



## Integrate the European market

“A stronger and properly-enforced Single Market to foster growth and jobs and face challenges”

### BACKGROUND

The Single Market built on the four fundamental freedoms ensuring free movement of persons, goods, services and capital is a cornerstone of Europe’s well-being. It has brought many benefits for citizens and companies in competitiveness, growth, jobs, choice, safety or mobility. But it operates in a challenging environment marked by globalisation, technological progress, the risk of national protectionism as well as climate, energy and societal challenges.

The Single Market needs adjustments to respond to those challenges and help the recovery of the European economy. Priority should be given to removing remaining barriers hampering the four freedoms, implementing the better regulation agenda and improving enforcement, namely through efficient market surveillance, better cooperation between national authorities and effective problem-solving and information systems. The importance of other Single Market-relevant policies also deserves attention, particularly competition matters and removing tax obstacles to cross-border activities.

The Commission’s Single Market framework policy and its focus on enforcement provides the right basis for reinvigoration of the Single Market but needs a stronger commitment from and partnership with Member States, and closer dialogue with representative stakeholders.

## Completion

The Single Market must be further integrated and existing barriers removed. Priority should be placed on strategic sectors: energy, transport, telecommunications, financial services and public procurement. Member States must transpose the services directive correctly and on time and ensure that it creates benefits for service providers and users. The mutual evaluation process envisaged in 2010 and information towards SMEs will be crucial to assess the benefits of this directive. The new legislative package for goods must be fully and swiftly implemented. Labour markets too should be more efficient. Lifting restrictions on entry of citizens from the new Member States while taking account of the situation of the different labour markets and modernisation of existing EU rules on social security schemes are crucial to achieving this objective.

## Enforcement

The EC Treaty's principles and secondary legislation must be effectively enforced. It implies practical application, compliance checks and adequate sanction for non-conformity with Single Market rules and principles.

Enforcement problems represent direct costs for the European economy. The costs of redundant product conformity assessment in several countries are estimated to range from 2% to 15% of enterprises' entire annual turnover. It also undermines citizens and companies' perception of Europe. Member States in particular must step up their efforts and implement swiftly the Commission's recommendations to ensure good enforcement. Correct application of the mutual recognition principle and a common framework for accreditation and market surveillance are necessary for the well-functioning of the Single Market. Administrative procedures and formalities for free circulation of goods and services should be simplified. National authorities should cooperate more efficiently and receive better training on European affairs. More accessible Single Market information and problem-solving systems should be also made available.






## Efficiency

Elaboration of new rules must be improved through systematic stakeholder consultation, impact assessment, transposition assistance and implementation checks. Reduction of administrative costs resulting from national screening and linked to quantified goals should be pursued at all times. New initiatives in areas such as consumer policy or competition affecting the Single Market should respect its basic principles and ensure coherence. A better positioning of the Single Market in the global context should be also sought through an efficient customs policy, promotion of EU standards as the basis for international standards and regulatory convergence dialogue on strategic areas.

## Awareness

Citizens and companies, especially SMEs, are often unaware about their rights and advantages created by the Single Market. Only a well-informed and interested user can reap the benefits of the EU Market fully. The Single Market should be communicated as a strong link between citizens, companies and Europe, and as a major priority in a communication strategy for the future of Europe at both national and EU levels.

## Sub-priorities:

-  Ensure effective implementation of Single Market rules
-  Invest in efficient European network industries
-  Remove all hurdles to movement of workers, goods, services and capital
-  Implement the services directive which will effectively foster growth and jobs
-  Take advantage of the opportunities of an enlarged European Union