

# Newsletter

Issue 115 - January 2021

## SELECTED NEWS

### Exchange of views with Paolo Gentiloni, Commissioner for Economy



On 11 January, Commissioner Gentiloni, who is responsible for Customs, will take part in the first Structured Dialogue of 2021. The timing is highly appropriate: the Commission recently approved an Action Plan for Customs, which will help adapt to the realities of e-Commerce. It should also give a push

to the digitalisation of means of processing information with a view to catching up with the potential delays in implementing electronic systems that have been flagged by the Commission. On this last topic, the Commissioner will present the recent proposal for a Single Customs Window. Finally yet importantly, the Commissioner will have the opportunity to elaborate on possible ways to streamline and improve efficiency of the cooperation methods between IMCO and the Directorate General under his supervision.

### Presentation of the Council Presidency's programme



On 28 January, IMCO Members will hear a presentation of the Portuguese Council Presidency programme by Mr Pedro Siza Vieira, Minister of State, Economy and Digital Transition. The Portuguese Presidency will focus on making the EU economically resilient, with an emphasis on solidarity and on the importance of a social Europe,

particularly in the context of the EU's Recovery Plan. The Presidency will also prioritise the digital, innovation and green portfolios and will highlight the importance for Europe of multilateralism and international partnerships, in particular, the cooperation with Africa. Within the digital portfolio, the Portuguese Presidency aims to promote European leadership in the digital economy, in the areas of innovation and regulation, implement digital best practices in public administration, paying particular attention to administrative, fiscal and service simplification, promote a global digital cooperation strategy and develop the Digital Democracy concept.

### Proposal for a Regulation of the European Parliament and of the Council on a Single Market For Digital Services (Digital Services Act)

On 11 January, IMCO will hold an exchange of views on the [Proposal for a Regulation on the Digital Services Act](#), which was published by the Commission on 15 December 2020. The overarching objective of the proposed Regulation is to ensure the proper functioning of the internal market, in particular in relation to the provision of cross-border digital services (more specifically, intermediary services). In line with this objective, the proposal aims to ensure harmonised conditions for innovative cross-border services to develop, by addressing and preventing the emergence of obstacles to such economic activity resulting from fragmented national legislation and moderation practices. At the same time, the proposal provides for the appropriate supervision of digital services and cooperation between authorities at Union level, therefore supporting consumer trust, innovation and growth in the internal market. IMCO Members will have the opportunity to discuss with the Commission the proposal and its impact assessment in detail.

### Proposal for a Regulation of the European Parliament and of the Council on contestable and fair markets in the digital sector (Digital Markets Act)



On 15 December 2020, the Commission published its much awaited [proposal for a Digital Market Act](#) (DMA). The proposal is a response to IMCO's own initiative report on the DSA package calling on the

Commission, among others, to adopt a new *ex ante* internal market instrument to regulate online platforms with a gatekeeper role in the digital economy. The proposal for a Regulation introduces the concept of "gatekeepers" by reference to a set of criteria and establishes a set of affirmative and negative obligations gatekeepers must comply with in their daily operations. In case of non-compliance, companies may face fines to 10% of the company's total worldwide annual turnover. The proposal was presented by Commissioner Breton in IMCO Committee on 18 December 2020.

# NEXT COMMITTEE MEETINGS

(11 JANUARY 2021, 28 JANUARY 2021)

[Watch the committee meeting live](#)

## Brexit - letter from the Chair



It was for all of us a big relief - I believe - that the EU and the United Kingdom could secure a deal in the last days before the deadline and that the chaos of a no deal could be prevented. What however suffered in the process of this “Christmas Eve Deal” is a proper parliamentary procedure. Despite the fact that the European Parliament had in the past made sure that trade agreements are not provisionally applied before the parliamentary consent, we are forced to scrutinise the deal after it had already entered into force. In the coming weeks, the EP will discuss the deal (and finally vote on it) and so will the IMCO committee. IMCO will focus on the questions, whether the integrity of the internal market is secured and whether consumer protection is adequately anchored in the agreement. I am looking forward to the debates.

