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21. Points out that the independent resources that the European political parties are required to demonstrate could be reduced to 10 % of their total budget, in order to further enhance their development; at the same time, believes that their own resources in the form of physical resources should not exceed 7.5 % of their total budget;
22. Notes that in the case of European political foundations the revision of the legal instrument should be taken as an opportunity to abolish the requirement to demonstrate that they have resources of their own;
23. Points out that in the context of this revision the limitation imposed on European political foundations requiring them to use their funds within the European Union should be removed; thereby enabling the foundations to play a role both inside and outside the EU;
24. Emphasises, however, that relaxing the funding regime would have to be counterbalanced by providing for sanctions in the Funding Regulation where they are currently lacking; these sanctions could take the form of financial penalties in the event of infringements of the rules concerning, for example, the transparency of donations; emphasises the need to lay down the same conditions governing the building-up of reserves from own resources above the limit and the carrying-over of funds for both European political parties and their affiliated European political foundations;
25. Points out that since 2008 European political parties have been entitled to use sums received as grants for 'financing campaigns conducted ... in the context of the elections to the European Parliament' (Article 8, third paragraph, of the Funding Regulation); also points out, however, that they are prohibited from using these sums for financing 'referendum campaigns'; believes, however, that if European political parties are to play a political role at EU level, they should have the right to participate in such campaigns as long as the subject of the referendum has a direct link with issues concerning the European Union;
26. Invites the European political parties to start a process of considering the terms for direct individual membership and appropriate arrangements for individuals' direct or indirect participation in the internal activities and decision-making processes of the parties;

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

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## **Governance and partnership in the single market**

P7\_TA(2011)0144

### **European Parliament resolution of 6 April 2011 on Governance and Partnership in the Single Market (2010/2289(INI))**

(2012/C 296 E/08)

*The European Parliament,*

- having regard to the Commission Communication 'Towards a Single Market Act for a highly competitive social market economy: 50 proposals for improving our work, business and exchanges with one another' (COM(2010)0608),
- having regard to the Commission Communication 'Europe 2020 – a strategy for smart, sustainable and inclusive growth' (COM(2010)2020),

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- having regard to the Commission Communication ‘A single market for 21st century Europe’ (COM(2007)0724) and the accompanying Commission staff working document ‘The Single Market: review of achievements’ (SEC(2007)1521),
  - having regard to its resolution of 4 September 2007 on the Single Market review<sup>(1)</sup> and the Commission staff working document ‘The Single Market review: one year on’ (SEC(2008)3064),
  - having regard to the Commission Communication on ‘Smart Regulation in the European Union’ (COM(2010)0543),
  - having regard to the Commission’s 27<sup>th</sup> Annual Report on Monitoring the Application of EU Law and to the accompanying Commission staff working document entitled ‘Situation in the different sectors’ (SEC(2010)1143),
  - having regard to the Commission Recommendation of 29 June 2009 on measures to improve the functioning of the single market<sup>(2)</sup>,
  - having regard to the Council Conclusions of 10 December 2010 on the Single Market Act,
  - having regard to Professor Mario Monti’s report to the Commission on revitalising the single market,
  - having regard to its resolution of 20 May 2010 on delivering a single market to consumers and citizens<sup>(3)</sup>,
  - having regard to the Internal Market Scoreboard No 21 (2010), and to its resolutions of 9 March 2010<sup>(4)</sup> and 23 September 2008<sup>(5)</sup> on the Internal Market Scoreboard,
  - having regard to the Commission Communication on ‘A Europe of Results - Applying Community Law’ (COM(2007)0502),
  - having regard to Articles 258 to 260 of the Treaty on the Functioning of the European Union (TFEU),
  - having regard to Articles 7, 10 and 15 of the Treaty on the Functioning of the European Union,
  - having regard to Rule 48 of its Rules of Procedure,
  - having regard to the report of the Committee on the Internal Market and Consumer Protection and the opinions of the Committee on Employment and Social Affairs and the Committee on Legal Affairs (A7-0083/2011),
- A. whereas relaunching the Single Market requires the active support of all citizens, European institutions, Member States and stakeholders,
- B. whereas in order to gain the active support of all stakeholders, it is essential that during consultations and dialogue with the Commission, as well as in expert groups, effective representation of civil society and SMEs is ensured,

<sup>(1)</sup> OJ C 187 E, 24.7.2008, p. 80.

<sup>(2)</sup> OJ L 176, 7.7.2009, p. 17.

<sup>(3)</sup> Texts Adopted, P7\_TA(2010)0186.

<sup>(4)</sup> OJ C 349 E, 22.12.2010, p. 25.

<sup>(5)</sup> OJ C 8 E, 14.1.2010, p. 7.

