RECOMMENDATIONS

COMMISSION

COMMISSION RECOMMENDATION

of 29 June 2009

on measures to improve the functioning of the single market

(Text with EEA relevance)

(2009/524/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community, and in particular Article 211 thereof,

Whereas:

(1) A well functioning single market is essential for creating employment and growth, and for promoting economic stability. The more effective the single market is, the more it will improve the business environment, thereby encouraging firms to invest and create jobs, and the more it will increase consumer confidence and demand. A well functioning single market is therefore crucial in the context of economic recession to facilitate the recovery of the European economy.

(2) It is essential for a well functioning single market to have correctly transposed, applied, enforced, monitored and satisfactorily harmonised Community rules affecting the functioning of the single market (hereafter single market rules).

(3) Consultation and analysis carried out to prepare the Communication ‘A single market for 21st century Europe’ (hereafter the Single Market Review) (1) have identified a number of shortcomings which show that the single market does not yet function as efficiently as it should. In many areas and sectors, further work is still necessary. Citizens and businesses are often unable to seize the many single market opportunities because rules are not properly applied and enforced.

(4) In the Single Market Review, the Commission therefore suggested a set of concrete measures, to ensure that citizens and businesses continue to benefit from the economic advantages created by the single market (2).

(5) The measures taken by the Member States and those taken by the Commission should complement each other. A coordinated and cooperative approach — in partnership between the Commission and Member States — with a common objective of improved transposition, application and enforcement of single market rules, is vital to ensure the proper functioning of the single market. The partnership approach in the context of this Recommendation goes beyond the already established cooperation in a number of single market policy areas. It requires establishing and maintaining closer cooperation within and between the Member States, and with the Commission, in all areas that are relevant for the single market. It also implies that Member States assume shared responsibility for and therefore a more proactive role in managing the single market.

(6) The Single Market Review, and in particular subsequent discussions with Member States, identified some areas as crucial to achieve a well functioning single market, namely: ensuring coordination on single market issues; improving cooperation within and between Member States as well as with the Commission; improving the transposition of single market rules; monitoring markets and sectors in order to identify potential market malfunctioning; improving the application of single market rules; strengthening the enforcement of single market rules and promoting problem-solving; promoting regular assessment of national legislation; and informing citizens and businesses about their single market rights.


(2) The GDP of the Community increased by 2.15% and 2.75 million extra jobs were created over the period 1992-2006, and intra-Community trade rose by 30% between 1993 and 2005 (SEC(2007) 1521, 20.11.2007).
(7) This Recommendation draws closely on solutions already introduced in certain Member States, which have proven to work in practice in the Member States concerned. It is for each Member State to choose the practices best designed to ensure the implementation of this Recommendation, having regard to what would be most effective in the context of that Member State, since procedures and practices that are effective in one Member State may not be as effective in another.

(8) Research shows that Member States need to improve internal coordination on single market issues, as competences are currently dispersed among different national authorities (1). As applying single market rules may involve a wide variety of national, regional and local authorities in each Member State, efficient cooperation among them should be enhanced. Therefore, Member States should ensure and strengthen a single market coordination function within their national administrations, which may vary according to specific national administrative structures and traditions. The authorities responsible for this function should have the overall responsibility to plan, oversee and evaluate the implementation of this Recommendation.

(9) Close cross-border cooperation between Member State authorities competent for single market issues allows the building of mutual trust and is of vital importance for the correct application of single market rules. Member States should take the necessary measures to ensure that the cross-border networks or electronic information systems established by the Commission (e.g. such as the Internal Market Information system (IMI), RAPEX (2), RASFF (3) or Consumer Protection Cooperation network) are operational, by putting in place appropriate arrangements, including allocation of resources.

(10) Internal Market Scoreboards have shown that there is still a need to improve timeliness and in the transposition of single market Directives. While Commission Recommendation of 12 July 2004 on the transposition into national law of Directives affecting the single market (4) (hereafter the 2004 Commission Recommendation) has broadly been applied, and while this has resulted in a significant improvement of the transposition rate, parts of that Recommendation still remain to be applied more effectively. This Recommendation recalls as still necessary and further develops actions recommended in the 2004 Commission Recommendation, which remains a reference for Member State administrations dealing with transposition. This Recommendation also builds on the Communication from the Commission — A Europe of Results — Applying Community Law (5) and on the Communication from the Commission — Review of the Lamfalussy process — Strengthening supervisory convergence (6).

