

DIRECTORATE-GENERAL FOR INTERNAL POLICIES OF THE UNION COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

I M C O

Newsletter



AT A GLANCE

During the Committee meeting on 11 October members will receive a presentation of two briefing papers related to the future directive on consumer rights. They will also hold a second debate on the draft recommendation (codecision, 2nd reading) on the revision of current rules on construction products, an issue that was also debated at the last committee meeting and addressed in a workshop on 5 October.

This edition refers also to the Committee meeting held on 29-30 September and 5 October. In particular, the vote on the report concerning the future of the European standardisation and the presentation by a Commission representative of the "Retail market monitoring report: towards a more efficient and fairer retail services in the internal market for 2020".

On 18-21 October the Plenary will be asked to endorse the agreement reached on the new Late Payments Directive. The main IMCO outcomes of the previous plenary session are also listed in this issue.

Together with the workshop on construction products, this issue reports about two other workshops, namely on the implementation of the Services Directive and on the revision of the General Product Safety Directive.

Inside you can find information on the Single Market Forum and how you can register to this important event. Finally, the "Tip of the Month" describes how the European Consumer Centres Network - which celebrates its 5th anniversary on 11 October - helps consumers in the single market.

SELECTED NEWS

Access to broadband for every European by 2013

Three complementary measures to facilitate the roll out and take up of fast and ultra-fast broadband in the EU were adopted by the European Commission on 20 September. This package comprises a Recommendation on regulated access to Next Generation Access networks, a proposal for a Radio Spectrum Policy Programme aimed to ensure, inter alia, that spectrum is available for wireless broadband, and a broadband communication outlining how best to encourage public and private investment in high and ultra-high speed networks.

These measures intend to help the EU achieving the commitments on the Digital Agenda to give every European access to basic broadband by 2013 and fast and ultra fast broadband by 2020. In addition, installing broadband infrastructure is essential to create jobs and prosperity.

Website on broadband

Websites selling electronic goods are safer now

Consumers that usually buy electronic goods on internet - such as mobile phones or music players - will be pleased to know that now these websites are much safer than in the past. Indeed, a sweep investigation shows that 84% of such websites checked for breach of EU consumer rules, now comply with EU law (compared to 44% in 2009).



The checked websites were found in failure with European law particularly regarding lack of information on the consumers rights on the website, incorrect or confusing information about the final prices, and often a lack of information on how to contact the company.

Electronic good sweep website

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IMCO WEB-SITE

NEXT COMMITTEE MEETING (11 OCTOBER)

Watch the committee meeting live

Agenda and meeting documents

Consumer rights Directive: presentation of two briefing papers



Members will receive a presentation of two briefing papers related to the future directive on consumer rights.

The first mainly deals with chapter I of the Directive and analyses the impact of fully harmonised definitions and also which other legislation could be affected by a horizontal use of these definitions.

The second deals with chapter V and assesses what will be the actual impact of a fully harmonised general clause on the Member States' substantive law, what should such a general clause look like and consider if this clause would create an overload of work for the European Court of Justice.

RAPPORTEUR: Andreas Schwab (EPP, DE)

SHADOWS: E. Gebhardt (S&D); R.Rochefort (ALDE); E. Turunen (Greens/EFA); A. Bielan (ECR); K. Triantaphyllides (GUE/NGL); M.

TIMETABLE:

Deadline for amendments: 18 October 2010 @ 18.00

Vote in IMCO: 9 December 2010
Briefing papers: Chapter I and Chapter V

Harmonised conditions for the marketing of construction products

After the workshop held on 5 October, members will further debate on the draft report (codecision, second reading) on the revision of current rules on construction products. The proposal aims to enhance the internal market for these products by replacing the existing directive with a regulation intended to remove all remaining regulatory and technical obstacles to their free circulation in the European Economic Area. The main objectives are clarification, simplification and strengthened credibility of the system.

RAPPORTEUR: Catherine Stihler (S&D, UK)

SHADOWS: H.P. Mayer (EPP); C. Buşoi (ALDE); H. Rühle

(Greens/EFA); E. McClarkin (ECR); M. Salvini (EFD)

TIMETABLE:

Consideration of draft recommendation: 11 October 2010 Deadline for amendments: 19 October 2010 @ 10.00

Vote in IMCO: 8 November 2010

Plenary: January 2011

INTERNAL MARKET IN THE PLENARY (18-21 OCTOBER)

A new directive on combating late payment in commercial transactions

The Plenary will be asked to endorse the agreement reached by the EP negotiators led by the IMCO Rapporteur Barbara Weiler (S&D, DE) and the EU Presidency on a key legislative proposal intended to tackle the problem of late payments. In particular, this should ensure that small firms no longer face financial problems due to the late payment of bills by public authorities or companies.

