REPORT

on a Single Market for Enterprises and Growth
(2010/2277(INI))

Committee on the Internal Market and Consumer Protection

Rapporteur: Cristian Silviu Buşoi
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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

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RESULT OF FINAL VOTE IN COMMITTEE
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on a Single Market for Enterprises and Growth
(2010/2277(INI))

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 its resolution of 20 May 2010 on delivering a Single Market to consumers and citizens¹,


– having regard to the Commission Communication ‘Smart Regulation in the European Union’ (COM(2010)0543),

– having regard to the Commission Communication ‘Digital Agenda for Europe’ (COM(2010)0245),

– having regard to the Report ‘Evaluation of SMEs’ access to public procurement markets in the EU’²,

– having regard to the Commission Communication ‘Cross-border business-to-consumer e-commerce in the EU’ (COM(2009)0557),

– having regard to the Commission Recommendation of 29 June 2009 on measures to improve the functioning of the single market,

– having regard to the Commission Communication ‘Public procurement for a better environment’ (COM(2008)0400),


– having regard to the Commission Communication ‘A single market for 21st century


– having regard to the Commission Communication ‘Opportunities, access and solidarity: towards a new social vision for 21st century Europe’ (COM(2007)0726),

– having regard to the Commission Interpretative Communication on the application of Community law on Public Procurement and Concessions to Institutionalised Public-Private Partnerships (IPPP), C(2007)6661,

– having regard to the Commission Communication ‘Time to move up a gear. The new partnership for growth and jobs’ (COM(2006)0030),

– having regard to the Council Conclusions on the Single Market Act (SMA) of 10 December 2010,

– having regard to its resolution of 21 September 2010 on completing the internal market for e-commerce¹,

– having regard to its resolution of 18 May 2010 on new developments in public procurement²,

– having regard to its resolution of 9 March 2010 on the Internal Market Scoreboard³,

– having regard to its resolution of 3 February 2009 on pre-commercial procurement: driving innovation to ensure sustainable high-quality public services in Europe⁴,

– having regard to its resolution of 30 November 2006 on time to move up a gear – creating a Europe of entrepreneurship and growth⁵,

– having regard to the Commission Green Paper on the modernisation of EU public procurement policy (COM(2011)0015),

– 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 International Trade, the Committee on Economic and Monetary Affairs, the Committee on Employment and Social Affairs, the Committee on Industry, Research and Energy, the Committee on Regional Development and the Committee on Legal Affairs (A7-0071/2011),

A. whereas a single market based on free and fair competition is the EU’s crucial economic reform goal and represents a key competitive advantage for Europe in the global economy;

³ OJ C 349E, 22.10.2010, p.25.
⁴ OJ C 67E, 18.3.2010, p.10.
B. whereas one of the great advantages of the internal market has been the removal of barriers to mobility and the harmonisation of institutional regulations, fostering cultural understanding, integration, economic growth and European solidarity;

C. whereas it is important to increase confidence in the Single Market at all levels and to eliminate existing barriers to enterprises entering business; whereas high administrative burdens discourage new entrepreneurs,

D. whereas it is important that the Single Market Act does not consist of a series of measures isolated from each other, and that all proposals combine to contribute to the achievement of a coherent objective,

E. whereas all enterprises are affected by market fragmentation, but SMEs are particularly vulnerable to the problems stemming from it,

F. whereas the Single Market is often perceived to have mostly benefited large enterprises so far, despite SMEs being the EU’s growth engine,

G. whereas lack of innovation in the EU is a key factor for the low growth rates in recent years; whereas green technology innovation provides an opportunity to reconcile long-term growth and environmental protection,

H. whereas, in order to achieve the EU 2020 strategy goals, the Single Market must provide the conditions for smart, sustainable and inclusive growth; whereas the Single Market should become a better environment for innovation and research by EU enterprises,

I. whereas competition policy is an essential tool in ensuring that the EU has a dynamic, efficient and innovative internal market and is competitive on the global stage,

J. whereas venture capital is an important source of finance for new innovative businesses; whereas there are barriers for venture capital funds wanting to invest in different EU Member States,

K. whereas developing ICT and its broader use by EU enterprises are essential for our future growth,

L. whereas e-commerce and e-services, including e-Government and e-Health services, are still underdeveloped at EU level,

M. whereas the postal sector and the promotion of interoperability and cooperation among postal systems and services can have a significant impact on the development of cross-border e-commerce,

