



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 21 November 2012

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MI 745
FIN 872
SOC 940
ENT 295
CONSOM 144
ENER 473
TRANS 402
TELECOM 218
POLGEN 193**

NOTE

from:	Presidency
to:	Working Party "Competitiveness and Growth"
No. Cion prop.:	14536/12 COMPET 597 MI 599 FIN 720 SOC 802 ENT 236 CONSOM 116 ENER 397 TRANS 317 TELECOM 171 POLGEN 161
No Prev. doc.	15833/12 COMPET 668 MI 695 FIN 842 SOC 898 ENT 281 CONSOM 134 ENER 441 TRANS 379 TELECOM 201 POLGEN 185
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" - Revised draft Council Conclusions

Delegations will find in Annex a revised version 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. This revised version will be examined by the Working Party on Competitiveness and Growth at its meeting on 26 November 2012.

New text compared to doc. 15833/12 has been put in **bold and underlined**. Deleted text has been marked by ~~strikethrough~~.

Revised 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 Communications from the Commission “Better Governance for the Single Market”³ and “A partnership for new growth in services 2012-2015” on the implementation of the Services Directive,⁴ adopted on 8 June 2012;~~

~~—The European Parliament Resolutions of 14 June 2012 on a 'Single Market Act: The Next Steps to Growth'⁵ and of 25 October 2012 on the 20 main concerns of European citizens and business with the functioning of the Single Market;~~

~~—The Commission Communication “Single Market Act II – Together for new growth” (SMA II) of 3 October 2012.⁶~~

¹ ~~EUCO-156/12.~~

² ~~EUCO-76/12.~~

³ ~~Doc. 11125/12.~~

⁴ ~~Doc. 11145/12.~~

⁵ ~~P7_TA (2012) 0258 adopted on 14 June 2012.~~

⁶ ~~doc. 14536/12.~~

On the basis of the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions Single Market Act II - Together for new growth, adopted on 3 October 2012.⁷

THE COUNCIL (Competitiveness) agrees on the following:

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 a crucial role in the development and **stronger** integration of the EU.
2. STRESSES that the contribution to growth and employment expected from ~~a fully functioning~~ **the** Single Market is a key element of the EU response to the ~~economic~~, financial, **economic** and social crisis and in promoting competitiveness. EMPHASISES that ~~the~~ **a fully functioning** Single Market is indispensable for creating medium and long-term benefits and opportunities and for restoring consumer and business confidence as well as for achieving the vision of a highly competitive social market economy. **Moreover, ACKNOWLEDGES the importance of the external dimension of the Single Market, especially in the field of international standardisation, for the global competitiveness of the EU.**
3. REAFFIRMS its objective to adopt ~~by the end of 2012~~ **as soon as possible** ~~as many of the~~ outstanding priority measures of the SMA I. ~~as possible~~

⁷ Doc. 14536/12.

4. CONSIDERS that the deepening of the Single Market is a continuous exercise requiring further steps and, in this respect, WELCOMES the SMA II and **LOOKS FORWARD to examining** its actions which are expected to have significant growth and employment potential, ~~and which~~ **must** reflect better regulation principles, ~~while being~~ **be** in line with the Europe 2020 strategy and the Compact for Growth and Jobs decided last June, **and be seen in conjunction with the industrial policy strategy and the Digital Agenda.**
5. CALLS ON the Commission to table by spring 2013 ~~at the very latest~~ its proposals on the twelve key actions of the SMA II listed in Annex and in connection with this to also table a thorough impact assessment, ~~and~~ **including** quantification of costs and benefits of the key actions in relation to growth and jobs; furthermore HIGHLIGHTS the importance of appropriate monitoring and evaluation of ~~such benefits~~ **these aspects.**
6. ENCOURAGES 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 ensure the rapid examination of the proposals for the twelve key actions of the SMA II in order to allow their adoption by the end of the current parliamentary cycle at the latest so as to bring new impetus to the Single Market; in this respect INVITES the Presidency to initiate a close dialogue at an early stage with the European Parliament.
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 citizens and businesses and in this respect EMPHASISES the need for more realistic transposition deadlines. CALLS **STRESSES the importance** for urgent action in line with the Commission Communication ~~to improve~~ **on Better Governance of the** Single Market. ~~governance, including monitoring performance through an annual report in the framework of the European Semester process~~ **Furthermore,** WELCOMES the Commission Communication on the implementation of the Services Directive “A partnership for new growth in services 2012-2015”, and CALLS for its immediate implementation, including through rigorous peer review of national restrictions and swift action to remove unjustified barriers.

