


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1996/2265(COS)	Procedure completed
Commerce. Green paper		
Subject		
3.45.05 Business policy, e-commerce, after-sales service, commercial distribution		
4.60 Consumers' protection in general		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy		02/12/1996
		UPE GAROSCI Riccardo	
	Committee for opinion	Rapporteur for opinion	Appointed
	REGI Regional Policy		27/02/1997
		ELDR MONFILS Philippe J.F.	
Council of the European Union	ENVI Environment, Public Health and Consumer Protection		17/12/1996
		UPE VICECONTE Guido	

Key events			
20/11/1996	Non-legislative basic document published	COM(1996)0530	Summary
10/12/1996	Committee referral announced in Parliament		
08/07/1997	Vote in committee		Summary
08/07/1997	Committee report tabled for plenary	A4-0254/1997	
17/09/1997	Debate in Parliament		
18/09/1997	Decision by Parliament	T4-0452/1997	Summary
18/09/1997	End of procedure in Parliament		
06/10/1997	Final act published in Official Journal		

Technical information	
Procedure reference	1996/2265(COS)
Procedure type	COS - Procedure on a strategy paper (historic)

Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/08477

Documentation gateway

Non-legislative basic document	COM(1996)0530	20/11/1996	EC	Summary
Economic and Social Committee: opinion, report	CES0595/1997 OJ C 287 22.09.1997, p. 0034	28/05/1997	ESC	Summary
Committee of the Regions: opinion	CDR0107/1997 OJ C 244 11.08.1997, p. 0024	11/06/1997	CofR	
Committee report tabled for plenary, single reading	A4-0254/1997 OJ C 304 06.10.1997, p. 0006	08/07/1997	EP	
Text adopted by Parliament, single reading	T4-0452/1997 OJ C 304 06.10.1997, p. 0100-0125	18/09/1997	EP	Summary

Commerce. Green paper

OBJECTIVE: this Green Paper seeks to stimulate a wide-ranging discussion on the challenges facing commerce and the ways in which they can be met. SUBSTANCE: the Green Paper examines the structure and development of the commerce and distribution sector, emphasising the scale and diversity of commerce, which is the second largest economic sector in the EU. With 22 million people employed (i.e. 16% of the total workforce) in some 4.5 million companies it is a key sector for economic development and for employment. The Green Paper then describes the actions of Member States and the EU and their respective roles with regard to this sector. Finally the document identifies the challenges facing commerce and distribution, formulates a series of questions which require public consultation and sets a timetable for the study of possible choices on future initiatives to be submitted during 1997. The main challenges which must be faced include: - increased competition resulting from the growth in trade; - constraints associated with developing the full potential of the single market from heterogeneous regulations on a national, regional and local level; - the introduction of the Euro and the administrative, accounting and psychological changes it will involve. In this respect the national authorities and the Commission have a key role to play in helping the private sector to adapt to the single currency; - the development in the needs and wishes of consumers and the 'Europeanization' of their purchasing behaviour; - the simplification of the administrative and legislative environment of the commercial companies; - the growing use of electronic trading and the exploitation of new technology to facilitate direct trading; - the development of the information society and the ability of commerce to adapt to it and participate in it; - the maintenance of rural and urban cohesion. The Commission notes that the principle of subsidiarity is particularly important for this sector but because of the development of the internal market a growing number of decisions are taken at EU level. ?

Commerce. Green paper

The green paper fails to describe the main characteristics of the information society and its basic defining features, which include electronic commerce. A more systematic and detailed assessment is required of the impact of the information society on existing forms of commercial activity. The World Trade Organization should initiate a worldwide debate on the electronic media with a view to codifying the rules governing their use and consolidating their internal practices with the necessary safety valves and reliability. The Member States should respond directly to the new conditions prevailing in the information society and take urgent legislative measures to cater for the new requirements of businesses and consumers. The ESC proposes that reference be made to commercial activity in one article of the revised treaty which will emerge from the IGC. The ongoing pan-European dialogue on commerce, launched with the publication of the Green Paper on commerce, must lead to the drawing up of an action plan that will cover all the Community policies on commerce. ?

Commerce. Green paper

The committee unanimously adopted the draft resolution on the Green Paper on trade. While approving the overall presentation of the sector by the Commission, the rapporteur, Mr Riccardo Garosci (UPE, I), opened by stating his regret that many of the statistics in Annex A to the paper were no longer up to date and referred to the beginning of the 1990s. He went on to criticize the lack of interest shown by the Green Paper in problems relating to electronic commerce, especially the failure to find an international solution to the problem of the application of VAT on trade via international electronic networks. Similarly, the Commission paid too little attention to the adoption of the "principle of origin" of VAT, which was extremely important in terms of the administrative charges on commercial SMEs. The draft report called for effective simplification of Community legislation and referred to the over-regulation of SMEs engaged in commercial distribution at both Community and national level. The rapporteur reiterated the extremely positive contribution of the sector in question to employment and advocated initiatives to open specialized commercial schools for this purpose. In addition, the text adopted referred to the difficulties of local trade and small retailers,

especially in remote, island and mountain areas and recommended that this be remedied by modernizing the sector through a series of measures, including the promotion of technologies and infrastructures to develop electronic commerce. As far as cross-border trade was concerned, joint SMEs needed to be set up and, given the positive effect on economic and social cohesion ascribed in the Green Paper to local shops, the rapporteur urged the Commission to adopt specific measures (via the Structural Funds and with regard to innovative projects (Article 10 of the ERDF), perhaps by setting up a European retail trade observatory). Finally, commerce was indispensable in completing a number of urban strategies and socio-economic policies: town planning and urban renewal, improving the environment, food production and the protection of animals (e.g. this sector helped to reduce product packaging, especially during transportation). As far as consumer information was concerned, the rapporteur praised the attention given in the Green Paper to the fact that commerce will soon act as the medium for the introduction of the euro on the consumer goods market and called on the Commission on behalf of all these requirements of a changing market to keep its promises and issue a final White Paper on commerce within the next two years.?

Commerce. Green paper

In adopting the report by Mr Riccardo GAROSCI (UPE, I), Parliament noted that it was the first occasion on which the Commission had addressed itself to a comprehensive study of commerce as a whole. It asked that particular attention be paid to the needs of small distributors, who play an important role in maintaining the social fabric in many regions. They suffered disproportionately from over-regulation and, consequently, should develop their commercial practices to keep in touch with reality. It took the view that the Member States must use all the means at their disposal to encourage the modernization of the retail trade and take measures to prevent its disappearance. The Commission was asked to consider the setting up of a European Retail Trade Monitoring Centre. In addition, the report hoped that SMUs in the commercial sector would derive benefit from the existing SMU programmes and that they would have access to appropriate bank credit facilities. It considered that these SMUs were subject to excessive over-regulation, but it was opposed to deregulation measures which would call into question the social rights of the commercial distribution sector and consumer protection. Parliament called for more widespread use of electronic payment systems in the distributive trades as well as a reduction in its costs (tax on electronic payment transactions, distribution of credit cards, etc.) with a view to limiting the amount of cash kept in shops, thereby acting as a disincentive to crime. Finally, Parliament called for more attention to be given to the role which commerce would play in the spread of the single European currency: it would encourage technological changes within the commercial system should be encouraged through programmes and funding to facilitate the change of accounting systems and by setting up technical working parties comprising traders, industrial manufacturers, and suppliers of cash registers and computer systems. ?