



## Single Market Act: 12 priorities

New impetus for the EU single market has come via the European Commission's (EC's) April 2011 Single Market Act communication. It contains twelve priority projects whose objectives are to bring about greater competitiveness, economic growth and social progress.

The intention is that the EP and Council will have adopted the legislation by the end of 2012.

### Actions needed

The effects of the great recession are acting as a reason to find ways of increasing economic growth and employment and confirm the benefits of the single market.

As a result, twelve priority actions for the single market were selected from an initial fifty proposals after extensive consultations, which included the EP.

The Single Market Act document (COM(2011) 206) details the priorities.

### Twelve priorities

1. Implement an EU patent protection and patent litigation system. Patent protection cost could decrease from €20 000 to €2 000. The hope is for the first EU patents in 2013.
2. Remove legal obstacles restricting the recognition of professional qualifications from other Member States (MS). This should help fill vacant professional positions in some MS. A "European Professional Card" is proposed.
3. Mutual recognition of electronic identification and authentication methods to bring about the pan-European operation of electronic identification and signatures. There will be a revision of the e-signature Directive.
4. Establishing procedures to resolve disputes out of court. The aim here is to encourage confidence in such areas as cross-border e-commerce transactions through consumers having access to easier, quicker and cheaper dispute resolution procedures.
5. A simplification of the accounting Directives as regards financial reporting obligations, especially for small businesses. An

estimated 1.1 million small companies and 5.9 million micro-enterprises could benefit.

6. Extension of the European standardisation system legislation to include services. This may increase their free movement.
7. Simplifying rules and increasing flexibility in public procurement legislation ("government contracts"). To encourage demand for environmentally sustainable, socially responsible and innovative goods, services and works and give SMEs easier access to compete for business. Public authorities spend some 18% of the EU's GDP.
8. High-performance infrastructure (transport, energy and communications networks) allow fast movement of persons, goods, data and energy. Strategic networks will be identified for targeted investment.
9. A revision of the Energy Tax Directive to have consistent taxes on the energy industry. An objective is to boost energy-saving and environmentally friendly practices and help meet the EU's climate and energy goals.
10. Strengthening the rules for workers posted to another MS (currently about 1 million people); ensuring that social rights are applied. The Posting of Workers Directive should be changed to stop and penalise abuse or circumvention of the rules.
11. Facilitate venture capital funds established in one MS investing in any other MS. This may improve access to finance for SMEs.
12. A European framework for the development of ethical mutual investment funds: those pursuing social, ethical or environmental goals.

### Timing

The EC presented the patent (25 MS only) and adjusting energy taxation priority legislative proposals in April 2011 and wants to present the remaining proposals during 2011. This is in order to have the Parliament and Council adopt them by the end of 2012, the 20th anniversary of the Single Market.