Basic information

2017/0087(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure lapsed or withdrawn
Internal market: conditions and procedure by which the Commission may request undertakings to provide information **Subject** 2 Internal market, single market 8.50.01 Implementation of EU law	

Key players

Council of the European Union	
European Commission	Commission DG: Internal Market, Industry, Entrepreneurship and SMEs Commissioner: BIEŃKOWSKA Elżbieta
European Economic and Social Committee	
European Committee of the Regions	

Key events

Date	Event	Reference	Summary
02/05/2017	Legislative proposal published	COM(2017)0257	Summary
31/05/2017	Committee referral announced in Parliament, 1st reading		
12/09/2018	Committee report tabled for plenary, 1st reading	A8-0286/2018	Summary
29/09/2020	Proposal withdrawn by Commission		

Technical information

Procedure reference	2017/0087(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	Treaty on the Functioning of the European Union TFEU 021-p2 Treaty on the Functioning of the European Union TFEU 048 Treaty on the Functioning of the European Union TFEU 114
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure lapsed or withdrawn
Committee dossier	IMCO/9/00251

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A8-0286/2018	12/09/2018	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2017)0257	02/05/2017	Summary
Document attached to the procedure	SWD(2017)0215	02/05/2017	
Document attached to the procedure	SWD(2017)0216	02/05/2017	
Document attached to the procedure	SWD(2017)0217	02/05/2017	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PL_SENATE	COM(2017)0257	26/06/2017	
Contribution	DE_BUNDESRAT	COM(2017)0257	10/07/2017	
Contribution	AT_BUNDESRAT	COM(2017)0257	13/07/2017	
Contribution	PT_PARLIAMENT	COM(2017)0257	13/07/2017	
Contribution	CZ_SENATE	COM(2017)0257	31/07/2017	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES2781/2017	18/10/2017	

Additional information

Source	Document	Date
European Parliament	Briefing	
European Commission	EUR-Lex	

Internal market: conditions and procedure by which the Commission may request undertakings to provide information

2017/0087(COD) - 12/09/2018 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Internal Market and Consumer Protection adopted the report by Eva MAYDELL (EPP, BG) on the proposal for a regulation of the European Parliament and of the Council setting out the conditions and procedure by which the Commission may request undertakings and associations of undertakings to provide information in relation to the internal market and related areas.

The committee recommended that the European Parliament adopt its position at first reading under the ordinary legislative procedure without changing the substance of the Commission's proposal.

Following the opinion of the Legal Service of the European Parliament, and awaiting the opinion of the committee of Legal Affairs on the legal basis of the proposed Regulation in application of the RoP 39, it is proposed to restrict the legal basis to the **Article 337** of the Treaty on the Functioning of the European Union.

Internal market: conditions and procedure by which the Commission may request undertakings to provide information

2017/0087(COD) - 02/05/2017 - Legislative proposal

PURPOSE: to facilitate the Commission’s access to market information necessary for carrying out its tasks in order to achieve a smooth functioning of the internal market.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: despite all the progress made, **significant difficulties in the establishment and functioning of the internal market** remain and European citizens and undertakings are unable to reap the full benefits of the internal market.

One of the difficulties encountered in ensuring internal market rules are complied with is **timely access to reliable data**. Suboptimal information increases the risk of the emergence of difficulties to trade in the internal market resulting from uncoordinated national enforcement activities.

The proposed Regulation seeks to **help the Commission monitor and enforce internal market rules** by enabling it to timely obtain comprehensive and reliable quantitative and qualitative information from selected market players through narrowly targeted information requests where a serious difficulty with the application of Union law risks undermining the attainment of an important Union policy objective.

The Commission already has investigative powers to enforce the EU competition rules necessary for the functioning of the internal market. The use of these powers has proven very effective in ensuring that those rules are applied: for instance, in the field of State aid.

The proposal follows the same lines as the Commission communication entitled ‘Upgrading the Single Market: more opportunities for people and business’ and its communication ‘EU Law: Better Results through Better Application’ in which the Commission highlighted the importance of a robust and efficient enforcement system.

IMPACT ASSESSMENT: the chosen option was the introduction of an **investigative tool** of last resort for the Commission to use where suspected obstacles to the functioning of the internal market may exist and the requested firm level information is necessary for timely and effective decision-making and not readily available through other means.

CONTENT: the proposal entrusts the Commission with the **power to request information directly from undertakings and associations of undertakings** for addressing a serious problem with the application of Union law which risks undermining the attainment of an important Union policy objective. It does not create an additional enforcement scheme to be applied by the Commission.

Scope: the Regulation shall apply in the following areas: the internal market, agriculture and fisheries, other than the conservation of marine biological resources; transport; environment; energy.

The **information sought** should relate to the application of relevant Union law. It may, for instance, consist of:

- factual market data, including cost structure, pricing policy, products or services characteristics or geographical distribution of customers and suppliers);
- undertakings’ or associations of undertakings’ fact-based analysis of the functioning of the internal market, such as in relation to perceived regulatory and entry barriers or to costs of cross-border operations.

Procedure: the proposal sets out the conditions and procedure for requesting information:

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it limits the Commission's power to act as a **measure of last resort**: the Commission must adopt a **prior decision** stating its intention to use the power in question, explaining the suspected serious problem, the information sought, why such information is needed, why other means to obtain such information failed. The Commission is obliged to notify it to the Member State or States concerned without delay;

- the Commission may require undertakings or associations of undertakings to provide information by **simple request** or by decision and it must inform the Member State where the recipient of the request is situated;
- it deals with the answers to the requests and the protection of **confidential information**.

Fines and penalties: the proposal establishes the rules on fines and periodic penalty payments if a respondent supplies inaccurate or misleading information or if, in response to request made by formal Commission decision, it provides incomplete information or no information at all.

Micro-undertakings are exempted from this proposal in order to avoid imposing disproportionate administrative burden on them.

BUDGETARY IMPLICATIONS: it is estimated that the Commission could incur annual data collection and analysis costs of between EUR 120 000 and EUR 430 000, assuming five information requests are made per year.

The Commission costs indicated above would not require any **new budgetary needs**, only the redeployment of existing staff and infrastructure.