Basic information

2015/2256(INI) INI - Own-initiative procedure	Procedure completed
Single market governance within the European semester 2016 **Subject** 2 Internal market, single market	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
IMCO Internal Market and Consumer Protection	STIHLER Catherine (S&D)	15/07/2015
	Shadow rapporteur SZEJNFELD Adam (PPE) SULÍK Richard (ECR) GUOGA Antanas (ALDE) ZUBER Inês Cristina (GUE/NGL) DURAND Pascal (Verts/ALE)	

Committee for opinion	Rapporteur for opinion	Appointed
ITRE Industry, Research and Energy	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
General Affairs	3427	2015-11-17

European Commission

Commission DG	Commissioner
Internal Market, Industry, Entrepreneurship and SMEs	BIEŃKOWSKA Elżbieta

Key events

Date	Event	Reference	Summary
29/10/2015	Committee referral announced in Parliament		

17/11/2015	Debate in Council		
25/01/2016	Vote in committee		
01/02/2016	Committee report tabled for plenary	A8-0017/2016	Summary
24/02/2016	Debate in Parliament		
25/02/2016	Decision by Parliament	T8-0060/2016	Summary
25/02/2016	Results of vote in Parliament		
25/02/2016	End of procedure in Parliament		

Technical information	
Procedure reference	2015/2256(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	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/8/04631

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE571.647	24/11/2015	
Amendments tabled in committee		PE571.805	17/12/2015	
Committee report tabled for plenary, single reading		A8-0017/2016	01/02/2016	Summary
Text adopted by Parliament, single reading		T8-0060/2016	25/02/2016	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2016)269	22/06/2016	

Single market governance within the European semester 2016

2015/2256(INI) - 25/02/2016 - Text adopted by Parliament, single reading

The European Parliament adopted by 462 votes to 166, with 7 abstentions, a resolution on the Single Market governance within the European Semester 2016.

The Single Market and European Semester: Parliament recalled that the Single Market is one of its major achievements and stressed that it is a crucial instrument to improve growth, employment and competitiveness.

It reiterated its call for **inclusion of the Single Market pillar in the European Semester in order to** boost EU competitiveness and delivering jobs and growth. The single market pillar comprises the following elements:

- **a system for regular monitoring,** identification of the country-specific barriers to the Single Market and should provide an evaluation of single market integration and competitiveness, focused on a set of priorities: this system should comprise a robust information database, a set of quantitative and qualitative indicators aimed at measuring, inter alia, the economic effects of application of the Single Market rules, benchmarking, peer review and exchange of best practices;
- **report on single market integration and competitiveness in the EU and its Member States**: Members stressed that the single market is the backbone of Member States' economies and the European integration project as a whole. This report should feed into the specific single market section in the Annual Growth Survey, in CSRs and in regular structured Single Market compliance dialogue with the Member States;
- any review process of the European Semester must allow for proper involvement of the **European Parliament, national and regional parliaments and all relevant stakeholders**, including employer organisations and trade unions, not only to increase the ownership of the European Semester but also to increase the level of implementation of the country-specific recommendations (CSRs).

Untapped potential of the Single Market: Parliament underlined the need to carry out appropriate and fair economic and social reforms and to **tackle red tape and protectionism**, in order to improve productivity and the competitiveness of the European economy.

Members regretted that in several Member States there are **significant deficiencies as regards the implementation of the Services Directive**, covering activities representing more than 45 % of the EU's GDP and employment.

Parliament welcomed the modernisation of the Professional Qualifications Directive, proposing a **smoother system of recognition of qualifications** supporting labour mobility and welcomed the Commission's intention to consider an initiative for a **services passport** and a harmonised notification form.

The resolution insisted, inter alia, on the need to:

- remedy the inefficiencies in **public procurement** across Member States and ensure the need for proper and timely transposition and implementation of public procurement and concessions legislation by Member States;
- support transparency of public procurement in the public sector, cross-border competition and better use of public resources, including social and environmental standards;
- develop **e-administration** as a key and urgent priority;
- ensure proper application and better enforcement of the **mutual recognition principle** and for cost-efficient instruments for dispute settlement;
- eliminate the many barriers, mainly bureaucratic, which hinder the development of start-ups and SMEs domestically and internationally;
- invest in the area of **Information Communication Technology (ICT)** and demand that investment be focused on financing the real economy and that sustained measures continue to be taken to achieve that goal;
- upgrade the **European Standardisation System;**
- **modernise their public administrations** by providing more, and better accessible, digital services for citizens and businesses.

The Single Market in the 21st century: Parliament emphasised that the notion of the modern economy is rapidly changing owing to digital and technological advances, more intense international competition and changes in the behavioural patterns of economic agents and consumers. It highlighted the **blurring of lines** between products and services. Moreover, it pointed out that expenditure in intangible assets are growing in size and importance in comparison to investment in tangibles. Single market regulatory frameworks need to embrace these transformative developments.

In this regard, the Commission is called upon to take a strategic approach to enable **sharing economy businesses** to compete with traditional businesses in a fair environment

Parliament welcomed the Digital Single Market Strategy whilst stressing that accessible, affordable, efficient and high-quality parcel delivery is an essential prerequisite for a thriving cross-border e-commerce for the benefit of SMEs and consumers in particular.

Moreover, they emphasised:

- that an allocation of national and EU funds is needed in order to provide the **required infrastructure**, in particular for rural areas;
- that it is also important to support digital innovation and **improved interoperability**, and that particularly close attention should be paid to cyber security issues;
- that **private and public investments in fast and ultra-fast communication networks** are a requirement for any digital progress, and must be incentivised by a stable EU regulatory framework enabling all players to make investments, including in rural and remote areas.