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- C. whereas the proper dissemination, articulation and management of the various EU Institutions' consultations and reports (EU 2010, the Citizenship Report 2010, the Integrated Industrial Policy, the Digital Agenda for Europe, the Monti report, Parliament's Resolution on 'delivering a Single Market to consumers and citizens', the Gonzales and IMCO reports, etc.) are of particular importance for the successful relaunch of the Single Market,
- D. whereas a substantial gap still persists between the single market rules and the benefits that citizens and businesses can draw from them in practice,
- E. whereas the EU's average transposition deficit amounts to 1,7 % when taking into account the cases in which the transposition time of a directive exceeds the deadline and in which infringement proceedings for non-conformity have been initiated by the Commission,

### **Introduction**

1. Welcomes with interest the Commission Communication 'Towards a Single Market Act', especially its third chapter and the global approach which it proposes in order to rebalance the single market between enterprises and citizens and to improve the democracy and transparency of the decision-making process; stresses that this approach seeks to guarantee the best balance between the proposals in the three parts of the communication;
2. Considers that the three chapters of the Communication are equally important and interconnected, and should be dealt with in a consistent approach without isolating the different issues at stake from each other;
3. Urges the Commission and the Council to reinforce the holistic approach to relaunching the Single Market, mainstreaming Single Market priorities to all policy areas which are crucial to achieving the Single Market for the benefit of European citizens, consumers and businesses;
4. Believes that enhancement of European economic governance, implementation of the EU 2020 strategy and the relaunch of the Single Market are equally important for revitalising the European economy and should be seen in combination;
5. Considers that a barrier-free and competitive single market should be completed in order to bring concrete advantages for workers, students, pensioners and citizens in general, and for businesses, particularly SMEs, in their daily lives;
6. Calls on the Commission to indicate the implementation timetable for the Single Market Act and to publish regular updates of tangible progress in order to make the EU public more aware of the Act's implementation and highlight its benefits;

### **General Assessment**

#### *Strengthening political leadership and partnership*

7. Is convinced that one of the main challenges in relaunching the Single Market is ensuring political leadership, commitment and coordination; believes that comprehensive guidance from the highest political level is crucial for the relaunch of the Single Market;
8. Suggests that the President of the Commission should be given the mandate to coordinate and supervise the relaunch of the Single Market, in close cooperation with the President of the European Council and the competent authorities in the Member States; urges the Presidents of the Commission and of the European Council to coordinate closely their respective actions that are to boost economic growth, competitiveness, the social market economy and sustainability in the Union;

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9. Highlights the enhanced role of the EP and the national parliaments under the Lisbon Treaty; urges that Parliament's role in the single market legislation process be strengthened; encourages national parliaments to engage with Single Market rules throughout the legislative cycle and participate in joint activities with the European Parliament, leading to a better synergy between the two parliamentary levels;
  
10. Welcomes the Commission's approach which puts dialogue and partnership at the core of the renewed single market, and calls for strengthened efforts by all stakeholders to ensure that this approach is put into practice so that the single market can play its full role in promoting growth and a highly competitive market economy;
  
11. Calls on the Commission jointly with the Presidency to organise a yearly Single Market Forum involving stakeholders from the EU institutions, Member States, civil society and business organisations to assess progress in relaunching the Single Market, exchange best practices and address the top concerns of European citizens; encourages the Commission to continue the exercise of identifying the top 20 single-market-related sources of dissatisfaction and frustration which citizens encounter; proposes that the Single Market Forum could be used by the Commission to present these problems and their respective solutions;
  
12. Urges Member States' governments to take ownership of the relaunch of the Single Market; welcomes initiatives taken by Member States to optimise the way in which they deal with Single Market directives in terms of improving coordination, creating incentive structures and increasing the political importance given to transposition; considers it crucial, when discussing priorities for new legislation, to enhance focus on and incentives for timely and correct transposition, correct application and better enforcement of single market legislation;
  
13. Notes that Single Market rules are frequently implemented by local and regional authorities; stresses the need for greater involvement of regional and local authorities in the construction of the single market, in accordance with the principles of subsidiarity and partnership, at all stages of the decision-making process; proposes, in order to emphasise this decentralised approach, the establishment of a 'Territorial Pact of Local and Regional Authorities on the Europe 2020 Strategy' in every Member State to create stronger ownership in the implementation of the EU 2020 Strategy;
  
14. Believes that the 'good governance' of the single market must respect the role of the two advisory institutions existing at European level – the European Economic and Social Committee and the Committee of the Regions – as well as that of the social partners;
  
15. Emphasises that dialogue with the social partners and civil society is of the essence in restoring confidence in the single market; expects new and bold ideas from the Commission as to how this dialogue can actually be improved; demands that the social partners be involved and consulted in all relevant single market legislation affecting the labour market;
  
