EUROPEAN COMMISSION

SECRETARIAT-GENERAL

PV(2015) 2121 final

- English language version of the French text which is authentic -

Brussels, 22 April 2015

TEXTE EN

MINUTES

of the 2121st meeting of the Commission

held in Brussels

(Berlaymont)

on Wednesday 25 March 2015

(morning)

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- English language version of the French text which is authentic -

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Single sitting: **Wednesday 25 March 2015 (morning)**

The sitting opened at 10.17 with Mr JUNCKER, President, in the chair. The discussion of item 8 was chaired in part by Mr TIMMERMANS.

Present:

Mr JUNCKER	President	Items 1 to 8 (in part)
Mr TIMMERMANS	First Vice-President	
Ms GEORGIEVA	Vice-President	Items 1 to 8 (in part)
Mr ANSIP	Vice-President	
Mr ŠEFČOVIČ	Vice-President	
Mr DOMBROVSKIS	Vice-President	
Mr KATAINEN	Vice-President	Items 1 to 8 (in part)
Mr OETTINGER	Member	
Mr MIMICA	Member	
Mr ARIAS CAÑETE	Member	
Mr VELLA	Member	
Mr ANDRIUKAITIS	Member	
Mr AVRAMOPOULOS	Member	Items 1 to 8 (in part)
Ms THYSSEN	Member	
Mr MOSCOVICI	Member	Items 1 to 8 (in part)
Mr STYLIANIDES	Member	
Mr HOGAN	Member	
Lord HILL	Member	
Ms BULC	Member	
Ms BIEŃKOWSKA	Member	
Ms JOUROVÁ	Member	
Mr NAVRACSICS	Member	
Ms CREȚU	Member	Items 1 to 8 (in part)
Ms VESTAGER	Member	
Mr MOEDAS	Member	

Absent:

Ms MOGHERINI	High Representative / Vice-President
Mr HAHN	Member
Ms MALMSTRÖM	Member

The following sat in to represent absent Members of the Commission:

Mr RENTSCHLER	Deputy Chef de cabinet to Ms MOGHERINI	
Mr KARNITSCHNIG	Chef de cabinet to Mr HAHN	Items 1 to 8 (in part)
Ms EICHHORN	A member of Ms MALMSTRÖM's staff	

The following also sat in:

Ms MARTÍNEZ ALBEROLA	Deputy Chef de cabinet to the PRESIDENT	
Mr ROMERO REQUENA	Director-General, Legal Service	
Mr PAULGER	Director-General, DG Communication	
Mr SCHINAS	Head of the Spokesperson's Service and Chief Spokesperson of the Commission	
Ms METTLER	Head of the European Political Strategy Centre	
Mr THOLONIAT	A member of the PRESIDENT's staff	Items 1 to 6
Ms ROUCH	A member of the PRESIDENT's staff	Item 8
Mr LEPASSAAR	Chef de cabinet to Mr ANSIP	
Mr MAMER	Deputy Chef de cabinet to Mr OETTINGER	
Mr MORRISON	Secretariat-General	
Ms ANDREEVA	Commission Spokesperson's Service	
Ms BREIDTHARDT	Commission Spokesperson's Service	Items 1 to 6

Secretary: Ms DAY, Secretary-General, assisted by Mr AYET PUIGARNAU, Director in the Secretariat-General.

The PRESIDENT opened the Commission meeting by referring to the tragic plane crash involving the German company Germanwings, which had happened on the previous day in the south-east of France, causing nearly 150 deaths, the vast majority of which were of German and Spanish nationals. He emphasised the European nature of this collective tragedy, and said that he had immediately contacted the leaders of the Member States most affected: Mr Mariano Rajoy, the Spanish Prime Minister, Ms Angela Merkel, the German Chancellor, and Mr François Hollande, the French President. He was particularly moved by the case of the young German pupils returning from a language visit to Spain, thus participating in the 'Europe of small steps' dear to Jean Monnet, who perished in the catastrophe. The Spanish authorities had just declared three days' national mourning; he announced that the flags in front of the Berlaymont headquarters had been put at half-mast for the same length of time to honour the memory of the victims, and to convey the deepest sympathy to their families and friends. He invited the staff to observe a minute's silence at 12.00 on Thursday 26 March.

