

Basic information	
<b>2022/0278(COD)</b>	Procedure completed
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	
Single Market emergency instrument	
Repealing Regulation 1998/2679 <a href="#">1997/0330(CNS)</a>	
<b>Subject</b>	
2 Internal market, single market 2.10 Free movement of goods 2.20 Free movement of persons 2.40 Free movement of services, freedom to provide 6.20 Common commercial policy in general	
<b>Legislative priorities</b>	
Joint Declaration 2022 Joint Declaration 2023-24	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>IMCO</b> Internal Market and Consumer Protection	SCHWAB Andreas (EPP)	16/12/2022
		Shadow rapporteur  REPASI René (S&D)  CHARANZOVÁ Dita (Renew)  CAVAZZINI Anna (Greens /EFA)  BIELAN Adam (ECR)  PELLETIER Anne-Sophie (The Left)	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>BUDG</b> Budgets	Chair on behalf of committee  VAN OVERTVELDT Johan (ECR)	26/10/2022
	<b>ECON</b> Economic and Monetary Affairs	The committee decided not to give an opinion.	
	<b>EMPL</b> Employment and Social Affairs	ANGEL Marc (S&D)	17/11/2022

	<p><b>ITRE</b> Industry, Research and Energy (Associated committee)</p>	MAYDELL Eva (EPP)	15/12/2022
	<p><b>TRAN</b> Transport and Tourism</p>	The committee decided not to give an opinion.	
	<p><b>LIBE</b> Civil Liberties, Justice and Home Affairs</p>	The committee decided not to give an opinion.	
Council of the European Union			
European Commission	<p><b>Commission DG</b> Internal Market, Industry, Entrepreneurship and SMEs</p>	<p><b>Commissioner</b> BRETON Thierry</p>	
European Economic and Social Committee			

Key events			
Date	Event	Reference	Summary
19/09/2022	Legislative proposal published	COM(2022)0459 	Summary
09/11/2022	Committee referral announced in Parliament, 1st reading		
20/04/2023	Referral to associated committees announced in Parliament		
18/07/2023	Vote in committee, 1st reading		
25/07/2023	Committee report tabled for plenary, 1st reading	A9-0246/2023	Summary
12/09/2023	Debate in Parliament		
13/09/2023	Decision by Parliament, 1st reading	T9-0317/2023	Summary
13/09/2023	Results of vote in Parliament		
13/09/2023	Matter referred back to the committee responsible for interinstitutional negotiations		
22/02/2024	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE759.087 GEDA/A(2024)001181	
24/04/2024	Decision by Parliament, 1st reading	T9-0320/2024	Summary
24/04/2024	Results of vote in Parliament		
26/09/2024	Act adopted by Council after Parliament's 1st reading		
09/10/2024	Final act signed		
08/11/2024	Final act published in Official Journal		

Technical information	
Procedure reference	2022/0278(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation 1998/2679 1997/0330(CNS)
Legal basis	Rules of Procedure EP 57_o
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/9/10117

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Specific opinion	BUDG	PE739.591	16/01/2023	
Committee draft report		PE742.468	10/03/2023	
Amendments tabled in committee		PE742.649	31/03/2023	
Amendments tabled in committee		PE746.643	31/03/2023	
Committee opinion	ITRE	PE745.415	15/06/2023	
Committee opinion	EMPL	PE745.211	03/07/2023	
Committee report tabled for plenary, 1st reading/single reading		A9-0246/2023	25/07/2023	Summary
Text adopted by Parliament, partial vote at 1st reading /single reading		T9-0317/2023	13/09/2023	Summary
Text agreed during interinstitutional negotiations		PE759.087	16/02/2024	
Text adopted by Parliament, 1st reading/single reading		T9-0320/2024	24/04/2024	Summary

Council of the EU			
Document type	Reference	Date	Summary
Coreper letter confirming interinstitutional agreement	GEDA/A/(2024)001181	16/02/2024	
Draft final act	00046/2024/LEX	09/10/2024	

European Commission			
Document type	Reference	Date	Summary
Legislative proposal	COM(2022)0459 	19/09/2022	Summary
Document attached to the procedure	SEC(2022)0323 	19/09/2022	

