

Check against delivery

Presentation by Mr. Richard Bruton, Minister of Jobs, Enterprise and Innovation to the IMCO Committee of the European Parliament, Brussels 22/1/2013

Honourable Members of the European Parliament,

Mr. Chairman, Vice-Chairs and Members of the IMCO Parliamentary Committee,

Ladies and Gentlemen,

I would like to thank you for the opportunity as Presidency of the Council to outline to the IMCO Committee the priorities and actions for the Irish Presidency on the issues of Internal Market and Consumer rights.

I am delighted to be here today and I very much look forward to a good working relationship with the European Parliament. Since the Lisbon Treaty came into force, the competences of the European Parliament have been broadened to where it now co-decides on the vast majority of EU legislation. The European Parliament now has a very important role in the whole EU co-decision process and plays a vital role in the democratic process at EU level representing citizens. Indeed its role has now developed towards building constructive partnership with the National Parliaments. This helps to bring about more parliamentary accountability both at the European and at the National levels. Under our Presidency we will adopt a pragmatic and constructive approach to engagement with the Parliament.

I would like to thank colleagues from the Cypriot, Danish and Polish Presidencies for advancing some of the key measures under discussion here today.

Single Market

The global nature of the current economic downturn underlines in a stark way the necessity of the founding logic of the European Union. It demonstrates more than ever the deep connections between our countries and the common risks that we share. The Union and its institutions have a long record of overcoming difficulties and building consensus that respects our diversity and the reality of our shared interests. I particularly want to express my thanks to the Chair, Mr. Malcolm Harbour whom I've met on several occasions for his sustained personal dedication to the jobs and growth agenda and I commend the stalwart commitment of this Committee to ensuring the best interests of the internal market and consumers are reflected in relevant legislation.

Economic recovery, sustainable growth and job creation requires the removal of barriers to competitiveness. That is why it is so necessary to unlock the full potential of the Single Market. The European Council has in its December 2012 Conclusions called upon the Council and Parliament to conclude remaining SMA I files as a matter of urgency, in particular, those on Professional Qualifications, Public Procurement, Posting of Workers and e-signatures.

The EU's Single Market has delivered enormous benefits to both businesses and consumers across the EU and has the potential to strongly boost the EU economy well into the future. It is estimated that the elimination of all intra-EU barriers to trade over ten years would increase the EU's GDP by 14%. The European Commission found that abolishing restrictions in the services sector could boost GDP by 2.6%. In that context, keeping the momentum behind building and deepening the single market in Europe is very important.

I will endeavour to do my best to facilitate agreement between the Council and Parliament on the remaining Single Market Act I files.

Legislation underpinning the Single Market needs to meet the criteria set by technological progress of the last 20 years; it needs to lower the transactions costs (for SMEs in particular) and it needs to provide better protection and facilities for workers moving internationally.

The Irish Presidency will actively monitor the progress achieved on all Single Market files and will regularly report to Coreper and Council. With this kind of active dossier management system, the Presidency would like to respond swiftly and efficiently to emerging problems which need to be addressed at political level. In particular, we will try to find agreement with the Parliament on the Public Procurement Package, the Accounting Directive, Auditing measures and the proposals on mutual recognition of Professional Qualifications and Posting of Workers.

We look forward to the forthcoming publication of the individual legislative proposals of the **Single Market Act II** in the course of spring 2013 as promised by the Commission and welcome those already published. We will seek to advance them as far as practical at Council Working Group.

Only by embracing the digital revolution can the EU hope to compete globally in the 21st century. Growth in the digital economy will promote cross-border commerce and improve competitiveness, delivering long-term advantages for business and consumers alike.

We will continue to advance measures which help to build the Digital Single Market and which build confidence in cross border transactions, for example in the areas of **e-signatures** as well as progress on the **Intellectual Property Package** including a **Directive (Copyright) on Collective Rights Management** which also covers the issue of multi-territorial licensing of rights for the online distribution of musical works. We are also proposing a dialogue

on the **Copyright regulatory framework** during our informal Competitiveness Council on 3 May next.

The existence of strong, transparent and accountable collective management regimes is seen as vital for the **Digital Single Market**, where solutions to many copyright issues may centre around licensing. In parallel with legislative work, we are proposing that Ministers will have a debate in Council in May on the Commission Communication on licensing in Europe, as well as on the opportunities and challenges for moving towards a Digital Single Market.

We will continue in Council to pursue the acceleration of outstanding Single Market Act measures and proposals including the revision of the **Community Trade Mark Regulation** and of the **Directive approximating National Trade Mark laws** and a proposal to amend **the Directive on Enforcement of Intellectual Property Rights**.