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The PRESIDENT welcomed Mr Gregory PAULGER, who was attending his last Commission meeting before retiring, in his capacity as Director-General of the Directorate-General for Communication. He referred to Mr PAULGER's thirty-year career at the institution, and mentioned that he had often been working under Luxembourgish Commissioners. On behalf of Europe, he congratulated him on his impressive career, his commitment to Europe, and his devotion to serving the Commission, and wished him all the best for the future.

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1. AGENDAS
(OJ(2015) 2121/FINAL; SEC(2015) 146/2)

The Commission took note of that day's agenda and of the tentative agendas for forthcoming meetings.

2. WEEKLY MEETING OF CHEFS DE CABINET
(RCC(2015) 2121)

The Commission considered the Secretary-General's report on the weekly meeting of Chefs de cabinet held on Monday 23 March.

3. APPROVAL OF THE MINUTES OF THE 2119TH MEETING OF THE COMMISSION (10 MARCH) AND THE MINUTES AND SPECIAL MINUTES OF THE 2120TH MEETING (18 MARCH)
(PV(2015) 2119; PV(2015) 2020; PV(2015) 2020, PART II)

The Commission approved the minutes of its 2119th and 2120th meetings.

4. WRITTEN PROCEDURES, EMPOWERMENT AND DELEGATION OF POWERS

4.1. WRITTEN PROCEDURES APPROVED
(SEC(2015) 147 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 16 and 20 March.

4.2. EMPOWERMENT (SEC(2015) 148 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted between 16 and 20 March.

4.3. DELEGATION AND SUBDELEGATION OF POWERS (SEC(2015) 149 ET SEQ.)

The Commission took note of the Secretariat-General's memoranda recording decisions adopted under the delegation and subdelegation procedure between 16 and 20 March, as archived in Decide.

4.4. SENSITIVE WRITTEN PROCEDURES (SEC(2015) 150 AND /2)

The Commission took note of the sensitive written procedures for which the time limit expired between 23 and 27 March and of the finalisation written procedures initiated following the weekly meeting of Chefs de cabinet on Monday 23 March.

5. ADMINISTRATIVE AND BUDGETARY MATTERS (SEC(2015) 151)

ADMINISTRATIVE MATTERS
(PERS(2015) 31)

DG HUMAN RESOURCES AND SECURITY – APPROVAL OF THE LISTS OF CANDIDATES FOR THE POSTS OF HEAD OF THE EU DELEGATIONS TO COUNTRIES IN AMERICA, AFRICA, EUROPE AND THE MIDDLE EAST AND FOR THE POST OF EU AMBASSADOR TO THE ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN)
(PERS(2015) 32; PERS(2015) 33; PERS(2015) 35; PERS(2015) 36; PERS(2015) 37; PERS(2015) 34)

The Commission took note of the information in point 1 of PERS(2015) 31 and, on a proposal from Ms GEORGIEVA, in agreement with the PRESIDENT, decided to approve the lists of candidates for the posts of Head of EU Delegations to countries in America, Africa, Asia, Europe and the Middle East (at grades AD9-14/AD12, AD13-14/AD13 or AD14-15/AD14), and the list of candidates for the post of EU Ambassador to the Association of Southeast Asian Nations (at grade AD9-14/AD12), set out in PERS(2015) 32, PERS(2015) 33, PERS(2015) 35, PERS(2015) 36, PERS(2015) 37 and PERS(2015) 34. These lists would serve as a basis for the competent authority of the European External Action Service to make the final appointments.

These decisions would take effect immediately.

6. OTHER BUSINESS

ECONOMIC SITUATION IN GREECE

The Commission took stock of the latest developments in the economic situation in Greece and of the ongoing negotiations between that country and European leaders.

7. INTERINSTITUTIONAL RELATIONS (RCC(2015) 27)

The Commission took note of the record of the meeting of the Interinstitutional Relations Group (IRG) held on Friday 20 March (RCC(2015) 27).