Document attached to the procedure	SWD(2022)0288 	19/09/2022	
Document attached to the procedure	SWD(2022)0289	19/09/2022	
Document attached to the procedure	SWD(2022)0290 	19/09/2022	
Commission response to text adopted in plenary	SP(2024)394	08/08/2024	

#### National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	<a href="#">CZ_CHAMBER</a>	COM(2022)0459	01/12/2022	
Contribution	<a href="#">CZ_SENATE</a>	COM(2022)0459	20/12/2022	
Contribution	<a href="#">LU_CHAMBER</a>	COM(2022)0459	08/02/2023	
Reasoned opinion	<a href="#">SE_PARLIAMENT</a>	PE740.649	16/06/2023	

#### Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	<a href="#">CES4098/2022</a>	14/12/2022	
CofR	Committee of the Regions: opinion	<a href="#">CDR4234/2022</a>	08/02/2023	

#### Additional information

Source	Document	Date
EP Research Service	Briefing	26/02/2024

## Meetings with interest representatives published in line with the Rules of Procedure

### Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
SCHWAB Andreas	Rapporteur	<a href="#">IMCO</a>	23/11/2023	BMWK
REPASI René	Shadow rapporteur	<a href="#">IMCO</a>	08/06/2023	Deutsche Industrie- und Handelskammer
REPASI René	Shadow rapporteur	<a href="#">IMCO</a>	27/04/2023	International Road Transport Union Permanent Delegation to the EU
REPASI René	Shadow rapporteur	<a href="#">IMCO</a>	24/04/2023	Associazione fra le società italiane per azioni

REPASI René	Shadow rapporteur	IMCO	31/03/2023	EuroCommerce
REPASI René	Shadow rapporteur	IMCO	27/03/2023	EUROPEAN TRADE UNION CONFEDERATION
REPASI René	Shadow rapporteur	IMCO	20/03/2023	Independent Retail Europe (formerly UGAL - Union of Groups of Independent Retailers of Europe)
REPASI René	Shadow rapporteur	IMCO	20/03/2023	Affordable Medicines Europe
REPASI René	Shadow rapporteur	IMCO	20/03/2023	SMEUnited aisbl
REPASI René	Shadow rapporteur	IMCO	14/02/2023	Ständige Vertretung der Niederlande bei der EU/ Permanent Representation of the Kingdom of the Netherlands to the EU
POULSEN Erik	Shadow rapporteur for opinion	ECON	31/01/2023	Dansk Erhverv
REPASI René	Shadow rapporteur	IMCO	24/01/2023	French Senate (Sénat)
REPASI René	Shadow rapporteur	IMCO	10/01/2023	Präsidentin des Landtages Baden-Württemberg/Ausschuss der Regionen

Final act
Regulation 2024/2747 OJ OJ L 08.11.2024

[Summary](#)

## Single Market emergency instrument

2022/0278(COD) - 08/11/2024 - Final act

**PURPOSE:** to ensure the smooth and undisrupted functioning of the internal market by putting in place contingency, vigilance and emergency measures across the internal market in order to facilitate the coordination of the response measures in the event of a crisis.

**LEGISLATIVE ACT:** Regulation (EU) 2024/2747 of the European Parliament and of the Council establishing a framework of measures related to an internal market emergency and to the resilience of the internal market and amending Council Regulation (EC) No 2679/98 (Internal Market Emergency and Resilience Act – IMERA)).

**CONTENT:** the regulation establishes a framework of harmonised measures to effectively **anticipate, prepare for and respond to the consequences of crises on the internal market**, to prepare for them and to react to them by monitoring crises, activating alert or emergency modes as soon as they occur and coordinating and coordinating responses at EU and Member State level.

This framework aims to:

- safeguard and facilitate the free movement of goods, services and persons, including workers;
- ensure the availability of goods and services of critical importance and crisis-relevant goods and services in the internal market where the Member States have adopted or are likely to adopt divergent national measures; and
- prevent the creation of obstacles to the proper functioning of the internal market.

### Governance

The IMERA Regulation creates an advisory board for emergency situations, set up by the Commission and the Member States, to assess a given situation and recommend responses when alert or emergency modes are activated.

