## **IMCO**



**Committee on Internal Market and Consumer Protection** 

### Newsletter

Issue 100 - February 2019

#### SELECTED NEWS

#### Contracts for the supply of digital content



On 20 February, the IMCO-JURI joint Committee will report back on the last trilogue meeting on the Digital Content file and will vote on the provisional agreement resulting from interinstitutional negotiations. The new law aims to strengthen consumer rights by harmonising a set of key rules concerning contracts for the supply of digital content, as well as providing remedies to consumers in cases where digital content does not comply with the contract.

At the ninth trilogue, held on 22 January, negotiators from Parliament and Council agreed on the two outstanding political issues, including the deletion of the whole Article 16 on the right to terminate long-term contracts and of all corresponding Recitals, and the extension of the transposition period from three to six months, in line with the Sales of Goods file. The vote on the Digital Content file is scheduled at March II plenary part-session, together with the Sales of Goods dossier.

LINK: Subject file

## Contracts for the online and other distance sales of goods

On 20 February, the Committee will report back on the last trilogue meeting on the Sales of Goods file and will vote on the provisional agreement resulting from interinstitutional negotiations. The new law seeks to eliminate key barriers arising from differences in national contract law, thereby reducing uncertainty for businesses and consumers and facilitating cross-border trade.



At the third trilogue, held on 29 January, negotiators from Parliament and Council reached a final compromise and concluded negotiations including on definitions of both seller and second-hand goods sold at public auctions, termination of contracts for minor defects, repair/replacement of goods, review clause, a provision requesting traders to supply updates to consumers during a reasonable period of time for a single act of supply, which also exists in the agreed text on the Digital Content file, an obligation for consumers to notify defective goods, and a voluntary commercial guarantee for durability. The vote on this file is scheduled for the March II plenary part-session, together with the Digital Content file.

LINK: Subject file

#### **NEXT COMMITTEE MEETINGS**

(20-21 FEBRUARY 2019)

Watch the committee meeting live

## Type-approval requirements for motor vehicles safety



On 21 February IMCO will vote on the draft report of Ms Thun on the proposal for a Regulation relating to motor vehicle safety. The draft Regulation aims to bring together in a single and coherent legal text the current Vehicle General Safety Regulation (Regulation 2009/661) and the Pedestrian Safety Regulation (Regulation 78/2009). 353 amendments have been tabled in IMCO, and ENVI and TRAN have contributed with opinions. The rapporteur has negotiated 16 compromises on the new technologies to be integrated (e.g. on intelligent speed assistance, driver drowsiness and distraction detection systems), the scope of vehicles to which they should apply and the dates on which these features should be available.

DRAFTSPERSON: Róża Thun (EPP) Procedure file

#### Discontinuing seasonal changes of time



On 21 February 2019, IMCO will vote on the adoption of the draft opinion by Mr Soltes on the Commission's proposal to discontinue seasonal changes of time. A total of 83 amendments were tabled in IMCO and the rapporteur has proposed 15 compromise amendments. The amendments focus mainly on the need to carry out a proper assessment of the effects of the proposal on the internal market, on the consultation of stakeholders and other Member States concerned in order ensure the harmonised implementation of the proposal, as well as on the date of application of the Directive, allowing for sufficient time to coordinate Member States' approaches.

DRAFTSPERSON: <u>Igor Šoltes (Greens/EFA)</u> <u>Procedure file</u>

### Preventing the dissemination of terrorist content online

On 21 February, IMCO will consider the amendments to the Commission's proposal for a regulation on Preventing the dissemination of terrorist content online. The rapporteur, Julia Reda, has also proposed a number of compromise amendments, which seek to underline the importance of fundamental rights, freedom and pluralism of the media, the importance of ensuring consistency with the provisions of the e-Commerce Directive (liability regime, ban on general monitoring) as well as the need for clear definitions and alignment with the Directive on combatting terrorism. Moreover, the rapporteur is seeking a balance to ensure that the hosting service providers concerned comply expeditiously with official requests to remove illegal online content.

DRAFTSPERSON: Julia Reda (Greens/EFA) Procedure file

## Exchange of views with Commissioners Pierre Moscovici, Elżbieta Bieńkowska and Mariya Gabriel

Following the European Parliament's resolution of 12 December 2018 on the single market package and as the end of the current legislative term approaches, the IMCO Committee has taken the initiative of organising a series of exchanges of views with the relevant Commissioners aimed at taking stock of progress towards unlocking the full benefits of the internal market, and discussing future challenges.