N. whereas there are regulatory barriers to the efficient licensing of copyrights that lead to a high level of fragmentation of the market for audiovisual products, which is detrimental to EU businesses; whereas both businesses and consumers would benefit from the creation of a genuine Single Market for audiovisual products and services, respecting the fundamental rights of internet users,

O. whereas counterfeiting and piracy reduce business confidence in e-commerce and fuel the
fragmentation of intellectual property protection rules which stifles innovation in the Single Market,

P. whereas differences in fiscal provisions may result in significant obstacles to cross-border transactions; whereas the coordination of national tax policies, as proposed by Mario Monti in his report, would bring substantial added value to enterprises and citizens,

Q. whereas public procurement plays an important role in boosting economic growth, accounting for around 17% of the EU’s GDP; whereas cross-border procurement accounts for a low share of the whole public procurement market, despite being an opportunity for EU firms; whereas SMEs still have limited access to public procurement markets,

R. whereas services are a crucial sector for economic growth and employment, but the Single Market for services is still underdeveloped, particularly due to gaps and difficulties encountered by the Member States with respect to the implementation of the Services Directive,

I. Introduction

1. Welcomes the Commission Communication ‘Towards a Single Market Act’; 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;

2. Emphasises, in particular, the Commission's commitment, in this Communication, to promoting new approaches towards sustainable development,

3. Urges the Commission to conduct a financial audit of the EU's budget priorities for the next financial framework and to prioritise European added value projects able to enhance EU competitiveness and integration in the areas of research, knowledge and innovation;

4. Stresses, particularly in view of the economic and financial crisis, the importance of the Single Market for the competitiveness of EU enterprises and for the growth and stability of European economies, calls on the Commission and the Member States to ensure sufficient resources to improve the implementation of the single market rules, and welcomes the holistic approach used in the Communication; emphasises the complementary nature of the various measures contained in the Monti report, the coherence of which is not fully reflected in the SMA;

5. Calls on the Commission, therefore, to submit an ambitious package of measures supported by a clear and coherent strategy to promote the competitiveness of the internal market; calls on the Commission to reconnect with the spirit of Mario Monti’s report, which advocated promoting liberalisation and competition as well as improving fiscal and social convergence;

6. Underlines the importance of improving the European Union’s economic governance in order to create the economic conditions for enterprises to take advantage of the opportunities provided by the Single Market allowing them to grow and become more competitive, and calls for this linkage to be made explicit in the Single Market Act; calls
on the Commission to pay close attention to the impact on the Single Market’s internal cohesion of the growing economic divergence between the EU Member States;

7. Emphasises the need to adopt an ambitious European industrial policy with the objective of strengthening the real economy and of achieving the transition to a more intelligent and sustainable one;

8. Stresses that the external dimension of the European strategy, which also includes international trade, is assuming growing importance owing to the integration of markets and, therefore, that an appropriate external strategy can be genuinely useful with a view to sustainable growth, employment and a stronger single market for businesses, in line with the aims of the EU 2020 Strategy; stresses the need to transform the EU’s trade policy into a true vehicle for sustainable development and the creation of more and better jobs; asks the Commission to develop a trade policy consistent with a strong, job-creating industrial policy;

9. Observes that European Union policies on the Single Market and regional development are highly complementary and stresses that the progress of the internal market and further development of the Union’s regions are interdependent, leading to a Europe marked by cohesion and competitiveness; welcomes the Commission’s proposals aimed at deepening the single market; stresses that real and effective single market accessibility for all EU regions is a prerequisite for the free movement of people, goods, capital and services, and thus for a strong and dynamic Single Market; points out, in this connection, the essential role played by the Union’s regional policy in terms of developing infrastructure and with regard to economically and socially coherent and balanced development of regions;

II. General Assessment

A. An innovative Single Market

10. Calls on the Commission to adopt a consistent and balanced strategy in cooperation with the relevant stakeholders, with a view to fostering innovation and also supporting innovative business, as the best way to reward creation, and protecting fundamental rights, such as the right to privacy and the protection of personal data;

11. Strongly supports the creation of an SME-friendly EU-wide patent and of a unified patent litigation system in order to make the Single Market a leader in innovation and boost European competitiveness; stresses that the translation of patents into many languages is an additional cost burden that would hinder innovation within the Single Market and that a compromise on language aspects should be reached as soon as possible;

