



2018/0231(COD)

9.10.2018

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council establishing the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014, (EU) No 258/2014, (EU) No 652/2014 and (EU) 2017/826

(COM(2018)0441 – C8-0254/2018 – 2018/0231(COD))

Committee on the Internal Market and Consumer Protection

Rapporteur: Nicola Danti

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council establishing the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics and repealing Regulations (EU) No 99/2013, (EU) No 1287/2013, (EU) No 254/2014, (EU) No 258/2014, (EU) No 652/2014 and (EU) 2017/826 (COM(2018)0441 – C8-0254/2018 – 2018/0231(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2018)0441),
 - having regard to Article 294(2), Article 43(2), Article 168(4)(b) and Articles 114, 173 and 338 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0254/2018),
 - having regard to Article 294(3), of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of xxxx¹,
 - having regard to the opinion of the Committee of the Regions of xxxx²,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on the Internal Market and Consumer Protection and also the opinions of the Committee on Economic and Monetary Affairs, the Committee on the Environment, Public Health and Food Safety, the Committee on Industry, Research and Energy, the Committee on Agriculture and Rural Development, the Committee on Budgets and the Committee on Transport and Tourism (A8-0000/2018),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ [OJ C 0, 0.0.0000, p. 0.].

² [OJ C 0, 0.0.0000, p. 0.].

Amendment 1

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) It is therefore appropriate to establish *a* Programme *for* the internal market, competitiveness of enterprises, *including* micro, small and medium-sized enterprises, and European statistics (the 'Programme'). The Programme should be established for the duration of seven years from 2021 to 2027.

Amendment

(7) It is therefore appropriate to establish *the Single Market* Programme, *for strengthening* the internal market *and improving its functioning, in the fields of* competitiveness of enterprises, *especially* micro, small and medium-sized enterprises, *standardisation, consumer protection, food supply chain* and European statistics (the 'Programme'). The Programme should be established for the duration of seven years from 2021 to 2027.

Or. en

Amendment 2

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) The Programme should support the design, implementation and enforcement of Union legislation underpinning the proper functioning of the internal market. The Programme should support the creation of the right conditions to empower all actors of the internal market: businesses, citizens including consumers, civil society and public authorities. To that end, the Programme should aim to ensure the competitiveness of businesses, notably SMEs, but also supporting the enforcement of consumer protection and safety rules and by raising the awareness of businesses and individuals by providing them with the right tools, knowledge and competence to make informed decisions and strengthen their participation in Union's policy-making. Furthermore, the Programme

Amendment

(8) The Programme should support the design, implementation and enforcement of Union legislation underpinning the proper functioning of the internal market. The Programme should support the creation of the right conditions to empower all actors of the internal market: businesses, citizens including consumers, civil society and public authorities. To that end, the Programme should aim to ensure the competitiveness of businesses, notably SMEs, *including the tourism sector*, but also supporting the enforcement of consumer protection and safety rules and by raising the awareness of businesses and individuals by providing them with the right tools, knowledge and competence to make informed decisions and strengthen their participation in Union's policy-

should aim to enhance regulatory and administrative cooperation, notably through exchange of best practices, building of knowledge and competence bases, including the use of strategic public procurement. The Programme should also aim to support the development of high-quality international standards that underpin the implementation of Union legislation. This also includes standard setting in the field of financial reporting and audit, thereby contributing to the transparency and well-functioning of the Union's capital markets and to enhancing investor protection. The Programme should support rulemaking and standard setting also by ensuring the broadest possible stakeholder involvement. The objective of the Programme should also be to support the implementation and enforcement of Union legislation providing for a high level of health for humans, animals and plants along the food chain and the improvement of the welfare of animals.

making. Furthermore, the Programme should aim to enhance regulatory and administrative cooperation, notably through exchange of best practices, building of knowledge and competence bases, including the use of strategic public procurement. The Programme should also aim to support the development of high-quality international standards that underpin the implementation of Union legislation. This also includes standard setting in the field of financial reporting and audit, thereby contributing to the transparency and well-functioning of the Union's capital markets and to enhancing investor protection. The Programme should support rulemaking and standard setting also by ensuring the broadest possible stakeholder involvement. The objective of the Programme should also be to support the implementation and enforcement of Union legislation providing for a high level of health for humans, animals and plants along the food chain and the improvement of the welfare of animals.

Or. en

Amendment 3

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) A modern internal market promotes competition and benefits consumers, businesses and employees. Making better use of the ever evolving internal market in services should help European businesses create jobs and grow across borders, offer wider choice of services at better prices, and maintain high standards for consumers and workers. To achieve this, the Programme should contribute to the removal of remaining barriers, and to ensure a regulatory framework that can

Amendment

(9) A modern internal market **is based on principles of fairness and transparency**, promotes competition and benefits consumers, businesses and employees. Making better use of the ever evolving internal market in services should help European businesses create jobs and grow across borders, offer wider choice of services at better prices, and maintain high standards for consumers and workers. To achieve this, the Programme should contribute to the **better monitoring of**

accommodate new innovative business models.

internal market developments, including of the impact of new technologies and innovative business models, the identification and the removal of remaining barriers, and to ensure a regulatory framework that can accommodate new innovative business models, including social entrepreneurship.

Or. en

Amendment 4

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) Regulatory obstacles in the internal market have been removed for many industrial products through prevention mechanisms, the adoption of common rules and, where no such Union rules exist, through the principle of mutual recognition. In areas where no Union legislation exists, the principle of mutual recognition means that goods that are lawfully marketed in one Member State enjoy the right to free movement and can be sold in another Member State. However, inadequate application of mutual recognition makes it harder for companies to access markets in other Member States. Despite the high degree of market integration in the area of goods, this leads to lost opportunities for the economy at large. The Programme should therefore aim to improve the application of mutual recognition in the area of goods and to reduce the number of illegal and non-compliant goods entering the market.

