Internal market: strategy over the next five years

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This consultative communication outlines the Commission's ideas in regard to the implementation of a strategy for the single market over the next five years. It is designed to stimulate debate within the Council, the European Parliament and other interested parties. Following consultations, the Commission will issue a definitive version of this strategy. The Commission puts forward four strategic objectives for the single market over the 2000-2004 period: - improving the quality of life of citizens, - enhancing the efficiency of the EU's product and capital markets, - improving the business environment, and - exploiting the achievements of the single market in a changing world. A series of operational objectives has also been identified with a view to their contribution to the achievement of the strategic objectives. 1) Improving citizens' quality of life: the internal market brings substantial benefits to citizens in terms of sustainable jobs, consumer choice and the freedom to live, work and travel in other Member States. The Commission proposes that the EU should: - ensure sustainable development through further integration of single market and environment policies, - promote the interests of consumers, notably by ensuring a high level of protection, market surveillance and proper enforcement of rules, - support employment and ensure coordination of social protection, - ensure that citizens are aware of their rights and can make full use of them, and - ensure that the area of freedom, security and justice within the EU becomes a tangible reality. 2) Enhancing the efficiency of EU product and capital markets: the Union needs competitive goods, services and capital. The introduction of the single currency has paved the way for important changes, while the single market acts as a stimulus to establishing the right regulatory environment for a dynamic, knowledge-based, job-creating economy. The Commission proposes that the EU should: - encourage economic reform in the interests of market efficiency, - ensure financial services deliver their full potential, - complete the agreed legislative framework, ensure a common understanding of the rules and build a shared commitment to enforcement, - eliminate existing or potential obstacles to cross-border trade and improve the application of the mutual recognition principle, - secure effective market-opening legislation in the utilities and transport sectors, whilst preserving universal service and - encourage creativity and innovation by adequately protecting industrial and intellectual property rights. 3) Improving the business environment: if action to deepen market integration is to be fully effective, the overall business environment must be favourable. The Commission proposes that the EU should: - ensure that market integration is not undermined by anti-competitive practices, - eliminate tax barriers to the Internal Market and unfair tax competition, and - create an improved and simplified legal and administrative framework which reduces the regulatory burden on business. 4) Exploiting the achievements of the Internal Market in a changing world: the increased competitiveness brought about by the Internal Market is vital to European businesses competing in global markets. At the same time, the Internal Market offers a model in building global or regional consensus on trade liberalisation. The Commission proposes that the EU should: - contribute to the shaping of the multilateral trading system for the next century, and - ensure that the Internal Market contributes to the successful enlargement of the EU.