



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

From: Presidency
To: Permanent Representatives Committee
Subject: **Preparation** for the Council meeting "**Competitiveness**" of 2 - 3 December 2013
Single Market Policy
= Adoption of Council Conclusions

Delegations will find in Annex draft Council Conclusions on Single Market Policy, as agreed by the Working Party, to be adopted by the Council (Competitiveness) on 2 and 3 December 2013. The changes in comparison to the previous draft text are in **bold underlined** and ~~strikethrough~~.

Draft Council Conclusions on Single Market Policy

"THE COUNCIL (COMPETITIVENESS)

Governance of the Single Market

1. REITERATES that urgent measures are needed at the level of EU and Member States in order to boost growth and jobs and make Europe more competitive as a location for production and investment. RECOGNISES that deepening the Single Market by removing remaining unjustified barriers will be a key factor in order to achieve these objectives; HIGHLIGHTS the importance of streamlining existing structures in order to increase visibility and effectiveness of the Single Market policy.
2. WELCOMES the Annual Growth Survey and the second Annual Commission Report on the state of Single Market integration, and LOOKS FORWARD to a discussion on the policy priorities set out therein for both EU and Member State action.
3. AGREES that the results of the Annual Report should be fed into the European Semester process on a regular basis, both at EU and at Member State level. RECOGNISES the need for a stronger role of the High Level Group on Competitiveness and Growth in monitoring and providing guidance in that regard.
4. NOTES that the analytical framework used as a basis for the Annual Report can still be strengthened with a view to getting a more comprehensive and operational picture as regards the functioning of the Single Market, including the application of its legal framework in the priority sectors for growth and jobs, and allowing for more evidence-based policy conclusions. INVITES the Commission to deepen the evidence base by also taking into account the perspective of businesses, in particular SMEs, and consumers.

5. WELCOMES the new online Single Market Scoreboard as a useful tool to monitor the application of EU law. INVITES the Commission together with Member States to put forward by the end of 2014, based on currently existing sources and data available to the Commission, a set of qualitative and quantitative indicators aimed at measuring *inter alia* the economic effects of application of the Single Market rules.
6. URGES Member States to properly and timely implement and enforce the rules of the Single Market so as to further unlock its growth potential. CALLS UPON the Commission for systematic monitoring of implementation and better enforcement of the Single Market rules, *inter alia* through the Country Specific Recommendations under the European Semester, in particular where those rules provide a significant contribution to the structural reforms.
7. HIGHLIGHTS the responsibility of the co-legislators and the Commission to ensure, throughout the legislative process, the consistency and quality of the EU legal framework without unnecessary regulatory burdens. The latter should be designed to enable businesses to sell goods and provide services everywhere in the EU, including online, without unjustified or disproportionate barriers. It should allow consumers to have access to the widest possible choice, whilst benefiting from a high level of consumer protection.
8. RECALLS that, in order to improve framework conditions for businesses and consumers in the Single Market, all relevant instruments should be used including harmonisation as well as mutual recognition, as appropriate. UNDERLINES the importance of the principle of mutual recognition and its evident benefits already brought to several important areas such as the free movement of goods and the mutual recognition of professional qualifications; CALLS on the Member States to ensure proper application and enforcement of the principle of mutual recognition in those areas where it is already applicable; to this end, INVITES the Commission, with active involvement of stakeholders, to identify sectors and markets where the application of the principle of mutual recognition is economically most advantageous but is insufficient or problematic, and report its findings to the Council by mid-2015; INVITES the Commission to renew its commitment to present biennial reports on such evaluation.

9. WELCOMES the positive results achieved during 2013 regarding transposition by Member States of Single Market legislation while HIGHLIGHTING the importance of realistic transposition deadlines and of the use of the most appropriate legal form in line with the Treaties and the principle of subsidiarity; STRESSES the transparency, for example via exchanging best practises, as an important measure for further improvement in transposition time and quality; WELCOMES the Commission's commitment to enhance its support to Member States in their transposition and implementation process, including through on-line fora in the key areas identified in its Communication of June 2012 on "Better governance for the Single Market".
10. WELCOMES the Commission's Action Plan to boost the Your Europe portal. INVITES the Member States to provide the necessary information about relevant national rules and procedures and together with the Commission explore and, where appropriate, exploit synergies between the information at EU and at national level in order to avoid duplication.
11. CALLS ON the Commission, in cooperation with Member States, to further enhance coordination of existing electronic Single Market governance tools, strengthen interlinkage between existing EU-based, as well as EU-based and national information and notification systems, where it helps to foster transparency increase user-friendliness and allow cost savings.
12. ACKNOWLEDGES the contribution of the Internal Market Information System (IMI) to a better functioning Single Market; NOTES the range of tools at Member States' disposal to fulfil their notification and information provision requirements at EU level and STRESSES the need for more analysis and use of the notifications and data received using these tools to prevent disproportionate and unjustified barriers in the Single Market; therefore INVITES the Commission to carry out such analysis of notifications relevant for cross-border activities regularly, discuss them with Member States and take measures where necessary.

