



Council of the
European Union

Brussels, 10 December 2014

16759/14

PE 407
MI 991
CONSOM 275

NOTE

from: General Secretariat of the Council
to: Delegations

Subject: Summary record of the meeting of the European Parliament **Committee on the Internal Market and Consumer Protection (IMCO)**, Brussels, 3 and 4 December 2014

Regular meeting with generally rather consensual views except for the discussion on single-member private limited liability companies; discussions on two reports and two opinions; presentation by the Commission of five impact analyses¹.

The meeting was chaired by Ms FORD (ECR, UK). At the beginning of the meeting, she reported that the committee chairs had met with all Commissioners and on this occasion she recalled the Committee's priorities.

1. Update on trilogue negotiations

Ms SEHNALOVÁ (S&D, CZ) informed members about the agreement reached at the last political trilogue meeting (1 December) on the "eCall" dossier, thanks to the Commission proposal relating to the crucial provision on personal data protection. The Chair explained that the intention was to adopt an early second-reading agreement. The Committee approved the outcome of the negotiations by 30 votes in favour, one vote against and two abstentions.

¹ All impact assessments and related Commission PowerPoint presentations of the committee meeting are available at:
http://www.europarl.europa.eu/meetdocs/2014_2019/organes/imco/imco_20141203_0900.htm

2. **Cableway installations (IMCO/8/00405)**

- Rapporteur: Antonio LÓPEZ-ISTÚRIZ WHITE (EPP, ES)
- Responsible: IMCO
- Consideration of draft report

The rapporteur recalled the specificity of the market and presented some of the main elements of his report aiming at providing more legal certainty. The S&D, ECR and ALDE shadow rapporteurs (Ms ANDERSON (UK), Ms TREBESIUS (DE) and Ms CHARANZOVÁ (CZ) respectively) supported the report in principle, and the Greens/EFA shadow rapporteur (Mr DURAND (FR)) supported the rapporteur's approach. The S&D, ECR and ALDE shadow rapporteurs agreed to a) adopt a regulation in order to avoid any legal uncertainties, and b) grant an exemption for historic cableways but asked for a clear definition of these, as well as on other items. Ms CHARANZOVÁ and Ms SCHALDEMOSE (S&D, DK) voiced concerns about the fact that the proposal included market surveillance provisions, which was an issue still pending in the Council. The Commission explained that once the general legislation concerning market surveillance was adopted, it would supersede the provisions of the cableway installation legislation relating thereto. The Chair added that the IMCO Committee secretariat was aware of this issue and would do the necessary to ensure harmonised wording in the different reports. The rapporteur took note of the rather consensual view on the draft report. It was agreed in principle to extend the initial deadline for tabling amendments (17 December).

3. **Protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure IMCO/8/00274**

- Rapporteur for the opinion: Lara COMI (EPP, IT)
- Responsible: JURI – Constance Le Grip (EPP, FR)
- Presentation by the Commission of the Impact Assessment
- Deadline for tabling amendments: 19 January 2015

The Commission gave a presentation concerning the impact assessment, highlighting the need to act because of the economic importance of trade secrets, the fragmented and insufficient current national legal protection as well as the increasing exposure to misappropriation by dishonest practices. It admitted, however, that this was an area where gathering information was difficult and that the public consultation carried out could be considered as not sufficiently representative. The rapporteur felt that there was insufficient feedback from citizens and agreed that the current legal fragmentation was an issue. The ECR shadow rapporteur (Ms McCLARKIN (UK)) emphasised the need to focus on SMEs and to assess the impact of the proposal on them. The ALDE shadow rapporteur (Ms CHARANZOVÁ) wondered whether there was evidence to support the Commission's statements regarding the need for the proposal and its benefits. More openly critical, Mr DURAND (Greens/EFA shadow rapporteur) said that the Commission presented things in reverse order and he expressed concern at the misleading information contained in the impact assessment. Ms REDA (Greens/EFA, DE) added that trade security protection could in practice hamper labour mobility. The Commission defended the impact assessment and considered that the survey was proportional, including as regards SMEs, and called upon committee members not to underestimate the benefits of the proposal for SMEs.

4. Appliances burning gaseous fuels (IMCO/8/00446)

- Rapporteur: Catherine STIHLER (S&D, UK)
- Responsible: IMCO
- Presentation and analysis of the Impact Assessment: Commission and European Parliament
- Deadline for tabling amendments: 4 March 2015

The Commission gave a presentation of the impact assessment which led to the conclusion that a regulation would be the best way forward. The rapporteur said that she would soon meet stakeholders and then present her report to the Committee on 24 February. The ALDE and Greens/EFA shadow rapporteurs (Ms CHARANZOVÁ and Mr DURAND) both refrained from commenting in detail and said that they awaited the draft report, although Ms CHARANZOVÁ could already indicate that she supported the idea of a regulation rather than a directive. In this respect, the EPP shadow rapporteur, Mr BUŞOI (RO), wondered if there was any information on what would have been the impact on consumer safety if a directive had been chosen instead of a regulation.