It paid particular attention to the following points.

7.1. LEGISLATIVE MATTERS

i) Council dossiers

(point 3.3 of the IRG record)

– Insurance mediation (Directive – recast) – LANGEN report – 2012/0175 (COD)

The Commission approved the line set out in SI(2015) 100.

– Amendment of Regulation (EU) 1304/2013 of the European Parliament and the Council on the European Social Fund, as regards an increase of the initial pre-financing amount paid to operational programmes supported by the Youth Employment Initiative (Regulation) – MORIN-CHARTIER report – 2015/0026 (COD)

The Commission approved the line set out in SI(2015) 101.

– Consular protection for citizens of the Union abroad (Council Directive) – BAUER report – 2011/0432 (CNS)

The Commission approved the line set out in SI(2015) 108.

7.2. RELATIONS WITH THE EUROPEAN COUNCIL AND THE COUNCIL

ii) Programming of Council business
(SI(2015) 113)

The Commission took note of the information in SI(2015) 113 on the Council meetings between 26 March and 8 April.

iii) Outcome of the spring European Council meeting (Brussels, 19 and 20 March)
(SI(2015) 112)

The PRESIDENT gave a brief presentation of the outcome of the European Council meeting of 19 and 20 March, held in Brussels. He considered the outcome to be positive from the Commission's point of view.

Without reviewing all of the items on the agenda, the PRESIDENT highlighted in particular that the Commission's proposal for an Energy Union had been agreed unanimously and emphatically by the Heads of State and Government. He also thanked Mr ŠEFČOVIČ and Mr ARIAS CAÑETE for the excellent work carried out and for the quality of the proposals submitted to the European Council, which had been very well received by the European leaders. Beyond this ambitious project, the PRESIDENT was pleased to note that the European leaders considered the Commission to be acting well within its remit when it took policy initiatives.

The PRESIDENT then mentioned the discussions held as part of the European semester and referred to the three parts of the package addressed to the European Council, i.e. an overall communication analysing Member States' economic performance, 27 country reports and one euro-zone report, and the Commission decisions under the Stability and Growth Pact or the macroeconomic imbalance procedure. On this point, the PRESIDENT favoured a change of method as regards the country reports presented by the Commission as staff working documents and proposed that next year the

Commission Members responsible, Mr DOMBROVSKIS and Mr MOSCOVICI, visit the Member States before the documents were drawn up in order to discuss them with all the stakeholders, including national parliaments and social partners.

The Commission took note of this information.

iv) Non-legislative dossiers
(point 4.1 of the IRG record)

– Signing, on behalf of the European Community, of the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and Bosnia and Herzegovina, of the other part (Council Decision) / Conclusion of the Stabilisation and Association Agreement between the European Communities and their Member States, of the one part, and Bosnia and Herzegovina, of the other part (Decision) – 2008/0073 (AVC)

The Commission approved the line set out in SI(2015) 102/2.

– Observer status for the European Union at the international centre of Synchrotron-light for Experimental Science and Applications in the Middle East (SESAME).

The Commission took note of the information in SI(2015) 103.

– Signing, on behalf of the European Union, of the Marrakesh Treaty to Facilitate Access to Published Works for Persons who are Blind, Visually Impaired, or Otherwise Print Disabled / Conclusion, on behalf of the European Union, of the Marrakesh Treaty to Facilitate Access to Published Works for Persons who are Blind, Visually Impaired, or Otherwise Print Disabled (Council Decisions) – 2013/0444 (NLE) / 2014/0297 (NLE)

The Commission approved the line and statement set out in SI(2015) 111/2.

7.3. RELATIONS WITH PARLIAMENT

v) Action taken on legislative opinions and non-legislative resolutions adopted by Parliament at its February I and II part-sessions
(point 5.6.2 of the IRG record)

The Commission approved document SP(2015) 173 on the action taken on the legislative opinions and non-legislative resolutions adopted by Parliament at its February I and II part-sessions, for transmission to Parliament.