(11) Market monitoring is necessary to identify the sectors where markets do not function properly for consumers and businesses, and to focus single market policies on those areas. Therefore, it should become an integral element in designing and monitoring single market policies (e.g. through the Consumer Markets Scoreboard). Cooperation between the Commission and Member State authorities on market monitoring and data collection work will enhance the quality of data and analysis for use at national and Community level, and help build consensus on single market issues. Member States are encouraged to participate in market monitoring exercises carried out by the Commission, and to carry out similar exercises at the national level, adapted to specific national needs.

(12) Various national studies have underlined the importance of training to assist officials, including judges, at national, regional and local levels of administration in correctly transposing, applying and enforcing single market rules. In this context, it is important to ensure that those rules, and the impact on the Community’s external competitiveness in general, are always taken into consideration when drafting national legislation. The importance of training was further confirmed by a recent study and resolution on the role of the national judges conducted by the European Parliament and its 2005 resolution on competition law (7), as well as by a recent Council Resolution (8). Officials should also be given guidance on Community law in general and on single market rules in particular.

(13) Effective enforcement of single market rules and proper measures to resolve problems encountered by citizens and businesses are of crucial importance to help citizens and businesses to benefit from the freedoms guaranteed by the Treaty. Building on the cooperation already achieved in the area of problem-solving, in particular through SOLVIT (9), Member States, with the

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(2) Rapid alert system for non-food dangerous products.
(3) Rapid alert system for food and feed.
(9) Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions 'Effective Problem Solving in the Internal Market (SOLVIT)' (COM(2001) 702 final, 27.11.2001).
Support from the Commission, should improve the capacity of problem-solving mechanisms — either in national courts or through non-judicial mechanisms — to provide effective redress. It is important that the circumstances giving rise to the various problems encountered are addressed.

(14) Regular monitoring and evaluation of national legislation is important as it allows verification of how effectively single market rules are applied in practice, and identification of provisions which could prevent citizens and businesses from drawing full advantage from these rules. Such exercises should be carried out more systematically in all Member States.

(15) Recent Eurobarometer surveys (?) and requests addressed to the Commission’s information and problem-solving services show that it is necessary to provide more information to citizens and businesses about their rights in the single market in order for them to be able to exercise those rights in practice. It should furthermore be made possible for citizens and businesses to obtain assistance when they exercise those rights. To that end, Member States, with the support of the Commission and when appropriate in cooperation with the stakeholders, should ensure the provision of practical information and advice on matters that concern citizens and businesses who want to live, study, work, set up companies or provide goods or services in another Member State.

(16) The Annex to this Recommendation sets out measures that Member States could take in order to implement this Recommendation and provides a list of practices of certain Member States, on which those measures are based. It is considered that, while certain measures may initially incur costs, they should allow for savings to be made, for instance by streamlining national administrative practices, and should, in the long term, lead to a better functioning single market and therefore bring benefits to consumers and businesses.

(17) The progress in implementing this Recommendation should be monitored in close cooperation between the Commission and the Member States, including through discussions in the Internal Market Advisory Committee (IMAC) on the basis of benchmarks and indicators. In order for the Commission to be able to carry out an assessment of the effects of this Recommendation four years after the publication of the Recommendation in the Official Journal, Member States should submit reports to the Commission three years after the publication of this Recommendation in the Official Journal on actions taken to implement the Recommendation.

HEREBY RECOMMENDS THAT THE MEMBER STATES:

1. Ensure and strengthen a single market coordination function, to promote efficient coordination within and between authorities responsible for single market issues at national, regional and local level, and to act as a reference point for the single market within the administration.

2. Facilitate active cooperation between administrative authorities responsible for single market issues in different Member States, and with the Commission, through the allocation of sufficient resources.

