



Committee on the Internal Market and Consumer Protection
Committee on Industry, Research and Energy
The Chairs

CONFIDENTIAL

D 316085 15.11.2019

Mr Antonio TAJANI
Chair
Conference of Committee Chairs
European Parliament

Ref.: D(2019)41515

Dear Mr Tajani,

The Committee on the Internal Market and Consumer Protection (IMCO) and the Committee on Industry, Research and Energy (ITRE), in accordance with Rule 125 of the Rules of Procedure of the European Parliament, held a public hearing on Thursday 14 November 2019 with Mr Breton, Commissioner-designate, who, subject to the positive outcome of the nomination procedure, will be responsible for the Internal Market.

On 12 November 2019, our Committees, pursuant to Rule 125 of the Rules of Procedure and Article 2 of Annex VII thereto, received the letter by the JURI Committee regarding the scrutiny of the declaration of financial interests of Mr Breton.

The introductory statement of Mr Breton was followed by a first round of 7 questions from representatives of each political group and a second round of 18 questions by Members, including also a representative from the non-attached Members. The course of the hearing is described in the annexed verbatim transcript of the proceedings.

On the basis of the responses to the Members present at the hearing, as well as the discussion among our committees' coordinators, who met in camera after the hearing under our chairmanship, and also taking account of the attached opinions of the Committee on Legal Affairs and the Committee on Culture and Education, both associated with the hearing, we hereby give the following assessment.

The Commissioner-designate gave a convincing impression of his aptitude to be a member of the College of Commissioners and to carry out the specific tasks assigned to him. Some political groups wished to highlight the following:

- the S&D Group would have appreciated more concrete commitments on the social dimension of the internal market and measures to accompany the digital and industrial transition;
- the ECR Group welcomed the Commissioner-designate commitments to be pragmatic on the issues of services and to prepare a proposal to tackle obstacles to cross-border service provision in certain sectors.

The IMCO and ITRE coordinators representing a majority of two-thirds of the committees membership approved that the Commissioner-designate Mr Breton, is qualified both to be a member of the College of Commissioners and to carry out the specific tasks assigned.


The minority views of Greens/EFA, ID and GUE/NGL Groups are annexed to this letter.

We would be grateful if you could bring this assessment to the attention of the Conference of Presidents.

Yours sincerely,



Petra de Sutter, MD, PhD
Chairwoman



Zdzisław Krasnodębski
Acting Chair

CC: Ms Lucy NETHSINGHA, Chair of the Committee on Legal Affairs
Ms Sabine VERHEYEN, Chair of the Committee on Culture and Education

Annexes :

1. Opinion of the Committee on Legal Affairs
2. Opinion of the Committee on Culture and Education
3. Minority view of Greens/EFA
4. Minority view of ID
5. Minority view of GUE/NGL
6. Verbatim report (see separate document)

**OPINION OF THE COMMITTEE ON LEGAL AFFAIRS
ON THE EVALUATION OF MR THIERRY BRETON, COMMISSIONER-DESIGNATE
FOR INTERNAL MARKET**

The JURI Coordinators took particular note of the following statements: That Europe has not lost the competition to be the leaders in AI; on the contrary, the outlook is very good for Europe, that he intends to be 'Data Commissioner', that artificial intelligence and intellectual property rights are key to achieving European excellence in the digital field and on the role that intellectual property rights play with regards to European industries and technologies. . They also took note of the statement that ethical rules for AI are a base and essential first element for Europe in the context of AI as well as of the ambitions of making them a reference point for the others. Digital sovereignty is key, European data need to be stored and processed in Europe. The stated division between the Single Market and the Digital Single Market is no longer valid as the digital component is integral to all aspects of the Single Market. They also took note of the statements concerning the envisaged Digital Services Act. Finally, they noted the pledges towards strong transposition, implementation and enforcement of existing EU legislation

The JURI Coordinators underlined the utmost importance of the commitment made by Commissioner-designate Breton to fully comply with the Code of Conduct for Commissioners, in particular with Article 4 thereof, which foresees the possibility for the President of the Commission to reallocate files to other members of the College in order to guarantee the absence of any conflict of interest as well as his promise to adhere to strictest ethical requirements which will prevent the Commissioner-designate, if confirmed, to meet with representatives of his former company, their subsidiaries and intermediaries without the presence of other Commissioners or relevant staff.

The large majority of the JURI Coordinators were satisfied that Commissioner-designate Breton should be confirmed to be a member of the College.

The GUE/NGL group presented the following dissenting position:

'The GUE/NGL group expresses its deepest concerns as regards the nomination of Mr Thierry Breton as Commissioner for the Internal Market. Indeed, our group considers that the overlap between his former position as CEO of Atos and his future portfolio presents an inextricable case of conflict of interest despite the explanations the Commissioner-designate put forward during his hearing. Indeed, he personally acted as a lobbyist for Atos in the previous mandate, his former company is a major actor in almost all the fields covered by the envisaged portfolio and existing safeguards he referred to during his hearing are far from having demonstrated efficiency in the past.'

**OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION
ON THE EVALUATION OF MR THIERRY BRETON, COMMISSIONER-DESIGNATE
FOR INTERNAL MARKET**

The Committee on Culture and Education would like to make the following observations concerning the Commissioner-designate's aptitude with respect to the policy areas for which CULT is responsible.

In his written replies, the Commissioner-designate stressed that he would pay specific attention to the media and audiovisual sectors considering their vital role for democracy and for European identity as well as their contribution to growth and jobs. In particular, he indicated that he would present an action plan on the competitiveness and the wealth of pluralism of media, as well as a dedicated action plan for the successful digitisation of the audiovisual sector. He also stressed that he would focus on the implementation of the revised Audiovisual Media Services Directive (AVMSD) and on the smart use of Union financial programmes and instruments, such as MEDIA.

In his introductory statement, the Commissioner-designate referred to the cultural and creative sectors, stressing the need to discuss the potential impact of the new digital environment on those sectors. Highlighting his vision for the future of the Digital Single Market, he recalled the crucial importance of the audiovisual sector, and indicated his commitment to work closely with the CULT Committee in that regard, in particular on an action plan that would address the distribution of audiovisual content in a consistent and global manner.

During the Hearing, the Commissioner-designate was asked how he would organise his priorities considering the breadth of his portfolio, specifically how highly the audiovisual sector would figure among his priorities and what his main focus within that sector would be. He was also asked how he would cooperate with other Commissioners in the cultural and creative sectors.

Whilst recalling the crucial importance of the audiovisual sector for the Union, its economy, and identity, the Commissioner-designate stated that he would present a media and audiovisual action plan. He then stressed that he would work closely with Mariya Gabriel to ensure a consistent approach in dealing with the MEDIA and Culture strands of the Creative Europe programme. He also indicated that he would follow closely the implementation of the AVMSD, in particular with regard to the Commission's guidelines on the 30% share of European works in the catalogues of on-demand media service providers.

On the revised AVMSD and the regulation of video-sharing platforms (VSPs), the Commissioner-designate gave his assurance that the liability regime of intermediary service providers, as established in the 'E-commerce Directive', would not be called into question, stressing in particular that the principle of no general obligation to monitor would remain untouched. He nevertheless left the door open to possible future adjustments of this Directive.

On the evidence of the written replies and the responses given during the Hearing, the Committee on Culture and Education considers that the Commissioner-designate demonstrated a sufficient command of the complexity of audiovisual and media policy. Nevertheless, the fact remains that the portfolio of the Commissioner-designate for the Internal Market is exceptionally wide-ranging. Audiovisual and media policy is not primarily market-driven and must be led by a focus on preserving and promoting cultural diversity. In light of the above and despite the qualifications and responses of the Commissioner-designate, the majority of the CULT Committee reiterates its request that audiovisual and media policy be shifted to the portfolio of the Commissioner-designate for Innovation and Youth who is responsible for cultural policy.

MINORITY VIEW : Greens/EFA

The IMCO and ITRE Greens/EFA believe that there are too many uncertainties ranging from content issues to the background. Special concerns were raised by statements that lead to ideas supporting militarisation of space and dual use of technologies, handling of personal data and respect of fundamental rights and the approach to Greening the economy, including internal market and industrial policy.

Further on the content, while he committed not to reopen the Services Directive, his answers with regard to this issue were lacking concrete clarification on how he intends to proceed with free movement of services. Further clarification on social and environmental-related aspects of the internal market were missing as well.

On the background, his commitments on avoiding what could be perceived as a potential conflict of interests in policy-making require a deeper analysis and additional answers.

During the hearing he demonstrated competences in several areas but we consider that a round of written questions would help clarify these issues and especially the way Mr. Breton intends to work with the VP designate Vestager as there is an apparent conflict of ideas on competition policy, data protection and AI.

MINORITY VIEW : ID

During the hearing Mr Breton failed to give precise answers to some questions, notably on integrity and on conflict of interest issues. We foresee a possible lack of transparency, given its proximity to the economic sectors linked to its portfolio. So, even if the ID group does not question Mr Breton' technical competence, ID group want to emphasize the need to comply with the code of conduct.

MINORITY VIEW : GUE/NGL

The GUE/NGL group expresses its deepest concerns as regards the nomination of Mr Thierry Breton as Commissioner for the Internal Market.

The GUE/NGL group considers that the overlap between his former position of CEO of Atos and his future portfolio presents an inextricable case of conflict of interest despite the explanations the Commissioner-designate put forward during his hearing.

Indeed, he personally acted as a lobbyist for Atos in the previous mandate, his former company is a major actor in almost all the fields covered by the envisaged portfolio and existing safeguards, he referred to during his hearing, are far from having demonstrated efficiency in the past.

Last but not least, GUE/NGL group expresses its disapproval of the composition of the portfolio, which is too broad and inconsistent.