8. POLICY DEBATE ON THE DIGITAL SINGLE MARKET (SEC(2015) 163; RCC(2015) 29)

Mr ANSIP opened the policy debate by pointing out that 315 million people used the internet every day in Europe, meaning that a digital single market had the potential to generate extra growth worth approximately €340 billion and create hundreds of thousands of jobs in a dynamic knowledge-based society. Yet at the moment this potential could not be exploited because, rather than being a single market, the digital market was currently fragmented into national markets, with the result that only 4% of European internet traffic was cross-border.

He set out the main features of the strategy being presented to the College, which rested on three pillars: (i) ensuring better access for European consumers and businesses to digital goods and services, (ii) creating the right environment for digital networks and services to flourish in Europe, and (iii) promoting a European digital economy and society with strong long-term growth potential.

In the case of the first pillar of this strategy, namely developing cross-border access for consumers and businesses to digital goods and services, the aim was to draw up an initial list of measures to remove the immediate obstacles to the working of the single market. By way of example he cited the fact that only 7% of small and medium-sized enterprises (SMEs) engaged in cross-border trade, adding that, if the rules were simpler, 57% of businesses would offer their products in other Member States. In view of this, he believed it was necessary to harmonise EU rules on online purchases of digital content and online sales of tangible goods.

He also pointed to the excessive costs of parcel delivery, perceived as a problem by 85% of consumers and six out of ten businesses that did not currently engage in e-commerce. He explained in this connection that the proposed measures were essentially intended to make prices more transparent, rather than regulate them.

Geo-blocking was, in his view, another fundamental problem that needed to be tackled, given its impact on the management of copyright, but also the discriminatory commercial practices to which it gave rise through IP tracking. Such practices damaged cross-border trade and undermined confidence in e-commerce. To remedy this, geo-blocking would have to be abolished where there was no justification for it, by introducing targeted amendments to the e-commerce Directive and by applying existing rules more strictly.

On the subject of VAT, Mr ANSIP noted that the variety and complexity of the rules in place cost the EU economy about €80 billion and were a problem for 54% of companies that would like to trade online. He therefore recommended extending the one-stop shop for VAT to all online sales, setting a VAT threshold for small enterprises, introducing a single audit of cross-border businesses for VAT purposes and removing the VAT exemption for consignments imported from third countries.

As regards copyright, there was no internal market for online content and the current rules were out of date, though copyright was essential to creativity. There was dissatisfaction among consumers who were unable to access online content from another Member State and among businesses that could not trade beyond their own national borders, 39% of whom cited copyright as an obstacle. He therefore advocated a balanced reform of the legislation to allow full portability of legally acquired content, cross-border access to paid content, text and data mining for commercial and non-commercial purposes and measures to improve enforcement of copyright to combat piracy.

Mr ANSIP then turned to the second pillar of the proposed strategy – the creation of an environment conducive to the development of digital technologies, networks and services – and pointed to the problem of the major role played by online platforms in controlling access. However, there was still no clear picture of the scale of the problems to be tackled, and further analysis was needed before specific measures were proposed. He suggested launching a consultation exercise focusing on transparency, legal liability and ways of creating a level playing field.

As regards radio spectrum, the main priority in his view was coordination between Member States, which was a pre-requisite for full deployment of 4G technology in the Union. At the moment, 25% of European citizens enjoyed access to this technology, compared with 90% in the United States. Without better use of spectrum, Europe would be unable to develop the multiple applications which 4G technology made possible in many fields. He therefore called for a reform of EU telecoms rules that would focus on spectrum, tackling fragmentation between the Member States and providing for universal broadband coverage, fair competition and incentives to attract investment in high-speed broadband networks.

Mr ANSIP wound up his presentation by summarising the long-term measures envisaged – the third pillar of the strategy – to promote a digital economy and society. He pointed out that manufacturing was one of the cornerstones of the European economy, accounting for 2 million companies, 33 million jobs, a quarter of all EU added value and 60% of productivity growth. Yet the use of advanced digital technologies was very low, with only 2% of EU businesses making full use of such technology and 41% not using it at all. The digitisation of all industrial sectors would also depend on the standards introduced and the interoperability of the different systems. In the longer term, it was necessary to ensure interoperability in the areas of transport, health and manufacturing. In his view, this would require EU action to focus more on rapid standard-setting in areas such as the Internet of

Things, cybersecurity, cloud computing and data processing.

