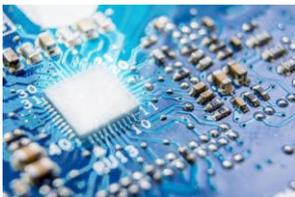


Newsletter

Issue 129 - May 2022

SELECTED NEWS

Digital Markets Act - vote on provisional agreement



On 16 May 2022, IMCO will vote on the provisional agreement regarding the Regulation on contestable and fair markets in the digital sector (the “Digital Markets Act”). The agreement was reached on 24 March 2022 during the fourth round

of trilogues. The Regulation limits the market power of large online platforms (so-called “gatekeepers”) and paves the way for a fairer and more competitive digital single market. Gatekeepers will have to, among other obligations, refrain from imposing unfair conditions on users, bundling products/services, processing or cross-using data without consent, and must offer interoperability between messaging platforms, if so requested by alternative operators. The Commission will have exclusive authority to enforce the Regulation in close cooperation with national authorities. As requested by Parliament, where gatekeepers engage in systematic non-compliance, structural or behavioural remedies may be imposed. The final vote in Plenary is expected to take place in July 2022.

[Procedure File](#)
[Information on Trilogues](#)

Potential global impact of the Digital Single Market legislation



On 18 May, IMCO will hold an extraordinary meeting to discuss the main achievements of the recent provisional agreements on the Digital Markets Act and the Digital Services Act in the

presence of Mr. Cedric O, former French Secretary of State for the Digital Transition and Electronic Communications. IMCO will also hold an exchange on the potential global impact of the Digital Services Act on the Digital Single Market, in preparation of the IMCO delegation to Silicon Valley (US) on 23-27 May 2022. IMCO Members will have the opportunity to

Digital Services Act - conclusion of trilogue negotiations



At the upcoming committee meeting, [Ms. Christel Schaldemose](#) (Rapporteur), will report back on the fifth and final trilogue, of 22 April. This historic agreement paves the way for a harmonised and trustworthy digital

single market, promoting a safer and more open digital space, innovation, and growth. The DSA will require the swift removal of illegal content, services, and products. It will ensure stronger responsibility of platforms, better algorithmic accountability, and more transparency on how certain content is recommended. It will also guarantee enhanced online protection of minors, address issues such as dark patterns, hate-speech, disinformation or cyber violence, and will put an end to targeted advertising based on sensitive data. Online marketplaces will have to ensure that consumers can purchase safe products or services, by strengthening checks on the information provided by traders is reliable. Recipients of digital services will have a right to compensation for damages/loss incurred due to infringements by platforms. IMCO is expected to vote on the text on 15 June 2022.

[Procedure File](#)
[Information on Trilogues](#)

Recognition of qualifications of people fleeing Russia’s invasion of Ukraine



On 16 May, IMCO will hold an exchange of views with the Commission on its [Recommendation](#) on the recognition of qualifications of people fleeing from Russia’s invasion of Ukraine. The aim is to

discuss how the Union can facilitate the successful integration of Ukrainian refugees, which requires access to employment opportunities corresponding to their qualifications. IMCO will look into the Commission’s recommendation for the Member States to swiftly recognise Ukrainian refugees’ professional qualifications, reduce procedural formalities, and provide front-line information in

discuss the impact of the new legislation with Ms. Frances Haugen, an expert in algorithmic product management and a former employee at Facebook.

Ukrainian. This exchange will also discuss ongoing efforts to overcome language and procedural barriers.

[IMCO activities related to the Russian invasion of Ukraine](#)

NEXT COMMITTEE MEETING (16 & 17 MAY 2022 + 18 MAY 2022 (EXTRAORDINARY MEETING))

[Watch the committee meeting live](#)

Consumer credits



On 17 May IMCO will consider compromise amendments on the [proposal for a new Directive on Consumer Credits](#). 804 amendments were tabled to the Commission's proposal. The rapporteur, Ms. [Kateřina Konečná](#) (The LEFT) is actively negotiating compromises on the basis of the amendments tabled, that are structured on the main lines of the proposal and expand and complement the priorities expressed in her draft report. One of the elements being discussed is the advertising of the relevant lending products to individual consumers. Another is the appropriate level of pre-contractual information to be provided to potential borrowers in a way which strikes a balance between the effective presentation of information and what are considered reasonable obligations for lenders. The correct performance of creditworthiness-assessments is another point of discussion. The vote in committee will take place in June 2022.