Amendment

(10) Regulatory obstacles in the internal market have been removed for many industrial products through prevention mechanisms, the adoption of common rules ***and standards*** and, where no such Union rules exist, through the principle of mutual recognition. In areas where no Union legislation exists, the principle of mutual recognition means that goods that are lawfully marketed in one Member State enjoy the right to free movement and can be sold in another Member State, ***provided that the Member State in question has not opposed the marketing of the goods.*** However, inadequate application of mutual recognition makes it harder for companies to access markets in other Member States. Despite the high degree of market integration in the area of goods, this leads to lost opportunities for the economy at large. The Programme should therefore aim to improve the application of mutual recognition in the area of goods and to reduce the number of illegal and non-compliant goods entering the market, ***through targeted awareness raising and training, through support to Product Contact Points and through better***

cooperation among competent authorities for mutual recognition.

Or. en

Amendment 5

Proposal for a regulation Recital 11

Text proposed by the Commission

(11) New regulatory and enforcement challenges relate to a rapidly changing environment of the digital revolution, concerning issues such as cybersecurity, internet of things or artificial intelligence. Should damage occur, stringent rules on product safety and liability are essential to ensure a policy response that allows European citizens, including consumers and businesses, to benefit from such rules. The Programme should therefore contribute to the rapid adaptation and enforcement of a Union product liability regime which fosters innovation.

Amendment

(11) New regulatory and enforcement challenges relate to a rapidly changing environment of the digital revolution, concerning issues such as cybersecurity, internet of things or artificial intelligence. Should damage occur, stringent rules on product safety and ***clarity with regard to liability, as well as strict enforcement of rules***, are essential to ensure a policy response that allows European citizens, including consumers and businesses, to benefit from such rules. The Programme should therefore contribute to the rapid adaptation and enforcement of a Union product liability regime which fosters innovation, ***whilst ensuring the safety and security of users***.

Or. en

Amendment 6

Proposal for a regulation Recital 12

Text proposed by the Commission

(12) Placing on the market of products that are not compliant with Union law ***puts*** those who comply ***at disadvantage and may endanger consumers. Many entrepreneurs disregard*** the rules either ***through*** lack of knowledge or intentionally

Amendment

(12) Placing on the market of products that are not compliant with Union law ***regardless of whether products are placed on the market by traditional or electronic means and regardless of whether they are produced in the Union or enter it from***

to gain a competitive advantage. Market surveillance authorities are often underfunded and constrained by national boundaries, while entrepreneurs trade at Union or even global level. In particular, in the case of e-commerce, market surveillance authorities have great difficulties in tracing non-compliant products imported from third countries **and** identifying the responsible entity within their jurisdiction. The Programme should therefore seek to strengthen product compliance by providing **the right incentives to entrepreneurs**, intensifying compliance checks and promoting closer cross-border cooperation among enforcement authorities. The Programme should also contribute to the consolidation of the existing framework for market surveillance activities, encourage joint actions of market surveillance authorities from different Member States, improve the exchange of information and promote convergence and closer integration of market surveillance activities.

third countries, puts European citizens and consumers at risk. Economic operators selling compliant products face distorted competition from those who do not comply **with** the rules either **due to** lack of knowledge or intentionally to gain a competitive advantage. Market surveillance authorities are often underfunded and constrained by national boundaries, while entrepreneurs trade at Union or even global level. In particular, in the case of e-commerce, market surveillance authorities have great difficulties in tracing non-compliant products imported from third countries, identifying the responsible entity within their jurisdiction **or conducting risk-assessments or safety tests due to the lack of physical access to products**. The Programme should therefore seek to strengthen product compliance by **strengthening market surveillance**, providing **clear, transparent and comprehensive rules to economic operators**, intensifying compliance checks and promoting closer cross-border cooperation among enforcement authorities. The Programme should also contribute to the consolidation of the existing framework for market surveillance activities, encourage joint actions of market surveillance authorities from different Member States, improve the exchange of information and promote convergence and closer integration of market surveillance activities, **in particular by ensuring that the provisions of the Regulation (EU) 2018/858 of the European Parliament and of the Council^{1a} are strictly implemented so as to avoid the sale of non-compliant products to European citizens.**

^{1a} **Regulation (EU) 2018/858 of the European Parliament and of the Council of 30 May 2018 on the approval and market surveillance of motor vehicles and their trailers, and of systems, components**

and separate technical units intended for such vehicles, amending Regulations (EC) No 715/2007 and (EC) No 595/2009 and repealing Directive 2007/46/EC (OJ L 151, 14.6.2018, p. 1).

Or. en

Amendment 7

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) Product safety is a common concern. The conformity assessment bodies verify whether products meet the safety requirements before they are placed on the market. It is therefore of paramount importance that the conformity assessment bodies are reliable and competent. The Union has put in place a system of accreditation of the conformity assessment bodies, verifying their competence, impartiality and independence. The main challenge is now to keep the accreditation system in line with the latest state of the art and to ensure that it is applied with the same stringency across the Union. The Programme should therefore support measures to ensure that conformity assessment bodies continue fulfilling the regulatory requirements and to enhance the European accreditation system, in particular in new policy areas, by supporting the European co-operation for Accreditation (EA) referred to in Article 14 of Regulation (EC) No 765/2008 *of the European Parliament and of the Council*⁴⁸.

