

COUNCIL OF THE EUROPEAN UNION

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14766/12

COMPET 606 MI 615 FIN 734 SOC 811 ENT 246 CONSOM 120 ENER 404 TRANS 325 TELECOM 178 POLGEN 164

NOTE

from:	Presidency
to:	Working Party "Competitiveness and Growth"
Subject:	Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions: "Single Market Act II - Together for new growth" - Draft Council Conclusions 14536/12 COM14536/12 COMPET 597 MI 599 FIN 720 SOC 802 ENT 236 CONSOM 116 ENER 397 TRANS 317 TELECOM 171 POLGEN 161

Delegations will find in Annex a set of draft Council Conclusions prepared by the Presidency as a response to the Communication "Single Market Act II- Together for new growth" presented by the Commission on 3 October 2012.

Draft COUNCIL CONCLUSIONS

ON THE SINGLE MARKET ACT II- TOGETHER FOR NEW GROWTH

"THE COUNCIL (Competitiveness)

RECALLING:

- The Conclusions of the European Council of 19 October 2012 (welcoming the Commission's intention to present all key SMA II proposals by spring 2013 and calling for their rapid examination in order to allow their adoption by the end of the current parliamentary cycle at the latest);¹
- The Compact for Growth and Jobs agreed at the European Council on 29 June 2012 which highlighted the need for deepening the Single Market by removing remaining barriers in particular in digital and network industries within the context of the need for urgent measures to promote growth and jobs;²
- The Commission Communication on "Single Market Act Twelve levers to boost growth and strengthen confidence Working together to create new growth" (SMA I) of 13 April 2011;³
- The Conclusions of the Competitiveness Council of 30 May 2011 on the priorities for relaunching the Single Market, in which Council calls on Member States and the European Parliament in close cooperation with the Commission to adopt by the end of 2012 a first set of priority measures to bring a new impetus to the Single Market;⁴
- The Communication from the Commission "Europe 2020 A strategy for smart, sustainable and inclusive growth", adopted on 3 March 2010⁵, and the key flagship initiatives set out in it;

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² EUCO 76/12.

³ doc.9283/11.

⁴ doc. 10993/11.

doc. 7110/10.

- The Communication from the Commission "Better Governance for the Single Market", adopted on 8 June 2012⁶;
- The European Parliament Resolution of 14 June 2012 on a 'Single Market Act: The Next Steps to Growth', in which Parliament stresses that strengthening the Single Market and underpinning it with the right economic governance should be at the core of the EU's growth agenda⁷;
- The Opinion of the European Economic and Social Committee of 12 July 2012, which called for not only short-term but also medium and long-term measures to support growth and sustainable development⁸;
- The Commission Communication "Single Market Act II Together for new growth" (SMA II) of 3 October 2012.
- 1. UNDERLINES that since its foundation the Single Market has generated significant growth, employment and opportunities for citizens and businesses to move, operate and invest across the EU and thereby played an important role in the development of the EU.
- 2. STRESSES that the contribution to growth and employment expected from the further development of the Single Market is a key element of the EU response to the economic, financial and social crisis facing Europe and in promoting competitiveness. EMPHASISES that the Single Market constitutes an important tool for medium-term benefits, opportunities and for restoring confidence as well as for achieving the long-term vision of a highly competitive social market economy.
- 3. REAFFIRMS its objective to adopt by the end of 2012 as many of the outstanding priority measures of the SMA I as possible.

⁶ doc. 11125/12.

⁷ P7 TA (2012) 0258 adopted on 14 June 2012.

⁸ INT/648 - CESE 1575/2012.

doc. 14536/12.