The competent committee of the European Parliament may invite the Commission in its capacity as Chair of the Board to appear before that committee to provide information on all matters falling within the scope of this Regulation, in particular after each meeting of the Board and after each deactivation of the internal market vigilance or emergency modes.

The Commission will establish a **stakeholder platform** in order to facilitate sector-specific dialogue and partnerships by bringing together key stakeholders, namely representatives of economic operators, social partners, researchers and civil society.

### ***Emergency framework***

The Commission may adopt an implementing act in order to define the details of an emergency framework for crisis preparedness, cooperation, information exchange and crisis communication for the internal market vigilance and emergency modes. The Commission will conduct **stress tests** regularly, and at least once every two years, at Union level and should encourage and facilitate economic operators in drawing up voluntary crisis protocols. Economic operators should remain free to decide whether to take part in such voluntary crisis protocols.

### ***Internal market emergency***

When assessing whether the conditions are fulfilled in order to determine the need to activate the internal market emergency mode, the Commission and the Council will, based on concrete and reliable evidence, assess whether the crisis creates one or more obstacles to the free movement of goods, services or persons, having an impact on at least one sector of vital societal functions or economic activities in the internal market.

On the basis of that proposal, the Council may extend the internal market emergency mode by no more than six months at a time by means of a Council implementing act.

Where the Commission, taking into consideration the opinion provided by the Board, considers that the internal market emergency no longer exists, it will propose to the Council, without delay, the deactivation of the internal market emergency mode.

During an internal market emergency mode and when responding to an internal market emergency, Member States will **refrain from introducing** any of the following:

- bans on intra-Union export, or measures having equivalent effect, of crisis-relevant goods or services;
- measures that deny beneficiaries of the right to free movement under Union law the following: the right to enter the territory of their Member State of nationality or residence; the right to exit the territory of a Member State in order to travel to their Member State of nationality or residence; or the right to transit through a Member State in order to reach their Member State of nationality or residence;
- measures that prohibit business travel linked to the research and development, production, placing on the market or related inspections and maintenance of crisis-relevant goods.

The IMERA (internal market emergency and resilience act) provides for **emergency last-resort measures** such as targeted information requests to economic operators, priority-rated requests for crisis-relevant products, a fast-track procedure to bring certain products on to the market and derogations from product-specific rules.

### ***Single points of contact***

Each Member State will operate a national single point of contact that will provide citizens, consumers, economic operators and workers and their representatives with assistance in requesting and obtaining information about national restrictions on the free movement of goods, services, persons and workers introduced during the internal market emergency mode. The Commission will set up and operate a Union-level single point of contact.

ENTRY INTO FORCE: 28.11.2024.

APPLICATION: from 29.05.2026.

## **Single Market emergency instrument**

2022/0278(COD) - 13/09/2023 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 476 votes to 121, with 51 abstentions, **amendments** to the proposal for a regulation of the European Parliament and of the Council establishing a Single Market emergency instrument and repealing Council Regulation No (EC) 2679/98.

The matter was referred back to the committee responsible for inter-institutional negotiations.

### ***Subject matter***

The aim of this regulation is to contribute to the proper functioning of the internal market by setting out a framework of harmonised rules to strengthen its resilience, to effectively anticipate and prevent crises, to ensure an effective response to crises, and to facilitate the free movement of goods, services and persons.

The measures set out in this regulation apply in relation to significant impacts of a crisis on the functioning of the internal market, without prejudice to fundamental rights.

### ***Internal Market Emergency and Resilience Board***

This regulation should set up an Internal Market Emergency and Resilience Board to advise the Commission on the appropriate measures for anticipating, preventing or responding to the impact of a crisis. The European Parliament should be able to appoint an expert as a member of the Board. The Commission should invite representatives of other crisis-relevant bodies at Union level as observers to the relevant meetings of the Board, including, where appropriate, representatives of Committee of the Regions and of the European Economic and Social Committee. The Commission should ensure that the **European Parliament** receives all documents at the same time as Member States' representatives. The European Parliament should also systematically have access to the meetings of the Board to which Member States' experts are invited.