Amendment

(13) Product safety is a common concern. The conformity assessment bodies verify whether products meet the safety requirements before they are placed on the market. It is therefore of paramount importance that the conformity assessment bodies are reliable and competent. The Union has put in place a system of accreditation of the conformity assessment bodies, verifying their competence, impartiality and independence. ***However, Regulation (EC) No 765/2008 of the European Parliament and of the Council***⁴⁸ ***has been implemented in many different ways at national level. Those differences concern the distribution of competences between market surveillance authorities and the internal coordination mechanisms at national level, the level of deployed financial resources dedicated to market surveillance and the market surveillance strategies and approaches, as well as the powers with regard to non-compliant products and the level of penalties for infringements, resulting in the fragmented enforcement of Union harmonisation legislation. This fragmentation leads to market surveillance being more rigorous in some Member States than in others, potentially undermining the deterrent effect of the legislation, creating an unequal playing***

field among businesses in some Member States and resulting in imbalances in the level of product safety throughout the Union. The main challenge is now to keep the accreditation system in line with the latest state of the art and to ensure that it is applied with the same stringency across the Union. The Programme should therefore support measures to ensure that conformity assessment bodies continue fulfilling the regulatory requirements and to enhance the European accreditation system, in particular in new policy areas, by supporting the European co-operation for Accreditation (EA) referred to in Article 14 of Regulation (EC) No 765/2008.

⁴⁸ Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93 (OJ L 218, 13.8.2008, p. 30).

⁴⁸ Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93 (OJ L 218, 13.8.2008, p. 30).

Or. en

Amendment 8

Proposal for a regulation Recital 14

Text proposed by the Commission

(14) As consumer markets know no borders with the development of online trade and travel services, it is important to ensure that consumers residing in the Union can benefit from ***adequate*** protection when importing goods and services from economic operators based in third countries. The Programme should therefore allow supporting cooperation with relevant bodies located in key trading third country partners of the Union where necessary.

Amendment

(14) ***The development of e-commerce poses certain challenges regarding the protection of the health and safety of end-users from non-compliant products.*** As consumer markets know no borders with the development of online trade and travel services, it is important to ensure that consumers residing in the Union can benefit from ***equivalent*** protection when importing goods and services from economic operators based in third countries. The Programme should therefore

allow supporting cooperation with relevant bodies located in key trading third country partners of the Union where necessary ***with regard to the exchange of information on non-compliant products, on recent scientific developments and new technologies, on emerging risks, and on other aspects related to control activities.***

Or. en

Amendment 9

Proposal for a regulation Recital 16

Text proposed by the Commission

(16) In order to meet the objectives of the Programme and to facilitate the lives of citizens and businesses, high-quality user-centric public services need to be put in place. This implies that public administrations will need to start working in new ways, bring down silos between the different parts of their administrations, and to engage in the co-creation of these public services with citizens and businesses. Moreover, the continuous and steady increase of cross-border activities in the internal market requires ***provision*** of up-to-date information on the rights of businesses and citizens, but also information explaining the administrative formalities. In addition, provision of legal advice and helping to solve problems which occur at cross national level becomes essential. Furthermore, connecting national administrations in a simple and efficient manner as well as evaluating how the internal market works on the ground is necessary. The Programme should therefore support the following existing internal market governance tools: the Your Europe Portal which should be a backbone of the upcoming Single Digital Gateway, Your Europe Advice, SOLVIT, the Internal

Amendment

(16) In order to meet the objectives of the Programme and to facilitate the lives of citizens and businesses, high-quality user-centric public services need to be put in place ***and e-administration and e-government efforts further boosted.*** This implies that public administrations will need to start working in new ways, bring down silos between the different parts of their administrations, and to engage in the co-creation of these public services with citizens and businesses. Moreover, the continuous and steady increase of cross-border activities in the internal market requires ***the availability*** of up-to-date information on the rights of businesses and citizens, but also information explaining the administrative formalities. In addition, provision of legal advice and helping to solve problems which occur at cross national level becomes essential. Furthermore, connecting national administrations in a simple and efficient manner as well as evaluating how the internal market works on the ground is necessary. The ***existing internal market governance tools already play an important role in facilitating the achievement of those objectives. To this***

Market Information system and the Single Market Scoreboard in order to improve citizens' daily lives and businesses' ability to trade across borders.

end, and in order to keep up with technology and market developments, as well as with new regulatory and enforcement challenges, the Programme should support the enhancing of quality, visibility and transparency and of the security of the internal market governance tools. The Programme should therefore support, among others, the following existing internal market governance tools: the Your Europe Portal which should be a backbone of the upcoming Single Digital Gateway, Your Europe Advice, SOLVIT, the Internal Market Information system and the Single Market Scoreboard in order to improve citizens' daily lives and businesses' ability to trade across borders.

Or. en

Amendment 10

Proposal for a regulation

Recital 21

Text proposed by the Commission

(21) The Programme in particular needs to tackle the radical implications for competition and the functioning of the internal market resulting from the ongoing transformation of the economy and business environment, in particular through the exponential growth and use of data, taking account of the increasing recourse to artificial intelligence and other IT tools and expertise by companies and their advisors. It is also essential that the Programme supports networks and cooperation with Member State authorities and courts, considering that undistorted competition and the functioning of the internal market depend critically on action by those entities. In view of the particular role of competition policy in preventing harm to the internal market resulting from

Amendment

(21) The Programme in particular needs to tackle the radical implications for competition and the functioning of the internal market resulting from the ongoing transformation of the economy and business environment, in particular through the exponential growth and use of data, taking account of the increasing recourse to artificial intelligence and other IT tools and expertise by companies and their advisors. It is also essential that the Programme supports networks and cooperation with Member State authorities and courts, considering that undistorted competition and the functioning of the internal market depend critically on action by those entities. In view of the particular role of competition policy in preventing harm to the internal market resulting from

anticompetitive conduct beyond the Union's border, the Programme should also support cooperation with third country authorities, as appropriate. Finally, widening outreach activities is necessary in order to allow more citizens and businesses to reap the full benefits of fair competition in the internal market. Given that a number of initiatives in the Programme are new and that the competition part of the Programme is particularly affected by dynamic developments in the conditions of competition in the internal market, notably relating to Artificial Intelligence, algorithms, big data, cybersecurity and forensic technology, the pace and magnitude of which are difficult to estimate, it is anticipated that flexibility will be required to face the evolving needs under this part of the Programme.