He also pointed out that the big data sector was growing at a rate of 200% per annum and that its revenues had increased from €3 billion in 2010 to €16 billion this year. However, he regretted that only 30% of European companies were ready to use big data, while 50% were not ready at all. This finding applied even more to SMEs, of which only 6% had adopted technologies using big data.

Whereas the Union to date had focused on data protection, he now felt that it was necessary to look more closely at the use of data as a resource, which would require measures concerning the ownership, free movement and portability of data.

Lastly, Mr ANSIP referred to another long-term objective, the promotion of an inclusive e-society and the development of electronic skills and solutions. To achieve this, he was proposing mandatory European interoperability for public services in the Union, putting the 'once-only' principle into practice so that businesses provided certain information only once to public administrations, faster transition towards the systematic use of electronic procurement procedures, and the development with the Member States of a skills mainstreaming strategy, in particular in the digital field.

He concluded by inviting the other Members of the Commission to give their views on the approach proposed to end the fragmentation of the digital market in the Union by launching a first set of targeted measures over the next two years.

Mr OETTINGER, for his part, stressed the need for better protection of copyright, and hence of creative output, which had been harmed by easy access to online content without the relevant rules always being complied with. In establishing the digital single market, he called on the Commission to take into account the interests of the public, but also of the other stakeholders, namely authors and intermediaries such as publishers, in order to ensure that creativity was duly rewarded.

Although the United States was advocating net neutrality, agreement should first be reached on a common definition of the term and it should be adjusted to take account of internet use for services of general interest. He was surprised by the criticisms that Europe was protectionist, when the United States enjoyed a dominant position.

Referring to a recent study on internet applications in car manufacturing, Mr OETTINGER pointed out that the applications were becoming increasingly widespread in all sectors of the economy and that it was a question of enabling Europe to compete on a level playing field with its main competitors, China and the United States.

He took the view that, in the future, SMEs would be more dependent on the digital revolution but that they were far less prepared for this transition than large companies. A digital single market could not exist without the support of an infrastructure whose weaknesses should be overcome as soon as possible, in particular by the development of high-speed internet and better use of radio spectrum.

He also felt that the creation of a digital single market had to guarantee equal opportunities and fair competition on the internet between the main telecoms operators and search engines. There was also a need to address the protection of personal data by global platforms such as Facebook and Google.

Lastly, there were considerable needs for skills in the field of digital communication, estimated at 150 000 specialists per year, which the Union's future digital strategy would have to tackle.

In conclusion, Mr OETTINGER explained that the creation of a digital single market would require all the different and sometimes opposing interests to be taken into account, possibly by providing for exemptions in certain specific cases.

Mr MOSCOVICI also took the view that tomorrow's growth would increasingly rely on productivity gains and that the digital economy was one of the most promising economic sectors from this perspective. He therefore supported the priority granted to it by the Commission and shared the analysis by Mr ANSIP and Mr OETTINGER.

With regard to taxation, which was his remit, he had suggested including proposals on the simplification and harmonisation of the rules governing the application of VAT to e-commerce, measures which would have rapid and tangible results for businesses and consumers. He set out the strategic aspects.

First, in order to promote a genuine internal digital market, it was necessary to improve the position of all the players in that market, i.e. producers, distributors and consumers. Second, in relation to copyright, which was an asset for a creative Europe and not an obstacle for consumers, it was advisable for the Union to enable as many people as possible to have access to a broad and diverse range of goods and services, but it should also move forward carefully, bearing in mind that films, music and applications were governed by complex and different business models that were subject to continuous and rapid change. Although production and distribution should enable consumers to enjoy the benefits of digital products more widely, at the same time he underlined the political risk for the Commission of being perceived as attacking creators. Third and last, he was in favour of an ambitious approach in relation to platforms, which influenced the operation of the market by controlling content and reducing the offer available to consumers, although he acknowledged the wide range of activities of these platforms and the need to promote innovation.