16. Welcomes the intention of the Commission to enhance an open, transparent and regular dialogue with civil society;
  
17. Calls on the Commission to publish a Green Paper on guidelines for the consultations of the EU institutions with representative associations and civil society, ensuring that these consultations are broad, interactive and add value to the proposed policies;
  
18. Calls on the Commission to adapt dialogue and communication to the needs of ordinary citizens to the fullest extent possible, for example by making all its public consultations available in all EU official languages or by using language in such a way that the ordinary citizen can understand;

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19. Urges the Commission to launch an information and education campaign on the essence of the single market and the objectives set in order to increase its dynamism while incorporating the dimensions of social and regional cohesion; stresses the need for this communication campaign to favour better participation – and a better ability to participate – by each citizen, worker and consumer in bringing about a competitive, just and balanced market;

20. Considers that the use of the new collaborative tools and approaches of Web 2.0 offers an opportunity to achieve more open, accountable, responsive and efficient governance of the Single Market;

#### *Regulating the Single Market*

21. Takes the view that initiatives by single Member States cannot be effective without coordinated action at EU level, and that it is thus of fundamental importance that the European Union should speak with a strong single voice and implement common actions; considers that solidarity, on which the European social economy model is based, and the coordination of national responses have been crucial to avoiding protectionist measures of short duration by single Member States; expresses its concern that the re-emergence of economic protectionism at national level would most probably result in fragmentation of the internal market and a reduction in competitiveness, and therefore needs to be avoided; is concerned that the current economic and financial crisis could be used to justify reviving protectionist measures in various Member States, whereas the downturn calls for common safeguard mechanisms instead;

22. Takes the view that progress in the internal market should not be based on the lowest common denominator; encourages the Commission, therefore, to take the lead and come forward with bold proposals; encourages the Member States to use the method of enhanced cooperation in areas where the process of reaching an agreement among 27 is not achievable; notes that other countries would be free to join these spearhead initiatives at a later stage;

23. Believes that the overall efficiency and legitimacy of the Single Market suffers because of the complexity of Single Market governance;

24. Considers that more attention should be paid to the quality and clarity of EU legislation in order to facilitate the implementation of the Single Market rules by the Member States;

25. Considers that the use of regulations instead of directives where appropriate would contribute to a clearer regulatory environment and reduce the transaction costs associated with transposition; calls on the Commission to develop a more targeted approach to choosing legislative instruments, depending on the legal and substantial characteristics of the provisions to be implemented, while respecting the principles of subsidiarity and proportionality;

26. Encourages the Commission and the Council to intensify their efforts to implement the Smart Regulation strategy to further enhance the quality of regulation, fully respecting the principles of subsidiarity and proportionality;

27. Urges the Commission to continue independent ex-ante and ex-post evaluation of legislation with the participation of stakeholders to improve the effectiveness of legislation;

28. Suggests that the Commission systematises and refines the SME test, taking into account the diversity of their situations, to evaluate the consequences of legislative proposals on these businesses;

29. Believes that correlation tables contribute to better transposition and significantly facilitate enforcement of the Single Market rules; urges Member States to create and make publicly available correlation tables on all Single Market legislation; points out that in future Parliament may not include reports on compromise texts agreed with Council on the plenary agenda if provisions on correlation tables are not provided for;

**Wednesday 6 April 2011***Administrative coordination, problem-solving mechanisms and information*

30. Supports the proposals of the Single Market Act that aim at developing further administrative cooperation between the Member States, including extending the Internal Market Information (IMI) System to other relevant legislative areas taking into account the security and usability of the system; calls on the Commission to support Member States by providing training and guidance;

31. Considers that local and regional authorities could be involved in developing and expanding the Internal Market Information System after thorough evaluation of the benefits and problems such an expansion of the system may cause;

32. Stresses the importance of better communication and extension of the internal market information system as it is essential to provide SMEs in particular with clear information on the internal market;

33. Welcomes the Commission's intention to cooperate with Member States to consolidate and strengthen informal problem solving tools like SOLVIT, the EU Pilot project and European Consumer Centres; calls on the Commission to come up with a roadmap regarding the development and interlinking of different problem-solving tools to ensure efficiency and user friendliness and avoid unnecessary overlaps; calls on the Member States to provide these problem-solving tools with adequate resources;

34. Calls on the Commission to further develop and promote the Your Europe website so that it offers a single gateway to all the information and help services citizens and businesses need to make use of their rights in the single market;

35. Calls on Member States to develop points of single contact under the Services Directive into user-friendly and easily accessible e-Government centres where businesses can obtain all the necessary information in the relevant EU languages, deal with all formalities and complete the necessary steps by electronic means in order to provide services in the respective Member State;

36. Acknowledges the important role of EURES in facilitating the free movement of workers within the Union and ensuring close cooperation between national employment services; calls on the Member States to increase public awareness of this useful service to enable more EU citizens to fully benefit from employment opportunities across the EU;

