Towards improved single market regulation

2015/2089(INI) - 01/10/2015 - Committee report tabled for plenary, single reading

The Committee on the Internal Market and Consumer Protection adopted an own-initiative report by Anneleen VAN BOSSUYT (ECR, BE), entitled "Towards improved single market regulation".

The single market, a key tool for reigniting economic growth and job creation in the Union: Members consider that improving single market regulation should be both a **priority and a shared responsibility** of the EU institutions.

The report however emphasises that improving single market regulation does **not mean removing all regulation or diminishing the level of ambition of regulation**, for instance in terms of environmental protection, safety, security, consumer protection and social standards. It rather means removing unnecessary regulation, bureaucracy and negative impacts while achieving policy objectives and delivering a competitive regulatory environment that supports employment and enterprise within Europe.

From this perspective, Members made the following general observations:

- **"better regulation"** should be seen in the context of the whole policy cycle, whereby all elements contribute to efficient and effective regulation;;
- the principle of **subsidiarity** must represent the starting point for policy formulation, so as to underline "European added value" in the governance of the single market; the principle of **proportionality** is reflected in the drafting of the relevant legislation;
- **simplification** should be an ongoing process, as efforts in these areas are of benefit to consumers and SMEs;
- single market regulation should take into account the new opportunities afforded by the **digital revolution**;
- the Commission should strengthen the role of the single market as a separate pillar of the **European Semester** process.

Tools to improve single market regulation:

- *Impact assessment*: Members view effective impact assessments as an important tool for informing policymakers about how best to design regulation to achieve these EU objectives, that is, to promote competitiveness, innovation, growth and job creation. They considered it regrettable that around 40 % of draft impact assessments examined by the Commission Impact Assessment Board from 2010 to 2014 were considered to be of insufficient quality and were sent back for improvements.

In order to be effective tools, impact assessments should:

- be prepared on the basis of comprehensive, objective and complete information and evidence, and should include all options which have a significant impact or are politically important;
- be conducted in such a way as to also take account of ex-post assessments of existing legislation in the same sector;
- take account of scientific advice;
- give consideration to consistency between a new legislative initiative and the other policies and general objectives of the European Union
- take into account the pace of digital innovation and evolution and the need for legislation to be technology-neutral and as future-proof as possible.

Members stressed the need for REFIT proposals to be more targeted, with potential benefits and cost savings being quantified in each proposal.

- ***Monitoring and problem-solving***: Members encouraged the Commission and Member States to:

- raise awareness of **alternative dispute resolution (ADR) and online dispute resolution (ODR)** as key tools for improving the single market for goods and services;
- develop complementarities between one-stop shops in support of dispute resolution, along the lines of **SOLVIT, ECC-Net and FIN-Net**;
- improve the services offered by the **EU Pilot** projects, which are designed to avert the need for the Commission to institute infringement proceedings against Member States;
- continue to expand the **Internal Market Information System (IMI)** to other single market tools so that it can become a central information hub;
- explore the possibility of establishing a **single point of contact for consumers** and foster understanding of consumer rights in areas such as e-commerce and the recognition of qualifications;
- consider whether an **"early warning system"** could be created that signals where problems exist in the implementation or application of EU law.

- ***Enforcement and market surveillance***: the report recommended:

- closer cooperation between single market governance tools that receive **consumer complaints** about traders breaching EU legislation and national enforcement bodies via formal procedures and improved data sharing;
- **launching timely and faster infringement proceedings** where evidence exists to demonstrate a failure in implementation and where reasonable efforts to solve problems through tools such as mediation have failed;
- using market surveillance tools in conjunction with single market tools to strengthen the enforcement of EU law.

Members considered it regrettable that **Parliament's access to relevant information** relating to pre-infringement and infringement proceedings is limited, and called for improved transparency in this area, with due respect for confidentiality rules.

Parliament should fulfil its role in the enforcement of EU legislation, inter alia by reviewing the implementation of legislation and exercising scrutiny of the Commission, in particular through an engagement on the part of Parliament with annual reporting by the Commission.

- ***Ex-post evaluation and review***: Members welcomed the regular review period and the introduction of sectoral analysis under the REFIT programme - the ultimate aim of which should be to improve the quality of EU legislation and simplify it - thus aligning it more effectively with the needs of citizens and undertakings, with particular reference to micro, small and medium-sized enterprises.

They considered, however, that **analysis should be improved** as to whether the legislative steps taken so far have contributed effectively to achieving their aim and are consistent with current policy goals.

Members are of the view that **sunset or enhanced review clauses** may be considered on an exceptional basis, in particular for temporary phenomena, with the institutions undertaking to keep legislation up to date and in place only where necessary.