12. Supports the creation of EU project bonds in order to support long-term innovation and job creation in the Single Market and to finance the implementation of major cross-border infrastructure projects, particularly in the areas of energy, transport and telecommunications, supporting the ecological transformation of our economies; stresses the need for appropriate risk management structures and for full disclosure of all potential liabilities;

13. Points out the importance of a fully operational internal market for energy in order to
achieve increased autonomy in energy supply; considers that this could be achieved through a regional clustering approach, as well as through the diversification of energy routes and sources; underlines that Eastern European infrastructure should be enhanced to bring it into line with that of Western Member States; stresses that the internal energy market should contribute to maintaining energy prices affordable for both consumers and businesses; believes that, in order to achieve the EU’s climate and energy objectives, a new approach is necessary in terms of applying adequate minimum duty rates on CO$_2$ emissions and on energy content; highlights the need for further energy efficiency plans and measures to significantly increase energy savings; stresses the need to promote smart grids as well as renewable energies and to encourage local and regional authorities to exploit ICTs in their energy efficiency plans; calls for the Commission to closely monitor the implementation of the directives on energy-labelling, eco-design, transports, buildings and infrastructures, in order to ensure and implement a common European framework approach;

14. Supports the initiative on the environmental footprint of products, and urges the Commission to quickly propose the establishment of a real common assessment and labelling system;

15. Calls on the Commission to promote cross-border investment and to set up a framework to encourage venture capital funds to be invested effectively within the Single Market, to protect investors and to provide incentives for these funds to be invested in sustainable projects in order to achieve the ambitious objectives of the EU 2020 Strategy; invites the Commission to look into the possibilities of creating a European venture capital fund capable of investing in early-stage 'proof of concept' and business development prior to commercial investment; asks the Commission to carry out an annual assessment of public and private investment needs and how they are being, or should be, met within its proposals;

16. Acknowledges the importance of public procurement, especially pre-commercial procurement, and the role it plays in stimulating innovation in the Single Market; encourages Member States to make use of pre-commercial procurement to give a decisive initial push to new markets for innovative and green technologies while improving the quality and effectiveness of public services; calls on the Commission and Member States to better communicate the existing possibilities for pre-commercial procurement to public authorities; calls on the Commission to explore how cross-border joint procurement can be facilitated;

17. Urges Member States to increase efforts to pool innovation resources through the creation of innovation clusters and steps to encourage the participation of SMEs in EU research programmes; stresses the need for dissemination and cross-border exploitation of the results of scientific research and innovation;

**B. A digital Single Market**

18. Welcomes the Commission's proposed revision of the e-Signatures Directive with a view to providing a legal framework for cross-border recognition and interoperability of secure e-authentication systems; emphasises the need for mutual recognition of e-identification and e-authentication across the EU and asks the Commission, in this regard, to tackle in
particular problems relating to discrimination against recipients of services on grounds of nationality or place of residence;

19. Considers that the White Paper on transport policy should focus on proposals to enhance sustainable transport modes, including intermodality; stresses the importance of the proposed e-mobility package aimed at using new technologies to support an efficient and sustainable transport system, especially through the use of integrated ticketing; calls on Member States to swiftly implement the directive on intelligent transport systems;

20. Calls on the Commission and the Member States to take the appropriate measures to enhance the confidence of businesses and citizens in e-commerce, namely by guaranteeing high-level consumer protection in this field; emphasises that this could be achieved after a thorough evaluation of the Consumer Rights Directive and a thorough impact assessment of all the policy options in the Green paper on European Contract Law; points out that simplifying registration of domains across borders for online businesses, as well as improving secure online payment systems and facilitating cross-border debt recovery, would equally constitute useful measures to promote e-commerce across the EU;

21. Stresses the imperative need to adapt EU Information and Communication Technology (ICT) standardisation policy to market and policy developments, with a view to achieving European policy goals requiring interoperability;

22. Stresses the need to go beyond the existing barriers to cross-border e-commerce in the EU; emphasises the need for an active policy enabling the public and companies to benefit fully from this tool available to them, which can offer them quality products and services at competitive prices; believes that this is essential in the present climate of economic crisis, and that it would aid enormously in the completion of the Single Market, as a means of fighting rising inequality and protecting consumers who are vulnerable, live in remote locations or suffer from reduced mobility, as well as low-income groups and SMEs, to which integration into the world of e-commerce is particularly important;