13. ACKNOWLEDGES the unique role SOLVIT plays in solving problems encountered by citizens and business in the Single Market and thus contributing to compliance with EU law. ENDORSES the Commission's Recommendation of 17 September 2013 on the principles governing SOLVIT, while stressing that SOLVIT is primarily a network between Member States which functions through their cooperation, reinforced by the involvement of the Commission; URGES the Commission to ensure a better coordination between the informal SOLVIT network and the EU-pilot with a view to an efficient and structured follow-up of unresolved SOLVIT cases, use SOLVIT data to identify key Single Market areas for improvement both at EU and national level. CALLS UPON the Commission and the Member States to ensure the necessary support and expertise for the national SOLVIT-centres to deal effectively with the cases received; INVITES the Commission to present a roadmap to Member States concerning the next steps for the reinforcement of SOLVIT through the better coordination of EU law enforcement tools and a better engagement of its services in supporting the work of SOLVIT.

Services

14. WELCOMES the results of the peer review conducted under the Services Directive, which have shown that in some instances Member States did not carry out a thorough proportionality analysis of existing requirements. The peer review has revealed that further targeted actions for the removal of remaining unjustified or disproportionate requirements should be undertaken; CALLS ON the Member States to carry out proportionality assessment of their regulatory requirements on service providers and discuss it regularly at expert level. The Council should review progress by end of 2014 and on annual basis onwards.
15. To this end, CALLS ON the Commission to focus further actions on the proportionality assessment and on the application of the freedom to provide services clause under the Services Directive; RECALLS the European Council invitation to the Commission to provide additional guidance to Member States on the concept of proportionality and the need for Member States to exchange their best practices in this area.

16. RECALLS the importance of making progress on enhancing the mutual recognition of professional qualifications, reducing the number of regulated professions as far as appropriate, and removing unjustified regulatory barriers.
17. CALLS on Member States to swiftly and timely implement the revised Directive on Mutual Recognition of Professional Qualifications. LOOKS FORWARD to the discussion on the work plan of the Commission presented to Member States in its Communication of 2 October 2013. INVITES Member States to engage fully into the upcoming transparency and mutual evaluation exercise, including the assessment of the cumulative effect of all restrictions imposed on the same profession, and suggest appropriate action.
18. RECOGNISES that many of the Points of Single Contact (PSCs) do not fully meet the requirements of the Services Directive, and therefore do not stand up to the expectations of businesses. WELCOMES the PSC Charter setting assessment criteria and targets for the second generation PSCs. INVITES Member States to improve, by the end of 2014, their PSCs, including their visibility, in order to meet establishment and cross-border business needs. Fostering e-government and efforts to make PSCs multilingual, where necessary, are important aspects to be taken into account, while acknowledging the possibility of making PSCs **also** physically available, where appropriate.
19. INVITES the Commission to present, by mid-2015, an analysis of remaining obstacles to a fully functioning Single Market for services, including in so far as possible non-regulatory ~~requirements~~ **restrictions**, and the effectiveness and consistency of the existing legal framework applying to a sample of services activities, and to assess how these rules work on the ground for businesses and consumers.

20. CALLS on the Commission, together with Member States, to continue efforts to remove unjustified obstacles for cross-border online and offline retail operations, including commercial establishment, especially through implementation of relevant actions under the European Retail Action Plan (ERAP). SUPPORTS the Commission's intention to launch a performance check in the retail sector as it is indicated in the ERAP and INVITES the Commission to discuss the objectives and methodology for the performance check with the Member States; ENCOURAGES the Commission to present its results and, if appropriate, suggested actions in spring 2015. CALLS on the Commission to inform Member States on the recommendations of the Expert Group on Retail Sector Innovation. TAKES NOTE of the Commission's Green Paper on Unfair Trading Practices.
21. WELCOMES establishment of the High Level Group on Retail Competitiveness as a forum to develop retail-related policies, in particular in view of achieving the Single Market in the retail sector, monitoring progress achieved and provide advice on additional new actions needed for strengthening the retail sector. URGES the Commission to start the Group's work as soon as possible and report on progress to Council in spring 2015.
22. WELCOMES the launch of the voluntary Supply Chain Initiative for good trading practices and EMPHASIZES the importance of active and wide participation of stakeholders in this initiative; CALLS on the Commission together with stakeholders to assess the effects and application of the Principles of Good practice established in the Initiative and report to the Council in 2015.