In particular, the Committee should assist and advise the Commission on measures affecting the free movement of goods, services and persons, including workers, paying particular attention to mobile workers, including frontier and cross-border workers.

#### ***Crisis protocols***

The Commission, taking into account the opinion of the Board, may initiate, encourage and facilitate the drawing up of voluntary crisis protocols by economic operators in order to address internal market emergencies, strictly limited to extraordinary circumstances. The Commission should invite staff from the central liaison offices of all Member States to develop scenarios and parameters that capture the specific risks associated with internal market emergencies.

The Commission should develop and manage a **training** programme derived from lessons learnt from previous crises.

#### ***Stress tests***

To ensure the free movement and the availability of goods and services of critical importance and to anticipate, and prepare for disruptions to the internal market, the Commission should all conduct and coordinate stress tests, including simulations and peer reviews, in particular for critical sectors identified by the Commission.

The Commission is empowered to adopt a delegated act to supplement this Regulation by laying down a methodology for a **mapping** exercise for determining critical sectors. The Commission should publish the results of this mapping exercise.

#### ***Prohibited restrictions to free movement during an internal market emergency***

Restrictions on the free movement of goods, services and persons imposed by Member States in response to an internal market emergency should be prohibited, unless they are justified on grounds of legitimate public interest objectives, such as public policy, public security or public health, and are in compliance with the principles of non-discrimination and proportionality. Any such restriction should be limited in time and immediately removed as soon as the internal market emergency mode is deactivated or earlier, in the event that the restriction is no longer justified or proportionate. Any restriction should take into account the situation of border regions and outermost regions, especially for cross-border workers.

#### ***Strategic reserves***

Member States should make best efforts to build up strategic reserves of goods of critical importance. The Commission should provide support to Member States in order to assist them in coordinating and streamlining their efforts. In particular, the Commission should ensure coordination and information exchange, and should promote solidarity between national competent authorities in relation to shortages of crisis-relevant goods or services, or building strategic reserves for goods of critical importance.

#### ***Coordinated distribution of strategic reserves***

In the event of a shortage of crisis relevant goods and services affecting one or more Member States, the Member States concerned may notify the Commission thereof and indicate the quantities needed and any other relevant information. The Commission should transmit the information to all competent authorities and streamline the coordination of Member States' responses.

#### ***Action of the emergency mode***

Where the Commission, taking into due consideration the opinion of the Board, considers that there is an internal market emergency, it should adopt a legislative proposal to activate the internal market emergency mode. The internal market emergency mode may be activated by means of a legislative act adopted on the basis of the said legislative proposal. The duration of the activation should be specified in that legislative act, and should be restricted to a **maximum of six months**. As soon as the internal market emergency mode is activated by means of the legislative act, the Commission shall, without delay, adopt such a list by means of an implementing act. That list may be amended by means of implementing acts.

#### ***Fast lanes***

Members proposed the setting up, by the Commissions, of fast lanes that aim to facilitate the free movement of goods, services and workers, especially crisis-relevant goods and services. In particular, the Commission should provide relevant templates or single digital declaration, registration or authorisation forms for cross-border activities, in particular for professional services in the areas of healthcare, installation, maintenance and repair, construction and food and agriculture in order to accelerate declaration, registration or authorisation procedures, including recognition of professional qualifications or posting of workers.

#### ***Emergency and resilience stakeholder platform***

Lastly, the creation of a stakeholder platform was proposed to facilitate sector-specific dialogue and partnerships by bringing together key stakeholders, namely representatives of economic operators, social partners, researchers and civil society. That platform should aim to encourage economic operators to draw up voluntary roadmaps in response to an internal market emergency.

## **Single Market emergency instrument**

2022/0278(COD) - 25/07/2023 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Internal Market and Consumer Protection adopted the report by Andreas SCHWAB (EPP, DE) on the proposal for a regulation of the European Parliament and of the Council establishing a Single Market emergency instrument and repealing Council Regulation No (EC) 2679/98.