23. Underscores the potential for the EU’s regions to play a considerable role in assisting the Commission’s drive to create a digital Single Market; highlights, in this regard, the importance that should be placed on utilising the funds available to the EU’s regions in order to overcome their lack of development in the fields of e-commerce and e-services, which could serve as a fruitful source of future growth in the regions;

24. Considers that SMEs should be empowered to make extensive use of e-commerce in Europe; deplores the fact that the Commission will not be coming out with a proposal for a European system for the settlement of online disputes for digital transactions until 2012, twelve years after Parliament called for such an initiative in September 2000;

25. Urges the Member States to fully implement the Third Postal Services Directive (2008/6/EC); stresses the need to guarantee universal access to high-quality postal services, avoid social dumping and promote interoperability and cooperation among postal systems and services, in order to facilitate efficient distribution and tracking of online

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purchases, which will boost consumer confidence as regards cross-border purchases;

26. Stresses the need to create a Single Market for online audiovisual goods by promoting open ICT standards and to support innovation and creativity through efficient management of copyright, including the creation of a pan-European licensing system, with the aim of guaranteeing broader and fairer access to cultural goods and services for citizens and ensuring that rightholders receive adequate remuneration for their creative works and that the fundamental rights of internet users are respected; stresses the need to align online legislation on intellectual property rights with existing off-line legislation on intellectual property rights, especially on trademarks, so that consumers and businesses place more trust in e-commerce;

27. Points out the need to strengthen the fight against online piracy to protect the rights of creators, while respecting the fundamental rights of consumers; points out that bodies and citizens must be properly informed about the consequences of counterfeiting and piracy; welcomes the initiative announced by the Commission aimed at combating trade mark and product piracy, and in particular the legislative proposals due for submission in 2011 seeking to adjust the legal framework to the new challenges of the internet and to strengthen measures by the customs authorities in this area; notes that in this connection synergies could also be achieved with the forthcoming action plan to enhance European market surveillance;

28. Underlines also that the protection and enforcement of IPRs should be developed as part of a broader approach, taking into consideration the rights and needs of consumers and EU citizens, but which does not conflict with other internal and external EU policies such as promoting the information society, fostering education, health care and development in third countries and promoting biological and cultural diversity on an international scale;

C. A business-friendly Single Market

29. Emphasises the need for effective implementation and completion of the financial supervisory package to achieve a sustainable internal market; calls for an assessment by the Commission to ensure that such implementation is undertaken throughout the EU and a correlation table published in a yearly basis; to that end, considers that best practices should be promoted amongst national and EU supervisory entities;

30. Calls on the Commission to improve SMEs’ access to capital markets by streamlining information available on different EU financing opportunities such as those provided by the Competitiveness and Innovation Programme, the European Investment Bank or the European Investment Fund and by making funding procedures easier, quicker and less bureaucratic; to that end recommends a much more holistic approach to the award of funding, in particular in view of supporting the transition towards a more sustainable economy;

31. Believes that the pluralistic structure of the European banking market meets best the variety of financing needs of SMEs and that the diversity of legal models and business objectives improves access to finance;

32. Highlights the economic importance of SMEs and micro-enterprises in the European
economy; insists, therefore, on the need to ensure that the 'think small first' principle promoted by the 'Small Business Act' is well implemented and supports the Commission's measures aimed at removing the unnecessary administrative burdens on SMEs; suggests that SMEs with a specific growth potential, high wages and good working conditions should be supported and calls for a differentiation within the Small Business Act in order to bring it into line with Europe 2020;

33. Draws attention to the importance of local businesses for social ties, employment and dynamism in disadvantaged areas, particularly urban districts facing difficulties or sparsely populated areas; calls for them to receive appropriate support under the Union’s regional policy;

34. Underlines the necessity of strengthening SMEs capabilities when it comes to project designing and proposal writing, including technical assistance and suitable education programmes;

35. Calls for the adoption of a Statute for a European Private Company to facilitate the establishment and cross-border operation of small and medium-sized enterprises in the Single Market;

36. Believes that the equity investors will be more encouraged to finance small and micro businesses in their start-up phase if more efficient exit routes are provided through national or pan-European growth stock markets that at present do not function adequately;

37. Urges all Member States to fully implement the Goods Package;

38. Points out the importance of interconnected business registers and calls on the Commission to develop a clear legal framework ensuring that information in such business registers is complete and correct;