If not mentioned in the contract, as an EU-wide rule, the standard deadline for both public and private sectors to pay a bill for goods or services will now be 30 days. The Commission's initial proposal left the deadline open for debtors and creditors to agree in the contract. For business-to-business transactions, Parliament's negotiators succeeded in persuading Member State representatives to allow a period longer than 60 days only "if expressly agreed in the contract and provided it is not grossly unfair to the creditor".

One of the major successes of the EP negotiators was the agreement on a 60-day cap on payments by public authorities. For public entities providing healthcare, Member States may choose a deadline of up to 60 days. This is because of the special nature of bodies such as public hospitals, which are largely funded through reimbursements under social security systems.

In case of delay, businesses will be entitled to claim late payment interest and a fixed sum of €40 as compensation for recovery costs. More precisely, the EP persuaded the Member States to agree to a 1% increase in the statutory interest rate for late payment (from 7 to 8%) to be added to the reference rate.

Last but not least, members secured important concessions, inter alia, on verification periods, transparency, awareness-raising and codes of conduct.



IMCO dossiers voted by the Plenary on September II session (20-23 September)

During the Plenary held on 20-23 September, the Parliament adopted an own initiative report on completing the internal market for e-commerce (Rapp. Arias Echeverría). Members also voted on five reports on which IMCO has given its opinion (four of which in co-decision procedure). One refers to the "Enforcement of intellectual property rights in the internal market" (Rapp. Roithová). The second addresses a regulation concerning measures to safeguard security of gas supply (Rapp. Kalniete). Another two concern pharmacovigilance: a Regulation laying down EU procedures for the authorisation and supervision of medicinal

products for human and veterinary use and establishing a European Medicines Agency and a Directive on the Community code relating to medicinal products for human use (Rapp. Turmes). Finally, IMCO has given its opinion on a proposal for a regulation concerning the placing on the market and use of **biocidal products** (Rapp. Sartori).

E-commerce: report adopted

Intellectual property rights: report adopted

Gas supply: report adopted

Pharmacovigilance reports and opinions: Regulation and Directive

Biocidal products: report adopted

FROM THE LAST MEETINGS (29-30 SEPTEMBER AND 5 OCTOBER)

Late Payment: IMCO endorses an agreement with the Council

On 5 October 2010, the Internal Market and Consumer Protection Committee unanimously endorsed the political agreement reached by the EP negotiators led by the IMCO Rapporteur and the Belgian Presidency on a key legislative proposal intended to tackle the problem of late payments.

A new standardisation system for Europe

The Committee unanimously adopted a report on the future of European standardisation which welcomes the Commission's intention to review the European standardisation system with a view to preserving its successful elements, improving its deficiencies and striking the right balance between the national, European and international dimensions.

RAPPORTEUR: Edvard Kožušník (ECR, CZ) - <u>Dossier</u>
SHADOWS: L. Comi (EPP); M. Repo (S&D); T. Manders (ALDE);
H. Rühle (Greens/EFA); D. de Jong (GUE/NGL); M. Salvini (EFD)

In particular, this should ensure that small firms no longer face financial problems due to the late payment of bills by public authorities or companies.

RAPPORTEUR: Barbara Weiler (S&D)

Text of the agreement

The report asks the Commission to accompany its proposal with a strategy document establishing a comprehensive framework for action at European and national level. It also asks for the development of European standards in the services sector and proposes measures to promote the participation of societal stakeholders and SMEs in the standard-setting process.

Finally, it stresses the need for better access to standards and for promoting a standardisation system which fosters innovation and sustainable competitiveness.

Harmonised conditions for the marketing of construction products

The Rapporteur presented her draft recommendation on the proposed regulation aimed to update rules on the marketing of construction products by highlighting in particular the importance of mandatory CE marking, Product Contact Points and transparency in relation to technical assessment.

What's hampering a fairer retail market?

European Commission representatives made a presentation of the "Retail market monitoring report: Towards more efficient and fairer retail services in the internal market for 2020". The identification of the issues is based on the various economic principles and public interest objectives that are at the heart of the internal market in order to contribute to smart, sustainable and inclusive growth in the Union. In the light of the conclusions of this report, the Commission will define measures which could be taken to improve the smooth functioning of the Internal Market in this sector.

Following the presentation, the Rapporteur underlined the importance of the retail sector in the EU and stressed the need to clearly define the scope of the IMCO report and focus, in particular, on measures that need to be taken at Union level. Members addressed issues such as e-commerce, price transparency, sustainability, unfair commercial practices, conditions in the retail sector, the balance between local and external supply, as well as the functioning of the supply chain.

Members welcomed the draft recommendation and supported its line. They also mentioned the need to clarify some of the definitions and to discuss further simplified procedures and the exemption for micro-enterprises. The Presidency and the Commission welcomed the draft recommendation.



