Basic information

2010/2289(INI) INI - Own-initiative procedure	Procedure completed
Governance and partnership in the single market **Subject** 2 Internal market, single market 2.80 Cooperation between administrations	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
IMCO Internal Market and Consumer Protection	KALNIETE Sandra (PPE)	24/11/2010
	Shadow rapporteur REPO Mitro (S&D) LØKKEGAARD Morten (ALDE) RÜHLE Heide (Verts/ALE) MCCLARKIN Emma (ECR) DE JONG Dennis (GUE/NGL) SALVINI Matteo (EFD)	

Committee for opinion	Rapporteur for opinion	Appointed
INTA International Trade	The committee decided not to give an opinion.	
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
EMPL Employment and Social Affairs	CREUTZMANN Jürgen (ALDE)	25/11/2010
ENVI Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	

TRAN	Transport and Tourism	The committee decided not to give an opinion.	
REGI	Regional Development	The committee decided not to give an opinion.	09/12/2010
CULT	Culture and Education	The committee decided not to give an opinion.	
JURI	Legal Affairs	LEHNE Klaus-Heiner (PPE)	01/12/2010
LIBE	Civil Liberties, Justice and Home Affairs	The committee decided not to give an opinion.	
PETI	Petitions	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Economic and Financial Affairs ECOFIN	3062	2011-01-18
Competitiveness (Internal Market, Industry, Research and Space)	3074	2011-03-09
Competitiveness (Internal Market, Industry, Research and Space)	3057	2010-12-10

European Commission

Commission DG	Commissioner
Financial Stability, Financial Services and Capital Markets Union	BARNIER Michel

Key events

Date	Event	Reference	Summary
27/10/2010	Non-legislative basic document published	COM(2010)0608	Summary
10/12/2010	Debate in Council		Summary
16/12/2010	Committee referral announced in Parliament		
18/01/2011	Debate in Council		Summary
09/03/2011	Debate in Council		Summary
16/03/2011	Vote in committee		Summary
23/03/2011	Committee report tabled for plenary	A7-0083/2011	
06/04/2011	Decision by Parliament	T7-0144/2011	Summary
06/04/2011	Results of vote in Parliament		

06/04/2011	Debate in Parliament		
06/04/2011	End of procedure in Parliament		

Technical information	
Procedure reference	2010/2289(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Strategic initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/7/04673

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE456.686	26/01/2011	
Amendments tabled in committee		PE458.632	15/02/2011	
Committee opinion	EMPL	PE454.661	16/02/2011	
Committee opinion	JURI	PE456.618	01/03/2011	
Committee report tabled for plenary, single reading		A7-0083/2011	23/03/2011	
Text adopted by Parliament, single reading		T7-0144/2011	06/04/2011	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2010)0608	27/10/2010	Summary

Governance and partnership in the single market

2010/2289(INI) - 10/12/2010

The Council adopted conclusions on the "**Single Market** Act" (SMA), a two-year plan (2011-2012) of 50 initiatives aimed at ensuring continuous optimisation of the internal market and contributing to the successful implementation of the EU 2020 objectives on stimulating employment and economic growth.

The conclusions endorse the general approach of the SMA, according to which the single market must rest upon a strong economic and social basis with a view to building a highly competitive economy.

In particular, the conclusions will address:

- business and citizens' concerns that prevent them from taking full benefit of the advantages of the single market;

- the use of tools to develop new sources of growth in both services and industrial sectors;
- European international competitiveness and;
- the design of a new collective strategy to ensure a successful relaunch of the internal market.

The conclusions also commit the Council to continue to examine the SMA with a view to defining the priority measures that should be in place before the end of 2012, in order to facilitate access to the single market, support businesses, encourage growth and help to create jobs.

Governance and partnership in the single market

2010/2289(INI) - 27/10/2010 - Non-legislative basic document

PURPOSE: to strengthen the single market through measures to stimulate growth and strengthen citizens' rights (The Single Market Act).

BACKGROUND: the EU single market has remained the cornerstone of the European project for almost 60 years. The Commission estimates that the combined effect of internal market integration, in particular through the liberalisation of network industries, and enlargement has been to create 2.75 million additional jobs and growth of 1.85% in the period 1992–2009.

However, **the single market can offer even more growth and jobs**. Full use has yet to be made of its potential. For example, cross-border procurement accounted for only around 1.5% of all public contracts awarded in 2009. Despite the significant progress achieved in the single market for services, cross-border services account for only 5% of the EU's GDP, compared with 17% for manufactured goods traded within the single market. The Commission estimates that completing, deepening and making full use of the single market would potentially produce growth of about 4% of GDP over the next ten years.

