

EU membership benefits: Not measured by net operating balances

National operating budgetary balances (OBBs) do not take into account all of **the economic and non-monetary benefits** that Member States gain from EU membership. In many policy areas with cross-border characteristics and demand for critical mass, **common action at the EU level may lead to better results than fragmented national initiatives.**

Several studies show that the **Single Market** has **increased employment and growth**. The effect of the Single Market deepening since 1990 has been quantified by **3.6 million new jobs**. Additionally, EU GDP would be **8.7%** lower if there had been no Single Market integration. The **average EU citizen gains €840 more per year** thanks to the Single Market. While all EU citizens benefit from income gains thanks to the Single Market, these effects are higher for Western Europeans in absolute terms. Relative to GDP, gains and losses are more similar.

Beyond direct gains in GDP, income and employment, **the EU produces a range of less quantifiable yet arguably more important benefits**. The Single Market – and indeed the EU – is not just concerned with business. It also puts in place **regulations protecting workers, consumers and the environment**. For example, the presence of air pollutants has fallen dramatically since 1990, partly thanks to EU regulation limiting their emissions.

Member States have **access to information-sharing systems** that help deal with cross-border issues, including **food alerts, health hazards and criminal prosecution**. Thanks to the market power of the EU, Member States are able to **negotiate trade agreements** that lead to employment creation and growth, as well as promote the EU values of **human rights and environmental protection**. The EU framework has historically helped to **promote political stability, international ties, and democratic and liberal values**.

The Single Market and economic integration



Sources (respectively): Højbjerg Brauer Schultz (2018), [“25 years of the European Single Market: Study funded by the Danish Business Authority”](#), Copenhagen; Eurostat, [“Intra and Extra-EU trade by Member State and by product group, ext. It_intrad”](#) (accessed 13 January 2020); American Chamber of Commerce to the EU (2017), [“The EU Single Market: Impact on Member States”](#), Brussels.

Consumer protection

EU legislation sets rights for consumers, standards for products and information, and processes to deal with risks. **Given the cross-border nature of the economy, it is of utmost importance that these rights and rules are made unanimous across the EU**, to avoid grey areas resulting from different national regulation. Examples of benefits arising from EU consumer protection include:

- 1 Passengers on various modes of transport have rights when it comes to realtime information and compensation for cancellations and/or delay.
- 1 Consumers may always return an online purchase within 14 days and be reimbursed.
- 2 Citizens may not be charged roaming fees for calls, SMS and data when they are in other Member States.

Peace

The value of peace in Europe cannot be quantified in monetary terms but is still clearly of paramount importance. For these and other reasons, the EU won the Nobel Peace Prize in 2012.

“The union and its forerunners have for over six decades contributed to the advancement of peace and reconciliation, democracy and human rights in Europe. [...] Today war between Germany and France is unthinkable. [...] The division between East and West has to a large extent been brought to an end; democracy has been strengthened; many ethnically-based national conflicts have been settled. [...] The stabilizing part played by the EU has helped to transform most of Europe from a continent of war to a continent of peace.” –The Norwegian Nobel Committee¹

Source: extract from Briefing *The benefits of EU membership are not measured by net operating balances*, February 2020

¹ The Norwegian Nobel Committee, “[The Nobel Peace Prize for 2012](#)”, 12 October 2012.

Box 1. Food and product safety

EU-wide systems for information sharing, product tracking and alert sending are crucial to ensure that dangerous food and products are recalled from the market.

- The Rapid Alert System for Food and Feed (RASFF) swiftly shares information concerning food safety risks and hazards to all countries.
- The Trade Control and Expert System is an EU programme that tracks all movements of plants, seeds, food and animals (including imported ones) across the Single Market, thus facilitating safety alerts.
- The Rapid Alert System for Non-Food Products is notified about health hazards of products by users, and in turn shares the information.



Sources: European Union (2019), “[RASFF Annual Report 2018](#)”; European Commission (2016), “[Safety Gate: just a click to keep away from dangerous products](#)”.

Box: The Good Friday Agreement (1998)

The EU has been a facilitator of cooperation and development across the two sides of the Northern Irish border. EU membership created the conditions for the creation and implementation of the open border in Ireland. Firstly, the Single Market effectively ended border checks. Secondly, UK and Irish leaders met as peers within the EU intergovernmental framework, thus favouring trust. Thirdly, the EU invested heavily in cross-border infrastructure and cooperation.

Source: Phinnemore, David and Katy Hayward (2017), “[UK Withdrawal \(‘Brexit’\) and the Good Friday Agreement](#)”, PE 596.826. Brussels: European Parliament.

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