RAPPORTEUR: Anna Maria Corazza-Bildt (EPP, SV)
SHADOWS: P.A. Panzeri (S&D); M. Løkkegaard (ALDE); H. Rühle
(Greens/EFA); M. Harbour (ECR); K. Triantaphyllides
(GUE/NGL); M. Salvini (EFD).
EC Communication

WORKSHOPS

The implementation of the Services Directive

Members received a presentation of the conclusions of the study on the implementation of the Services Directive. This study focuses on the progress made in adopting new legislation and screening and adapting existing legislation, the establishment of points of single contact (PSC) and administrative cooperation between Member States.

According to its conclusions, most of the analysed countries have already finalised or are finalising horizontal and specific legislation necessary for the implementation of the Directive. Delays are mainly due to the administrative coordination effort, the sheer amount of work involved or national political factors. All Member States except for two have established PSCs; the majority provide an electronic PSC in foreign languages. The mutual assistance remains generally low.

Study on the implementation of the Services Directive

The first part of the workshop focused on the screening of existing legislation, adoption of changes to existing legislation and the adoption of new legislation. The Hungarian Minister Enikő Győri expressed a strong commitment of the upcoming Presidency to making progress on the implementation of the Directive and improving the functioning of the internal market in general, and gave an overview of the implementation process in Hungary. Representatives from The Netherlands, Denmark, France and the United Kingdom also described the situation in their respective countries.

A representative of the Commission acknowledged the efforts of Member States' and stressed the need for a long term commitment to reach the full ambition of the Directive.

Programme and interventions of the Workshop

The marketing of construction products



In the framework of the revision of the legislation, on 5 October the Committee held a workshop on the marketing of construction products.

Invited experts focused on the importance of the differences between CE marking on construction products compared to other products, stressing the peculiarities of the former. Stakeholders were also invited to the workshop. Mandatory CE marking and derogations, differences between the obligations for manufacturers and contractors, microenterprises, simplified procedures and the declaration of performance by manufacturers were also addressed.

Members were concerned about securing a true European internal market - and not just a local internal market and wanted to debate the exemption for micro-enterprises further. Finally questions on liability and the responsibility of construction products and construction works were raised. Catherine Stihler is the rapporteur for this piece of legislation. Contributions to the Workshop

The revision of the General Product Safety Directive

On 30 September members received a presentation of a study highlighting the need for aligning some of the definitions in the General Product Safety Directive to the New Legislative Framework and for reviewing the RAPEX guidelines in order to ensure a consistent and uniform interpretation of products presenting serious risks. It was also concluded that resources are lacking for joint market surveillance, and that existing legislation covers the safety of products bought online, but new challenges has arrived with those products. The Directive was considered by the Commission representatives as an effective legislative tool which, however, should be improved and updated, also to

ensure its uniform implementation. Stakeholders addressed issues such as the safety of child appealing products, safety of consumer services, Rapex, and rules for market surveillance.

Members referred to differences for harmonised and nonharmonised products, the lack of resources for the national market surveillance authorities and the importance of having a coherent single system for market surveillance authorities.

Christel Schaldemose will draft a report on this issue.

Contributions to the Workshop
Study on Market surveillance and GPSD

EVENTS

A Forum on the future of the single market

In the afternoon of 9 November, the European Parliament's hemicycle will host the "Single Market Forum - A public hearing on the future direction of single market policy". This event, which is organised with the support of the European Programme

Commission and the Belgian Presidency, will promote discussion around a number of resolutions recently adopted by the Parliament regarding the Internal Market. The Forum anticipates the expected Commission adoption of a "Single Market Act".

Registration form

TIP OF THE MONTH

ECC-Net helps consumers in the single market. Let's celebrate its fifth anniversary!

The European Consumer Centres Network provides consumers - free of charge - with information, advice and support on their rights when buying goods or services in another EU country, Iceland and Norway.

Regarding trade across borders within the EU, ECCs can inform consumers on their rights and obligations, give them advice before buying products or services, help them in case of a problem with a cross border purchase and if they want to make a complaint against a trader located across EU.

ECCs can provide further support and assist consumers in contacting the trader on their behalf to reach an amicable solution. The Centres can also advise consumers on other means of redress if an amicable solution is not possible. They can direct them to an Alternative Dispute Resolution Scheme or to another out-of-court scheme, or advise them to use the European Small Claims Procedure or other legal action.

ECC Net website

In 2008, ECC-Net handled over 62,000 contacts with citizens, 54% of which were complaints and 46% were information requests.

ECCs also conduct crossborder comparisons of legislation and other issues of consumers' concern.



The Net is an instrument which contributes to the free movement of goods and also makes more workable the general internal market, giving confidence to the consumers who buy cross-border.

The fifth anniversary of the ECC-Net occurs this year: IMCO will support an event organised by DG SANCO on 11 October in the European Parliament premises, which includes also an exhibition. IMCO Chair, Malcolm Harbour, Commission representatives and the 29 ECC Directors will attend.

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