anticompetitive conduct beyond the Union's border, the Programme should also support cooperation with third country authorities, as appropriate. Finally, widening outreach activities is necessary in order to allow more citizens and businesses to reap the full benefits of fair competition in the internal market. Given that a number of initiatives in the Programme are new and that the competition part of the Programme is particularly affected by dynamic developments in the conditions of competition in the internal market, notably relating to **digital developments**, Artificial Intelligence, algorithms, big data, cybersecurity and forensic technology, the pace and magnitude of which are difficult to estimate, it is anticipated that flexibility will be required to face the evolving needs under this part of the Programme.

Or. en

Amendment 11

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) Many of the Union's competitiveness problems involve SMEs' difficulties in obtaining access to finance because they struggle to demonstrate their credit-worthiness and have insufficient collateral. Additional financing challenges arise from SMEs' need to stay competitive by engaging e.g. in digitization, internationalization and innovation activities and skilling up their workforce. Limited access to finance has a negative effect on businesses creation, growth and survival rates, as well as on the readiness of new entrepreneurs to take over viable companies in the context of a business succession.

Amendment

(24) Many of the Union's competitiveness problems involve SMEs' difficulties in obtaining access to finance because they struggle to demonstrate their credit-worthiness and have insufficient collateral. Additional financing challenges arise from SMEs' need to stay competitive by engaging e.g. in digitization, internationalization and innovation activities and skilling up their workforce. Limited access to finance has a negative effect on businesses creation, growth and survival rates, as well as on the readiness of new entrepreneurs to take over viable companies in the context of a business succession. ***Particular attention should be paid to microenterprises, enterprises***

engaged in craft activities and social enterprises. Attention should also be paid to potential, new, young and female entrepreneurs, as well as to other specific target groups, such as older people, migrants and entrepreneurs belonging to socially disadvantaged or vulnerable groups, such as persons with disabilities, and to the promotion of business transfers, spin-offs and second chances for entrepreneurs.

Or. en

Amendment 12

Proposal for a regulation

Recital 37

Text proposed by the Commission

(37) The Programme should aim to raise the awareness of consumers, businesses, civil society and authorities on Union consumer and safety laws and to empower consumers and their representative organisations at national level and at the Union level notably by supporting the Bureau Européen des Unions de Consommateurs (BEUC) which is the long established and recognised NGO representing consumer interests in relation to all relevant Union policies, and the European Association for the Co-ordination of Consumer Representation in Standardisation (ANEC) which represents consumers interest in relation to standardisation issues. In doing so, particular attention should be given to new market needs regarding the promotion of sustainable consumption and the prevention of vulnerabilities as well as challenges created by the digitisation of the economy or the development of new consumption patterns and business models. The Programme should support the development of relevant information on

Amendment

(37) The Programme should aim to raise the awareness of consumers, businesses, civil society and authorities on Union consumer and safety laws and to empower consumers and their representative organisations at national level and at the Union level notably by supporting the Bureau Européen des Unions de Consommateurs (BEUC) which is the long established and recognised NGO representing consumer interests in relation to all relevant Union policies, and the European Association for the Co-ordination of Consumer Representation in Standardisation (ANEC) which represents consumers interest in relation to standardisation issues. In doing so, particular attention should be given to new market needs regarding the promotion of sustainable consumption and the prevention of vulnerabilities as well as challenges created by the digitisation of the economy, ***connected products, internet of things, artificial intelligence and use of algorithms*** or the development of new consumption patterns and business models,

markets, policy challenges, emerging issues and behaviours, and the publication of the Union consumer scoreboards.

especially social entrepreneurship and the collaborative economy. The Programme should support the development of relevant information on markets, policy challenges, emerging issues and behaviours, and the publication of the Union consumer scoreboards.

Or. en

Amendment 13

Proposal for a regulation Recital 39

Text proposed by the Commission

(39) The European Consumer Centres Network *is assisting* consumers to obtain the benefit of their Union consumer rights when they purchase goods and services cross border in the Internal Market and EEA, either on-line or when travelling. The 30 centres strong network, jointly funded by the Union consumer programmes since more than 10 years has proven its added value to strengthen consumers and traders trust in the Internal Market. It deals with more than 100 000 consumers' requests per year and reaches millions of citizens via its press and online information activities. It is one of the most valued citizens' assistance network of the Union and most of its centres host contact points for internal market law, such as the Directive 2006/123/EC of the European Parliament and of the Council⁵⁹ and its evaluation stresses the importance to continue its operation. The network also intends to develop reciprocity arrangements with similar bodies in third countries.

Amendment

(39) *The Programme should also support* the European Consumer Centres Network *which assists* consumers to obtain the benefit of their Union consumer rights when they purchase goods and services cross border in the Internal Market and EEA, either on-line or when travelling. The 30 centres strong network, jointly funded by the Union consumer programmes since more than 10 years has proven its added value to strengthen consumers and traders trust in the Internal Market. It deals with more than 100 000 consumers' requests per year and reaches millions of citizens via its press and online information activities. It is one of the most valued citizens' assistance network of the Union and most of its centres host contact points for internal market law, such as the Directive 2006/123/EC of the European Parliament and of the Council⁵⁹ and its evaluation stresses the importance to continue its operation. *European Consumer Centres Network can be also an important source of information about challenges and problems that consumers encounter at local level, which are relevant for Union policy-making and for the protection of the interests of consumers. Therefore, the Programme should allow for the building*

and enhancing of synergies between consumer representation at local and Union level in order to strengthen consumer advocacy. The network also intends to develop reciprocity arrangements with similar bodies in third countries.