Ms JOUROVÁ referred to the importance of finalising the reform of the data protection provisions and to the need to develop new rules for e-commerce.

Considerable progress on data protection had been made at the Justice and Home Affairs Council of 12 and 13 March, in particular as regards the setting up of a one-stop shop and the processing of sensitive personal data. An agreement between

Member States on provisions on data protection throughout the EU – a prerequisite for the creation of a digital single market – could well be reached at the June Council and adopted at the end of the year.

Simple, common rules needed to be drawn up to encourage the growth of cross-border e-commerce, which currently accounted for only 15% of online purchases. The fragmentation of contract law was one of the main obstacles to its development and to the adequate protection of consumer rights.

To unlock the development potential of e-commerce in the EU, Ms JOUROVÁ was in favour of legislative measures covering the purchase of online content and facilitating targeted harmonisation by product, e.g. e-book, video and music, and the purchase of tangible goods. Some of the key elements of contract law needed to be harmonised in order to guarantee consumer protection in particular.

The Commission should take account of consumer interests when considering issues to do with parcel delivery, geo-blocking, content portability, misleading marketing practices and the excessive power of certain online platforms. More generally, Ms JOUROVÁ highlighted the importance of digital skills development and optimisation of the sector's job-creation potential, as well as the need to make sure that future rules did not form new obstacles to the digital sector's development.

In the ensuing discussion the Commission referred to the following in particular:

On the general points made

- broad support for the need for an ambitious, determined, forward-looking approach in order to seize the growth and employment opportunities resulting from a genuine digital single market; emphasis on the tangible advantages that could ensue for EU consumers and undertakings, and the balance to be struck between the different interests involved in this major initiative;

- the need to first identify a limited number of priority areas in which the EU could bring genuine added value; the simultaneous need to link up the measures to follow in the medium or longer term;

- the central role that should be accorded to European citizens in the digital transition and the importance of encouraging their active participation; the need for appropriate training methods to maximise the transformational, unifying capacity of this transition;

- the wish to see the EU play a key role in digital transition on the international stage; the desirability of an approach based on market liberalisation and harmonisation at European level in order to provide greater legal certainty for both consumers and undertakings, and a level playing field allowing greater long-term participation by the private sector; the need to take account of the EU's linguistic diversity in this context;

- given the speed of development and innovation in the digital sector, the importance of basing the future European framework on tools flexible enough to ensure its dynamic adaptation; highlighting of the relative advantages of standardisation or legislation; the suggestion that there first be a review of the current EU digital legislative framework, with the aim of achieving better lawmaking;

- the future digital single market's direct synergies with the Commission's other policy priorities, in particular the Investment Plan for Europe and the energy union, the future European security agenda and the diversification of the European economy's sources of financing;

On the aim of ensuring better access by European consumers and undertakings to digital goods and services (Pillar I)

- confirmation of the aim of achieving a streamlined, harmonised framework of rules applicable to e-commerce throughout the EU and a common basis as regards consumer rights; to that end, the need to strengthen consumer and business confidence, in particular by improving cybersecurity; the suggestion that a sectoral inquiry be conducted among European authorities and traders and an analysis made of factors encouraging the growth of e-commerce;

- as regards parcel delivery from one Member State to another, support for an approach geared primarily towards greater price transparency, but also towards better monitoring by national regulators of cost components applied in respect of cross-border deliveries; the need, nevertheless, to send out a clear message now to the operators concerned, and reference to the work in progress; the issues involved in such an approach, especially for the logistics sector and the jobs it provided;

- as regards copyright on online purchases, support for full portability in all EU Member States of legally acquired digital content; the need to bear in mind the merits of the copyright regime, which is designed to enhance the value of cultural and creative goods and services, a sector accounting for 4.4% of the EU's GDP and representing 8.5 million jobs; the specific nature of certain goods and services in this sector and support for a tailored approach, particularly in the light of the diversity of Europe's cultural offer, unparalleled anywhere else in the world; the option of taking a more uniform approach as regards other goods and services in this sector; the need, in any event, to provide for exceptions for text and data mining, whether in the context of research for commercial or non-commercial purposes;

