



**COUNCIL OF
THE EUROPEAN UNION**

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CONSOM 143
ENER 470
TRANS 399
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NOTE

from: General Secretariat of the Council
to: the Permanent Representatives Committee -Part I
No. prev. doc.: 16405/12 COMPET 706 MI 745 FIN 872 SOC 940 ENT 295 CONSOM 144
ENER 473TRANS 402 TELECOM 218 POLGEN 193
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

Subject: Draft Council conclusions on the Single Market Act II - Together for new Growth

1. On 3 October 2012, the Commission released a Communication entitled " Single Market Act II - Together for new growth".
2. On 26 October 2012, the Presidency presented draft conclusions on this Communication to the Working Party on Competitiveness and Growth. The Working Party discussed the draft conclusions on 26 October, 15 and 26 November 2012. Discussions resulted in a general consensus on the text set out in Annex to this Note.
3. The Permanent Representatives Committee is invited to forward these draft Conclusions to the Competitiveness Council on 10-11 December 2012 in view to their adoption.

Draft COUNCIL CONCLUSIONS
ON THE SINGLE MARKET ACT II - TOGETHER FOR NEW GROWTH

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 2012.¹

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 the Single Market is a key element of the EU response to the financial, economic and social crisis and in promoting competitiveness. EMPHASISES that 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 and market surveillance, for the global competitiveness of the EU.
3. REAFFIRMS its objective to adopt as soon as possible the outstanding priority measures of the SMA I.

¹ Doc. 14536/12.

4. CONSIDERS that the deepening and further development of the Single Market is a continuous exercise requiring further steps and, in this respect, WELCOMES the SMA II and LOOKS FORWARD to rapidly examining its actions which are expected to have significant growth and employment potential, must reflect better regulation principles, be in line with the Europe 2020 strategy and the Compact for Growth and Jobs decided last June. Moreover, the SMA II actions must be seen in conjunction with the industrial policy strategy and the Digital Agenda in order to strengthen industrial competitiveness and to ensure that all businesses, citizens and consumers may benefit from the Digital Single Market.
5. CALLS ON the Commission to table by spring 2013 its proposals on the twelve key actions of the SMA II listed in Annex and in connection with this to also table a thorough integrated impact assessment, 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 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. CALLS for urgent action in line with the Commission Communication on Better Governance of the Single Market.² 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. Furthermore, WELCOMES the Commission Communication on the implementation of the Services Directive “A partnership for new growth in services 2012-2015”³, and CALLS for the swift implementation of all actions identified in it , including rigorous peer review of national restrictions and swift action to remove unjustified barriers.

² Doc. 11125/12.

³ Doc. 11145/12.

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, 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 of confirming that the benefits of the Single Market are passed on to citizens and businesses; furthermore ENCOURAGES Member States to promote more Single Market-friendly national legislation.

9. RECOGNISES that tackling 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 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; RECALLS that, in order to reach this objective, all relevant instruments should be used including, where appropriate, harmonisation as well as mutual recognition; 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 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 ensure that citizens, consumers and businesses 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]⁴ the Commission's first Annual Report on the State of the Single Market Integration, including the identification of actions in priority areas; and LOOKS FORWARD to the timely discussion of every annual Report 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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⁴ The square brackets will be removed following the publication by the Commission 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