European Parliament

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TEXTS ADOPTED

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30th Anniversary of the single market

European Parliament resolution of 18 January 2023 on the 30th anniversary of the single market: celebrating achievements and looking towards future developments (2022/3015(RSP))

The European Parliament,

- having regard to Article 3 of the of the Treaty on European Union and Articles 9 and 26 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to the public hearing of 27 October 2022 organised by its Committee on the Internal Market and Consumer Protection on the 30th anniversary of the single market,
- having regard to its resolution of 20 January 2021 on strengthening the single market: the future of free movement of services¹,
- having regard to its resolution of 25 November 2020 entitled 'Towards a more sustainable single market for business and consumers'²,
- having regard to the European Court of Auditors 2022 special report No 13 entitled 'Free movement in the EU during the COVID-19 pandemic: Limited scrutiny of internal border controls, and uncoordinated actions by Member States',
- having regard to the Commission communication of 10 March 2020 entitled 'Long term action plan for better implementation and enforcement of single market rules' (COM(2020)0094),
- having regard to the Commission communication of 2 February 2022 entitled 'An EU Strategy on Standardisation: Setting global standards in support of a resilient, green and digital EU single market' (COM(2022)0031),
- having regard to the Commission staff working document of 26 September 2022 entitled 'SOLVIT's Helping Hand in the Single Market: celebrating 20 years' (SWD(2022)0325),

OJ C 456, 10.11.2021, p. 14.

² OJ C 425, 20.10.2021, p. 10.

- having regard to the Commission communication of 13 October 2022 entitled 'Enforcing EU law for a Europe that delivers' (COM(2022)0518),
- having regard to the statements by the Council and the Commission of 16 January 2023 on the 30th anniversary of the single market,
- having regard to Rule 132(2) of its Rules of Procedure,
- having regard to the motion for a resolution of the Committee on the Internal Market and Consumer Protection,
- A. whereas 30 years ago, a joint vision, common efforts and determination by the European institutions and Member States working closely with European consumers, businesses, workers and civil society led to the creation of the EU single market, protecting social standards, thus marking a major step in the history of European integration and its ever closer cross-border cooperation;
- B. whereas the single market is today the world's largest internal market, accounting for 56 million European jobs and generating 25 % of EU gross domestic product (GDP), and has developed high standards of consumer protection;
- C. whereas, after three decades, the single market continues to face changes; whereas the recent supply shortages deriving from multiple crises underline the need to make the single market an instrument that strengthens the EU's resilience and to speed up the transition to a fully circular economy by 2050;
- D. whereas it remains necessary to continue addressing fragmentation, mainly by introducing common EU policies to foster Europe's global and internal competitiveness and fair competition to enhance its geopolitical impact, while recognising the specific role played by services of public interest;
- E. whereas only a social and competitive Europe will be able to drive forward the economic recovery and sustainable growth, jobs and innovation, contribute to delivering the green and digital transition and enable 'open strategic autonomy';
- F. whereas the COVID-19 pandemic and Brexit have posed serious challenges to the integrity of the single market, in particular regarding the free movement of goods and persons and the smooth functioning of supply chains;
- G. whereas Russia's war of aggression against Ukraine is now further highlighting the importance of unity and cooperation between Member States;
- H. whereas research shows that further action in the area of facilitation of the free movement of goods could significantly boost intra-EU trade, with potential economic benefits of between EUR 228 billion and EUR 372 billion per year;
- I. whereas research also shows that further action in service sectors could be beneficial, with between EUR 279 billion and EUR 457 billion of additional GDP per year in the long term; whereas the EU's achievements in the digital single market are estimated to have contributed EUR 177 billion to economic growth in the EU each year;

- J. whereas developing a well-functioning single market for goods and services is an integral part of the path towards more open strategic autonomy and more resilience through sustainable development; whereas the digital single market is the backbone of a European tech ecosystem that can both foster growth and help uphold democratic principles, civil liberties and an open internet;
- K. whereas the Conference on the Future of Europe put forward proposals to enhance the competitiveness and resilience of the EU's economy, and to strengthen the single market, including digitalisation measures to consolidate the economy and the single market in a fair and sustainable way, enhance the digital single market for companies of all sizes and make Europe a world leader in a human-centric digital transformation;
- L. whereas the single market has always developed and grown in response to the challenges facing it; whereas it again needs to be transformed and updated to address new challenges and to remain a motor of European integration;

