



**COUNCIL OF
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NOTE

From: CZ, DK, EE, IE, LV, LT, MT, NL, SE and UK Delegations

To: Council

Subject: **A Frontrunners initiative:
Working together to improve the Single Market**

Delegations will find attached an information paper provided by the CZ, DK, EE, IE, LV, LT, MT, NL, SE and UK delegations to be submitted to the Compet Council.

OBJECTIVE

For the Single Market to function efficiently, a well designed EU legislative framework is required. However, in addition to the efforts centralised at EU level, each Member State is also responsible for improving the functioning of the Single Market where it is most needed. A well functioning Single Market also requires vigorous efforts at national level to ensure that markets function well, barriers are lifted and rules work in practice.

With this in mind a number of Member States have joined forces in a ‘Frontrunners’ initiative with the aim of making the Single Market work better for business and consumers. It was initiated by the United Kingdom, Denmark, Sweden and the Netherlands, has substantially expanded since¹, and is open to all Member States that want to join.

The Frontrunners aim to solve concrete problems faced by business and consumers within the Single Market. A variety of tools, such as “enhanced coordination”, exchange of best practices and peer pressure, are used to ensure that every effort is made to realise the economic potential of cross-border trade within the Single Market. By taking this approach the Frontrunners hope to demonstrate a way forward which may stimulate national reforms also within other Member States within the European Union. The Frontrunners can work together as a single group, in subgroups or bilaterally depending on the issue.

As well as working together as Member States, the Frontrunners work closely with stakeholders to identify priority areas. This ensures that the results of the initiatives meet the demands of society at all relevant levels. The Frontrunners are currently taking forward four work-streams on Single Market Centres, Points of Single Contact, the recognition of professional qualifications and barriers to cross-border e-commerce.

The Frontrunners initiative started only recently, but we will share our results as soon as they materialise. We hope that our efforts will reinforce developments at EU level to boost economic growth and prosperity. The work of the Frontrunners should be seen as complementary to the efforts and policy developed by the European Commission. The European Single Market flourishes through the dedication and commitment of its members. As Frontrunners, we hope that our dedication results in greater benefits for business and consumer.

¹ Amongst others to Germany, Ireland, Malta, the Czech Republic, Lithuania, Estonia and Latvia.

BACKGROUND

1. Explaining the concept

The Frontrunners approach can be seen as complementary to the traditional European legislative process in the area of the Single Market. Member States take responsibility to remove barriers and obstacles within the Single Market where these exist at national level, to facilitate cross-border movement of goods, people, capital and services (i.e. the four freedoms). This cooperation also aims at enhanced coordination (through bilateral cooperation, exchange of best practices, peer review). It is explicitly not intended as a way of enhanced cooperation, as defined in the Treaty.

2. Actions and results

The Frontrunners group is working on four projects relating to services and professional qualifications, the Digital Single Market and support for businesses operating within the Single Market.

Businesses have indicated that barriers to e-commerce within the Single Market remain. To remedy this, the Frontrunners started a project to facilitate European cross-border e-commerce, including by aiming at analysing and removing establishment requirements faced by businesses that want to register a domain name under national top-level domains in other Member States.

The group is working together on setting up national 'Single Market Centres'. This is a national governance structure that integrates existing portals into one, to provide better assistance to business and consumers with questions and problems relating to the Single Market. By exchanging experiences and best practices Frontrunners will work on a manual, providing a business case for all Member States to take similar steps.

The group is also working to further enhance Points of Single Contact (PSCs) by developing into fully fledged cross-border e-government portals for businesses and entrepreneurs. This enables them to easily obtain all relevant information relating to their activities and to complete the relevant administrative procedures electronically. Studies from both the Commission and Member States show that further developments are needed in order to allow businesses to fully benefit from the PSCs. Frontrunners work on a best practice catalogue on end-user experience.

Finally, adding to the current EU project on regulated professions, the group is working on identifying alternatives to regulation and exchanging best practices and studies on the impact of regulated professions.

We aim for concrete results and recommendations on the way forward in each of the Frontrunner projects within six months and would like to present these at the Competitiveness Council in December, 2014. The desired long-term effect of the Frontrunners initiative is to facilitate access for business and consumers to new markets and products within the Single Market.