8. UNDERLINES that it is essential to ensure **consistency and** the highest quality and effectiveness of EU legislation in order to eliminate fragmentation of the Single Market, ~~reduce administrative burden on entrepreneurs;~~ **REITERATES the importance of reducing the administrative burden, as well as the overall regulatory burden at EU and national levels, especially on SMEs and micro-enterprises, to support economic growth and jobs** and ~~ensure~~ **of confirming** that the benefits of the Single Market are passed on to citizens and businesses; furthermore ENCOURAGES Member States to promote Single Market-friendly national legislation.
9. RECOGNISES that tackling remaining unjustified barriers in the Single Market is an exercise requiring continuous adaptation to social, demographic, technological, legal and other changes. ENCOURAGES the Commission to continue the monitoring of developments in these areas and, in close cooperation with the EU institutions and stakeholders, to consider where further action is required to promote sustainable growth and jobs by removing remaining **unjustified** barriers to the four freedoms of the Treaty so as to allow citizens and businesses, in particular SMEs, to make full use of the Single Market potential; in this respect, **RECALLS the wide range of instruments at the EU's disposal, which include, where appropriate, harmonisation as well as mutual recognition,** ~~while taking account of new challenges in the interest of citizens, workers, consumers and businesses and in particular SMEs.~~ **and UNDERLINES the importance of accompanying actions at national level.**
10. HIGHLIGHTS the necessity for the Single Market to rest upon a strong economic and social basis and in this respect EMPHASISES the importance for the key actions of the SMA II to address the concerns of the citizens **and businesses** and the benefits they may draw from the Single Market. **ACKNOWLEDGES the contribution of the Single Market *inter alia* to social inclusion within the EU and** ENCOURAGES **Member States and** the Commission to ~~consider further action to strengthen the contribution of the Single Market to social inclusion within the EU and ensuring~~ **ensure** that citizens, **consumers and businesses** can have access to the rights that the Single Market offers them.

11. STRESSES the need for its stronger role on Single Market issues in the context of the European Semester process with regard to sustainable growth and competitiveness enhancing measures, including the governance of the Single Market and, **where appropriate**, the adoption and implementation of the key actions of the SMA I and SMA II. Moreover, **[WELCOMES]**⁸ ~~CALLS ON~~ the Commission's to present its **First** Annual Report on the Integration of the Single Market **and LOOKS FORWARD to for its** timely discussion in the Competitiveness Council and its preparatory bodies **in the framework of the European Semester process**.
12. UNDERLINES the need to monitor closely the progress on the key proposals of the SMA I and SMA II and in this regard INVITES the Commission to present a semi-annual report for discussion in the High Level Group on Competitiveness and Growth and subsequently in the Council; **where progress is insufficient, ENCOURAGES the Presidency to take all necessary steps to speed up the process**.
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⁸ The square brackets will be removed following the publication of the Annual Report foreseen on 28 November 2012.

LIST OF SMA II KEY ACTIONS PROPOSED BY THE COMMISSION

	<i>Lever</i>	<i>Key Action</i>	<i>Proposal by the Commission</i>
<i>Developing fully integrated networks in the Single Market</i>			
1	Rail transport	<i>Adopt a fourth railway package to improve the quality and cost efficiency of rail passenger services</i>	Legislative proposal to be presented in Q4 2012
2	Maritime transport	<i>Adopt the "Blue Belt" package to establish a true Single Market for maritime transport</i>	Package of legislative and non-legislative measures to be presented in Q2 2013
3	Air transport	<i>Accelerate the implementation of the Single European Sky through a new package of actions</i>	Action plan with legislative measures to be presented in Q2 2013
4	Energy	<i>Implement an action plan to improve the implementation and enforcement of the third energy package</i>	Action plan to be presented in Q4 2012
<i>Fostering mobility of citizens and businesses across borders</i>			
5	Mobility of citizens	<i>Develop the EURES portal into a true European placement and recruitment tool</i>	Legislative Decision to be taken by the Commission in Q4 2012
6	Access to finance	<i>Boost long-term investment in the real economy by facilitating access to long-term investment funds</i>	Legislative proposal to be presented in Q2 2013
7	Business environment	<i>Modernise EU insolvency rules to facilitate the survival of businesses and present a second chance for entrepreneurs</i>	Legislative proposal and Communication to be presented in Q4 2012

<i>Supporting the digital economy across Europe</i>			
8	Services	<i>Revise the Payment Services Directive and make a proposal for multilateral interchange fees to make payment services in the EU more efficient</i>	Legislative proposal to be presented in Q2 2013
9	Digital Single Market	<i>Adopt common rules to reduce cost and increase efficiency in the deployment of high speed broadband</i>	Legislative proposal to be presented in Q1 2013
10	Public procurement & electronic invoicing	<i>Adopt legislation making electronic invoicing the standard invoicing mode for public procurement</i>	Legislative proposal to be presented in Q2 2013
<i>Strengthening social entrepreneurship, cohesion and consumer confidence</i>			
11	Consumers	<i>Improve the safety of products circulating in the EU through a revised General Product Safety Directive, a new single Regulation on Market Surveillance and a flanking action plan</i>	Package of legislative and non-legislative measures to be presented in Q4 2012
12	Social cohesion and social entrepreneurship	<i>Adopt a legislative initiative to give all EU citizens access to a basic payment account, ensure bank account fees are transparent and comparable and make switching bank accounts easier</i>	Legislative proposal to be presented in Q4 2012