5. **Personal protective equipment (IMCO/8/00401)**

- Rapporteur: Vicky FORD (ECR, UK)
- Responsible: IMCO
- Presentation and analysis of the Impact Assessment: Commission and European Parliament

The Commission gave a presentation on the impact assessment (results of consultations, analysis of replies, estimated costs, etc.) and concluded that although there were no statistics on accidents, there was a need to act. The Commission highlighted the fact that there would no longer be different categories for dish-washing gloves. The Commission also emphasised that the intention was to move from a directive to a regulation. The rapporteur agreed with the overall safety objective, but wondered if some of the administrative burdens were justified. The EPP shadow rapporteur, Mr ARIMONT (BE), took the view that the suggested measures were right and the S&D shadow rapporteur (Ms WESTPHAL (DE)) added that the topic should be dealt with in an objective manner since the media's attention had already been attracted. ALDE shadow rapporteur, Mr ROCHEFORT (FR), supported the Commission proposal, while the Greens/EFA shadow rapporteur (Mr DURAND) took the view that the life-time of gloves should be taken into consideration. The Commission made clear that there would be no additional compliance requirements and clarified some of the alleged new administrative burdens. The rapporteur concluded that the scope of the regulation needed to be clearly defined and the issue of additional burdens addressed. She announced that she would present her report on 27 January.

6. **Single Market governance within the European Semester 2015 (IMCO/8/01785)**

- Rapporteur: Ildikó GÁLL-PELCZ (EPP, HU)
- Consideration of amendments

The rapporteur said that most of the 161 amendments were along the same lines as the draft report, but she had some concerns with the amendments concerning re-industrialisation, tax evasion/fraud, specific recommendations to Member States and reporting frequency. The S&D, ECR, ALDE and Greens/EFA shadow rapporteurs then repeated their respective concerns expressed in their amendments. The Commission welcomed the draft opinion but was criticised by the rapporteur for having omitted to present a reason for the absence of the usual SME growth report. The rapporteur believed that members would manage to find compromises.

7. Regulatory Fitness and Performance Programme (REFIT): State of Play and Outlook
(IMCO/8/01743)

- Rapporteur for the opinion: Othmar KARAS (EPP, AT)
- Responsible: JURI
- Consideration of draft opinion
- Deadline for tabling amendments: 10 December 2014

The rapporteur presented the 11 points of his draft opinion. The S&D, ECR and ALDE shadow rapporteurs (Mr NILSSON (SE), Ms FORD and Ms TØRNÆS (DK) respectively) welcomed the draft opinion and they all emphasised SMEs. While Mr NILSSON stressed that there should be minimum standards, Ms FORD and Ms TØRNÆS focussed more on deregulation. Ms FORD added that more consideration should be given to the competitiveness impact, proportionality of rules, administrative burden reduction and independence of impact assessments. Individual speakers agreed to recognise the importance of SMEs but S&D coordinator GEBHARDT, Vice Chair STIHLER and Mr ŠOLTES (Greens/EFA) took the view that the stakeholder consultation should not only include business representatives. Mr ŠOLTES said that the deregulation should not negatively affect consumer rights. Ms STIHLER added that the lack of implementation and enforcement by Member States was frustrating.

8. Unfair trading practices in the food supply chain (IMCO/8/02015)

- Rapporteur: Dawid Bohdan JACKIEWICZ (ECR, PL)
- Presentation by the Commission of the Communication and supporting study

The Commission explained that its political action was motivated by the different approaches existing at national level towards the unfair trading practices (UTPs) in the food supply chain and the simultaneous insufficiency of existing EU competition law. The Commission argued that a communication was the most appropriate means since UTPs existed mostly at national level and that there could not be a single approach towards UTPs. Therefore the preferred option was to make recommendations.

The rapporteur said that the Parliament should, for its part, draw up proposals in its own-initiative report, knowing that voluntary schemes were unacceptable. The Parliament's task was to define a common catalogue of principles and preventive actions. The EPP shadow rapporteur (Ms CORAZZA BILDT replaced by Ms GÁLL-PELCZ) said that the issue should be dealt with by taking account of what had been achieved so far and involving all stakeholders. The S&D shadow rapporteur, Ms SEHNALOVÁ (CZ), agreed with the involvement of all parties concerned and expressed scepticism about voluntary schemes. The ALDE shadow rapporteur, Mr ROCHEFORT (FR), suggested considering the options of grey/black lists and mediators.