37. Calls on the national Parliaments, regional and local authorities and social partners to take an active part in communicating the benefits of the Single Market;

*Transposition and enforcement*

38. Calls on the Commission to use all powers under the Treaties to improve transposition, application and enforcement of the rules of the Single Market to the benefit of European citizens, consumers and businesses; calls on the Member States to step up their efforts in order to fully and correctly implement Single Market rules;

39. Believes that the infringement procedure remains a key tool to ensure the functioning of the single market, but stresses that consideration should be given to additional instruments which are less time-consuming and cumbersome;

40. Calls on the Commission to resist any political interference and immediately launch infringement procedures where pre-litigation problem-solving mechanisms fail;

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41. Notes that the recent Court of Justice case law opens new scenarios for the Commission to pursue 'general and structural infringements' of Single Market rules by Member States;
42. Calls on the Commission to make full use of the changes introduced by Article 260 of the TFEU which are designed to simplify and speed up the imposition of financial penalties in the context of infringement proceedings;
43. Believes that the Commission should take a more active role in the enforcement of Single Market rules, by carrying out more systematic and independent monitoring in order to speed up and expedite infringement proceedings;
44. Regrets that too many infringement proceedings take a long time before they are closed or brought before the Court of Justice; asks the Commission to set a benchmark of 12 months for the maximum average time taken to process infringements, from opening the file to sending the application to the Court of Justice; deeply regrets that such procedures have no direct effect on EU citizens or residents who may have been victims of lack of EU law enforcement;
45. Asks the Commission to provide better information, in a transparent manner, about ongoing infringement procedures;
46. Calls on the Commission to propose a benchmark for Member States' compliance with the rulings of the Court of Justice;
47. Supports the Commission's initiatives to further improve the use of alternative dispute resolution (ADR), with a view to ensuring quick and efficient access to simple and low-cost out-of-court dispute resolution for consumers and enterprises in national and cross-border disputes involving both online and offline purchases; welcomes the consultation launched by the Commission; insists on the necessity of better information for citizens on the existence of ADR;
48. Calls on the Commission to focus also on the prevention of disputes, for example through stronger measures that prevent unfair commercial practices;
49. Welcomes the Commission's intention to launch a public consultation on a European approach to collective redress, and opposes the introduction of collective redress mechanisms along the lines of the US model, which contains strong economic incentives to bring unmeritorious claims to court;
50. Notes that any proposal on collective redress for infringements of competition law must respect Parliament's view expressed in its resolution of 26 March 2009 on damages actions for breach of the EU antitrust rules; insists that Parliament must be involved in the adoption of any such act by means of the ordinary legislative procedure and calls on the Commission to consider the case for minimum standards in relation to the right to compensation for damage resulting from a breach of EU law more generally;

*Monitoring, evaluation and modernisation*

51. Supports a focused and evidence-based approach to market monitoring and evaluation; invites the Commission to continue developing its market monitoring tools, such as that of the alert mechanism in the Services Directive, by improving methodology, indicators and data collection, whilst observing the principles of practicality and cost-effectiveness;

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52. Points out the need to evaluate the state of implementation of all Single Market legislation by Member States in a faster and clearer manner;

53. Highlights the mutual evaluation provided for in the Services Directive as an innovative way of using peer pressure to improve the quality of transposition; supports where appropriate using mutual evaluation in other areas, e.g. in the area of free movement of goods;

54. Encourages Member States to regularly review national rules and procedures which have an impact on free movement of services and goods in order to simplify and modernise national rules and remove overlaps; considers that the process of screening national law used for the implementation of the services directive could be an efficient tool in other areas to remove overlaps and unjustified national barriers to free movement;

55. Urges the Commission to support the efforts of the public sector to adopt innovative approaches, exploiting new technologies and procedures and disseminating best practices in the public administration which will lower bureaucracy and embrace citizen-centred policies;

**Key priorities**

56. Asks that each spring session of the European Council should be devoted to assessing the state of the Single Market, backed by a monitoring process;

57. Calls on the Commission to publish a Green Paper on guidelines for the consultations of the EU institutions with representative associations and civil society ensuring that these consultations are broad, interactive, transparent and add value to the proposed policies;

58. Urges Member States to create and make publicly available correlation tables on all Single Market legislation;

59. Calls on the Member States to reduce the transposition deficit of Single Market Directives to 0,5 % for outstanding legislation and 0,5 % for incorrectly transposed legislation by the end of 2012;

60. Calls on the Commission to submit a legislative proposal on the use of alternative dispute resolution in the EU by the end of 2011 and underlines the importance of its quick adoption;

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61. Instructs its President to forward this resolution to the Council and the Commission and to the governments and parliaments of the Member States.

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