As a reminder, the proposed Single market Emergency Instrument (SMEI) is intended to anticipate, prepare for and respond to the impacts of crises. It builds on lessons learnt from recent emergencies by continuously monitoring potential future crises, by entering vigilance or emergency modes whenever a threat becomes clear and by putting in place a governance architecture that enables Member States to coordinate decision-making.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

#### ***Title change***

Members suggested changing the name of the instrument from the Single Market emergency instrument (SMEI) to the **Internal Market Emergency and Resilience Act (IMERA)** and introducing additional changes to strengthen the Union's resilience.

#### ***Internal Market Emergency and Resilience Board***

Contrary to the Commission's proposal to establish an advisory board, Members proposed setting up an internal market emergency and resilience board to be composed of one representative from each Member State and one expert appointed by the European Parliament. The Commission should chair the Board and provide its secretariat. The Board may adopt opinions, recommendations or reports, which should be made publicly available, without prejudice to personal data or trade secrets.

Members also proposed that the Commission should ensure the participation of the European Parliament and of all bodies at Union level that are relevant to the respective crisis. In addition, the Commission should, in particular, ensure equal access to all information, so that the European Parliament and Council receive all documents at the same time.

#### ***Crisis protocols***

The report noted that the Commission, taking into account the opinion of the Board, may initiate, encourage and facilitate the drawing up of **voluntary crisis protocols** by economic operators in order to address internal market emergencies, strictly limited to extraordinary circumstances.

#### ***Stress tests***

To ensure the free movement and the availability of goods and services of critical importance and to anticipate, and prepare for disruptions to the internal market, the Commission should all conduct and coordinate stress tests, including simulations and peer reviews, in particular for critical sectors identified by the Commission.

#### ***Prohibited restrictions to free movement during an internal market emergency***

Restrictions on the free movement of goods, services and persons imposed by Member States in response to an internal market emergency should be prohibited, unless they are justified on grounds of legitimate public interest objectives, such as public policy, public security or public health, and are in compliance with the principles of non-discrimination and proportionality. Any such restriction should be limited in time and immediately removed as soon as the internal market emergency mode is deactivated or earlier, in the event that the restriction is no longer justified or proportionate. Any restriction should take into account the situation of border regions and outermost regions, especially for cross-border workers.

#### ***Strategic reserves***

Member States should make best efforts to build up strategic reserves of goods of critical importance. The Commission should provide support to Member States in order to assist them in coordinating and streamlining their efforts. In particular, the Commission should ensure coordination and information exchange, and should promote solidarity between national competent authorities in relation to shortages of crisis-relevant goods or services, or building strategic reserves for goods of critical importance.

#### ***Coordinated distribution of strategic reserves***

In the event of a shortage of crisis relevant goods and services affecting one or more Member States, the Member States concerned may notify the Commission thereof and indicate the quantities needed and any other relevant information. The Commission should transmit the information to all competent authorities and streamline the coordination of Member States' responses.

#### ***Action of the emergency mode***

Where the Commission, taking into due consideration the opinion of the Board, considers that there is an internal market emergency, it should adopt a legislative proposal to activate the internal market emergency mode. The internal market emergency mode may be activated by means of a legislative act adopted on the basis of the said legislative proposal. As soon as the internal market emergency mode is activated by means of the legislative act, the Commission shall, without delay, adopt such a list by means of an implementing act. That list may be amended by means of implementing acts.

#### ***Fast lanes***

Members proposed the setting up, by the Commissions, of fast lanes that aim to facilitate the free movement of goods, services and workers, especially crisis-relevant goods and services. In particular, the Commission should provide relevant templates or single digital declaration, registration or authorisation forms for cross-border activities, in particular for professional services in the areas of healthcare, installation, maintenance and repair, construction and food and agriculture in order to accelerate declaration, registration or authorisation procedures, including recognition of professional qualifications or posting of workers.

## ***Emergency and resilience stakeholder platform***

Lastly, the creation of a stakeholder platform was proposed to facilitate sector-specific dialogue and partnerships by bringing together key stakeholders, namely representatives of economic operators, social partners, researchers and civil society. That platform should aim to encourage economic operators to draw up voluntary roadmaps in response to an internal market emergency.