9. Dissemination of Earth observation satellite data for commercial purposes

(IMCO/8/00584)

- Rapporteur: Jens NILSSON (S&D, SE)
- Responsible: IMCO
- Presentation by the Commission of the Impact Assessment

The Commission presented the impact assessment, which analysed the current situation characterised by the absence of a common definition of high resolution data and different levels of control by national authorities. The online survey had confirmed that companies asked for a common approach, therefore the Commission suggested defining thresholds and similar control procedures. The rapporteur supported this moderate approach by the Commission but regretted that the impact assessment was based on a small majority of replies by concerned companies. The EPP shadow rapporteur, Mr van NISTELROOIJ (NL), said that the EU had to act now, while the Greens/EFA shadow rapporteur (Ms REDA, (DE)) did not comment at this stage. The ECR shadow rapporteur (Ms FORD) indicated that there was a conflict of competence on this dossier with the ITRE Committee. The S&D coordinator (Ms GEBHARDT) was afraid that the Commission's approach would lead to 28 different rules, to which the Commission replied that the European approach respected the national security competences.

10. Accessibility of public sector bodies' websites (IMCO/8/02001)

- Rapporteur: Dita CHARANZOVÁ (ALDE, CZ)
- Consideration and adoption of mandate to enter trilogue negotiations (to be confirmed)

Item postponed.

11. Single-member private limited liability companies (IMCO/8/00434)

- Rapporteur for the opinion: Marlene MIZZI (S&D, MT)
- Responsible: JURI – Luis DE GRANDES PASCUAL (EPP, ES)
- Presentation by the Commission of the Impact Assessment
- Deadline for tabling amendments: 29 January 2015

The Commission presented the impact assessment which had shown support for the idea of single-member companies, that would simplify companies' life and sponsor entrepreneurial spirit. The Commission added that there were a lot of misunderstandings about this proposal. The rapporteur said that she was open-minded but the Commission proposal was not a solution for more flexibility. Instead, the proposal encouraged the undermining of workers' and creditors' rights and led to fiscal evasion. On the other hand, the EPP, ALDE and ECR shadow rapporteurs (Mr ŠTEFANEC (SK), Mr GUOGA (LT) and Ms FORD) welcomed the proposal which could be an efficient economic stimulus. A number of S&D speakers, including the S&D coordinator, expressed their concerns (misuse of the impact assessment, risk of imposed self-employment, company credibility issue due to the low capital requirement suggested, etc.). The Commission replied that its proposal left the choice to companies as regards the minimum capital since the Commission did not believe in arbitrary numbers. It also recalled that the proposal included a lot of protection safeguards. The rapporteur concluded that there was consensus on the principle to facilitate business but disagreement on how to achieve it.

12. Simplification of the transfer of motor vehicles registered in another Member State within the Single Market (IMCO/8/00126)

- Rapporteur: Dita CHARANZOVÁ (ALDE, CZ)
- Responsible: IMCO
- Presentation by the Commission of possible impacts on vehicle tax revenues of Member States

Item postponed.

13. Establishment of a European Platform to enhance cooperation in the prevention and deterrence of undeclared work (IMCO/8/00427)

- Rapporteur for the opinion: Dennis DE JONG (GUE/NGL, NL)
- Responsible: EMPL – Georgi PIRINSKI (S&D, PL)
- Consideration of draft opinion
- Deadline for tabling amendments: 11 December 2014

The rapporteur presented some main elements of the opinion (EP involvement in the platform, widened scope, annual report on functioning). The EPP shadow rapporteur, Mr ŠTEFANEC (SK), supported by the Chair, stressed that the issue was a competence of the Member States. On the contrary, the S&D (Ms GRAPINI) and the ALDE shadow rapporteurs (Ms TØRNÆS, (DK)) both supported the platform though Ms TØRNÆS stressed that overlaps should be avoided and took the view that Member States should determine their level of cooperation. In response to this idea, the rapporteur said that although national competence should be respected, this could not mean that everything was voluntary, considering that there was a genuine European interest to cooperate on this issue. He agreed to include the Chair's comments on cost effectiveness.

14. Next meetings

- 21 January 2015, 9.00 – 12.30 and 15.00 – 18.30 (Brussels)
- 22 January 2015, 9.00 – 12.30 and 15.00 – 18.30 (Brussels)