- as regards the geo-blocking of broadcasts, confirmation that the practice had no place in the EU internal market, except in certain specific cases, for example when the legislation in force differed between Member States; hence the proposed approach, which consisted in launching a public consultation process;

- with regard to taxation, some questions as to whether these issues should be tackled as part of the digital single market strategy or in a broader context;

whether to tie the issue in with the consideration currently being given to a VAT system at European level, the fight against tax fraud, and the work done at international level on tax-base erosion at the Organisation for Economic Co-operation and Development (OECD) and the G20;

On the objective of creating favourable conditions for the rapid expansion of digital networks and services in Europe (Pillar II)

– as regards the role of online platforms, the need for detailed analysis of this complex subject in order to assess the situation and the consequences for consumers, small and medium-sized enterprises and the cultural and creative sector in particular; mention of a number of ongoing investigations from the perspective of the application of the EU competition rules; despite the diversity among existing platforms, the possibility of considering a number of measures, such as more transparency in the criteria used by search engines to determine the results they present;

– as regards examining the European telecommunications rules, a commitment to do everything possible to put an end to the fragmentation that still characterised the sector, which was the cornerstone of a digital single market; a call for more efficient resources to finally meet the objective of widespread access to broadband and to end the continuing wide digital divide between urban and rural areas;

On the objective of promoting a digital economy and society (Pillar III)

– the importance of fully exploiting the potential of e-governance for an inclusive e-society and the advantages of greater interoperability between European public services; the suggestion, consequently, to draw on examples of good practice already implemented in some Member States; the importance of confirming the commitment to involve the social partners;

- as regards the objective of boosting IT skills in the EU, in particular through the training of specialists, the call to incorporate these skills into the core skills acquired by everyone; the significance of such skills for the employability of Europeans, but also for the competitiveness of the EU as a whole;

- the need to ensure that the Member States made the best use of the funding provided under the EU structural funds for the creation of the digital economy; the suggestion to offer the Member States greater support in order to ensure a higher absorption rate during the current programming period and the possibility of pooling with other resources available in the general budget of the EU to encourage smart investment of these resources.

Mr ANSIP thanked the Members of the Commission for their contributions to the policy debate and for their support for the initiative, which constituted one of the ten major policy priorities for the term of office. The citizens had high expectations of the digital single market, the development potential of which must be fully exploited, whether in terms of economic growth, knowledge development or job creation. Moreover, it was important to ensure that the development of this future single digital market benefited all the sector's stakeholders.

Addressing some more specific points, he said that he would take up the commitment to eliminate the discrimination constituted by geo-blocking when it was not justified. In the field of taxation, the adoption of measures should be limited to the establishment of a one-stop shop and common VAT thresholds. E-books would not be covered by the single digital market and would enjoy exemptions under the tax measures that would be proposed. However, the tax exemption for small parcels, which resulted in a loss of almost €500 million in tax revenues for the Member States, should be eliminated together with the exemption for small parcels coming from third countries. The Commission wanted to encourage greater transparency in parcel delivery prices.

Mr OETTINGER, too, thanked the Members of the Commission for their general support for the suggested approach, which would shortly be translated into proposals. It was necessary to win the support of the Member States for the strategy to be proposed, and the ministers for telecommunications should be called on to use their influence with their governments to ensure that it was made a priority and to facilitate swift adoption of the Commission's proposals.

A strategy with an adoption and implementation process taking several years risked producing no result; it could rapidly be rendered obsolete by the technological developments likely to occur during such a period. The Commission should therefore deploy all its political and procedural resources to allow fast-track adoption by the co-legislators of the measures it proposed.

Mr TIMMERMANS closed the policy debate by thanking everyone for their participation and stressing that, on the basis of the debate, a complex process would now start, to which the Commission would soon return.

The Commission took note of the results of this debate and of the note distributed under the authority of Mr ANSIP as SEC(2015) 163.

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The Commission's other discussions on certain agenda items are recorded in the special minutes.

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The meeting closed at 13.10