3. Take all necessary measures to improve the transposition of Directives affecting the single market.

4. Support the Commission’s work on market monitoring and related data collection by actively contributing to the exercise at the Community level, and, if relevant, by considering similar exercises at national level.

5. Ensure that national authorities and officials have sufficient knowledge of Community law in general and of single market rules in particular to efficiently apply single market rules and where relevant, take these rules into account when preparing and introducing new national legislation.

6. Facilitate and encourage a quick and efficient resolution of problems encountered by citizens and businesses in exercising their single market rights by in general, taking measures to improve the enforcement of single market rules, and in particular, by ensuring that the judiciary has sufficient knowledge of Community law including single market rules, and by providing sufficient support to problem-solving mechanisms.

7. Carry out regular evaluation and assessment of national legislation to ensure full compliance with single market rules and in so doing keep under review any use of exemptions or derogations provided for in existing single market rules.

8. Enhance the provision of practical information on single market issues to businesses and citizens.

9. Examine the measures and practices set out in the Annex and, having regard to their national institutional traditions, adopt those practices that will, or can be expected to, lead to an improvement in the functioning of the single market and are best suited to implement this Recommendation.

(?) http://ec.europa.eu/internal_market/strategy/index_en.htm#061204
10. Cooperate with the Commission and other Member States in monitoring the implementation of this Recommendation, inform the Commission of actions taken in implementing this Recommendation on a regular basis and provide a final report to the Commission three years after the publication of this Recommendation in the Official Journal.

Done at Brussels, 29 June 2009.

For the Commission

Charlie McCREEVY

Member of the Commission
ANNEX

Measures and practices improving the functioning of the single market

1. MEASURES ENSURING BETTER COORDINATION ON SINGLE MARKET ISSUES

Member States are invited to take the following measures:

(a) assign to a new or existing authority within the national administration the responsibility for coordination on single market issues;

(b) ensure coordination between government ministries and agencies on single market issues;

(c) ensure coordination amongst government ministries and agencies on the one hand, and regional and local authorities on the other, and also amongst regional and amongst local authorities;

(d) ensure that the relevant government ministries and agencies and other institutions take into account single market rules;

(e) consider bringing together responsibilities for a number of single market related activities within a single authority, taking into account the organisation of the national administration;

(f) plan, monitor and evaluate the implementation of this Recommendation.

Existing practices in certain Member States related to the suggested measures

| Responsibility for coordination on single market issues | — Some government bodies already come close to exercising a single market coordination function. They cooperate closely with other authorities on single market issues, ensure compatibility of national law with single market rules, and are responsible for a number of single market activities; |
| Interministerial cooperation | — Interministerial working groups on single market related issues bring together representatives of relevant authorities; |
| Vertical coordination | — Special networks exist, e.g. in the area of public procurement or market surveillance, which link regional and local authorities. These networks dispose of common databases or websites; — Regional and local representatives are involved, on topics of interest for them, in the work of interministerial groups; |
| Political visibility | — Policy discussions on single market issues are held on a regular basis, e.g. in subcommittees of the national Council of Ministers; — National parliament is actively involved in analysing single market issues, e.g. by preparing reports or carrying out inquiries on these issues; |
| Advocacy | — A government body ensures compatibility of national legislation with single market rules by, inter alia, carrying out screening of national legislative drafts; |
| Bringing together single market activities | — Some government bodies are responsible for a number of single market related activities, such as SOLVIT, IMI, notifications for Directive 98/34/EC of the European Parliament and of the Council (1) and Council Regulation (EC) No 2679/98 (2), coordination of setting up of Points of Single Contact under the Goods Package. |


2. MEASURES IMPROVING COOPERATION BETWEEN MEMBER STATES AND WITH THE COMMISSION

Member States are invited to take the following measures:

(a) provide on a permanent basis: relevant language, IT and other trainings, and raise awareness about the existing networks and regarding the relevant data protection rules, to make Community networks (e.g. the Internal Market Information system (IMI), RAPEX, RASFF, Consumer Protection Cooperation networks, and others) fully operational at national level;
(b) organise — for instance, via existing networks — exchanges of officials responsible for single market issues between national administrations;

c) ensure that active cooperation between authorities responsible for single market issues in different Member States forms part of the national administrative culture;

d) take organisational measures to ensure that Member States are able to promptly reply to Commission requests for information concerning the application of single market rules at national level, and in particular in the context of the EU Pilot project (1) and the infringement procedures.