⁵⁹ Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (OJ L 376, 27.12.2006, p. 36).

⁵⁹ Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (OJ L 376, 27.12.2006, p. 36).

Or. en

Amendment 14

Proposal for a regulation Recital 40

Text proposed by the Commission

(40) The fitness check of Union consumer and marketing law carried out by the Commission in May 2017 exposed the need to better enforce rules and facilitate redress when consumers have been harmed by breaches to consumer laws. As a result the Commission adopted a "New Deal for Consumers" in April 2018 to ensure, inter alia, the equal treatment of consumers across the internal market in relation to dual quality standards, stronger enforcement capacities of Member States, enhanced product safety, increased international cooperation and new possibilities for redress notably through representative actions by qualified entities. The Programme should aim to support consumer policy with awareness raising and knowledge building, capacity building and exchange of best practices of the consumer organisations and consumer protection authorities, networking and development of market intelligence, strengthening the evidence base on the

Amendment

(40) The fitness check of Union consumer and marketing law carried out by the Commission in May 2017 exposed the need to better enforce rules and facilitate redress when consumers have been harmed by breaches to consumer laws. As a result the Commission adopted a "New Deal for Consumers" in April 2018 to ensure, inter alia, the equal treatment of consumers across the internal market in relation to ***cross-border cases, such as selling of non-compliant products in the motor vehicles sector, dual quality standards of products or the problems of passengers stranded as a result of the cancellation of a large number of flights***, stronger enforcement capacities of Member States, enhanced product safety, increased international cooperation and new possibilities for redress notably through representative actions by qualified entities. The Programme should aim to support consumer policy with awareness raising and knowledge building, capacity building

functioning of the internal market for consumers, IT systems and communication tools, inter alia.

and exchange of best practices of the consumer organisations and consumer protection authorities, networking and development of market intelligence, strengthening the evidence base on the functioning of the internal market for consumers, IT systems and communication tools, inter alia.

Or. en

Amendment 15

Proposal for a regulation Recital 58

Text proposed by the Commission

(58) The actions implemented under the predecessor programmes and budget lines have proven to be adequate and should be retained. The new actions introduced under the Programme aim to reinforce in particular the well-functioning internal market. In order to provide more simplicity and flexibility in the execution of the Programme and thereby to better deliver on its objectives, the actions should be defined only in terms of overall, generic categories. Lists of indicative activities concerning specific objectives in the area of competitiveness, or specific activities stemming from regulatory requirements, like in the area of standardisation, food chain regulation and European statistics should also be included in the Programme.

Amendment

(58) The actions implemented under the predecessor programmes and budget lines have proven to be adequate and should be retained. The new actions introduced under the Programme aim to reinforce in particular the well-functioning internal market. In order to provide more simplicity and flexibility in the execution of the Programme and thereby to better deliver on its objectives, the actions should be defined only in terms of overall, generic categories. Lists of indicative activities concerning specific objectives in the area of competitiveness, or specific activities stemming from regulatory requirements, like in the area of ***market surveillance and product safety, consumers,*** standardisation, food chain regulation and European statistics should also be included in the Programme.

Or. en

Amendment 16

Proposal for a regulation Article 1 – paragraph 1

Text proposed by the Commission

This Regulation establishes the programme for **improving the functioning of** the internal market and **the** competitiveness of enterprises, **including** micro, small and medium-sized enterprises and the framework for financing of development, production and dissemination of European statistics **within the meaning of Article 13 of Regulation (EC) No 223/2009** (the 'Programme').

Amendment

This Regulation establishes the **Single Market** programme for **strengthening** the internal market and **improving its functioning in the fields of** competitiveness of enterprises, **especially** micro, small and medium-sized enterprises, **standardisation, consumer protection, food supply chain** and the framework for financing of development, production and dissemination of European statistics (the 'Programme').

Or. en

Amendment 17

**Proposal for a regulation
Article 3 – paragraph 1 – point a**

Text proposed by the Commission

(a) to improve the functioning of the internal market, and especially to protect and empower citizens, consumers and businesses, in particular micro, small and medium-sized enterprises (SMEs), by enforcement of Union law, **facilitation of** market access, standard setting, and by promoting human, animal and plant health and animal welfare; as well as to enhance cooperation between the competent authorities of Member States and between the competent authorities of Member States and the Commission and the decentralised Union agencies;

Amendment

(a) to improve the functioning of the internal market, and especially to protect and empower citizens, consumers and businesses, in particular micro, small and medium-sized enterprises (SMEs), by enforcement of Union law, **facilitating** market access, standard setting, **by ensuring a uniform and high level of consumer protection, raising awareness about the Single Market Union law** and by promoting human, animal and plant health and animal welfare; as well as to enhance cooperation between the competent authorities of Member States and between the competent authorities of Member States and the Commission and the decentralised Union agencies;

Or. en

Amendment 18

Proposal for a regulation

Article 3 – paragraph 2 – point a

Text proposed by the Commission

(a) making the internal market more effective, ***facilitating the prevention and removal of obstacles, supporting the development, implementation and enforcement of the Union law in the areas of the internal market for goods and services, public procurement, market surveillance as well as in the areas of company law and contract and extra-contractual law, anti-money laundering, free movement of capital, financial services and competition, including the development of governance tools;***

Amendment

(a) making the internal market more effective ***by:***

Or. en

Justification

Technical adjustment

Amendment 19

Proposal for a regulation

Article 3 – paragraph 2 – point a – point i (new)

Text proposed by the Commission

Amendment

(i) ***facilitating the prevention and removal of obstacles, supporting the development, implementation and enforcement of the Union law in the areas of the internal market for goods and services, public procurement, market surveillance as well as in the areas of company law and contract and extra-contractual law, anti-money laundering, free movement of capital, financial services and competition, including the development of governance tools;***

Amendment 20

Proposal for a regulation

Article 3 – paragraph 2 – point a – point ii (new)

Text proposed by the Commission

Amendment

(ii) supporting effective market surveillance and product safety throughout the Union with a view to ensuring that only safe and compliant products that offer a high level of consumer protection are made available on the Union market, including those sold online.