The President of the Commission, Mr Barroso, asked Mario Monti to submit a **report on the relaunch of the single market**. His report therefore proposes "a new strategy to safeguard the single market from the risk of economic nationalism, to extend it into new areas key for Europe's growth and to build an adequate degree of consensus around it." In its 2010 resolution, the European Parliament stressed that 'single market integration is not an irreversible process, and the continued existence of the single market should not be taken for granted'.

This observation is already a reason for more ambitious single market policies to promote **'a highly competitive social market policy'** by placing Europeans at the heart of the market once again and proposing a new global approach to the single market that embraces all of the players in the market (consumers, businesses and workers, etc).

This is the very essence of this **Act**, which the Commission is now putting forward for public discussion. After this discussion, the Commission will invite the other Institutions to give their formal agreement to the final version of the Act.

This Act is being adopted at the same time as the EU Citizenship Report 2010.

CONTENT: this Act puts forward **50 proposals** with a view to **c**ompleting, deepening and making full use of the single market.

1. Strong, sustainable and equitable growth for business: there are 20 million businesses in the EU, providing 175 million jobs and supplying the EU's 500 million consumers and many more worldwide with goods and services. A key factor in the competitiveness of these businesses is the single market. Its role is to provide an environment that is conducive to developing, buying, selling and investing freely throughout Europe and beyond. Small and medium-sized enterprises offer the highest potential for employment and are therefore worthy of special attention in the single market, as well as targeted measures to reflect their concerns. The priorities are as follows:

- **Promoting and protecting creativity**: to improve the way in which they face international competition, our businesses, inventors and creators must be able to develop within a single market that is as conducive as possible to innovation and creativity. They must also have access to effective protection, in particular against counterfeiting and piracy. The European Parliament and the Council should take the necessary steps to adopt the proposals for the **EU patent**, its languages and the unified patent litigation system. The aim is for the first EU patents to be issued in 2014. In 2011 the Commission will submit a proposal for a framework Directive on the management of copyrights, a Directive on orphan works. In 2010 the Commission will propose an action plan against counterfeiting and piracy, including both legislative and non-legislative measures.
- **Promoting new approaches towards sustainable development**: the Single Market Act should be used as a tool for grasping these opportunities. Initiatives to create a more effective system of standards, a more consistent approach to energy taxation throughout the market, continued development of the single markets for services and defence and development of the supply of high-quality environmental products seem particularly promising. The 'mutual evaluation' process of the **services Directive** will also be continued with the aim of further developing this sector, which is crucial to the European economy. In addition, as the Commission's 'Digital Agenda' has highlighted, it must be ensured that the potential for growth and the wide range of goods and services that the **digital market** can provide are fully exploited. Finally, what is true of the services Directive as a general legal instrument is also true of specific sectors, such as the transport services sector, which is the 'nervous system' of the single market.
- **For small and medium-sized enterprises**: the single market must in particular create a legal environment that is favourable to the creation and development of SMEs. In this respect, the matter of **access to financing** appears to be crucial. The Commission will adopt an action plan for improving SME access to capital markets in 2011. This will include measures to make investors more aware of SMEs, to develop an efficient stock exchanges network or specific regulated markets focussing on SMEs and to make listing and disclosure requirements more adapted to SMEs.

- **Funding innovation and long-term investment**:access to funding is essential for innovation and sustainable growth. Equally, businesses should be able to develop long-term strategies. Finally, it should be possible to mobilise **private savings** – where necessary in cooperation with public investments – towards massive investment in the infrastructures that are central to the success of the Europe 2020 strategy.

- **Creating a business-friendly legal and fiscal environment**: the measures proposed in this sector envisage, inter alia, a reduction of the administrative and regulatory burden, with positive consequences for growth and job creation. Very practical initiatives will therefore be taken to ensure the linking of company registers and the mutual recognition of e-identification and e-authentication in the European Union. Taxation issues are also crucial. Initiatives relating to the **corporate tax base or to VAT** will be designed to limit the administrative burden on businesses and to promote cross-border activity. Defence and security, high-technology sectors are also deserving of attention.

- **Being competitive in global markets**: the EU is the greatest exporter of goods and services in the world and one of the major recipients of foreign direct investment. Greater **convergence of international rules** will certainly benefit EU countries, particularly by reducing the costs incurred by having to adapt to rules or standards which are different from those which apply in Europe. It is also very important to ensure that EU businesses have access to external markets, and in particular public procurement, on fair terms. The Commission will consider continuing to extend single market rules, taking account of the extent of regulatory convergence and the capacity of the countries concerned to implement the relevant rules efficiently.

