



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 23 January 2004

5928/04

PE 23

NOTE

from: General Secretariat of the Council
to: Delegations

Subject: **Meeting of the Committee on Legal Affairs and the Internal Market of the European Parliament - Brussels, 21 and 22 January 2004**
Chairman: Mr. GARGANI (PPE-DE/IT)

I Meeting with Ms. Mary HARNEY, President of the Council of the European Union (Competitiveness configuration)

Ms. HARNEY stated that Ireland has assumed the Presidency of the European Union at a time of great challenge, the enlargement taking place on 1st May 2004. The programme for the Competitiveness configuration of the Council is mainly aimed at achieving the goals of the Lisbon Strategy. Europe should be the most competitive economy in the world.

Ms. HARNEY underlined the key role of the EP Legal Affairs Committee in the legislative process and stressed the intention of the Irish Presidency to work closely and constructively with the Committee.

After making these general remarks, Ms. HARNEY made more specific comments on individual legislative files of particular interest to the Committee:

- the new Regulation on chemicals, on which the Irish Presidency intends to complete a first reading during the first two months of 2004, and thereafter focus on the substantive issues identified as requiring in depth examination and further negotiations;

- the Community patent file on which the Irish Presidency will try to reach an agreement in the Council (Competitiveness) on the 11th of March 2004;
- the patentability of computer-implemented inventions, on which the Council will examine carefully the EP's opinion at first reading with a view to reaching an agreement on a common position in the Council in May 2004;
- the proposal for a Directive on measures and procedures to ensure the enforcement of intellectual property rights, on which the Presidency is working with the rapporteur and shadow rapporteurs, as well as the Commission, with a view to seeking an agreement at first reading;
- the recognition of professional qualifications, an extremely important file concerning which the Council is awaiting the Parliament's Opinion at first reading, in order to reach a political agreement on a common position at its meeting in May 2004;
- takeover bids, a very sensitive topic on which the Council and Parliament had reached agreement at first reading;
- Company Law, about which the Irish Presidency intends to give full priority to any action deriving from the Commission's Action Plan for the modernization of Company Law and the enhancement of corporate governance in the European Union;
- Services in the Internal Market: the Commission has recently adopted a proposal for a framework Directive which will be examined in the Council as a matter of high priority;

In her concluding remarks, Ms. HARNEY assured the Committee of the Irish Presidency's full commitment to cooperate in order to facilitate agreements on co-decision files, taking into account the very little time left during the present legislature.

In the exchange of views that followed, Mr. LEHNE (PPE-DE/DE) pointed out that the Council wants to reach an agreement about the European patent, but he expressed his concern about the high cost of the translations, which is a disadvantage for medium size enterprises. Mr. MILLER (PSE/GB) recalled that the Lisbon Agenda is also social, and not only economic. Ms. THORS (ELDR/FI) said that the EU should invest more in research on the basis of the Lisbon Agenda. Mr. HARBOUR (PPE-DE/GB) encouraged Ms. HARNEY to select the 6 top priorities for the programme of the Council (Competitiveness), because he considered that the list she has provided is too ambitious and unrealistic.

Ms. HARNEY confirmed that it is necessary to invest more in research in order to reach the Lisbon target of 3% of GDP for investment in research. About decision-making, she stated that it is true that there are too many issues that have been a long time on the agenda but, unless there is the political will to advance, it is not possible to move forward. In answering Mr. HARBOUR she promised to concentrate on the most important priorities. She finally recalled that the achievement of the Internal Market has to be a priority.

II **Vote of reports**

- a) Car industry: harmonised approval of vehicles, trailers and systems (recast directive) (COD030153)

Rapporteur: Mr. GARGANI (PPE-DE/IT)

PE 332.596

The report has been adopted unanimously.

III **Consideration of draft reports**

- a) Consumer protection: cross-border infringements, administrative cooperation and enforcement (COD030162)

Rapporteur: Ms. GEBHARDT (PSE/DE)

PE 338.464

In presenting her report, Ms. GEBHARDT stated that national provisions to enforce consumer protection rules are working fairly well, but they are not sufficient to deal properly with cross-border infringements. She considers that the proposal is a necessary step to improve the enforcement of the provisions protecting consumer interests.