Or. en

Amendment 21

Proposal for a regulation

Article 3 – paragraph 2 – point b

Text proposed by the Commission

Amendment

(b) improving the competitiveness of enterprises with special emphasis on SMEs and achieving additionality through the provision of measures that provide various forms of support to SMEs, access to markets including the internationalisation of SMEs, favourable business environment for SMEs, the competitiveness of sectors, the modernisation of industry and the promotion of entrepreneurship;

(b) improving the competitiveness of enterprises with special emphasis on SMEs and achieving additionality through the provision of measures that provide various forms of support to SMEs, access to markets including the internationalisation of SMEs, favourable business environment for SMEs, the competitiveness of sectors, **such as the tourism sector**, the modernisation of industry and the promotion of entrepreneurship;

Or. en

Amendment 22

Proposal for a regulation

Article 3 – paragraph 2 – point c – point i

Text proposed by the Commission

(i) enable the financing of European standardisation and stakeholder participation in setting up European standards;

Amendment

(i) enable the financing of European standardisation **bodies** and stakeholder participation in setting up European standards;

Or. en

Amendment 23

Proposal for a regulation

Article 3 – paragraph 2 – point d – introductory part

Text proposed by the Commission

(d) promoting the interests of consumers and ensuring a high level of consumer protection **and product safety** by:

Amendment

(d) promoting the interests of consumers and ensuring a **uniform and** high level of consumer protection by:

Or. en

Justification

Product safety has been moved to the new objective Art. 3, paragraph 2, point (a)(ii) new related to market surveillance and product safety.

Amendment 24

Proposal for a regulation

Article 3 – paragraph 2 – point d – point i

Text proposed by the Commission

(i) empowering, assisting and educating consumers, businesses and civil society; ensuring a high level of consumer protection, sustainable consumption **and product safety** notably by supporting competent enforcement authorities and

Amendment

(i) empowering, assisting and educating consumers, businesses and civil society; ensuring a high level of consumer protection, sustainable consumption notably by supporting competent enforcement authorities and consumer

consumer representative organisations and cooperation actions; ensuring that all consumers have access to redress and; provision of adequate information on markets and consumers;

representative organisations and cooperation actions, ***in particular in addressing challenges arising in relation to both existing and emerging technologies***; ensuring that all consumers have access to ***effective*** redress and; provision of adequate information on markets and consumers;

Or. en

Amendment 25

Proposal for a regulation

Article 4 – paragraph 2 – point d a (new)

Text proposed by the Commission

Amendment

(da) EUR 396 200 000 in current prices to the objective referred to in Article 3(2)(a)(ii).

Or. en

Justification

A dedicated budget line is proposed to finance market surveillance, product safety and type-approval, in line with the Impact Assessment of the Single Market Programme and Impact Assessment of the enforcement and compliance Regulation.

Amendment 26

Proposal for a regulation

Article 4 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The remaining amount shall be used to finance actions, in particular under the objective referred to in Article 3(2)(a)(i) and in Article 3(2)(c), related to the internal market of goods and services such as internal market governance tools, competition policy, mutual recognition and standardisation activities.

Justification

The Rapporteur proposes to precise the actions to be financed with the remaining amount of the total envelope.

Amendment 27**Proposal for a regulation****Article 4 – paragraph 3***Text proposed by the Commission*

3. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Programme, concerning in particular preparatory, monitoring, control, audit and evaluation activities as well as use of information technology networks focusing on information processing and exchange, and use and development of corporate information technology tools.

Amendment

3. The amount referred to in paragraph 1 may be used for technical and administrative assistance for the implementation of the Programme, concerning in particular preparatory, monitoring, control, audit and evaluation activities as well as use of information technology networks focusing on information processing and exchange, and use and development of corporate information technology tools. ***The Budget allocated for technical and administrative assistance shall not exceed 5 % of the value of the financial envelope referred to in paragraph 1.***

Or. en

Justification

A 5% cap on the share of the programme's financial allocation for technical and administrative assistance is proposed in order to ensure that a significant part of the envelope will be dedicated to tangible actions under the programme's objectives.

Amendment 28**Proposal for a regulation****Article 8 – paragraph 2 a (new)***Text proposed by the Commission**Amendment*

2 a. *The following actions*

implementing the specific objectives referred to in Article 3(2)(a)(ii) shall be eligible for funding:

(a) coordination and cooperation between market surveillance authorities and other relevant authorities of Member States, in particular through the Union Product Compliance Network;

(b) development and maintenance of IT tools to exchange information on market surveillance and controls at the external borders;

(c) support for the development of joint actions and testing in the field of product safety and compliance including in relation to testing of dangerous products, connected products and products sold online;

(d) cooperation, exchange of best practices and joint projects between market surveillance authorities and relevant bodies from third countries;

(e) support for market surveillance strategies, knowledge and intelligence gathering, testing capabilities and facilities, peer reviews, training programmes, technical assistance and capacity building for market surveillance authorities;

(f) actions addressing new safety and economic risks linked to the globalisation of the production chain, direct internet sales and continuous appearance of innovations in consumer products and services; and

(g) assessment of type approval procedures and compliance verification of motor vehicles by the Commission.