Existing practices in certain Member States related to the suggested measures

| Cooperation between national authorities | — Close cooperation exists between Nordic and Baltic countries on market surveillance, implementation of Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (1) and other single market issues; — Cooperation is in place between national authorities in the areas of public procurement (e.g., through Public Procurement Network), and market surveillance. National market surveillance authorities in the area of consumer (non-food) product safety cooperate closely via the PROSAFE network, and ICSMS system facilitates market surveillance of technical products; |
| Administrative exchanges | — National competition authorities are involved in exchanges of national officials in the context of the European Competition Network; — Several national market surveillance authorities and authorities responsible for the enforcement of consumer protection laws participate in exchanges of officials, in the context of the Consumer Safety Network under Directive 2001/95/EC of the European Parliament and of the Council (2), and Regulation (EC) No 2006/2004 of the European Parliament and of the Council (3); |
| Financial and human resources support | — Separate teams have been designated to set up the Internal Market Information (IMI) network and they have been given sufficient human and financial resources to develop the IMI throughout their Member States; |
| Training | — Representatives of national authorities, after having followed Commission trainings, train other members of the IMI network at national level. This practice works best when the training role is included in the job description of these officials. |


3. MEASURES IMPROVING THE TRANPOSITION OF SINGLE MARKET RULES

Member States are invited to take the following measures:

(a) effectively prepare in advance for the transposition, application and enforcement of single market Directives at national level;

(b) ensure that all officials concerned cooperate closely with each other and facilitate that officials responsible for transposition and application of a Directive at national level are also involved during the negotiations on that Directive;

(c) improve cooperation between national administration and national, regional and devolved parliaments, and regional and local authorities involved in transposition, and provide them, where necessary, with all relevant information related to the negotiations and the transposition process;

(1) Test phase of ‘EU Pilot’ project, which aims to achieve quicker responses to enquiries and complaints regarding the correct interpretation and implementation of Community law, through a more informal working method between the Commission and Member States, was launched in April 2008 with 15 Member States.
(d) provide information to stakeholders during the transposition process, where useful, on single market legislative proposals that could be of interest to businesses and citizens;

(e) avoid the addition of supplementary provisions that are not necessary to transpose a Directive (1);

(f) facilitate dialogue with the Commission on the transposition of single market Directives by using a variety of means, such as correlation tables, aimed at increasing transparency and user-friendliness of national legislation.

Existing practices in certain Member States related to the suggested measures

| Early preparation | National impact assessments are drawn up when a Directive is tabled by the Commission. They include a detailed analysis of impact for the Member State concerned and the potential transposition or application implications. They are updated throughout the transposition process; |
| Continuity | Close cooperation between officials involved in negotiating, transposing and enforcing Directives is ensured. The need for such continuity is underlined in national transposition guidelines; |
| Cooperation with parliaments | Information is sent to national parliaments at an early stage and on a regular basis on the developments regarding the transposition of Community Directives, inter alia, through a quarterly scoreboard on transposition; |
| Cooperation with regional and local authorities | Officials from regional or devolved authorities are involved in the work of interministerial transposition coordination groups; |
| Communication with stakeholders | The public has access to a simplified transposition database via Internet. Information on progress in transposition is made available on Ministries’ websites and a list of Directives not transposed on time is published on Internet; |
| Avoiding ‘unnecessary additional requirements’ | The national authorities are obliged to produce guidance for citizens on new transposition laws at least 12 weeks before their entry into force; |
| Correlation tables | Correlation tables are used for information and screening purposes; |

4. MEASURES TO BETTER MONITOR MARKETS AND SECTORS TO IDENTIFY POTENTIAL MARKET MALFUNCTIONING

Member States are invited to take the following measures:

(a) collect qualitative and quantitative information about markets or sectors being monitored, for instance from market analysis carried out by academics, consultants or stakeholders, or from data collected by the National Statistical offices and complaint handling bodies;

(b) identify local sources of information and facilitate the engagement of local stakeholders in market monitoring process; e.g. by organising local consultations or meetings between the Commission and key local stakeholders;

(c) take part in the monitoring work on specific aspects, such as on competition analysis, regulatory assessments or collecting data to measure how markets function for consumers (e.g. through regular collection of average prices of comparable consumer products and services, classification of consumer complaints, and development of appropriate indicators to measure quality of enforcement).

