Internal market: strategy over the next five years

1999/2167(COS) - 03/12/1999 - Document attached to the procedure

The Internal Market Scoreboard published by the Commission confirms the continued progress of transposition: 10 of the 15 Member States have a transposition deficit of less than 4% as against 2 out of 15 in November 1997. In addition, Member States have been asked to make efforts (Greece, Luxembourg, France, Portugal and Ireland) where the transposition deficit remains above the 4% threshold. The rate of infringement, however, remains high and the resolution of disputes takes too long. The Commission insists on the necessary simplification of legislation so as to improve the working of the internal market. In addition, the Commission believes that the rate of adoption of proposals should be accelerated. It states the example of the proposal on the VAT reform that has not yet been fully discussed. The scoreboard pays particular attention to progress in the implementation of the Action Plan for financial services. The main stumbling block is still the absence of solutions in a certain number of legal proposals all concerning direct or indirect reference to Gibraltar and its status. This question continues to cause conflict between Spain and Great Britain. It also seriously hinders the creation of the single market for financial services. The results of the new survey of the companies, confirm the view of a continued improvement in the working of the single market, with a rate of satisfaction from companies surveyed of 61,8 points (out of 100 points) for 1999, even if there is still significant scope for improvement of the business environment. Lastly, the Commission underlines that the internal market has already led to a certain degree of price convergence. The comparison of price levels at purchasing power parities reveals 3 groups of countries: a low level price group with Portugal, Spain, Greece and Italy; an intermediary price group with the Benelux countries, Germany, France, the United Kingdom and Ireland; and a high level price group with the countries from northern Europe and Austria. In order to improve the surveillance of price trends in the internal market, the future editions of the scoreboard shall contain an index of prices based on a basket of comparable and representative goods covering grocery articles and fast-moving consumer goods.