23. REITERATES the importance of e-commerce and online services, including across borders, to create growth and jobs in Europe; ACKNOWLEDGES the progress made in the implementation of the action plan adopted by the Commission in January 2012, as synthesized in the progress report published in April 2013; LOOKS FORWARD to the parcel delivery roadmap to be adopted as an important step to facilitate cross-border parcel delivery for the benefit of SMEs and consumers in particular.

End-to-end e-procurement

24. WELCOMES the general agreement on the revised public procurement directives and in particular the deadlines for the obligations on e-procurement. RECOGNISES the potential of end-to-end electronic procurement in pursuing Europe 2020 objectives.
25. WELCOMES the Commission's actions on promoting the transition to end-to-end e-procurement, and in particular its efforts to promote the use of e-invoicing in Europe, as a very important step towards the completion of the Digital Single Market and the implementation of the Digital Agenda, as well as efforts to fund and support the development of end-to-end e-procurement infrastructure across Europe.
26. SUPPORTS the Commission's proposal to set up a new Multi-Stakeholder Forum on end-to-end e-procurement; CALLS ON the Commission, together with Member States, to discuss in the new Forum the actions and best practices promoting transition to end-to-end e-procurement across the European Union and report to the Council by the end of 2015.
27. SUPPORTS the Commission's initiative to continue the work of the European Multi-Stakeholder Forum on e-invoicing; INVITES the Commission to play a leading role and implement end-to-end e-procurement, and in particular accepting e-invoicing once the European standard becomes available.
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- The conclusions of the European Council of 1-2 March 2012, 28-29 June 2012, **14-15 March 2013** and 24-25 October 2013¹.
- The European Parliament's resolution of 25 October 2012 on the 20 main concerns of European citizens and businesses with the functioning of the Single Market²
- European Parliament resolution of 11 September 2013 on the Internal Market for Services: State of Play and Next Steps³
- European Parliament resolution of 7 February 2013 with recommendations to the Commission on the governance of the Single Market⁴
- The European Parliament's Report on a more efficient and fairer retail market of 1 June 2011⁵
- The Commission Recommendation on the principles governing SOLVIT of 17 September 2013⁶
- The Commission Communication "Empowering businesses and citizens in Europe's single market: An Action Plan for boosting Your Europe in cooperation with the Member States" of 17 September 2013⁷
- The Commission Report on the state of the single market integration 2013, of 28 November 2012⁸
- The Commission Communication on the implementation of the Services Directive "A partnership for new growth in services 2012-2015" of 8 June 2012⁹
- The Commission Communication "Better governance for the single market" of 8 June 2012¹⁰
- The On-line Single Market Scoreboard of 4 July 2013

¹ EUCO 4/2/12, EUCO 76/12, **EUCO 23/13**, EUCO 169/13

² 2012/2044(INI)

³ 2012/2144(INI)

⁴ 2012/2260(INI)

⁵ P7_TA(2011)0307

⁶ Doc. 13998/13 C(2013) 5869 final

⁷ Doc. 13847/13 COM(2013) 636 final

⁸ Doc. 17281/12

⁹ Doc. 11145/12

¹⁰ Doc. 11125/12

- The Commission Communication “Setting up a European Retail Action Plan” of 31 January 2013¹¹;
- The Commission Communication ”A coherent framework to building trust in the Digital Single Market for e-commerce and online services“¹² of 11 January 2012, and the Commission staff working document “E-commerce Action plan 2012-2015. State of play 2013”¹³ of 23 April 2013
- The Commission Communication "Evaluation of national regulations on access to professions" of 2 October 2013¹⁴
- The Commission Communication on the Digital Agenda for Europe¹⁵ of 26 August 2010 and its review¹⁶
- The Commission Communication „End-to-end e-procurement to modernise public administration“¹⁷ of 26 June 2013
- The Commission's Green Paper on Unfair Trading Practices¹⁸ of 31 January 2013.

¹¹ Doc. 6121/13 COM (2013) 036

¹² Doc. 5494/12

¹³ Doc. 8975/13

¹⁴ Doc. 14688/13

¹⁵ Doc. 9981/10 COM(2010) 245/2

¹⁶ Doc. 17963/12 COM(2012) 784 final

¹⁷ Doc. 12131/13

¹⁸ COM (2013) 37 final