2. Europeans at the heart of the single market: a new objective is to use efficient markets to support the creativity and dynamism of EU businesses and, at the same time, to restore the faith of Europeans in their single market.

- **Improving public services and key infrastructure**: the EU and its Member States need to guarantee the existence of a regulatory framework that allows public services to perform their tasks and meet the needs of all citizens. The EU also needs to fulfil a new ambition in identifying and helping to quickly establish the infrastructure that is most essential to the fluidity of the single market and to the development of new services for Europeans. In particular, the Europe 2020 strategy provides for the development of infrastructures enabling high-speed internet access for all in 2013.

- **Increasing solidarity in the single market**: the Lisbon Treaty, and the affirmation of the concept of a 'highly competitive social market economy' as one of its key objectives, requires the EU to adopt a more all-embracing view of the single market. New life must be breathed into the social dialogue, making it more likely to lead to legislation 'by and for' the social partners, as explicitly provided for by the Lisbon Treaty. The freedoms afforded by a single market must benefit both the strongest and the weakest. Everyone should be able to take advantage of the opportunities afforded by the single market, including those with disabilities and the elderly. Particular attention must be paid to the access of people with visual and hearing impairments to goods and services, especially in the cultural sphere.

- **Access to employment and lifelong learning**: specific tools must be proposed to promote and facilitate the flow of skills within the single market. In 2012 the Commission will propose a legislative initiative to reform the systems for the recognition of professional qualifications, based on an evaluation of the acquis in 2011, in order to facilitate the mobility of workers and adapt training to current labour market requirements. As part of this proposal, the possibility of a professional card will be evaluated.

- **New resources for the social market economy**: the Social Business Initiative must enable the reserves of talent and financial resources already available in the Member States to be tapped into by bringing together, within the single market, management and finance professionals and entrepreneurs with socially innovative projects which stimulate growth. The second proposal on legal forms sets out initiatives for improving the legal environment within which some market economy activities are organised. Lastly, the third proposal concerning corporate governance and corporate social responsibility sets out an initiative to redefine the role of businesses in today's economy.

- **Customer service**: in 2011 the Commission will draw up a multiannual action plan for the development of European market surveillance. It will adopt a legislative initiative on access to certain basic banking services at the start of 2011. By February 2011 the Commission will propose a Directive geared towards the creation of a single integrated mortgage market with a high level of consumer protection. The Commission will adopt a Communication by the end of 2010 aimed at identifying and eliminating the tax obstacles still facing European citizens. In 2012 the Commission will adopt a proposal amending the regulation on the rights of air passengers.

All interested parties are invited to submit their views about the relaunch of the single market by 28 February 2011.

Governance and partnership in the single market

2010/2289(INI) - 09/03/2011

The Council held a debate on the Single Market Act (SMA), a two year plan (2011-2012) of 50 initiatives aimed at ensuring continuous optimisation of the internal market and contributing to the successful implementation of the Europe 2020 objectives on stimulating employment and economic growth.

The debate was preceded by a Commission presentation on the main findings of a public consultation conducted by the Commission which was completed in February 2011. In particular, delegations expressed views on the criteria to be used for choosing the area for a priority commitment by the institutions and Member States and how to define the priority actions for achieving the goals of the Europe 2020 strategy in the most effective way.

In the light of the debate, the forthcoming opinion of the European Parliament and the findings of the public consultation, the Commission is expected shortly to present a selection of initiatives that will better contribute to overcoming the economic crisis and to promoting growth and employment.

On 10 December 2010, the Council adopted conclusions on the SMA, committing Member States to define the priority measures that should be in place before the end of 2012 in order to facilitate access to the single market, support businesses, encourage growth andhelp to create jobs.

The conclusions also endorsed the general approach of the SMA, submitted by the Commission in October 2010, according to which the single market must rest upon a strong economic and social basis with a view to building a highly competitive economy.

Governance and partnership in the single market

2010/2289(INI) - 18/01/2011

The Council held an **exchange of views** on the further development of the EU's single market, in the light of a communication from the Commission, entitled "Towards a single market act for a highly competitive social market economy".

It agreed to re-examine the issue in due course.

Governance and partnership in the single market

2010/2289(INI) - 06/04/2011 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution with 595 votes to 61, with 10 abstentions, on Governance and Partnership in the Single Market, in response to the Commission Communication ‘Towards a Single Market Act for a highly competitive social market economy: 50 proposals for improving our work, business and exchanges with one another’.