In the rapporteur's view, the proposed legal basis (Article 95 of the EC Treaty) is appropriate, but she proposes to add also Article 153, paragraph 3 (b) of the EC

Treaty, taking into account the measures to support and complete the policies of the Member States which do not concern the Internal Market (for instance, Article 17 of the regulation).

She also proposed other amendments in order to clarify the text.

Hearing: 19 February 2004

Deadline for amendments: 24 February 2004

b) Harmonisation of the Member States' legislation on credit for consumers (repeal of Directive 87/102/EEC) (COD020222)

Rapporteur: Mr. WUERMEILING (PPE-DE/DE)

PE 338.483

Mr. WUERMEILING outlined that this Directive is going to affect millions of transactions, and reiterated his criticism of the Commission proposal. His report contains 180 amendments and considers that with harmonization at a very high level the consumer protection will be very weak, because the situation in Member States is very different.

Deadline for amendments: 4 February 2004

c) Protection of consumers and unfair commercial practices (amendment of Directive 84/450/EEC, 97/7/EC) (COD030134)

Rapporteur: Ms. GHILARDOTTI (PSE/IT)

PE 338.449

Ms. PACIOTTI (PSE/IT) presented the report of behalf of Ms. GHILADOTTI, who was absent. She underlined that they are substantial national differences in relation to consumer protection and that, in order to create consumer confidence, it is thus necessary to harmonize the Internal Market by means of legislation against unfair commercial practices.

Concerning the legal basis, she suggested to add to the proposed legal basis (Article 95) Article 153 of the EC Treaty, with the objective of providing a high level of consumer protection.

The debate was focused on the general prohibition clause, the list of unfair commercial practices, the codes of conduct and the possibility of applying the Directive also to business-to-business transactions, and showed very different positions about those subjects.

Deadline for amendments: 30 January 2004

d) Internal Market strategy: priorities 2003 - 2006 (communication) (INI032149)

Rapporteur: Mr. MILLER (PSE/GB)

PE 338.443

In presenting his report Mr. MILLER stressed that the Lisbon Agenda is not only economic but also focuses on social targets. He estimated that mutual recognition is not the corner stone of the Internal Market, but merely a stepping-stone towards its completion, and that harmonization of Member States legislation should be the unique goal. He criticized the Member States for not transposing the Directives in time.

Deadline for amendments: 4 February 2004

Adoption by parliamentary committee: 19 February 2004

e) Report on EC communications on simplifying and improving Community legislation (COS022052)

Rapporteur: Mr. MEDINA ORTEGA (PSE/ES)

PE 338.461

Mr. MEDINA explained that it is the third report he made on the subject, because the question has been referred back to committee twice under Rule 144 (1). The report is short, because most of the items are already included in the interinstitutional agreement on "Better Lawmaking", and considers that the committee must go beyond this agreement in order to pursue the defence of Parliament's prerogatives as a legislative body and, in particular, to increase the participation of Parliament in the fields of co-regulation and self-regulation.

Deadline for amendments: 9 February 2004

- f) Civil and commercial law: payment procedure and small claims litigation
(INI032087)
Rapporteur: M. GARGANI (PPE-DE/IT)
PE 332.597

In his brief presentation M. GARGANI recalled that this procedure will only apply to cross-border cases, and stressed that the most important thing was to guarantee coordination to avoid the uncertainty of interpretation.

- g) Staff Regulations of officials and conditions of employment of other servants of the European Communities (CNS020100)
Co-rapporteurs: Mr. MEDINA ORTEGA (PSE/ES) and Mr. HARBOUR (PPE-DE/GB)
PE 338.496

As the Regulation has to enter into force on 1 May 2004, the co-rapporteurs considered that it is time to close the discussion and recommended accepting their proposal.

Deadline for amendments: 4 February 2004
Adoption by parliamentary committee: 19 February 2004

IV **Date of next meeting**

26 January 2004, from 3 pm. - 6.30 pm.
27 January 2004, from 9 am. - 12.30 pm.