39. Recognises the important contribution to growth and job generation of the retail sector; calls on the Commission to include within the Single Market Act a proposal for a European retail Action Plan that identifies and addresses the numerous challenges faced by retailers and suppliers within the Single Market; considers that the Action Plan should be based on the conclusions of the work underway in Parliament on ‘a more efficient and fairer retail market’;

40. Underlines the importance of removing unnecessary fiscal, administrative and legal barriers to cross-border activities; considers that a clearer VAT framework and reporting obligations for businesses are needed to encourage sustainable production and consumption patterns, limit adaptation costs, combat VAT fraud and enhance the competitiveness of EU firms;

41. Welcomes the Commission's intention to publish a Green Paper on corporate governance and to launch a public consultation on the information on social, environmental and human rights aspects of investment by businesses; urges the Commission to come up with concrete proposals on private investments in order to create efficient incentives for long-term, sustainable and ethic investments, to better coordinate corporate fiscal policies and to encourage corporate responsibility;
42. Welcomes the review of the Energy Tax Directive, with a view to better reflecting climate change objectives, provided that the tax burden does not fall unduly on vulnerable consumers;

43. Warmly welcomes the Commission's initiative for a Directive introducing a common consolidated corporate tax base and stresses that this could reduce tax avoidance and evasion and increase the transparency and comparability of corporate tax rates, thus reducing the obstacles to cross-border activities;

44. Calls on the Commission to make public procurement procedures more effective and less bureaucratic in order to encourage EU firms to participate in cross-border public procurement; stresses that further simplification is needed especially for local and regional authorities and to allow SMEs greater access to public procurement; urges the Commission to provide data regarding the level of openness of public procurement and to ensure reciprocity with other industrialised countries and major emerging economies; invites the Commission to look into new ways of improving the access for European enterprises to public procurement markets outside the EU, in order to ensure a level playing field for both European and foreign enterprises competing for the award of public contracts;

45. Proposes, in more general terms, that future trade agreements negotiated by the Union should incorporate a chapter on sustainable development, drawing on the principles of CSR as defined by the 2010 update of the OECD Guidelines for Multinational Enterprises;

46. Calls on the Commission to develop greater coordination between SME-related measures at domestic and international level, and to identify and promote SMEs that have trade potential; takes the view that the Member States should do more to encourage SMEs to make use of existing initiatives and tools such as the market access database and the export helpdesk;

47. Takes the view that the Commission should improve its efforts to facilitate cross-border banking, by removing all existing obstacles to the use of competing clearing and settlement systems and by applying common rules to trading;

48. Considers that the Commission should sponsor a European skills exchange whereby small and medium-sized enterprises can benefit from the skills available in larger enterprises, thereby promoting synergies and mentoring;

49. Calls for Commission proposals to revise the Accounting Directives in order to avoid costly and inefficient over-regulation, in particular for SMEs, so that their competitiveness and growth potential can be exploited more effectively;

D. A Single Market for services

50. Stresses the need for full and proper implementation of the Services Directive, including the setting up of fully operational Points of Single Contact allowing for online completion of procedures and formalities, which can considerably reduce operational costs for enterprises and boost the Single Market for services; calls on the Commission and
Member States to work together and take further steps in the development of the Single Market for services on the basis of the mutual evaluation process; urges the Commission to place special emphasis on the development of the Single Market for online services;

51. Calls on the Commission to encourage the development of the business services sector and to take the necessary regulatory measures in order to protect businesses, especially SMEs, from unfair commercial practices by larger enterprises in the supply chain; invites the Commission to define ‘manifestly unfair commercial practices’ in the supply chain, in consultation with the stakeholders, and to propose further action to prevent unfair commercial practices in respect of competition and freedom of contract; recalls its resolution of 16 December 2008 on misleading directory companies\(^1\) and urges the Commission again to come up with a proposal to prevent the fraudulent practices of misleading business directories;

52. Considers that any legislative proposal on services concessions should provide a legal framework that would ensure transparency, effective judicial protection for both economic operators and contracting authorities across the EU; asks the Commission, before proposing any legislation, to provide evidence that the general principles laid down in the Treaty on the Functioning of the European Union (non-discrimination, principle of equal treatment and transparency) are not satisfactorily applied to services concessions in practice;