Parliament welcomes with interest the Commission’s Communication especially the global approach which it proposes in order to rebalance the single market between enterprises and citizens and to improve the democracy and transparency of the decision-making process. It considers that a barrier-free and competitive single market should be completed in order to bring concrete advantages for workers, students, pensioners and citizens in general, and for businesses, particularly SMEs, in their daily lives

The Commission and the Council are urged to reinforce the holistic approach to re-launching the Single Market, **mainstreaming Single Market priorities** to all policy areas which are crucial to achieving the Single Market.

1) Strengthening political leadership and partnership: Members suggest that the President of the Commission should be given the mandate to coordinate and supervise the relaunch of the Single Market, in close cooperation with the President of the European Council and the competent authorities in the Member States. Members highlight the enhanced role of the European Parliament and the national parliaments under the Lisbon Treaty and urge that Parliament’s role in the single market legislation process be strengthened. Parliament demands that the social partners be involved and consulted in all relevant single market legislation affecting the labour market.

Members call on the Commission jointly with the Presidency to organise a **yearly Single Market Forum** involving stakeholders from the EU institutions, Member States, civil society and business organisations to assess progress in relaunching the Single Market, exchange best practices and address the top concerns of European citizens.

The Commission is invited to:

- publish a **Green Paper** on guidelines for the consultations of the EU institutions with representative associations and civil society, ensuring that these consultations are broad, interactive and add value to the proposed policies;
- launch an **information and education campaign** on the essence of the single market and the objectives set in order to increase its dynamism while incorporating the dimensions of social and regional cohesion. Members consider that the use of the new collaborative tools and approaches of Web 2.0 offers an opportunity to achieve more open, accountable, responsive and efficient governance of the Single Market.

2) Regulating the Single Market: Members take the view that initiatives by single Member States cannot be effective without **coordinated action at EU level**, and that it is thus of fundamental importance that the European Union should speak with a strong single voice and implement common actions. They express their concern that the re-emergence of economic protectionism at national level would most probably result in fragmentation of the internal market and a reduction in competitiveness, and therefore needs to be avoided.

The resolution suggests that the Commission systematises and refines the **SME test**, taking into account the diversity of their situations, to evaluate the consequences of legislative proposals on these businesses.

Believing that correlation tables contribute to better transposition and significantly facilitate enforcement of the Single Market rules, Members urge Member States to **create and make publicly available correlation tables on all Single Market legislation**. They point out that in future Parliament may not include reports on compromise texts agreed with Council on the plenary agenda if provisions on correlation tables are not provided for.

3) Administrative coordination, problem-solving mechanisms and information: Parliament supports the proposals of the Single Market Act that aim at developing further administrative cooperation between the Member States, including extending the Internal Market Information (IMI) System to other relevant legislative areas. Members consider that local and regional authorities could be involved in this process.

The Commission is called upon to come up with a **roadmap** regarding the development and interlinking of different problem-solving tools (such as SOLVIT, the EU Pilot project) to ensure efficiency and user friendliness and avoid unnecessary overlaps. Member States are called upon to develop **points of single contact** under the Services Directive into user-friendly and easily accessible e-Government centres where businesses can obtain all the necessary information in the relevant EU languages, deal with all formalities and complete the necessary steps by electronic means in order to provide services in the respective Member State.

Moreover, Members call on the Commission to submit a legislative proposal on the **use of alternative dispute resolution in the EU** by the end of 2011 and underlines the importance of its quick adoption.

4) Transposition and enforcement: the Commission is called upon to use all powers under the Treaties to **improve transposition**, application and enforcement of the rules of the Single Market.

Members believe that the infringement procedure remains a key tool to ensure the functioning of the single market, but stress that consideration should be given to additional instruments which are less time-consuming and cumbersome. The Commission is called upon to: (i) resist any political interference and immediately launch infringement procedures where pre-litigation problem-solving mechanisms fail; (ii) set a benchmark of 12 months for the maximum average time taken to process infringements, from opening the file to sending the application to the Court of Justice.

Member States are called upon to **reduce the transposition deficit of Single Market Directives** to 0.5%for outstanding legislation and 0.5% for incorrectly transposed legislation by the end of 2012.

Parliament urges the Commission to support the efforts of the public sector to adopt **innovative approaches**, exploiting new technologies and procedures and disseminating **best practices** in the public administration which will lower bureaucracy and embrace citizen-centred policies.