this issue. The hearing would also provide input for an IMCO implementation report on the same topic, to be elaborated later this year.

LINK: Hearing

LAST COMMITTEE MEETINGS

(18-19 JUNE 2018)

The public procurement strategy package

The IMCO Committee voted during its meeting of 19 June the draft report of Mr Carlos Coelho (EPP) and adopted its final report with 28 votes in favour (and 2 against). The Rapporteur had negotiated with the vast majority of the political groups a number of compromise amendments, which were all endorsed. The report notes the Parliament's disappointment with the pace at which many Member States have transposed the 2014 public procurement Directives and the many delays, and calls, amongst others, for better implementation including of e-procurement, for emphasis on training, and for more use of quality criteria. The report is due to be voted by the Parliament in the September's plenary session.

LINK: Subject file

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

On 19 June 2018, IMCO Committee held a public hearing aimed to discuss the existing and the potential future approaches and measures towards tackling in a balanced and efficient way illegal digital content while taking into consideration the existing EU horizontal legal framework (E- commerce directive 200/31/EC), the way forward proposed in the EU Communication on tackling illegal content online from September 2017, and the non-binding measures/guidance recommended most recently in the Commission Recommendation on measures to tackle illegal content online. Invited speakers also discussed various 'notice and action' measures, as well as safeguards, their speed and effectiveness in detection and tackling illegal content in the context of the existing legal framework, and various 'proactive measures' as well as safeguards, including proactive measures proposed in the COM Recommendation, and challenges or limitations. In their presentations, speakers provided further information about the good practices developed through voluntary measures (including Codes of Conduct and Memoranda), cooperation with law enforcement authorities and remedies/redress.

LINK: Hearing

Unfair trading practices in B2B relations in the online environment

IMCO held a hearing with the purpose of addressing broadly the topic of 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 explored the 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 also took place among experts, stakeholders and policy makers.

LINK: Hearing

Import of cultural goods

A comprehensive set of compromise amendments to the joint draft report INTA-IMCO on the proposal for a regulation on the import of cultural goods was considered by a joint committee session on 18 June. The positions expressed at the consideration called for further technical meetings and one joint shadows meeting in order to complete the work on compromises. The final vote is scheduled to take place at an extraordinary joint-session on 10 July, and the MEPs are determined to negotiate suitable agreements up to the voting date.

DRAFTSPERSON: Daniel Dalton (ECR) Procedure file

Pan-European Personal Pension Product (PEPP)

On the 18th June, IMCO Committee considered 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 together 642 amendments. On 19 June, IMCO Committee adopted its opinion with strong support among political groups, with a final vote 28 for, 5 against and 2 abstentions.

DRAFTSPERSON: Birgit Collin-Langen (EPP) Procedure file

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

During the IMCO meeting in June, the rapporteur informed the Committee that the work on compromise amendments has already started. The issues to be discussed further are obligations of the person responsible for compliance, memoranda of understanding, proportionality of powers of authorities, network for cooperation, proper financing. The scope of the proposal also remains an issue. In the following discussion Members showed overall support to the rapporteur, but highlighted the need to avoid additional burden to businesses and necessity to limit the powers of market surveillance authorities, mainly the power to block or take down websites, which can contradict to the freedom of expression. The compromise amendments will be considered during the next Committee meeting in July.

DRAFTSPERSON: Nicola Danti (S&D) Procedure file

Mutual Recognition of Goods

The rapporteur highlighted the importance of strengthening the mutual recognition principle by improving cross-border cooperation and communication between national authorities, reinforcing of Product Contact Points as well as removing burdens on businesses via the mutual recognition declaration. Members expressed their support for the rapporteur's direction. Some Members stressed the need for a clear structure for Member State justifications of decisions restricting mutual recognition and the concept of overriding public interests. Others raised concerns that the proposal would restrict Member States in introducing new national rules. The compromise amendments will be considered on the next Committee meeting in July.

DRAFTSPERSON: <u>Ivan Štefanec (EPP)</u> <u>Procedure file</u>

UPDATE ON IMCO TRILOGUES

Contracts for the supply of digital content

On 11 July, the IMCO Co-Rapporteur, Mrs Gebhardt, is to report back on the sixth informal trilogue on the Directive on the supply of digital content. This trilogue, which took place on 18 June, allowed to provisionally conclude negotiations on the right to damages, the relationship between the Digital Content Directive and the European Electronic Communications Code, and termination of long-term contracts. Some progress has also been made on definitions of compatibility and interoperability, third party rights, and transposition deadlines. As for embedded digital content and burden of proof/guarantee period/level of harmonisation, the Parliament urged the Council to adopt a mandate for negotiations on the Sales of Goods file by October 2018 to allow for meaningful negotiations on these remaining issues before the end of the legislative term.

LINK: Subject file

Free flow of non-personal data

Following the adoption of the IMCO report on 4 June, two rounds of negotiations were held with the Bulgarian Presidency and Commission on 14 June and on 19 June. Negotiators reached a provisional political agreement at the second trilogue. That agreement was confirmed by Coreper on 29 June, and is due to be confirmed by IMCO on 12 July. The agreement preserves the aim of the proposal: to unlock the huge potential of the EU data market by creating a more competitive internal market for data storage and processing services.

DRAFTSPERSON: Anna Maria Corazza Bidlt (EPP)

LINK: Procedure file

European Accessibility Act

During the IMCO committee meeting of 18/19 June, the IMCO Chair provided on behalf of the EP Rapporteur, Mr Løkkegaard (ALDE), information about the fourth informal trilogue, held on 7 June. A number of political issues remain open (including: transport; tourism; other union acts; microenterprises; CE marking; the built environment; emergency services) and it was noted that, although the Rapporteur felt during the past months that negotiations were on a constructive path, latest developments in the Council proved that an agreement could not be reached during the Bulgarian Presidency. Following, the scheduled trilogue of June 26 was cancelled. The EP negotiating team sees this as a critical set-back for the negotiations. [An exploratory trilogue may take place in July with the Austrian Presidency.]

DRAFTSPERSON: Morten Løkkegaard (ALDE) Procedure file

Fertilising products



On 11 July, the rapporteur, Mr Ţurcanu, will report back to committee on the third trilogue on the Fertilising Products Regulation, which took place on 19 June. Progress was made on a number of issues, including the drafting of various provisions on the delegation of power to the Commission, as well as some issues of a detailed nature within the annexes to the regulation. However, no progress was made on contaminant levels, which, within Parliament, fall within the exclusive competence of the ENVI Committee.

DRAFTSPERSON: Mihai Turcanu (EPP)

Procedure file

Single Digital Gateway



IMCO will vote on 12 July on the outcome of the inter-institutional negotiations on the Proposal for a regulation on a Single Digital Gateway. The third and last trilogue 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. The text was finalised in the last month and a good final agreement was reached. COREPER endorsed the consolidated text on 20 June, and IMCO will vote on 12 July. The vote on the final adoption is foreseen for the Plenary Session of September.

Draftsperson: Marlene Mizzi (S&D) Procedure file

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