The debate with Pierre Moscovici (Commissioner for Economic and Financial Affairs, Taxation and Customs) is aimed at taking stock of the level of implementation of the Commission's work program and the progress made thus far and to discuss the challenges ahead in view of the new legislative term.

The exchange of views with Elżbieta Bieńkowska (Commissioner for Internal Market, Industry, Entrepreneurship and SMEs) is expected to look into the overall implementation of the Single Market Strategy and discuss the challenges ahead.

Finally, the debate with Mariya Gabriel (Commissioner for Digital Economy and Society) is expected to focus on the overall implementation of the Digital Single Market and what remains to be done in the coming legislative term.

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

IMCO will vote on 21 February on the result of the interinstitutional negotiations on the proposed Regulation on compliance with and enforcement of Union harmonisation legislation on products. This follows the successful conclusion of trilogue negotiations between Parliament and Council at the 4<sup>th</sup> trilogue on 7 February. The Regulation is the second pillar of the "Goods package" and together with the Regulation on mutual recognition, the result of negotiations on which was endorsed by IMCO in December 2018, will further develop the Single Market for goods. The new law is aimed at ensuring that only safe products are sold to consumers, including online, by enhancing the powers of market surveillance authorities and enhancing their cross-border cooperation, to the benefit of consumers and of companies that respect the rules.

DRAFTSPERSON: Nicola Danti (S&D) Procedure file

#### LAST COMMITTEE MEETINGS

(21-22 JANUARY, 29 JANUARY 2019)

## Better enforcement and modernisation of EU consumer protection rules



On 22 January, IMCO adopted a report on the Commission's "Better enforcement and modernisation of EU consumer protection rules" proposal (37 votes in favour, 1 against, 1 abstention). The file is part of the "New Deal for Consumers" package. All compromises proposed by the rapporteur, Mr Dalton, were adopted. Among these, the introduction of a new blacklisted unfair

commercial practice relating to dual quality of products, clarifications on doorstep-selling, rules on more effective and dissuasive penalties to tackle breaches of consumer laws, as well as new rules on transparency of online marketplaces. IMCO granted the rapporteur a mandate to enter into negotiations with Council, which was endorsed in the January mini-Plenary session. Council is expected to adopt its General Approach in late February.

DRAFTSPERSON: <u>Daniel Dalton (ECR)</u> <u>Procedure file</u>

## Programme for single market, competitiveness of enterprises

On 22 January, IMCO Members adopted the Danti report on the programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics (30 votes in favour, 8 against, no abstentions). The IMCO report aims to implement and enforce a number of activities supporting consumer protection and competitiveness of businesses, increasing the effectiveness of the single market. The main changes include the increase of the overall financial envelope for the programme from €4 billion to €6,5 billion, including additional funding for SMEs and market surveillance; the clarification of the objectives of the programme with a view to enhancing fairness, transparency and trust in the single market, as well as greater visibility of the benefits of EU actions and grants and improved accountability as regards the use of EU resources. On 12 February, several weeks after the committee meeting, the IMCO report was endorsed in plenary and the Parliament's first reading was closed. The file will be negotiated with Council in the next legislative term.

DRAFTSPERSON: Nicola Danti (S&D) Procedure file

#### **Accessibility Act**

The IMCO committee endorsed on 22 January 2019 the provisional political agreement reached in the informal trilogue of 8 November 2018 on a new European Accessibility Act (24 votes in favour, 3 against). The majority of the S&D MEPs abstained. The approved text is currently undergoing linguistic verification and is expected to be voted during the March I plenary part-session.

DRAFTSPERSON: Morten Løkkegaard (ALDE) Procedure file

#### **Fertilising Products**

On 22 January 2019, the IMCO Committee approved (36 votes in favour, 2 against, no abstentions) the provisional agreement reached at the fourth trilogue on the Fertilising Products Regulation, held on 20 November 2018. The plenary vote is scheduled for the March II part-session. At the time of the vote in IMCO, the Commission took note of the call for an oral statement in plenary on end-of-livestock manure criteria, as agreed at the fourth trilogue.

DRAFTSPERSON: Mihai Turcanu (EPP) Procedure file

### Insurance against civil liability in respect of the use of motor vehicles

On 22 January, IMCO adopted the draft report by Ms Dita Charanzová on the proposal amending the Motor Insurance Directive 2009/103/EC. All nine compromise amendments were adopted and the report received wide support among political groups (34 votes in favour, 1 against, 2 abstentions). The adopted report clarifies the scope of the Directive (notably excluding eBikes and motor sports), sets out the definition of the "use of a vehicle" and enhances the protection of injured parties in case of insolvency of the insurer. The plenary vote took place on 13 February and the file was referred back to IMCO for negotiations with Council.