(1) Without prejudice to the transposition of provisions setting minimal requirements in Directives resulting from shared competences in accordance with the EC Treaty (in particular article 137 ECT).
Existing practices in certain Member States related to the suggested measures

| Collecting information | — Member States provide information about monitored markets or sectors to the Commission (e.g. in the context of the market monitoring exercise on retail trade); |
| Specific aspects of monitoring | — Monitoring is carried out also from a consumer (e.g. a Consumer Condition Index rating 57 markets against each other is published on an annual basis, and its methodology has been followed in other Member States) or competition perspective (e.g. a monitoring of a national retail sector from a competition perspective); |
| National level monitoring | — A pilot screening exercise was carried out in close cooperation with the Commission, to see if the Commission methodology could be used at the country level and to provide an orientation for further in-depth analyses in Member States. |

5. MEASURES IMPROVING THE APPLICATION OF SINGLE MARKET RULES

Member States are invited to take the following measures concerning officials responsible for applying single market rules:

(a) provide training on Community law in general and single market rules in particular when they enter a job;

(b) establish continued ‘on-the-job’ training programmes on Community law in general and single market rules in particular;

(c) provide practical guidance and advice regarding single market rules and their application.

Existing practices in certain Member States related to the suggested measures

| Training | — Obligatory training on Community law for officials is organised, e.g. Community law is an obligatory part of the preparation phase for access to a career in the public administration; obligatory seminars about public administration issues, including an introduction on Community issues, are organised; |
| Continued ‘on-the-job’ training | — Training on Community and single market issues is organised through on-line training modules; regular newsletters are prepared; conferences or regular training sessions are held within the national administration; — Specific training programmes for officials exist on the internal market; |
| Practical guidance and advice | — A specific internal market guide helps national officials improve their knowledge and skills; detailed guidelines are also being developed on mutual recognition following the adoption of the Goods Package; — A designated help desk deals with single market related queries of officials; — Explanatory guidance on how to understand and interpret a legal act is published on national Ministries’ websites to provide specific information on application; |
| Education and tests on Community law and single market rules | — Community law is a compulsory part of law education; — Officials are obliged to pass an exam including Community law and single market rules to enter a public administration post. |

6. MEASURES STRENGTHENING THE ENFORCEMENT OF SINGLE MARKET RULES AND PROMOTING PROBLEM-SOLVING MECHANISMS

1) Non-judicial problem-solving mechanisms

Member States are invited to take the following measures:

(a) ensure that transparent, simple and inexpensive procedures are available to citizens and businesses for alternative dispute resolution (ADR);

(b) participate in and actively contribute to — especially through sufficient resources — the functioning and further development of problem-solving mechanisms at Community level, such as SOLVIT and the EU Pilot project;
(c) provide sufficient information to citizens and businesses — on single market related websites — about existing problem-solving mechanisms at national and Community level;

(d) address the underlying causes of the problems giving rise to the use of problem-solving mechanisms.

(2) National judiciary

Member States are invited to take the following measures:

(a) provide to judges basic training in Community law in general and single market rules in particular when they enter a job, and continued ‘on-the-job’ training programmes, including through the European Judicial Training Network (1) which organises and finances the exchange of judges;

(b) ensure easy access to complete and up-to-date information on single market related Community legislation and case-law of the Court of Justice of the European Communities, including through the future Community e-Justice portal (2) which will provide a ‘one-stop (electronic) shop’ for information on European justice and access to European judicial procedures;

(c) encourage national courts and tribunals to collect and make available information on important national judgments in the field of the single market, in particular national judgments applying preliminary rulings of the Court of Justice of the European Communities.

