Impact and efficiency of the internal market

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In adopting the report by Mr. Lyndon Harrison (PES, UK) Parliament expressed its view that the European Commission should expose and name Member States which have failed to cut back home-grown legislation impeding the development of the single market, and pinpoint those Member States which have failed to transpose Community legislation into national law. It believes that - with the single market programme having created an extra 1.5% GDP, adding $130 billion to the EU's wealth in 1996 - experience has shown that completing the single market is the most efficient and effective way of creating sustainable jobs for EU citizens. However, in view of the very limited impact the single market has made on employment, Parliament calls for the single market programme to be backed by a common European employment policy. With a view to dismantling trade barriers, the report calls on the Commission to eliminate cartels, monopolies and abuses of dominant position. It emphasizes, however, that unless free trade is accompanied by other measures, such as social and environmental protection, it will not produce the desired results. The report expresses the concern that small and medium-sized firms (SMEs) have not been able to take advantage of the gains of a larger single market in the EU, have failed to participate in public projects, have been burdened by the cost of hundreds of Community directives and find it impossible to seek redress. It therefore proposes drawing up a dedicated action plan, to run beyond the current multiannual programme for SMEs from 1997 to 2000, with the aim of helping SMEs participate in and benefit from the single market, and a vademecum of compliance with single market legislation to help SMEs. It also suggests transforming the European Information centres into Redress Complaints Centres which meet the costs of bringing legal action before national courts. Parliament calls on the Commission to draft proposals for European legislation on the private pensions insurance sector in order to guarantee the proper functioning of the internal market for insurance and facilitate the free movement of workers. It believes that an efficient single market presupposes simplified taxation system in the EU which would avoid double taxation, eliminate fraud and offer incentives for investment. Such systems must be fair, cover all sources of income and ensure the responsible redistribution of wealth. As regards environmental protection, the report suggests introducing eco-taxes and calls for national rules on solvent emissions, eco-label schemes and waste management to be scrutinized. Consumer policy should also be fully integrated into EU law at its creation and application and should include labelling of goods, clear and simple redress procedures, cross-border guarantees and active consultation of consumer associations. The Commission is called on to: - speed up the adoption of legislation in key areas concerning freedom of movement and freedom of establishment for individuals, the creation of the European company, taxation of investment income, recognition of diplomas, communications networks and the transmission of information and energy; - continue its simplification exercise to remove two remaining barriers, described as the "black hole" of the single market, namely public procurement and state aid; - complete the trans-European networks in energy, transport and telecommunications.