# **Single Market emergency instrument**

2022/0278(COD) - 24/04/2024 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 408 votes to 63, with 153 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council establishing a Single Market emergency instrument and repealing Council Regulation No (EC) 2679/98.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the proposal as follows:

## ***Subject matter***

The proposed Regulation establishes a framework of harmonised measures to **effectively anticipate, prepare for and respond to the impact of crises on the internal market**. This framework aims to: (i) safeguard and facilitate the free movement of goods, services and persons, including workers; (ii) ensure the availability of goods and services of critical importance and crisis-relevant goods and services in the internal market where the Member States have adopted or are likely to adopt divergent national measures; and (iii) prevent the creation of obstacles to the proper functioning of the internal market.

The Regulation lays down, in particular:

- rules on the establishment and functioning of an Internal Market Emergency and Resilience Board to assist and advise the Commission with regard to anticipating, preventing or responding to the impact of a crisis on the internal market;
- contingency measures relating to anticipation, planning and resilience;
- measures, during the internal market vigilance mode, for addressing the impact of a threat of a crisis that has the potential to escalate into an internal market emergency;
- measures, during the internal market emergency mode, for addressing the impact of a crisis on the internal market, including measures that facilitate the free movement of goods, services and persons, including workers, during that mode;
- rules on public procurement during the internal market vigilance and emergency modes;
- rules on the provision of digital tools and the cooperation between the competent authorities.

## ***Internal Market Emergency and Resilience Board***

An Internal Market Emergency and Resilience Board is established, composed of one representative from each Member State and one representative from the Commission. The Chair of the Board should invite a representative from the European Parliament as a permanent observer to the Board.

## ***Emergency and resilience dialogue***

In order to enhance dialogue between the institutions of the Union and to ensure greater transparency, accountability and coordination, the competent committee of the European Parliament may invite the Commission in its capacity as Chair of the Board to appear before that committee to provide information on all matters falling within the scope of this Regulation. The Commission should take into account any elements arising from the views expressed through the emergency and resilience dialogue, including the relevant resolutions of the European Parliament.

The Commission should establish a **stakeholder platform** in order to facilitate sector-specific dialogue and partnerships by bringing together key stakeholders, namely representatives of economic operators, social partners, researchers and civil society.

## ***Emergency framework***

The Commission may adopt an **implementing act** in order to define the details of an emergency framework for crisis preparedness, cooperation, information exchange and crisis communication for the internal market vigilance and emergency modes.

The Committee may recommend that the Commission initiate the development by economic operators of **voluntary crisis protocols** to deal with crises in emergency mode for the internal market. Economic operators may decide voluntarily whether or not to participate in voluntary crisis protocols.

The Commission should develop and organise regular **training** on crisis preparedness and conduct regular EU-wide **stress tests**, at least every two years.

## ***Internal market vigilance mode***

The Commission may propose that the Council activate the internal market vigilance mode. The Council may activate the internal market vigilance mode by means of a Council implementing act, which will specify the duration of activation (maximum 6 months). Once the internal market alert mode has been activated, the competent authorities of the Member States will monitor the supply chains of critical goods and services and the free movement of persons, including workers, involved in the production and supply of these goods and services.

#### ***Internal market emergency***

The 'internal market emergency mode' means a framework for addressing a crisis with a significant negative impact on the internal market which severely disrupts the free movement of goods, services and persons or, where such a severe disruption has been or is likely to be subject to divergent national measures, the functioning of its supply chains. In this case, the Commission and the Council should, based on concrete and reliable evidence, assess whether the crisis creates one or more obstacles to the free movement of goods, services or persons, having an impact on at least one sector of vital societal functions or economic activities in the internal market.

#### ***Prohibited restrictions on the right to free movement during an internal market emergency***

During an internal market emergency mode and when responding to an internal market emergency, Member States should refrain from introducing any of the following:

- any measures that are not limited in time;
- measures that discriminate between beneficiaries of the right to free movement under Union law based on nationality or, in the case of companies, the location of their registered office;
- measures that prohibit business travel linked to the research and development, production, placing on the market or related inspections and maintenance of crisis-relevant goods;
- measures that prohibit travel between Member States for imperative family reasons, when such travel is permitted within the Member State introducing such a measure;
- measures that impose travel restrictions on service providers, business representatives and workers, preventing them from travelling between Member States in order to access to their place of activity or workplace when there are no such travel restrictions within the Member State introducing such a measure.