DRAFTSPERSON: Dita Charanzová (ALDE)

Procedure file

## Establishing the European Cybersecurity Competence Centre

On 29 January, the IMCO committee adopted an opinion on the Commission's proposal to set up a Cybersecurity Competence Centre (31 votes in favour, 2 against, no abstentions). Overall, the opinion welcomes the proposal of the Commission highlighting a number of points that need further clarification and improvement. The opinion points in particular to the need to harmonise the accreditation and assessment processes allowing entities to become members of the future Cybersecurity Community, the need to increase the involvement of SMEs and the need to increase the uptake of cybersecurity products and solutions developed within the Union. Finally, the opinion highlights the importance of building a strong cyber skills base including training and awareness-raising campaigns. The lead committee, ITRE, is expected to vote on its report, and on IMCO's opinion, on 19 February.

**DRAFTSPERSON:** Arndt Kohn (S&D) Procedure file

## Strengthening the competitiveness of the Internal Market by developing the EU customs union and its governance

On 29 January IMCO adopted by a large majority an own-initiative report on the implementation of customs legislation and the governance system of the customs union. The Implementation report, which emphasises the link between the effective functioning of the Customs Union and the increased competitiveness of European industry, elaborates on the importance of making available electronic systems for processing the customs operations as a way to complete the implementation of the Customs Code, underlines the necessity for clear, complete and accurate information on the implementation status of every concrete IT tool and advocates for a streamlined governance of the customs architecture.

DRAFTSPERSON: Virginie Rozière (ALDE)

Procedure file

#### Institutional Framework Agreement between the European Union and the Swiss Confederation

On 29 January, IMCO adopted an opinion on the own-initiative report by the AFET committee concerning the recommendation on the Institutional Framework Agreement between the EU and the Swiss Confederation. The aim of the Institutional Framework Agreement is to govern the five existing market access agreements and future market access agreements between the Union and the Swiss Confederation. In the opinion, IMCO underlines ways to open the internal market for the Switzerland and the principle of free movement of workers, and at the same time stresses the importance of finding the right balance between obligations and freedoms.

DRAFTSPERSON: Andreas Schwab (EPP) Procedure file

#### UPDATE ON IMCO TRILOGUES

# Prolongation of the transitional use of means other than the electronic data-processing techniques provided for in the Union Customs Code

The rapporteur, Mr Selimovic, reported back to IMCO on the provisional agreement reached at the third trilogue on this file, held on 23 January. The discussions were focused on the extension of the current deadline (31 December 2020) for completing all the electronic systems necessary to allow customs transactions to be processed in a fully electronic manner. Parliament and Council negotiators agreed on an extension of this deadline until the end of 2022 for the systems under the responsibility of the Member States and until 2025 for those under the responsibility of the Union. The provisional agreement would also require Member States to provide information to the Commission so that it can carry out detailed reporting on the progress of the works. A plan will also be put in place to compensate any deviations from the initial planning. A joint declaration of both Parliament and Council asking for an audit by the Court of Auditors of such plans would be published in the L series of the official journal. To this date, the Council has not officially confirmed the agreement.

DRAFTSPERSON: Jasenko Selimovic (ALDE) Procedure file

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

In a late-night trilogue on 13 February, a provisional political agreement was reached between Parliament's negotiation team, led by IMCO rapporteur, Ms Schaldemose, and the Romanian presidency on the proposed "Platform to Business (P2B) Regulation". The Regulation aims to increase fairness and transparency for business users of online intermediation services, and is one of the most important ongoing pieces of legislation for the completion of the Digital Single Market. Among the main improvements introduced by this new law are ensuring market access and ultimately consumer choice and consumer welfare in the platform economy, avoiding abuses and ensuring a level playing field for all actors, as well as making the best use of mediation mechanisms to guarantee the effectiveness and transparency of these processes.

The provisional agreement will need to be endorsed by COREPER and the IMCO committee before being presented to plenary for adoption, which is expected to be in the April part-session.

DRAFTSPERSON: Christel Schaldemose (S&D) Procedure file

#### IMCO MEETINGS: CALENDAR FOR THE 2ND HALF OF 2019



On 29 January IMCO adopted the calendar of committee meetings for the second half of 2019 as follows:

11 July 2019

24 July 2019

2-3 September 2019

25-26 September 2019

7-8 October 2019

6-7 November 2019

4-5 December 2019

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