

Mr Charlie McCreevy  
Commissioner for the Internal Market and  
Services  
European Commission  
Rue de la Loi, 200  
1049 Brussels

27 June 2006

THE SECRETARY GENERAL

**Subject: UNICE's response to the Commission's consultation on the future Internal Market Policy**

Dear Commissioner,

I am pleased to send you at annex for your information the UNICE response to the Commission's consultation on the future Internal Market Policy.

The Internal Market is a cornerstone of Europe's prosperity and one of its greatest achievements, based on the four freedoms of movement – for goods, services, people and capital. A well-functioning and dynamic Internal Market is vital for companies' competitiveness. It is also one of the main elements of the EU growth and jobs strategy and a key instrument in the general debate on Europe and its citizens.

UNICE, the Confederation of European Business, strongly believes that more action is needed. The Internal Market remains incomplete and insufficiently well-known and understood regarding its opportunities, particularly for SMEs. This needs the European institutions and Member States to step up its completion and awareness about it. The business community is also deeply concerned about the internal threats coming from increasing national protectionism.

European companies consider that the internal market of the future should focus on the following key concepts:

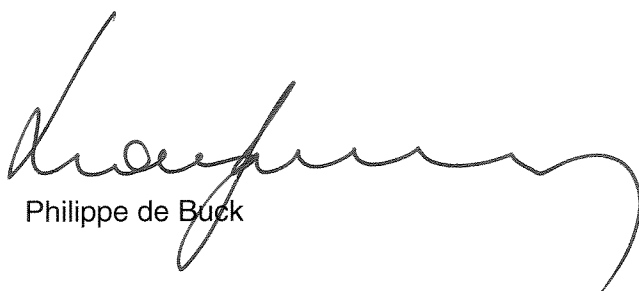
- **Completion**, because the integration of European markets has lost momentum. This requires achieving efficient European network industries, applying the mutual recognition principle for all relevant markets and moving towards a truly Internal Market for services including financial services. New impetus also needs to be given to the creation of an open European energy market.
- **Enforcement** of existing rules and a stronger focus on Member States' responsibility. This is particularly important with respect to the public procurement legal framework. Greater cooperation between national administrations and regulators is also required to ensure effective and consistent market surveillance.

- **Efficiency**, through the limitation of harmonisation to essential requirements, an ambitious and broad programme on better regulation avoiding fragmentation of the Internal Market, and a stronger emphasis on international competitiveness.
- **Awareness**, because Internal Market achievements pass largely unnoticed by the public. Stronger political commitment from the European Institutions and the Member States to raise attention and understanding on the Internal Market is necessary. It can and should rightly be presented as a strong link between citizens and Europe and as a major priority in a strategy for the future of Europe.

UNICE strongly believes that the above priorities have to be actively pursued if the European internal market is to respond to the challenges of the current times, namely globalisation, ageing population and slow-growing economies.

In the light of the importance of this debate, myself and Mr Jesús Banegas, Chairman of the UNICE's Internal Market Policy Committee, would be happy to discuss these views in a meeting at a time which suits you.

Yours sincerely,



Philippe de Buck

Encl. 1