## Legislative scrutiny session with the Commission on the evaluation of the Geo-blocking Regulation



On 11 January, IMCO will hold a legislative scrutiny session on the implementation of the Geo-blocking Regulation (2018/302/EU). As part of the e-commerce package and a key element of the Digital Single Market Strategy, the Geo-blocking Regulation prohibits unjustified geographical restrictions in the sale of goods and services within the EU. The rules against unjustified geo-blocking started applying in December 2018 and a first evaluation report was published on 30 November 2020 by the Commission. The legislative scrutiny session will be an opportunity for Members to receive an update from the Commission on the state of implementation and to discuss its findings.

## Shaping the digital future of Europe: removing barriers to the functioning of the digital single market and improving the use of AI for European consumers



On 11 January, IMCO will consider the draft report by Ms Deirdre Clune (EPP), which comes in response to the Commission's Communication on Shaping Europe's digital future and the

White Paper on Artificial Intelligence (AI), both published on 19 February 2020. The draft strategic own-initiative report enumerates a series of measures needed in order to remove barriers to the functioning of the digital single market and improve the use of AI for European consumers. Among them are effective enforcement of existing legislation, the need to support key enablers of the digital economy and to increase the amount as well as the sources of investment in digitalisation. As for AI, the Rapporteur is of the view that the Commission should develop a framework based on fundamental rights and the key values of transparency, accountability and explainability.

DRAFTSPERSON: [Deirdre Clune \(EPP\)](#)

## A European strategy for data



On 11 January, IMCO will vote on the opinion by Ms Christel Schaldemose (S&D) to the strategic INI on a European strategy for data led by ITRE. Ahead of the vote, the Rapporteur has proposed eight compromise amendments on the creation of a genuine single market for data, consumer protection, principles of common European data spaces, data sharing schemes, environmental issues, cloud services, interoperability and portability of data, as well as data sharing and new technologies. After the discussion of the compromise amendments in the Committee on 2 December, the Rapporteur proposed revised versions as well as two additional compromises, taking into account the requests from the political groups. The vote in ITRE is expected to take place in late February.

DRAFTSPERSON: [Christel Schaldemose \(S&D\)](#)

## Impacts of EU rules on the free movements of workers and services: intra-EU labour mobility as a tool to match labour market needs and skills



On 11 January, IMCO will vote its opinion to the EMPL INI on free movement of workers and services. The opinion adds elements on key legislation within IMCO competences: the Services Directive, the Professional Qualifications Directive and the Proportionality Test Directive. 86 amendments were tabled on the basis of which the Rapporteur, Mr Morten Løkkegaard (Renew), drafted seven compromise amendments. The opinion is in many ways linked to the IMCO report on the future of freedom of services, which the Committee voted on 2 December. The vote on the report in the main Committee (EMPL) is planned for February 2021.

**DRAFTSPERSON:** [Morten Løkkegaard \(Renew\)](#)

## Implementation of Directive 2009/81/EC, concerning procurement in the fields of defence and security, and of Directive 2009/43/EC, concerning the transfer of defence-related products



On 28 January, IMCO will consider the set of 12 compromise amendments to the draft report by Mr Kris Peeters (EPP) on the implementation of the 'Defence Procurement Directive' and the 'Transfers Directive' in the Member States. The proposed compromise amendments aim at finding common line between different political groups, in particular on issues such as the need to ensure better enforcement and stronger application of the directives and the need to improve the level of participation of SMEs in the defence market. The Rapporteur and majority of Shadow Rapporteurs are of the view that no revision of these directives is necessary since the existing regulatory framework should be sufficient if correctly implemented and properly used.

**DRAFTSPERSON:** [Kris Peeters \(EPP\)](#)

## Competition policy – annual report 2020

On 28 January 2021, IMCO will consider amendments tabled to the draft opinion by Mr Andrus Ansip (Renew) on the Commission's 2019 annual report on competition policy. Following the consideration of amendments in Committee, the Rapporteur and Shadow Rapporteurs will elaborate compromise amendments in view of the vote in IMCO set to take place 22-23 February 2021.

**DRAFTSPERSON:** [Andrus Ansip \(Renew\)](#)

# LAST COMMITTEE MEETING ( 2 DECEMBER 2020)

## Strengthening the Single Market: the future of free movement of services



On 2 December, IMCO voted on the report on the future of free movement of services, which underlines the need to ensure implementation of the single market rules

for services and to improve the enforcement action of the Commission. It stresses the need to evaluate the level of implementation of the EU law and to empower companies by providing them better access to information. The Rapporteur, Mr Morten Løkkegaard (Renew), drafted a comprehensive set of 11 compromise amendments, which were all adopted. The report will be on the agenda of the plenary in January.