The single market matters: undiminished importance and current challenges

- 1. Recalls that, by boosting businesses, protecting consumers and supporting citizens over both the short and long term, and promoting competitiveness and sustainable growth throughout the EU, the single market is the engine of European integration and the backbone of its economy;
- 2. Recalls that the single market has been and continues to be the key path towards peace, stability and prosperity on the European continent, as well as making a vital contribution to Europe's role on the global stage;
- 3. Underlines that all four freedoms of the single market, as laid down in the Treaties, are essential to these goals and need to be implemented in order to deepen the single market;
- 4. Emphasises that the single market cannot be taken for granted; underlines that the headwinds facing it are powerful, ranging from long-term geopolitical challenges and their effects on global economy and trade, to climate change, and to the challenges within the EU and in its neighbourhood;
- 5. Stresses that the powerful impact of Brexit on businesses in both the United Kingdom and the EU, especially small and medium-sized enterprises (SMEs), and on many citizens, bears out the central role of the single market not only in fostering economic integration but also in bringing Europe's people together, and underlines the importance of the single market, the customs union and the value of EU membership;
- 6. Observes that the COVID-19 crisis and the variety of unilateral national restrictions imposed had a serious and disruptive impact on the free movement of goods and citizens, in particular cross-border workers, adversely affecting businesses in the EU; points out, however, that the single market proved to be one of Europe's most important tools with which to respond to the crisis through cooperation; recognises the role of the single market in lifting national export bans during the COVID-19 crisis, providing essential goods and services to citizens, and stepping up manufacturing of medical equipment;

- 7. Underlines that Russia's war of aggression against Ukraine has once again put the resilience of the single market to the test, as it has disrupted supply chains and trade flows, leading to shortages, including the scarcity of some critical raw materials;
- 8. Considers that the single market is a key tool in times of crisis if Member States can act in a coordinated way; considers that the Single Market Emergency Instrument (SMEI) should be central to ensuring such coordination so as to prevent shortages and ensure the smooth functioning of the single market, including the free movement of essential goods and services throughout the EU;
- 9. Stresses that efforts to ensure the proper functioning of the single market must go hand in hand with efforts to achieve the EU's fundamental objectives in terms of sustainable development and a social market economy; urges the Commission, therefore, to target resources on issues affecting the single market, in particular unjustified barriers that prevent the realisation of the single market's full potential for consumers, workers and businesses, especially SMEs; considers, in this regard, that efforts should be intensified, notably through the Single Market Enforcement Task-Force (SMET); reiterates its call on the Commission to present concrete outcomes of the work of the SMET by the end of 2023;
- 10. Maintains that in order to further strengthen the single market and achieve gains for EU consumers and businesses, additional efforts are required, including timely and adequate policy-making; emphasises the contributions to single market policy and the legislative framework made with the leadership of its Committee on the Internal Market and Consumer Protection (IMCO); underlines that updating the single market includes embedding common treaty goals into the internal market policies;
- 11. Emphasises that the recent entry into force of the Digital Markets Act and the Digital Services Act represents an essential contribution to the creation of a harmonised, fair, competitive and trustworthy digital single market; considers it essential to ensure the effective implementation and enforcement of these two legislative acts including by making available sufficient financial and human resources; calls on the Commission to monitor implementation of these acts continuously and closely and to report to the relevant parliamentary committee accordingly;
- 12. Remains committed to delivering good results in the future artificial intelligence act, data act and cyber resilience act, which will be key instruments in promoting a single market approach to artificial intelligence and for creating a single market for data, as well as robust protection for consumers and users alike; stresses that these proposals are of key importance to shaping the rules underpinning the digital transition in the single market and to strengthening Europe's lead in pioneering technologies; adds that the Artificial Intelligence Act must have a human-centric approach at its core;
- 13. Underlines that recently agreed rules on a common charger for mobile phones and other electronic devices are evidence of the beneficial role the single market can play for citizens, businesses and the environment; highlights in this regard the role the European Parliament, and the IMCO Committee in particular, has played in devising such rules over the last 12 years;
- 14. Recognises the positive contribution of the new legislative framework to the integration of the single market;