Or. en

Amendment 29

Proposal for a regulation

Article 8 – paragraph 3 – point d

Text proposed by the Commission

(d) facilitating the growth of businesses, including *skills* development, and industrial transformation across manufacturing and service sectors;

Amendment

(d) facilitating the growth of businesses, including *the* development *of digital and entrepreneurship skills, digital* and industrial transformation across manufacturing and service sectors;

Or. en

Amendment 30

Proposal for a regulation

Article 8 – paragraph 3 – point e

Text proposed by the Commission

(e) supporting the competitiveness of enterprises and whole sectors of economy, and supporting SMEs' uptake of innovation *and* value chain collaboration through strategically connecting ecosystems and clusters, including the joint cluster initiative;

Amendment

(e) supporting the competitiveness of enterprises and whole sectors of economy, and supporting SMEs' uptake of innovation, *and in particular their adoption of new business models, especially those associated with the social and collaborative economy, as well as their uptake of* value chain collaboration through strategically connecting ecosystems and clusters, including the joint cluster initiative;

Or. en

Amendment 31

Proposal for a regulation

Article 8 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. *The following actions implementing the specific objectives referred to in Article 3(2)(d)(i) shall be*

eligible for funding:

(a) improving consumer awareness and consumer education on consumer rights, and empowering consumers to face new challenges raised by technological development and digitalisation, in particular vulnerable consumers;

(b) actions to ensure access for all consumers and traders to quality out of court dispute resolution and online dispute resolution and information on redress possibilities;

(c) actions in support of stronger enforcement of consumer laws including effective coordination and cooperation between national enforcement bodies and enforcement cooperation with third countries.

Or. en

Amendment 32

Proposal for a regulation

Article 9 – paragraph 3 – subparagraph 1 – introductory part

Text proposed by the Commission

Legal entities established in a third country which is not associated to the Programme *may* participate in the following actions:

Amendment

The Commission may allow legal entities established in a third country which is not associated to the Programme *to* participate in the following actions:

Or. en

Amendment 33

Proposal for a regulation

Article 9 – paragraph 3 – subparagraph 2

Text proposed by the Commission

The entities participating in the actions referred to in points a) and b) shall not be

Amendment

The entities participating in the actions referred to in points a) and b) shall not be

entitled to receive Union financial contributions, except where it is essential for the Programme, in particular in terms of competitiveness and access to markets for Union enterprises or in terms of protection of the consumers residing in the Union. That exception shall not apply to profit-making entities.

entitled to receive Union financial contributions, ***especially when there is a risk of transfer of innovative technology or know how***, except where it is essential for the Programme, in particular in terms of competitiveness and access to markets for Union enterprises or in terms of protection of the consumers residing in the Union. That exception shall not apply to profit-making entities.

Or. en

Amendment 34

Proposal for a regulation

Article 10 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

With regard to point (e) of the first paragraph of this Article, the Commission is empowered to adopt delegated acts in accordance with Article 20 to adapt the list of entities which are eligible for a grant under the Programme, for actions implementing the specific objective referred to in Article 3(2)(d)(i).

Or. en

Amendment 35

Proposal for a regulation

Article 11 – title

Text proposed by the Commission

Amendment

Evaluation ***and award criteria***

Evaluation ***committee(s)***

Or. en

Technical adjustment

Amendment 36

Proposal for a regulation
Article 16 – paragraph 1

Text proposed by the Commission

1. The Programme shall be implemented by work programme(s) **referred to** in Article 110 of the Financial Regulation. Work programmes shall set out, where applicable, the overall amount reserved for blending operations.

Amendment

1. The Programme shall be implemented by work programme(s) in **accordance with** Article 110 of the Financial Regulation. **The work programmes shall be annual or multiannual and shall in particular set out the objectives to be pursued, the expected results, the method of implementation and the total amount of the financing plan. They shall also set out in detail a description of the actions to be financed, an indication of the amount allocated to each action and an indicative implementation timetable.** Work programmes shall set out, where applicable, the overall amount reserved for blending operations.

Or. en

Amendment 37

Proposal for a regulation
Article 18 – paragraph 2

Text proposed by the Commission

2. **The interim evaluation of the Programme shall be performed once there is sufficient information available about the implementation of the Programme, but no later than four years after the start of the Programme implementation.**

Amendment

2. **By [four years after the start of the implementation of the Programme] at the latest, the Commission shall establish an interim evaluation report of the Programme on the achievement of the objectives of the actions supported under it, on the results and impacts, on the efficiency of the use of resources and on**

its Union added value.

Or. en

Justification

It is necessary to improve accountability for the evaluation of the Program: an interim evaluation should be carried out by 2025 at the latest and a final evaluation, by 2030 at the latest.

Amendment 38

Proposal for a regulation
Article 18 – paragraph 5

Text proposed by the Commission

5. *At the end of the implementation of the Programme, **but no later than four years after the end of the period specified in Article 1**, a final evaluation of the Programme **shall be carried out by the Commission.***

Amendment

5. ***By [three years after the end of the implementation of the Programme] at the latest, the Commission shall establish a final evaluation **report on the longer term impact** of the Programme, **on the sustainability of the actions and on the synergies between the different work programmes.*****

Or. en

Justification

It is necessary to improve accountability for the evaluation of the Program: an interim evaluation should be carried out by 2025 at the latest and a final evaluation, by 2030 at the latest.

Amendment 39

Proposal for a regulation
Article 18 – paragraph 6

Text proposed by the Commission

6. The Commission shall ***communicate the conclusions of the evaluations accompanied by its observations***, to the European Parliament, the Council, the European Economic and

Amendment

6. The Commission shall ***submit the reports referred to in paragraphs 2 and 5***, to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the

Social Committee and the Committee of the Regions.

Regions *and make them publicly available*.

Or. en

Amendment 40

Proposal for a regulation Article 20 – paragraph 2

Text proposed by the Commission

2. The power to adopt delegated acts referred to in Articles 9 and 17 shall be conferred on the Commission until 31 December 2028.