**DRAFTSPERSON:** [Morten Løkkegaard \(Renew\)](#)

## Implementation of Regulation (EU) No 305/2011 laying down harmonised conditions for the marketing of construction products (the Construction Products Regulation)



On 2 December, the Rapporteur, Mr Christian Doleschal (EPP), presented the set of twelve compromise amendments to his draft

implementation report on Construction Products Regulation (CPR). The proposed compromise amendments are aiming at finding balanced approach between different views of the political groups, highlighting, among others, the importance of standardization in the construction sector, the necessity of making a full use of digital solutions, the need to improve sustainability of the sector and the importance of a uniform market surveillance across Europe.

**DRAFTSPERSON:** [Christian Doleschal \(EPP\)](#)

## UPDATES FROM TRILOGUES

### Establishing the Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics



On 11 January, the Rapporteur, Mr Brando Benifei (S&D), will report back from the fifth trilogue on the Single Market Programme (MFF), held on 8 December 2020. The EP negotiating team and the German Presidency reached a political agreement on the new 4.2 billion programme to strengthen the Internal Market, to ensure support for SMEs, promote consumer protection, support actions related to animals, plants, food and feed, as well as statistics. On 11 January, IMCO will also confirm the political agreement reached on the proposed Single Market Programme (MFF), which was confirmed by COREPER at the end of December. The file will undergo lawyer-linguist revision before formal adoption. The Programme will be applicable retroactively as of 1 January 2021.

DRAFTSPERSON: [Brando Benifei \(S&D\)](#)

### Establishing the 'Customs' programme for cooperation in the field of customs



On 15 December 2020, the second trilogue on the MFF proposal for the Customs programme (IMCO Rapporteur Ms Maria Grapini (S&D)) took place, in which an agreement was found together with the German Presidency. The main points on the agenda were budget, the multiannual strategic planning tool (MASP), governance of the programme, end dates and continuity, as well as discussions around biodiversity and climate change. With the agreement, the EP ensured continuous oversight with the most relevant parts of the policy area for both the MASP and the multiannual work programmes, as well as making sure that the duration of the programme is aligned with the duration of the MFF. On biodiversity and climate change, there was an agreement to keep the programme aligned with other agreements in that field. IMCO will vote on the provisional trilogue agreement in January.

DRAFTSPERSON: [Maria Grapini \(S&D\)](#)

### Terrorist content online regulation



On 10 December, the last and concluding trilogue on the proposal for a Regulation on preventing the dissemination of terrorist content online took place. The discussions focused on the last outstanding issues, namely removal orders and procedure for cross border removal orders, penalties, subject matter and scope as well as specific measures. The agreement should ensure that online platforms play a more active role in detecting terrorist content online and that such content is removed within a maximum of one hour. The agreement should also help countering the spread of extremist ideologies online. The negotiations were led by LIBE and IMCO (Rapporteur for opinion Mr Marcel Kolaia (Greens/EFA)) was associated mainly for the implications in relation to the e-Commerce Directive and the ban on mandatory monitoring obligations.

DRAFTSPERSON: [Marcel Kolaia \(Greens/EFA\)](#)

## EVENTS



Due to the ongoing safety measures in place in response to the COVID-19 crisis, no IMCO missions, public hearings, or other events have taken place in Committee since March 2020.

These safety measures have been prolonged till 31 March 2021 impacting the presence in the offices and meeting conditions of the Committee.

## OTHERS NEWS

Next IMCO Committee meetings:

Monday 11 January 2021, 13.45 – 15.45 and 16.45 – 18.45

Thursday 28 January 2021, 9.30 – 12.30

Monday 22 February 2021, 13.45 – 15.45 and 16.45 – 18.45

Tuesday 23 February 2021, 9.30 – 12.30

### ABOUT THE EDITOR:

European Parliament  
Directorate General for Internal Policies of the Union  
Internal Market and Consumer Protection Committee  
Head of Unit/ Editor: Panos Konstantopoulos  
Responsible administrator: Michal Czaplicki, Sultana Dimou  
Layout: Gina Duma

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