Existing practices in certain Member States related to the suggested measures

| ADR mechanisms | — A network of small courts for civil matters, intended for small disputes, operates in order to deliver a decision in a quicker, more efficient and less costly manner. It encompasses judicial and non-judicial resolution of disputes; |
| Participation in Community ADR mechanisms | — When the cooperation of a competent national authority has not been satisfactory, SOLVIT centres bring a case to a higher level within the administration as a second resort in order to find a solution; |
| Information about ADR mechanisms | — SOLVIT is promoted through closer cooperation with groups of stakeholders and through sending out information fact sheets to them; |
| Training | — The Ministry of Justice organises special training courses for judges covering single market rules; |
| Easy access to information | — Training programmes for trainee judges on Community law are compulsory; |
| Sharing important national judgements related to the application of single market rules | — Summaries of Community case-law are prepared by a specific unit in a national Ministry specialising in single market rules for use by the judiciary; |
| | — Summaries of significant judgments are published in a legal bulletin; |
| | — National courts are obliged to report important judgments concerning Community law and decisions on preliminary rulings, and these are published in a newsletter. |

7. MEASURES PROMOTING REGULAR ASSESSMENT OF NATIONAL LEGISLATION

Member States are invited to take the following measures:

(a) develop a systematic approach for monitoring and evaluating national legislation implementing single market rules to identify any inconsistencies in its application, including through consultation with stakeholders, feedback from the existing problem-solving mechanisms, etc.;

(b) review, where feasible, existing national rules and administrative practices, to identify provisions which could hinder citizens and enterprises from taking full advantage of single market opportunities; and adapt the national regulatory framework where necessary;

(2) The European e-Justice portal will be launched on 14 December 2009.
(c) take organisational measures to ensure a close monitoring of case-law of the Court of Justice of the European Communities and in that context regularly assess whether national legislation and administrative practices are compatible with single market rules.

Existing practices in certain Member States related to the suggested measures

| Evaluation of implementation | — Ex-post Impact Assessment reports and audits are developed to monitor the implementation of single market Directives;  
| Review of national rules and procedures | — Systematic process of consultations with stakeholders is being developed, to discuss how (and if) the selected packages of inter-related single market rules are implemented and their impact on businesses and citizens;  
| Checking impact of the Court of Justice preliminary rulings | — Comprehensive reviews of national legislation are carried out within the field of free movement of goods and services;  
| — National authorities systematically analyse whether national legislation should be amended following the recent judgments of the Court of Justice. |

8. MEASURES TO BETTER INFORM CITIZENS AND BUSINESSES ABOUT THEIR SINGLE MARKET RIGHTS

Member States are invited to take the following measures:

(a) promote and raise awareness about Community information services (1) within the national administration and externally at national, regional and local levels, in line with the Commission's work, in particular on the Single Market Assistance Services (SMAS);

(b) ensure increased coordination between the national contact points responsible for Community information services;

(c) make practical information on single market rights and obligations available in other languages, and easily accessible through an Internet website; and introduce clear cross-references between all relevant national and Community portals with single market related information, and in particular through the 'Your Europe' portal;

(d) organise information campaigns and programmes on the benefits and opportunities of the single market.

Existing practices in certain Member States related to the suggested measures

| Promoting Community information services | — Targeted information to the most concerned groups of stakeholders is provided through the Internet, brochures, leaflets, seminars and awareness-raising campaigns;  
| Coordination of Community information services at national level | — A coordination group brings together Europe Direct, Enterprise Europe Network, Eurojust, European Consumer Centre (ECC Net) and FIN-NET contact points;  
| Easily accessible information | — A considerable amount of single market related information and advice for foreign citizens and businesses, and for nationals who want to go abroad, is made available on horizontal e-government portals, national websites focused on Community issues, or on specific websites aimed at businesses or citizens;  
| Information campaigns | — A national online information resource on the single market is planned. It would be sponsored by one government authority and maintained by all the other authorities concerned;  
| — An information programme on the single market is being developed, which will include provision of publication materials, training courses and open lectures to inform citizens and businesses about single market opportunities. |

(1) Such as, among others, Europe Direct, Citizens' Signpost Service, Your Europe, EURES, European Consumer Centres, Enterprise Europe Network.