Anti-coercion



Following the [presentation](#) of the draft opinion by Ms. [Svenja Hahn](#) (RENEW) on 20 April, 104 further amendments were submitted to the text. These focus on strengthening the resilience of the single market and ensuring its proper functioning when the anti-coercion mechanisms would be applied. Based on these amendments Ms. Hahn drafted thirteen compromise amendments, currently being fine-tuned by the shadow-rapporteurs. The vote in committee is foreseen for June 2022.

Standardisation



On 17 May, Ms. [Svenja Hahn](#) (RENEW), Rapporteur, will present her [Draft Report](#) on the proposal for a Regulation amending Regulation (EU) No 1025/2012 as regards the decisions of European standardisation organisations. The Regulation is a response to the Union's strategic priorities and its main objective is to preclude third-country stakeholders from voting on European standards and standardisation deliverables. The rapporteur wishes to ensure that this does not exclude European non-EEA national standardisation organisations from continuing their

Deforestation



The committee will consider the amendments on 17 May and the vote on the opinion is scheduled for June 2022. On 20 April, Ms. [Anna Cavazzini](#) (Greens/EFA) [presented](#) her [draft opinion](#) on the Deforestation Regulation proposal, which lays down mandatory due diligence rules for the placing on the Union market of certain commodities and products linked to deforestation and forest degradation. The Rapporteur welcomed these new rules and proposed to strengthen some aspects, such as the due diligence obligations and the rules on market surveillance and customs controls. Shadow Rapporteurs were generally supportive of the approach and some underlined the importance of not overburdening operators. Amendments were tabled on 21 April.

New industrial strategy for Europe



On 16 May, IMCO will consider the amendments tabled to the [draft opinion](#) on the implementation of the Updated New Industrial Strategy for Europe: aligning spending to policy. The political groups tabled seventy-eight amendments, mostly focusing on ensuring the functioning of the single market, strengthening its resilience and enhance the Union's competitiveness in key sectors. The Rapporteur, Ms. [Maria da Graça CARVALHO](#) (EPP), will then proceed with drafting compromise amendments, with the aim of reaching common ground on the final opinion. The vote in IMCO is planned for June 2022.

The importance of standards for EU strategic autonomy and the impact of third countries in European standardisation



On 17 May, IMCO will hold an exchange of views on the strategic importance of standards and the impact of third countries in European standardisation. While standards have been a core driver behind the single market, their strategic importance in an increasingly competitive global environment was only recently recognised. Since the Commission

participation in the development of European standards. The deadline to submit amendments is 19 May and IMCO will consider the amendments in June 2022.

presented the [EU strategy on Standardisation](#) in February 2022, the Russian invasion of Ukraine has further intensified the need to enhance the Union's strategic autonomy. Its standardisation system could also play a key role to that end. The debate will feed into the future IMCO work on European standards.

Digital products passport - hearing



On 16 May, IMCO will hold a [public hearing](#) on “Digital product passports: enhancing transparency and consumer information in the internal market”. The aim is to look into the ways in which digitalisation, via product passports, can improve transparency on the characteristics of products sold in the Union, in particular for consumers but also economic operators and public authorities. In addition, the hearing can help members consider ways for the possible transition towards a more resource-efficient single market. Experts and Members will exchange views on how product passports could enhance supply-chain traceability, the practical implications for European consumers and businesses, as well as the policy options for introducing product passports in Union legislation.

LAST COMMITTEE MEETINGS (20-21 APRIL 2022)

Structured dialogue - Commissioner Breton



On 20 April, IMCO had its annual [exchange of views](#) with the Commissioner for Internal Market, Mr Thierry Breton. The Commissioner referred to the work accomplished in record time on the DMA and DSA (see articles above). He also stressed that a strong and resilient internal market is the sine-qua-non condition for European economic recovery and that he is currently working on the Single Market Emergency Instrument (SMEI), in order for the EU to be better prepared to anticipate and react in times of crisis. The resilience of the internal market in the context of the recovery from COVID-19, the war in Ukraine, and possible future crises were other points that featured in the debate.

Structured dialogue - Commissioner Reynders



On 21 April, IMCO held an [exchange of views](#) with the Commissioner for Justice Mr. Didier Reynders during which the Commissioner presented the progress made on ongoing legislative files, such as the General Product Safety and the Consumer Credit Directives. Mr. Reynders also updated IMCO Members on the priorities of EU consumer policy. Members were supportive of the Commission's work and welcomed the latest proposal on “empowering consumers in the green transition”, although some Members argued it could be strengthened. During the exchange, IMCO Members also insisted on the need to ensure consumer protection against unsafe products sold online, as well as the efficient enforcement of consumer rights.

