

Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1998/2071(COS)	Procedure completed
Commercial communications, follow-up of the Green paper		
Subject 3.45.05 Business policy, e-commerce, after-sales service, commercial distribution		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy	ELDR LARIVE Jessica E.S.	23/04/1998
	Committee for opinion	Rapporteur for opinion	Appointed
	JURI Legal Affairs, Citizens' Rights		
	ENVI Environment, Public Health and Consumer Protection	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	Competitiveness (Internal Market, Industry, Research and Space)	2130	09/11/1998
	Competitiveness (Internal Market, Industry, Research and Space)	2094	18/05/1998
	Consumers	2084	23/04/1998
	Competitiveness (Internal Market, Industry, Research and Space)	2079	30/03/1998

Key events			
04/03/1998	Non-legislative basic document published	COM(1998)0121	Summary
30/03/1998	Debate in Council	2079	
23/04/1998	Debate in Council	2084	
11/05/1998	Committee referral announced in Parliament		
18/05/1998	Debate in Council	2094	
09/11/1998	Debate in Council	2130	
08/12/1998	Vote in committee		Summary
08/12/1998	Committee report tabled for plenary	A4-0503/1998	

13/01/1999	Debate in Parliament		
14/01/1999	Decision by Parliament	T4-0035/1999	Summary
14/01/1999	End of procedure in Parliament		
14/04/1999	Final act published in Official Journal		

Technical information

Procedure reference	1998/2071(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 050; Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ECON/4/09986

Documentation gateway

Non-legislative basic document	COM(1998)0121	04/03/1998	EC	Summary
Committee report tabled for plenary, single reading	A4-0503/1998 OJ C 104 14.04.1999, p. 0004	08/12/1998	EP	
Text adopted by Parliament, single reading	T4-0035/1999 OJ C 104 14.04.1999, p. 0103-0130	14/01/1999	EP	Summary

Commercial communications, follow-up of the Green paper

OBJECTIVE: to follow up the Green Paper of May 1996 on Commercial Communications in the Internal Market. **SUBSTANCE:** the communication summarises the numerous replies received by the Commission (433 altogether) following the publication of its Green Paper, and sets out its approach, the aim of which is to facilitate the cross-border provision of commercial communication services and establish a framework for European policy in this field. More particularly, the Commission proposes the following measures: 1) The application of a transparent assessment methodology: when examining the compatibility of a restriction to cross-border commercial communications with internal market principles, the Commission will apply the assessment methodology described in the Green Paper (i.e. first stage: analysis of the impact of the measure in question, second stage: legal assessment), adding two criteria in order to take account of cultural and social differences between Member States and the need to ensure consistency with all public-interest objectives; 2) Setting up a Commercial Communication Expert Group: this group will be asked to establish transparent and efficient administrative cooperation between the Commission and Member States and a dialogue with interested third parties; 3) Making available a Commercial Communications contact point and information network: a central contact point will be established within the Directorate-General for the Internal Market and Financial Services, which will work closely with the other Directorates-General involved. A website will facilitate exchanges of information; 4) Establishing a Commercial Communications Database: this will cover national and Community regulations in this field and self-regulatory codes; 5) Accelerating complaint processing: the Commission will attempt to reduce delays in handling complaints, using the proportionality assessment methodology where appropriate; 6) Setting up a network of academic experts: a representative group of academic experts will assist the Commission in its work and deliver opinions on specific issues; 7) Promoting international cooperation: the Commission will defend its approach in international negotiations; 8) Clarifying electronic commerce issues: in certain areas where there is legal uncertainty, the Commission will propose clarification in the context of a proposal relating to electronic commerce and associated information society services; 9) Keeping the European Parliament informed: the Commission will inform Parliament about the application of this approach (including an evaluation of the work carried out and an update of the work programme). The Commission will apply this approach to four key areas where national regulations on commercial communications diverge significantly and therefore potentially give rise to internal market barriers: protection of minors, unfair competition, sponsorship and misleading claims.?

Commercial communications, follow-up of the Green paper

In adopting the report by Ms. Jessica LARIVE (ELDR, NL) the Committee expressed its broad support for the Commission's strategy in the field of commercial communications, i.e. advertising, sales promotion etc. Such activities are subject to a plethora of different national rules, a fact that could hamper the development of cross-border commercial communications and hence also the proper functioning of the Single Market. The Committee stresses that cross-border commercial communications must be based on the principle of mutual recognition and that non-application of the country of origin principle can only be justified if the restriction in question is proportionate and non-discriminatory. The Committee therefore, in principle, supports the Commission proposal to introduce a "proportionality assessment test" under which possible

infringements are judged on the basis of seven criteria, relating to economic effects, public interest objectives, cultural and social differences in the Member States. The Committee did, however, express some concern over the inclusion of the latter criteria as they could far too easily be invoked to justify any national measure. The Committee therefore stressed that Member States seeking to implement restrictions on the basis of cultural and social specificity must prove that the measure is invoked in the general interest. The Committee furthermore calls for the application of the proportionality test to be mandatory and for it to be carried out within strict time limits. Equally, in view of the slow progress in many infringement cases in this area the Committee calls on the Commission to speed up the Article 169 procedure so that cases are brought to the ECJ within 18 months from the registration of a complaint. The Committee also considers that greater emphasis should be put on industry self-regulation. Finally the Committee calls on the Commission to conduct studies on sponsoring at schools and on the effects on children of TV-advertising. ?

Commercial communications, follow-up of the Green paper

In its Resolution on the Commission's communication on commercial communications drafted by Ms. Jessica LARIVE (NL, ELDR), the European Parliament welcomed the Green Paper but was of the opinion that the actions proposed must be adjusted and made more specific on a number of points. It stressed that cross-border commercial communications must be based on mutual recognition and agreed that whenever national sensitivities are too divergent for mutual recognition to apply, the issues should, whenever possible be addressed by self-regulation. It therefore called upon the European Advertising and Standard Alliance to establish and manage a database on self-regulatory codes. The EP noted the addition of a criterion to the methodology relating to the recognition of cultural and social differences in the Member States, but considered that this should not be used to justify existing or new restrictions on cross-border commercial communications. It pointed out that Member States seeking to implement restrictions on the basis of cultural or social specificity must prove that it is a measure invoked in the general interest and that the measure is proportionate to its objective. It stressed that the risk of renationalisation must be prevented and stressed the need for mandatory application of the methodology. The Parliament asked the Commission to propose mandatory time limits with the aim of reaching a decision to refer cases brought under Article 169 to the European Court of Justice within 12 months as from the conclusion of the 'pre-169 phase' - in which the Commission must apply the methodology to assess whether a formal Article 169 infringement procedure will be initiated and which should be limited to 6 months after the date of registration of a complaint. It also called on the Commission to: - make the complete legal arguments on a specific case known to the complainant and to provide for the possibility for the complainant to challenge this opinion before a final decision is taken on whether to formally pursue a complaint; - establish a register of complaints, accessible to interested parties and available from the Internet, which contains all complaints registered with the Commission - subject to the complainant's consent - and all relevant information regarding progress made in the handling of those cases under the infringement procedure - reasons for admissibility, etc.; - specify more clearly the functions and tasks of the Expert Group, to make sure that the pending infringement cases will be discussed within the Expert Group, to guarantee independence and transparency of the debate in the Expert Group, in particular preparation and publication of the agenda, publication of the minutes and minority opinions, and strict observance of time limits; - conduct studies on 'sponsoring at schools' and on 'children and tv advertising', to publish the results as soon as possible and to take the outcome of such studies into account during the next revision of the TV without Frontiers Directive.?