Ratification of the **Agreement of a Unified Patent Court** and agreement on the Regulations on the Unitary Patent Protection and the applicable translation arrangements is a priority to enable the benefits of reduced cost of Patent litigation. We will work to facilitate the formal signing at the margins of the February Competitiveness Council.

Our priorities also include the finalisation of the work in relation to the three **Public Procurement Directives**. With the European **public procurement market** accounting for approximately 19% of EU GDP, the reform of the public procurement rules offers a significant opportunity to foster growth and innovation across Europe. Significant progress was made under the Danish and Cypriot Presidencies in respect of the public procurement proposals with

agreement on a general approach reached at the December Competitiveness Council meeting.

This agreement was reached following an extensive schedule of Council working group meetings. I am aware that the Committee, the Rapporteurs and Shadow Rapporteurs have made considerable efforts to advance discussions on the package of proposals and have worked through a large number of amendments. These are complex proposals of fundamental importance to the public procurement market across Europe and I believe that the hard work put in by both Parliament and Council while considering their respective amendments should allow us to have a very productive engagement in order to reach agreement on all three proposals.

To facilitate the process of negotiations we have already established informal contacts with you, Chair, and with the Rapporteurs Mr. Tarabella and Mr. Juvin. The positive nature of the interaction gives me confidence that we can work together in the necessary spirit of compromise with the objective of coming to political agreement during the Irish Presidency.

The modernisation of the recognition of **Professional Qualifications** across the Union to enhance mobility within the Union is a priority and we will be seeking to build on the work done by the Danish and Cyprus Presidencies. The dossier falls within the remit of my colleague Minister Ruairi Quinn and he has asked me to convey his regrets that he is unable to join you here this afternoon.

The Presidency's clear aim is to achieve agreement on what is a complicated and detailed dossier. I note that the Committee voted on this file only this morning and Council will now move to consider the contents of the report without delay. Compromise will be required amongst Member States and

within the European Parliament to achieve agreement on sensitive political issues, but we are convinced that the good work undertaken in this Committee and the Council Working Group can allow this file to be completed.

We will also continue to progress and seek a General Approach on proposals on **accounting and auditing measures** under the EU action plan for Company Law and Corporate Governance.

We will endeavour to advance the negotiations on the **Posting of Workers Directive** and hope to facilitate a General Approach.

Ireland supports the further efforts to improve the **operation and governance of the Single Market** as the cornerstone of the Union and as a lever for increasing competitiveness, growth, productivity and mobility in Europe. I know we are also in agreement that measures already adopted should be properly and fully implemented and functioning on the ground in all Member States and I believe that Mr. Schwab's report on this matter is before the Committee today. We will work with the Commission to maximise the potential and benefits of the **Services Directive**. Despite rules facilitating free movement of goods and services, businesses still have to deal with unreasonable and unnecessary red tape and sometimes discriminatory practices and barriers.

That is why it is important that together we must work towards agreement on new approaches to tackling **'red tape'** and assess further methodologies and mechanisms for delivering **smart regulation**. The Irish Presidency will build on the progress already made in reducing business costs by the administrative burden reduction programmes carried out by the Commission and Member States.

In regard to the future operation of the **Union Customs Code**, our Presidency aims to reach an agreement on the Code with the Parliament and to secure adoption of the proposal.

Consumer Issues

I now wish to turn to consumer issues, particularly consumer protection and empowerment.

The forthcoming proposals on a revision of the **general product safety directive** and a new market surveillance measure will be important initiatives that will commence during the Irish Presidency. It would be the intention of the Irish Presidency to advance discussions on these dossiers to ensure that they will be finalised, in co-operation with the Parliament, by spring of 2014. Such proposals go to the core of what the EU can achieve on behalf of consumers, not only in terms of consumer safety, but also in terms of engendering and increasing consumer confidence. This is particularly relevant in this European Year of the Citizen and also in the context of the current financial situation in which we find ourselves.

Under the Irish Presidency, we will be working closely with the Parliament to finalise work on the **Consumer Programme** which will establish a firm base for implementation of the Consumer agenda, the importance of which I share with your Committee. Such close working ties with the Parliament will also build on the positive working environment to date on the proposals to align a suite of nine existing technical directives with Decision 768/2008 in the so-called Technical Harmonisation (NLF) package.

I would also like to formally record my appreciation for the fruitful discussions between the Parliament and the Council during the Cypriot Presidency in

relation to the **Directive on Alternative Dispute Resolution (ADR)** and the related Regulation on **Online Dispute Resolution (ODR)** for consumer dispute resolution and I look forward to a similar fruitful working relationship with the Parliament during the Irish Presidency.

The focus of the priorities that I have outlined demonstrates the importance Ireland attaches to creating the right conditions and environment in Europe in order to promote jobs and growth and to deepen the Single Market.

I would like to thank you for your attention and I am happy now, Chairman, to take questions from the Committee.

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