Single market governance within the European semester 2015

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The Committee on the Internal Market and Consumer Protection adopted the own-initiative report by Ildikó GÁLL-PELCZ (EPP, HU) on Single Market governance within the European Semester 2015. Noting the Commission communication of 28 November 2014 entitled ‘Annual Growth Survey 2015’, the report stressed the need to **put a stronger focus on the Single Market in the context of the European Semester** in order to better exploit its growth and employment potential and place its enhancement at the heart of the European industrial strategy.

The Single Market pillar of the European Semester: Members stressed the need to use the Single Market as the **third pillar of the European Semester** in order to cover a clear set of priorities related to the real economy. They called on the Commission to **improve governance of the Single Market** by developing a set of analytical tools to more properly measure the economic and regulatory performance of the Single Market within the framework of the Single Market pillar of the European Semester.

The Commission was asked to:

- present, as early as possible in 2015, **a report on the state of Single Market Integration** and a mandatory report every year aimed at monitoring the functioning of the Single Market within the European semester process;
- identify policy priorities in the context of the Annual Growth Survey which would contribute to unlocking the Single Market’s full growth potential, and to removing the remaining obstacles to further integration;
- introduce a methodology for **quantitative targets for the reduction of administrative burdens** at European level.

The report emphasised that the procedures should provide for **appropriate involvement of the European Parliament** in the economic governance cycle.

Untapped potential of the Single Market in key growth areas: Member States were asked actively to support the Investment Plan and to contribute to the European Fund for Strategic Investment, supplementing the amounts provided through the EU budget and by the EIB, in order to guide and encourage investment by the private sector.

Member States, the Commission the regions and all the relevant stakeholders were asked to:

- focus on the **real economy** in designing and developing investment policies which will attract private investment in return;
- improve the **regulatory framework for SMEs**, given its job creation capacity;
- **link investment with innovation and entrepreneurship**, maximising the opportunities offered by the digital economy and society and developing a smart European industrial policy;

- reignite the **entrepreneurial spirit** in Europe;

- **gear their economies towards innovation and growth**, since this will prepare us for the tasks and demands of the future in the digital age.

The Communication on Better Governance for the Single Market and the study of September 2014 entitled ‘The Cost of Non-Europe in the Single Market’ commissioned by the IMCO Committee, set out **the key growth areas for improving the functioning and deepening of the Single Market**, these being: (i) free movement of goods, (ii) services, (iii) public procurement and concessions, (iv) the digital single market, (v) the body of consumer law (consumer acquis), and (vi) energy and (vii) transport.

Members considered that these were still priority areas and that the efforts of coordination should be re-launched.

Instruments for the assessment of Single Market integration and governance tools: the report stressed the importance of improving dialogue with and between Member States in order to identify and address the complexities they were experiencing in implementing Single Market legislation.

The Commission was asked to consider including in the body of its proposals for legal instruments in the Single Market area the obligation to **carry out a systematic review of transposition**, compliance, effectiveness and fitness for purpose of the legal instruments, including a methodology and criteria for such a review.

Noting that **proper implementation and enforcement of EU legislation was crucial** for the completion of the Single Market. Members called on the Commission to make determined use of all its powers to reach this goal, and urged Member States and the Commission to step up their efforts to enforce Single Market legislation and to monitor this enforcement.