Where the internal market emergency mode has been activated, Member States should communicate the text of any emergency measures taken in response to the crisis, without delay and after their adoption, to the Commission and to other Member States via the Union-level liaison office.

## **Single Market emergency instrument**

2022/0278(COD) - 19/09/2022 - Legislative proposal

**PURPOSE:** to establish a Single Market emergency instrument (SMEI).

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**ROLE OF THE EUROPEAN PARLIAMENT:** the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

**BACKGROUND:** the Single Market is one of the EU's greatest assets and provides the backbone for the EU's economic growth and wellbeing. Recent crises, such as the COVID-19 pandemic or Russia's invasion of Ukraine, have demonstrated some **vulnerability of the Single Market and its supply chains** in case of unforeseen disruptions.

The EU was not sufficiently prepared to ensure efficient manufacturing, procurement and distribution of crisis-relevant non-medical goods such as personal protective equipment, especially in the early phase of the COVID-19 pandemic and the *ad-hoc* measures taken by the Commission in order to re-establish the functioning of the Single Market and to ensure the availability of crisis-relevant non-medical goods during the COVID-19 pandemic were necessarily reactive. The pandemic also revealed **insufficient overview of manufacturing capacities** across the Union.

Actions by the Commission were delayed by several weeks due to the **lack of any Union wide contingency planning** measures and of clarity as to which part of the national administration to contact to find rapid solutions to the impact on the Single Market being caused by the crisis.

In addition, it became clear that uncoordinated restrictive actions taken by the Member States would further aggravate the impacts of the crisis on the Single market. It emerged that there is a need for arrangements between the Member States and Union authorities as regards contingency planning, technical level coordination and cooperation and information exchange.

The proposal therefore aims to address two separate but interrelated problems: **obstacles to free movement of goods, services and persons** in times of crisis and **shortages of crisis-relevant goods and services**.

The Single Market Emergency Instrument complements other EU legislative measures for crisis management like the Union Civil Protection Mechanism, as well as EU rules for specific sectors, supply chains or products like health, semiconductors or food security, which already foresee targeted crisis response measures.

CONTENT: the Commission seeks to establish a **framework of measures to anticipate, prepare for and respond** to impacts of crises on the Single Market, with the purpose of safeguarding the free movement of goods, services and persons and of ensuring the availability of goods and services of strategic importance and crisis-relevant goods and services in the Single Market.

The Single Market Emergency Instrument (SMEI) includes the following components:

- an **advisory group** to advise the Commission on the appropriate measures for preventing or addressing the impact of the crisis on the Single Market;
- a framework for **contingency planning** which includes: (i) arrangements for **crisis protocols and crisis communication** and training and **emergency simulations** in view of ensuring timely cooperation and exchange of information between the Commission, Member States and relevant Union level bodies and; (ii) **ad-hoc alerts** for early warning system for any incidents that significantly/seriously disrupt or have the potential to significantly/seriously disrupt the functioning of the Single Market and its supply chains of goods and services;
- a framework for **Single Market vigilance** which will be the framework for impacts of significant incidents that have not yet escalated into a full-blown Single Market emergency. It requires activation when an incident that has occurred has the potential to significantly disrupt the supply chains of goods and services of strategic importance or which causes **first signs of severe shortages** of such goods and services. Monitoring the supply chain of goods and services as well as building up strategic reserves of such goods;
- a framework for **Single Market emergencies** which includes measures to improve **transparency and facilitate free movement**. Under extraordinary circumstances, and only when the emergency mode has already been activated, the Commission may also make use of tools which will require a **separate activation step**. In this case, the Commission may issue targeted information requests to economic operators, which can be made **binding**. It may also ask them to accept priority rated orders for crisis-relevant products, in response to which firms must either comply or explain the grave reasons justifying refusal. Furthermore, the accelerated placing on the market of certain products through **quicker testing and accreditation**, including through conformity assessment, will ensure their availability during emergencies.