The importance of successful implementation of the European Fund for Strategic Investments in order to maximise investments and support innovative companies at different funding stages of their development is stressed.

Governance of the Single Market: in order to achieve stronger single market governance and ownership at all levels, Parliament called for: (i) **a clarification of division of tasks** between those levels; (ii) frameworks providing better incentives and clear accountability for the implementation and enforcement of single market laws are needed to give new impetus to the single market.

In this regard, Members called for a **broader culture of regulatory enforcement** and for the development of human capital, inter alia on the basis of more accessible information and appropriate training to raise levels of knowledge and awareness.

Lastly, the Commission is called upon to: (i) issue an **annual report** on the single market barriers in various Member States and the EU as a whole and to issue recommendations focused on removing these barriers in the CSRs; (ii) use all available measures, including **infringement procedures**, when necessary, to ensure full implementation of single market legislation.

Single market governance within the European semester 2016

2015/2256(INI) - 01/02/2016 - Committee report tabled for plenary, single reading

The Committee on the Internal Market and Consumer Protection adopted an own-initiative report by Catherine STIHLER (S&D, UK) on the Single Market governance within the European Semester 2016.

The Single Market and European Semester: reiterating that the Single Market is one of the foundations of the EU, Members reiterated their call for **inclusion of the Single Market pillar in the European Semester in order to** boost EU competitiveness and delivering jobs and growth. The single market pillar comprises the following elements:

- **evaluation of single market integration and competitiveness, focused on a set of priorities**: this system should comprise a robust information database, a set of quantitative and qualitative indicators aimed at measuring, inter alia, the economic effects of application of the Single Market rules, benchmarking, peer review and exchange of best practices;
- **report on single market integration and competitiveness in the EU and its Member States**: Members stressed that the single market is the backbone of Member States' economies and the European integration project as a whole. This report should feed into the specific single market section in the Annual Growth Survey, in CSRs and in regular structured Single Market compliance dialogue with the Member States;
- any review process of the European Semester must allow for proper involvement of the **European Parliament, national and regional parliaments and all relevant stakeholders**, including employer organisations and trade unions, not only to increase the ownership of the European Semester but also to increase the level of implementation of the country-specific recommendations (CSRs).

Untapped potential of the Single Market: Members welcomed the Commission's intention to **analyse the various existing non-tariff obstacles** within the EU. They underlined the need to carry out appropriate and fair economic and social reforms and to **tackle red tape and protectionism**, in order to improve productivity and the competitiveness of the European economy.

Members regretted that in several Member States there are **significant deficiencies as regards the implementation of the Services Directive**, covering activities representing more than 45 % of the EU's GDP and employment. They noted that the regulation of **regulated professions** varies between Member States, as do reserves of activities.

Members welcomed the Commission's intention to consider an initiative for a **services passport** and a harmonised notification form.

The committee insisted, inter alia, on the need to:

- remedy the inefficiencies in **public procurement** across Member States;
- support transparency of public procurement in the public sector, cross-border competition and better use of public resources, including social and environmental standards;
- develop **e-administration** as a key and urgent priority;
- ensure proper application and better enforcement of the **mutual recognition principle** and for cost-efficient instruments for dispute settlement;
- eliminate the many barriers, mainly bureaucratic, which hinder the development of start-ups and SMEs domestically and internationally;
- invest in the area of **Information Communication Technology (ICT)** and demand that investment be focused on financing the real economy and that sustained measures continue to be taken to achieve that goal;
- upgrade the **European Standardisation System;**
- **modernise their public administrations** by providing more, and better accessible, digital services for citizens and businesses.

The Single Market in the 21st century: the report emphasised that the notion of the modern economy is rapidly changing owing to digital and technological advances, more intense international competition and changes in the behavioural patterns of economic agents and consumers. It highlighted the **blurring of lines** between products and services. Moreover, Members pointed out that expenditure in intangible assets are growing in size and importance in comparison to investment in tangibles. Single market regulatory frameworks need to embrace these transformative developments.

In this regard, the Commission is called upon to take a strategic approach to enable sharing economy businesses to compete with traditional businesses in a fair environment

Members welcomed the Digital Single Market Strategy as the right approach to make the EU fit for the digital age. They stressed that accessible, affordable, efficient and high-quality parcel delivery is an essential prerequisite for a thriving cross-border e-commerce for the benefit of SMEs and consumers in particular.

Moreover, they emphasised that **private and public investments in fast and ultra-fast communication networks** are a requirement for any digital progress, and must be incentivised by a stable EU regulatory framework enabling all players to make investments, including in rural and remote areas.

The importance of successful implementation of the European Fund for Strategic Investments in order to maximise investments and support innovative companies at different funding stages of their development is stressed.

Governance of the Single Market: in order to achieve stronger single market governance and ownership at all levels, the report called for: (i) **a clarification of division of tasks** between those levels; (ii) frameworks providing better incentives and clear accountability for the implementation and enforcement of single market laws are needed to give new impetus to the single market. It also pointed to the importance of monitoring and data collection and the need for a robust and integrated system.

Lastly, the Commission is called upon to: (i) issue an **annual report** on the single market barriers in various Member States and the EU as a whole and to issue recommendations focused on removing these barriers in the CSRs; (ii) use all available measures, including **infringement procedures**, when necessary, to ensure full implementation of single market legislation.