



DIRECTORATE GENERAL INTERNAL POLICIES OF THE UNION
Committee on the Internal Market and Consumer Protection
- Secretariat -

IMCO-06-0314

Brussels, 5 October 2006

FEEDBACK NOTE

IMCO Committee Meeting of 4-5 October 2006

The Committee on Internal Market and Consumer Protection (IMCO) *inter alia*

-) had an exchange of views on the **Second Reading** Recommendation on **Services** in the Internal Market
-) had a exchange of views with **Commissioner Reding**
-) held a mini-hearing on *the Control of the acquisition and possession of weapons* (Kallenbach report)
-) voted two opinions (*Mortgage Credit* and *Television without Frontiers*)

Second Readings:

Services in the Internal Market - Rapporteur: E. Gebhardt

A total number of 43 amendments have been tabled to the Council's common position (including 11 amendments from the Draft recommendation for second reading), which will be formally discussed in committee on 9 October.

During the second discussion on the Draft recommendation for second reading which took place on 4 October, a number of political groups confirmed their initial positions on whether to table amendments to the common position.

On one hand, the Rapporteur, Evelyne GEBHARDT, insisted that it is still important to have a 'proper' second reading, vindicating Parliament's right and prerogatives and she welcomed the fact that the number of amendments tabled for being such a controversial piece of legislation was very modest. In the Rapporteur's view, despite Parliament's success in finding a satisfactory solution at first reading, which was accepted by Council to a very large extent, there is still room for improvement in order to enhance the legal clarity of the Council's text. She therefore underlined that her amendments (regarding the issues of labour law, social services of general interest, administrative cooperation and the orientations and guidelines provided by the Commission on the implementation of Article 16 (provision on the freedom to provide services), are only points for clarification and constitute a basis for the discussion. The Rapporteur also

anticipated that some of the amendments tabled by Members might be inadmissible at second reading (in particular, amendments tabled to Article 17).

The Green group (Heide RÜHLE, Alain HUTCHINSON) and other PSE Members (Bernadette VERGNAUD, Ieke VAN DEN BURG) shared the Rapporteur's view recalling that Parliament, as co-legislator, is entitled to have a critical eye and to table amendments to the common position, particularly on the issue of labour law and social services.

On the other hand, the EPP-ED shadow rapporteur (Malcom HARBOUR) considered that the common position was an effective and workable text. He stressed that his intention was not to walk away from having the best legislation but he considered a test of maturity and responsibility to move forward on this very unusual Directive. He believed that the crucial issues raised by the Rapporteur could be solved by means of a Commission declaration when the Directive is adopted. Other speakers from EPP-ED group (Zita PLEŠTINSKÁ, Jacques TOUBON, Zuzana ROITHOVÁ, Charlotte CEDERSCHIÖLD), which has not tabled any amendments at second reading, were also of the opinion that although the text could still be improved, further amendments would only unravel Council's delicate compromise.

The ALDE shadow rapporteur (Anneli JÄÄTTEENMÄKI), whose group has withdrawn its sole amendment, agreed that the amendments tabled might put at risk Council's compromise. Therefore, ALDE group, while being willing to discuss with the Rapporteur, could not support any of the amendments tabled.

Both the Presidency and the Commission reiterated their strong opposition to the amendments tabled, which they maintain affects the core of Council's compromise. The Presidency reiterated that it would be extremely difficult, if not impossible, to accept amendments of that nature in Council.

Exchange of views with Commissioner Reding

The Commissioner presented the Commission's proposal on reducing roaming charges, outlining its history and addressing the main elements of the proposal as well as some criticisms. She underlined that the aim of the proposal is to benefit consumers, while not unduly restricting the possibilities of operators to offer innovative pricing packages. She emphasised the need to progress the matter at speed, and that the Commission would provide all necessary information and other assistance to Parliament. The IMCO draftsman (IMCO is in enhanced cooperation with ITRE) Mr. MUSCAT spoke, as did Mr. COVENEY, Mr. LEHTINEN, Mr. HARBOUR, Ms. GEBHARDT, Mr. KAMALL and Ms. ROITHOVA.

Mini-hearing on the Control of the acquisition and possession of weapons - Rapporteur: G. Kallenbach

The hearing on the Commission proposal for amendments to the 1991 directive on control of weapons, was held under some time-constraint, saw a moderate turnout of MEPs (10) and audience attending. Commission and Council representatives were present. A briefing note was presented.

Key issues in a lively discussion included marking of weapons and the problem with conversion of alarm weapons into weapons capable of firing live ammunition. The speakers included representatives of the industry, law enforcement, the permanent international commission for the proofing of small arms and NGO's. One speaker included detailed comments on the text of

the Commission proposal. Findings of this hearing will flow into Ms. KALLENBACH's report (enhanced cooperation with LIBE Committee).

Working Group on European Contract Law - D. Wallis

On the basis of a Working Document the notion/definition of a consumer was discussed as part of a periodic oral report on discussions of the Parliamentary Working Group on European Contract Law.

First Readings:

Review procedures concerning the award of public contracts - Rapporteur: J-C Fruteau

The Rapporteur pointed out the key elements of the proposal, i.e. the "standstill-period" and "direct awards". The debate put into question fundamental assumptions behind the Commission proposal and evidenced concerns about how to ensure a better participation of SMEs in public procurement procedures and enhancing the role of poorly-functioning or non-existent arbitration mechanisms.

Own-initiative reports:

Public-Private Partnerships - Rapporteur: B. Weiler

The Rapporteur and the shadows expressed views on the amendments tabled. Mr. Langen, the draftsman in the ECON Committee, took part in the debate.

Opinions:

Mortgage Credit - draftsman: M. Medina Ortega

The opinion (in enhanced cooperation with ECON) was adopted unanimously with 33 votes

Coordination of certain of the Member States' provisions on television broadcasting - draftswoman: H. Rühle

The Committee adopted almost unanimously (27 votes in favour, 4 abstentions) a comprehensive compromise package covering the thorniest issues of the proposal. As regards the scope, IMCO endorsed the Commission's approach to extent the scope to non linear services. Concerning the issue of jurisdiction, the committee reinforced the country of origin principle by introducing some amendments which would speed up the procedure to avoid any abuses or fraudulent conduct by media service providers. The Committee supported that both co/and self regulation should be enhanced. While the committee could not agree on an overall compromise regarding the controversial issue of product placement, the committee unanimously accepted a compromise text to deal with sponsorship and product placement in different provisions. Furthermore, the committee adopted a "neutral" position on product placement, by accepting, almost without amendments, the text of the Commission's proposal.

The Rapporteur in the lead committee, Ms Ruth Hieronymi, who was present at the vote, supported IMCO compromise package, and said it constitute the basis for compromise amendments in the lead Committee.

The "intelligent cooperation procedure" applied to this dossier, was welcomed by all Members being involved, underlining the excellent cooperation with the Draftswoman and the CULT

Rapporteur. The Chair concluded that intelligent cooperation works if "intelligent people" are involved.

Towards a European policy on radio spectrum: H. Rühle

Ms. Rühle said that IMCO should adopt a short opinion on this issue, but that the time schedule was very tight. She proposed to announce deadline for amendments which will be 3 November on the 23 October. The Committee will then be able to have a discussion 21 November and a vote 23 November.

IMCO Secretariat

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