Upholding consumer rights when shopping outside the EU - Hearing



On 20 April, the committee held a [public hearing](#) on “Upholding consumer rights when shopping outside the EU”. In the context of the continuous growth of the e-commerce sector, accelerated by the COVID-19 pandemic, IMCO Members and invited experts from consumer protection authorities, consumer and business associations, academia, and the Commission highlighted the difficulties involved in enforcing EU consumer rights against third-country sellers, pointing to the need for cooperation with consumer protection authorities and bodies outside the EU and of raising public awareness on this issue.

Artificial intelligence



On 11 May, IMCO and LIBE considered the draft report by Mr. [Brando Benifei](#) (IMCO, S&D) and Mr. [Dragos Tudorache](#) (LIBE, RENEW) on the proposal for an Artificial Intelligence Act. This Act lays down harmonised rules on AI aiming to ensure the free movement of AI-based goods and services, while safeguarding Union values and fundamental rights. The co-rapporteurs highlighted some of the main amendments, including a ban on predictive policing, additions to the list of high-risk AI, and stronger roles for the AI Board and the Commission to ensure both the inclusiveness and the effective enforcement of the Regulation. Members welcomed the draft report and introduced their priorities for the upcoming Parliamentary work.

[More information is available here](#)

UPDATE ON IMCO TRILOGUES

Common charger



On 10 May, the first trilogue on the proposal for a [common charger solution](#) (USB-C receptacle) amending the Radio Equipment Directive was held. Mr. [Alex Agius Saliba](#) (S&D), Rapporteur, led Parliament's negotiating team. The aim was to discuss the political priorities of the institutions involved. Furthermore, a list of political and technical points has been determined and approved, such as the scope (included devices), unbundling of chargers, wireless charging, review clause, as well as entry into force and application. The second trilogue is likely to take place on 31 May or 6 June.

Resilience of critical entities



The second trilogue on the proposal for a directive on the [resilience of critical entities](#) took place on 26 April. IMCO is involved in the negotiation phase as it provided an opinion by Mr. [Alex Agius Saliba](#) (S&D) with shared competence with

the responsible LIBE Committee. Among the discussed points during that trilogue were the scope of the directive, including the Annex (covered sectors) and exclusion clause, as well as delegated acts, critical entities of particular European significance, and background checks. Currently, negotiations on the outstanding topics continue at technical level.

Batteries



On 20 April, the first trilogue on the proposal for a Regulation concerning [batteries and waste batteries](#) was held. The three Institutions presented their main priorities on the file, on the basis of the texts as amended by Parliament and Council, and established the planning for the future

discussions. Common ground emerged on the need to achieve a swift agreement on this key proposal, thus ensuring a level playing field in the internal market, promoting the circular economy, and reducing the environmental and social impacts of batteries throughout their lifecycle. IMCO is an opinion-giving committee and is represented by Mr. [Antonius Manders](#) (PPE).

EVENTS

Delegation to Silicon Valley



The IMCO delegation will travel to Silicon Valley on 23 May. It will meet with the key digital players, like Google, Meta, Apple, Airbnb, Paypal, eBay, and Uber. The mission will provide an excellent opportunity to learn more about current issues

related to the ongoing digital single market files in our Committee. Having the possibility of a direct exchange with local authorities, companies (big and small), and academic institutions could be of great value for the current discussions in IMCO on how to maintain a proper business eco-system, which nurtures innovation while guaranteeing high standards of consumer protection.

Mission to Navarra



The main objective of the [mission](#) was to see how the local government, businesses, and industries have successfully adapted to the challenges of the digital economy in a cross border region. The delegation met the local

government of Navarra and visited three Navarrese high-tech "Unicorn" companies operating globally. In addition, the delegation also held a panel discussion with stakeholders from the technological research sector, industry representatives, professional associations, and public entities. As a result of the local government's policies to develop a sustainable digital economy, creating the right conditions to successfully attract and retain talent in the technology sector, the cross-border region of Navarra could be a possible model for other European regions.

OTHER NEWS

Next committee meetings: Wednesday, 15 June, 09:00 - 11:30 and 15:00 - 18:30, Thursday, 16 June, 09:00-12:30

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