- 4. CONSIDERING that the development of the Single Market is a continuous exercise and that further steps are necessary, it WELCOMES the SMA II that sets out the following four drivers and twelve key actions with significant growth potential, reflecting better regulation principles and in line with the Europe 2020 strategy and the Compact for Growth and Jobs decided last June:
 - a. Developing fully integrated transport and energy networks in the Single Market so that citizens and businesses have real choice and operators are free to offer their services anywhere, anytime and to any consumer on an equal basis, inter alia through:
 - i. The opening of domestic rail passenger services to operators from another Member State to improve the quality and cost efficiency of rail passenger services through a fourth railway package;
 - ii. The establishment of a true Single Market for maritime transport through a "Blue Belt" package by no longer subjecting EU goods transported between EU seaports to administrative and customs formalities that apply to goods arriving from overseas ports;
 - iii. The acceleration of the implementation of the Single European Sky through a new package of actions to improve safety, capacity, efficiency and the environmental impact of aviation and thus reduce, and if possible eliminate, the fragmentation of European airspace;
 - iv. The improvement of the implementation and enforcement of the third energy package and making cross-border markets that benefit consumers a reality, resulting in a more efficient and integrated energy market and lower energy prices.

- b. Fostering mobility so that citizens, workers and businesses are free to move across the EU whenever and wherever they want and the Single Market can deliver on its economic, social, cultural and political potential, inter alia through:
 - v. The development of EURES portal into a true European job placement and recruitment tool that would contribute towards a true European labour market;
 - vi. The increase of long-term investment in the real economy by facilitating access to long-term investment funds especially for the benefit of small and medium-size enterprises (SMEs) and innovative companies;
 - vii. The modernisation of EU insolvency rules to facilitate the survival of businesses and present a second chance for entrepreneurs, thus contributing to the improvement of the business environment.
- c. Supporting the digital economy across the EU so that it delivers sustainable economic and social benefits based on modern online services and fast internet connections hence leading to improved creativity and productivity and to a more digital economy, inter alia through:
 - viii. The support of online services by making payment services in the EU more efficient through the revision of the Payment Services Directive and a proposal on multilateral interchange fees;
 - ix. The reduction of costs and increase of efficiency in the deployment of high speed communication infrastructure to contribute to the achievement of the Digital Agenda high-speed internet targets and a digital Single Market;
 - x. Making electronic invoicing a standard practice in public procurement to achieve considerable savings and avoid further fragmentation of the Single Market.

- d. Strengthening social entrepreneurship, cohesion and consumer confidence to deliver inclusive growth without discrimination, allow for economic and social participation and spur territorial cohesion that would improve the social market economy, inter alia through:
 - xi. The improvement of the safety of products circulating in the EU through better coherence and enforcement of product safety and market surveillance rules that would increase consumer confidence and provide better protection of health and the environment;
 - xii. Giving all EU citizens access to a basic payment account, ensuring bank account fees are transparent and comparable, and making switching bank accounts easier, thus contributing to the integration of citizens into the wider social and economic community.
- 5. CALLS ON the Commission to table the necessary proposals for the twelve key actions of the SMA II by spring 2013.
- 6. INVITES the Member States and the European Parliament in close co-operation with the Commission and in a spirit of partnership to make every possible effort to adopt the twelve key actions of the SMA II by the end of the current parliamentary cycle in order to bring new impetus to the Single Market.
- 7. HIGHLIGHTS the importance of timely and correct transposition of Single Market legislation as well as its effective implementation and enforcement for it to become a tangible reality for all citizens and businesses. WELCOMES the Commission Communication to improve Single Market governance, including monitoring performance through an annual report in the framework of the European Semester process, and EMPHASISES the need for more realistic transposition deadlines.

- 8. RECOGNISES that tackling remaining unjustified barriers in the Single Market is an exercise requiring continuous adaptation to changing social, demographic, technological and other developments. ENCOURAGES the Commission to continue the monitoring of developments in this area and, in close cooperation with the EU institutions and stakeholders, to consider further action to remove remaining unjustified barriers in the Single Market to promote growth and jobs and to take account of new challenges in the interest of citizens, workers, consumers and businesses in particular SMEs.
- 9. STRESSES the need for its stronger role in Single Market issues in the context of the European Semester process especially with regard to the adoption and implementation of SMA I and SMA II.