FEEDBACK NOTE
IMCO Committee Meeting of 9-10 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
- held a hearing on *The role of consumer organisations across Europe*
- voted the report on *Public-Private partnerships* and the opinion on the *Definition, description, presentation and labelling of spirit drinks*

**Second Readings:**
**Services in the Internal Market - Rapporteur: E. Gebhardt**
The discussion on the 32 amendments tabled by Members on 20 September did not reveal any change in the initial positions of the political groups.

The rapporteur, Evelyne GEBHARDT, expressed understanding for many of the amendments tabled, although she considered that some had only slim chances of success. She also expressed doubts about the admissibility in second reading of the four amendments tabled by Mr Jens-Peter Bonde. The rapporteur underlined the need to find a satisfactory solution as regards social services of general interest, where both the Council's text and the Rapporteur's amendment do not fully satisfy the concerns raised by a number of associations in Member States. The rapporteur insisted that Council and Parliament should take a decision at second reading and avoid conciliation.

In contrast, Malcolm HARBOUR (EPP-ED shadow rapporteur) considered that the amendments tabled did not make any significant improvement in terms of clarity and that they could even strike out the core of the negotiated result in Council. He insisted therefore that it was only possible to consider an amendment if Council could also support it. Mr Harbour was of the view that a declaration by the Commission would be the best way of dealing with the issues raised by the rapporteur.
The ALDE shadow rapporteur, Anneli JÄÄTTEENMÄKI, reiterated that it was difficult for her group to accept any of the amendments tabled. Šarūnas BIRUTIS (ALDE) strongly recommended to the Committee to support Council's common position without amendment.

In line with the rapporteur, the Green shadow rapporteur, Heide RÜHLE, insisted that it was still crucial to introduce changes in Council's text, in particular on social services of general interest.

Ieke VAN DEN BURG (PSE) took issue with EPP-ED shadow rapporteur, considering that Council had indeed introduced substantial changes to Parliament's compromise amendment regarding labour law. In her view, the Council text subordinates national rules and practices on labour law to the Treaty provisions on free movement of services. Therefore, she could not accept such a change which was against the trade unions' position.

The Chair considered that, after consulting the Council and Commission's representatives, it was not necessary for them to intervene since their opposition to the amendments was unchanged.

The rapporteur concluded that the committee was prepared to vote on 23 October and to proceed with the vote in Plenary in November, unless there was a need to postpone. The rapporteur expected to bring this dossier to an end in November in order to swiftly implement the Directive.

**Consumer Credit - Rapporteur: K. Lechner**
Baroness Thomas of Walliswood, House of Lords, and Professors Udo Reifner and Edgar du Perron were invited to make presentations on the modified proposal for the Consumer Credit Directive, still awaiting a Common position which could possibly be agreed before the end of the Finnish Presidency. The main problem identified is the principle of full harmonisation, on account of large differences in national arrangements and consumer protection levels.

**First Readings:**
**Customs 2013 programme - Rapporteur: J. Fourtou**
The Rapporteur highlighted the urgency requested by the Commission to adopt the new programme, and the fact that Council appears to have already agreed on a Presidency compromise text which in her view would permit a first reading agreement. The Committee decided to vote the report on 23 October.

**Control of the acquisition and possession of weapons - Rapporteur: G. Kallenbach**
The Rapporteur presented her further thoughts on the report, following-up on the mini-hearing held on 4 October. She indicated a number of areas where there appeared to be broad agreement, including a prolongation of the period for keeping records beyond 10 years and possible changes to the European Firearms Passport based on findings that the Commission had left unaddressed, as well as possible regulation of firearm collectors. The shadows (Mr. Podesta and Mr. Lehtinen) mentioned the possibility of uniform marking rules based on the current CIP (intergovernmental) method.

**Own-initiative reports:**
**Public-Private Partnerships - Rapporteur: B. Weiler**
The Report was adopted by 30 votes to 2. It opposes the creation of a separate legal regime for PPPs, but considers that there is a need for a legislative initiative in the area of concessions and for clarification with regard to institutionalised PPPs.
Consumer Confidence in the digital environment - Rapporteur: Z. Roithová
The Rapporteur presented a working document, which is a result of discussions with shadow rapporteurs in a dedicated working group. A briefing paper will be commissioned as a support for deliberations in the committee and a mini-hearing is scheduled for the end of January 2007.

Opinions:
Definition, description, presentation and labelling of spirit drinks - draftsman: G. Titley
The opinion was adopted by 32 votes in favour. The Committee narrowly agreed, against the opposition of Finnish and other members, on the draftsman's proposal on the most controversial issue, the definition of vodka as a drink which can be produced from cereals, potatoes and molasses (which include beet and cane molasses).

Social Services of General Interest - draftswoman: L.F. Rudi Ubeda
There was a wide divergence of views on this issue, but members converged somewhat on the need for greater legal certainty and on the difficulty in defining these services, as public authorities need to adapt to increased demand by outsourcing to private contractors.

Oral Question:
Oral Question on Gambling (T. Manders)
The final compromise version of the Oral Question to the Commission on online-betting and online gambling was adopted by the Committee with 30 votes to 0

Hearing on the role of consumer organisations across Europe
The hearing saw a good turnout of Members and led to a lively debate on the definition, financing and functioning of consumer organisations across Europe.

Experts had widely diverging views on whether there was any need to have a definition at European level, but generally agreed on a number of common criteria. The second session addressed best practice in cross-border cooperation (Nordic countries and across the Franco-German border in Kehl). The most difficult issue is the financing of consumer organisations where there remains a wide gap between old and new Member states.

IMCO Secretariat

cc: Mr Julian Priestley Secretary General
Mrs Christine Verger, Cabinet of the President
Mr Marco Aguiriano, Cabinet of the President
Mr Stephen Clark, Secretary General's Cabinet
Ms Daniela Senk, Cabinet of the President
Mr Klaus Welle, Director-General, DG Internal Policies
Mrs Thérèse Lepoutre-Dumoulin, Director, DG Internal Policies
Mr Freddy Drexler, DG Internal Policies
Mr Riccardo Ribera d'Alcalà, Director, Legislative Coordination
Ms Els VandenBosch, Head of Unit, Legislative Coordination
Mr Dietmar Nickel, Director General
Heads of Unit of Directorate A (ITRE, EMPL, ENVI and ECON)
A + B IMCO