Amendment

2. The power to adopt delegated acts referred to in Articles 9, **10** and 17 shall be conferred on the Commission until 31 December 2028.

Or. en

Amendment 41

Proposal for a regulation Article 20 – paragraph 6

Text proposed by the Commission

6. A delegated act adopted pursuant to Articles 9 and 17 shall enter into force if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment

6. A delegated act adopted pursuant to Articles 9, **10** and 17 shall enter into force if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Or. en

Amendment 42

Proposal for a regulation Article 22 – paragraph 2

Text proposed by the Commission

2. The Commission shall implement information and communication actions **relating to the Programme, and** its actions and results. Financial resources allocated to the Programme shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the objectives referred to in Article 3.

Amendment

2. The Commission shall **take adequate measures to** implement information and communication actions **in a user-friendly manner, in order to raise awareness among consumers, citizens, businesses, especially SMEs and public administrations about the resources provided through the financial instruments of this Regulation, as well as about** its actions and results. Financial resources allocated to the Programme shall also contribute to the corporate communication of the political priorities of the Union, as far as they are related to the objectives referred to in Article 3.

Or. en

Justification

It is necessary to emphasise the importance of user-friendly communication actions in order to enhance the visibility of EU funding in the interest of consumers, businesses and public administrations.

EXPLANATORY STATEMENT

The single market has been, and remains, the cornerstone at the heart of the European project. In its 25 years of existence, the single market has contributed to achieving a high level of integration among Member States, bringing tangible benefits to businesses, citizens and consumers in many ways, such as providing greater choice and lower prices in a more competitive market, opportunities for travelling and working across the EU, access to an enormous market for businesses and better consumer protection. Despite the adoption and implementation of over 3 500 measures, the single market project is far from completed. Many barriers, such as gaps in legislation, administrative burdens, ineffective implementation and weak enforcement of EU law, as well as changing circumstances and emerging challenges and obstacles, continue to hinder the accomplishment of the single market.

The European Parliament called on numerous occasions for improvement of the governance and the efficiency of the single market, and the Commission made market integration one of its main priorities.

For the next 2021-2027 period, the Commission is proposing a new Single Market Programme, that will bring six programmes and numerous actions, previously separate, under one coherent framework. The main aim is to implement and enforce various activities supporting delivery of the single market in the wider sense, improving synergies and flexibility as well as eliminating overlaps in existing EU Programmes.

Overall, the Rapporteur welcomes the new “Single Market Programme” and shares Commission’s view on a need for a strategic and integrated approach towards the attainment of a well-functioning internal market.

However, the Rapporteur proposes several improvements in the following areas:

The financial envelope

The Commission is proposing a financial envelope to be allocated among four different objectives: COSME, consumers, food chain and sustainable consumption and statistics. The Rapporteur believes that the total financial envelope is not sufficient to answer all challenges of the Single Market and especially to adapt to a rapidly changing environment of digital revolution and globalisation.

However, the Rapporteur proposes to adjust the general financial envelope and all different budgetary lines, once the exact figures will be defined in the European Parliament Draft Interim Report on ‘the 2021-2027 Multiannual Financial Framework and own resources’.

Moreover, the Rapporteur suggests the addition of a new budget line dedicated to market surveillance, product safety and type-approval, in line with the Impact Assessment of the Single Market Programme and the Impact Assessment of the enforcement and compliance Regulation. The Rapporteur also believes important to mention explicitly the objectives to

which the remaining amount shall be dedicated, as well as to put a ceiling for technical and administrative assistance.

Focus on market surveillance and product safety

Concerning the programme's objectives, the Rapporteur strongly believes that the improvement of the functioning of the single market depends on the strengthening of market surveillance activities and product safety, with a special attention to products sold online. The Rapporteur, in fact, recognizes that an effective market surveillance could be essential to safeguard public interests such as health and safety in the workplace, the protection of consumers, the protection of environment and the public security as well as ensuring a level playing field among economic operators. Many recent scandals such as the "Dieselgate" show that unsafe and non-compliant products are still a reality in the EU market, highlighting the need of a more effective and coordinated market surveillance in the EU. The recently approved "Type-approval" Regulation, as well as the "Enforcement and compliance" Regulation that is currently under negotiation provide for a framework for fostering better cooperation between market surveillance authorities, the European institutions and the economic operators. Based on that, the Rapporteur is introducing a new specific objective related to market surveillance, product safety and type-approval and related actions, dedicating a specific budget line to these actions.

Consumers

The Rapporteur believes that the Single Market Programme shall contribute to creating the conditions for EU citizens to benefit fully from the single market. Therefore, the Rapporteur proposes to incorporate references to specific actions aimed at strengthening consumer protection, empowering consumers and promoting their interests, with a particular focus on new opportunities and challenges brought by digitalisation, in line with Consumer Programme 2014-2020.

Digital developments

Throughout the entire text of the Regulation, the Rapporteur adds references to digital developments in all fields touched by the Programme. A seven years programme needs to be flexible and sufficiently forward looking to adapt to an ever-changing environment, where new technologies have a strong impact on business models, such as the social and the collaborative economy, consumers and EU economy as a whole.

Implementation, evaluation and publicity of the Programme

The Commission's proposal does not provide sufficient information on how the new Programme will be implemented. The adoption of annual or multiannual work programmes is of utmost importance, since the work programmes are laying down the actions to be financed and the allocation of financial resources, among others.

Regarding the evaluation, the Rapporteur is proposing a mandatory final evaluation of the Programme by 2030 with a specific focus on the longer-term impact of the Programme, the

sustainability of the actions and the synergies achieved among the different work programmes.

When it comes to transparency and publicity, the Rapporteur proposes that Commission shall implement information and communication actions to raise awareness among consumers, businesses, notably SMEs, and public administrations about the opportunities offered under the Programme.