- 15. Acknowledges the need for an effective European standardisation system that enables rapid publication of harmonised standards that grant presumption of conformity and that is aligned with international standards to support global trade;
- 16. Stresses the importance of the effective recognition of professional qualifications and the removal of unjustified barriers to the free movement of professionals in order to make EU professional services globally competitive in future decades; encourages the Commission to remain vigilant in pursuing infringement procedures where Member States do not comply with EU legislation on the recognition of qualifications;
- 17. Recalls that the Commission should submit a report on the implementation of the Unfair Commercial Practices Directive¹ by May 2024; considers that the amendment of the Directive seeks to update and improve the application of consumer protection rules in order to address new developments in the single market;
- 18. Underlines, furthermore, the need to assess and manage the EU's strategic dependency on countries outside the bloc in a number of critical areas, including by increasing the reuse or recycling of products, and remains committed to delivering an ambitious legislative framework on batteries and semiconductors, as well as to advancing European standardisation and the SMEI as important factors in ensuring the EU's security of supply, crisis management and resilience;
- 19. Highlights that consumers are at the heart of the single market; underlines the important role of consumer protection in ensuring that the single market can function properly and efficiently;
- 20. Is fully committed to maintaining a high level of consumer protection, including in the digital and green transitions, and to the ongoing work on the general product safety regulation, the consumer credits directive and the directive on distance marketing of consumer financial services directive;
- 21. Believes that the circular economy is an important goal, that it is essential that products are designed to last longer and to be easily and safely repaired, and that consumers receive reliable and clear information on durability and repairability, while at the same time avoiding disproportionate burdens on traders, in particular SMEs; plans to contribute constructively to that end through its work on the Empowering Consumers for the Green Transition and the Ecodesign for Sustainable Products initiatives; calls in this regard on the Commission to come up swiftly with its announced legislative proposal on the right to repair;
- 22. Believes that products placed on the single market should not only meet the highest product and safety standards but should also comply with the highest production standards; underlines, therefore, that products made with forced labour should be prohibited on the single market; underlines the essential role of both market surveillance authorities and businesses in ensuring that all goods entering the single market from countries outside the EU comply with EU law;

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Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market (OJ L 149, 11.6.2005, p. 22).

- 23. Acknowledges the role that EU public procurement rules can play in a transition towards a sustainable and circular economy;
- 24. Strongly believes in the importance of an effective legal framework for customs, and points to the importance of the digitalisation and interconnection of customs and non-customs systems by 2025 as a strategic objective of the EU; considers that electronic customs procedures can contribute to a well-functioning digital single market; welcomes in this respect the Commission's Interim Evaluation Report on the implementation of the Union Customs Code (UCC) and its intention to reform the Customs Union by a legislative package to improve the UCC and adapt it to meet the challenges and risks arising from e-commerce in particular; encourages the Commission to take into account the conclusions and recommendations of the 'Wise Persons Group on Challenges Facing the Customs Union';
- 25. Emphasises that Member States have primary responsibility for effectively and uniformly implementing and enforcing existing single market legislation;

Updating the single market to renew its promise

- 26. Believes that the best way to celebrate the 30th anniversary of the single market is to update it to renew its promise to deliver benefits for consumers and businesses; considers that a single market with a high level of consumer protection, which takes into account environmental and social considerations, and a frictionless framework for business is what makes it attractive on a global scale and what further drives European integration;
- 27. Considers that further development of the single market is a process that must provide renewed engagement with all citizens, as well as educational incentives to ensure that opportunities to acquire the new skills required by the green and digital transitions of our economies are provided;
- 28. Is convinced that, while underlining the need for competition within the single market, partnership and cooperation in the single market is a motor of European integration; believes that cooperation and collaboration need to be developed further as they can enhance strengths and compensate for weaknesses in the single market, especially in times of crises; takes the view that the single market should remain a key tool for people and businesses in such situations;
- 29. Maintains that single market policy should not only be about reducing barriers but rather should guide the EU towards further development based on common values, in particular in terms of clearly defining what needs to be done to facilitate businesses and workers in the transition, and to protect consumers and the environment;
- 30. Calls on the Commission to continue looking at new digital opportunities and trends, including virtual worlds, to make sure the single market continues to function properly and that consumers are well protected; calls on the Commission to examine the impact of environmental measures on services sectors, including digital services, and whether there is a need to update such measures;

- 31. Reiterates the need to facilitate the free flow of non-personal data to enable European innovation, support the growth of businesses and the digital single market; expresses its support for moving towards a fully functional e-procurement regime and e-invoicing;
- 32. Believes that Europe should assess the regulatory framework for products and services, and whether rules need to be put in place on remedies and guarantee rights in order to incentivise sustainable consumption;
- 33. Considers also that Europe needs to further develop the second-hand market;
- 34. Advocates strengthening further the external dimension of the single market and preserving the EU's interests and its strategic independence; considers that the single market's high standards can spill over and expand across the world and should be properly enforced in order to create a level playing field for European businesses;
- 35. Underlines the importance of European standards and European standardisation deliverables for the single market, the competitiveness of European industry and for the safety and security of citizens; welcomes the new EU strategy presented by the Commission; underlines the importance of consulting all relevant stakeholders, including SMEs, consumer organisations, and environmental and social stakeholders and of taking public interest in general into account; considers that the EU must develop a more strategic approach to standards, including on international standardisation activities in relevant global formats, in particular in the digital domain;
- 36. Highlights the need to provide a framework for regulation for short-term property rentals and accommodation, including by improving transparency and legal certainty, especially as regards data generation and data sharing;
- 37. Considers that consumer protection needs to be updated, in a way that also takes digital asymmetries into account, in order to cover the digital services sector, such as gaming, virtual reality, augmented reality and virtual worlds; stresses the importance of fostering innovation and new businesses;
- 38. Believes that the European Accessibility Act and the Web Accessibility Directive have been noteworthy achievements in removing barriers for persons with disabilities and thus enabling all EU citizens to take part in the single market for products and services as well as the wider digital single market; considers, however, that the implementation of such crucial legislation varies widely across Member States and, in general, has not yet been satisfactory; invites Member States to take due account of accessibility rules in procurement procedures; stresses, in this context, that the Accessible EU Centre should be given a central role in supporting Member States in the implementation phase; further believes that businesses have benefited from common, harmonised rules on accessibility; asks the Commission to consider how to address remaining barriers and improve accessibility in order to continue benefiting citizens and businesses;
- 39. Highlights that e-commerce measures targeting unjustified geo-blocking, notably Regulation (EU) 2018/302¹, have contributed to creating the framework for a less fragmented single market and enhancing consumer choice for online shopping;

Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination

- 40. Underlines the important role that the SOLVIT network plays in helping enhance the functioning of the single market by supporting businesses, citizens and public authorities with the correct application of single market rules; stresses that SOLVIT stands out as a front runner in the digital provision of EU services and as a promoter of an alternative approach to ensuring compliance with EU rules; reaffirms that the SOLVIT system is not a substitute for enforcement by the Commission when Member States fail to implement the rules;
- 41. Calls for the Single Market Scoreboard to be updated; considers that the scoreboard requires continuous updating as it does not measure all aspects of the single market, particularly in the case of services; suggests exploring new indicators to measure the single market's successes in a qualitative way to investigate how it delivers benefits for businesses and consumers;
- 42. Underlines the importance of effective, timely and correct application and enforcement of the single market regulatory framework; stresses that this requires close cooperation between the Commission and Member States, full commitment of national authorities responsible for the proper application and enforcement of the law, better cooperation between customs and market surveillance authorities and greater involvement of stakeholders such as consumer organisations and other public organisations, as well as businesses:
- 43. Underlines that proper enforcement and compliance with single market rules is crucial to building consumer trust and confidence, as well as to creating a level playing field for all businesses, including those from countries outside the EU selling products and services in the single market, with a particular focus on the market surveillance framework, product safety and mutual recognition;
- Emphasises the need to ensure robust enforcement, which may in some cases extend beyond the traditional remedial measures, such as infringement procedures, to put much more stress on prevention, and in particular on further deepening the collaboration and cooperation between national competent authorities when enforcing EU rules;
- 45. Highlights that for a functioning customs union, national obstacles need to be removed in order to prevent harmful traffic of goods and protect the EU Single Market from illegal products; calls on the Commission to set up an EU customs agency;
- 46. Advocates strengthening the funding of single market policies by updating the current multiannual financial framework;

Conclusions: a crucial moment for strengthening and developing the single market

- 47. Believes that the EU will only be able to make the most of its economic power if the single market receives renewed commitment from the Member States and EU institutions; considers that, in order to succeed, strong political will is needed, as well as a new overarching programme with an agenda for action towards 2030 and beyond;
- 48. Considers that strengthening and developing the single market requires a broader strategy strengthening the single market for services, as well as a real digital single

- market in which data can flow freely within the EU and across sectors to the benefit of businesses, researchers and public administrations, in compliance with privacy and data protection rules;
- 49. Recognises the special status of services of general interest and the need to guarantee them in the public interest, as ruled by the Court of Justice of the European Union, taking into account the principles of subsidiarity and proportionality as laid down in Protocol (No 26) TFEU on services of general interest;
- 50. Considers that in order to foster resilience, ensure security of supply, reach the Union's connectivity goals and promote open strategic autonomy in key sectors, the Commission and Member States should work towards creating a true single market for energy and for telecommunications services, with strong engagement and protection of consumers, as soon as possible;
- 51. Acknowledges that the new legislative framework for products has been a success for product regulation in Europe for decades; stresses that it needs to be updated in the light of technological developments and the digital and circular economy;
- 52. Takes the view that EU institutions, Member States and all stakeholders for their part should genuinely commit to developing the single market in the collective interest and to strengthening the EU's place in the world;
- 53. Invites the Commission to provide a vision and guidance for the new programme; calls on Member States to commit to partnership and cooperation; reaffirms its readiness to continue playing its constructive part in this process;
- 54. Wishes the single market a happy 30th birthday;

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55. Instructs its President to forward this resolution to the Council and the Commission.