53. Welcomes the Commission’s intention to propose a legislative reform of the standardisation framework, also covering services; stresses that the standardisation of services should lead to the completion of the single market where this has been shown to be worthwhile, and in particular must take full account of the needs of SMEs; recognises the role of product standards for the functioning of the European internal market and regards standards as a key tool for promoting sustainable and high-quality goods and services for consumer and enterprises; calls for measures promoting transparency, cost reduction and improved involvement of stakeholders;

54. Emphasises, in the interests of boosting regional competitiveness, the importance of ‘smart specialisation’ of regions; considers that the EU single market can only flourish as a whole when all actors and all regions – including SMEs in all sectors, including the public sector, the social economy and citizens themselves – are involved; considers also that not only a few high-tech areas, but all the regions of Europe and every Member State must be involved, each focusing on its own strengths (‘smart specialisation’) within Europe;

55. Highlights the importance of the external dimension of the internal market and, in particular, of regulatory cooperation with main trading partners, whether at bilateral or multilateral levels, with the objective of promoting regulatory convergence, equivalence of third-country regimes and the wider adoption of international standards; encourages the Commission to examine the existing agreements with third parties that extend elements of the internal market beyond its borders as to their effectiveness in providing legal certainty for its potential beneficiaries;

\(^1\) OJ C 45E, 23.2.2010, p. 17.
III. Key Priorities

Creating an EU Patent and a unified litigation system

56. Stresses that the creation of the EU Patent and of a unified litigation system, as well as an improved system for the management of copyright, is indispensable for supporting innovation and creativity within the Single Market (SMA proposals 1 and 2);

Financing innovation

57. Calls on the Commission and the Member States to take due account of the importance of innovation for strong and more sustainable growth and job creation by ensuring that innovation is properly financed, in particular through the creation of EU project bonds, especially in the areas of energy, transport and telecommunications, supporting the ecological transformation of our economies, and through a legislative framework to encourage venture capital funds to invest effectively throughout the EU; stresses that incentives should be provided for long-term investment in innovative and job-creating sectors (SMA proposals 15 and 16);

Stimulating e-commerce

58. Urges the Commission to take all the necessary steps to enhance the confidence of businesses and consumers in e-commerce and stimulate its development in the Single Market; stresses that an EU Action Plan against counterfeiting and piracy as well as a framework directive on the management of copyrights are crucial to reach this objective (SMA proposals 2, 3 and 5);

Improving SMEs participation in the Single Market

59. Highlights that further action is needed to make the Single Market a better environment for SMEs; considers that such action should include improving their access to capital markets, removing administrative and fiscal barriers to their cross-border activities by adopting a clearer VAT framework and a common consolidated corporate tax base, as well as the revision of the public procurement framework, to make procedures more flexible and less bureaucratic (SMA proposals 12, 17, 19 and 20);

Rationalising public procurement procedures

60. Asks the Commission to review the legislation relating to public procurement and public and private partnership with a view to fostering smart, sustainable and inclusive growth within the Single Market and to stimulating cross-border public procurement; stresses the need for a clearer framework, providing legal certainty for both economic operators and contracting authorities; strongly encourages Member States to use pre-commercial public procurement in order to stimulate the market for innovative and green technologies; insists on the need to ensure reciprocity with industrialised countries and major emerging economies in the field of public procurement (SMA proposal 17 and 24);

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

In October 2010 the Commission adopted a Communication "Towards a Single Market Act" to re-launch the Single Market. In the first part of this Communication the Commission proposes a number of actions to have stronger, sustainable and equitable growth for business.

Today Europe has become the world’s biggest economy. The Single Market is the cornerstone for businesses and consumers alike but it can offer more growth and jobs and its full potential is yet to be seen. Essential alertness should be given to SMEs which have the highest potential for further development and increased employment. Therefore it is very important to encourage sustainable economic growth.

The Single Market itself and the enterprises operating within it are vital for the future growth of EU economies. This draft report outlines the priority measures which should be taken to build a stronger Single Market that better responds to the needs of EU businesses and which would generate higher growth rates than before. The priorities of the Rapporteur are arranged in four groups, aiming at transforming the Single Market in an innovative, business-friendly environment, based on a digital economy and where free movement of services is effective.

A well functioning Single Market for services has an important potential for growth and hence for our economic recovery. Only sustainable growth can guarantee the creation of sustainable jobs. Further steps should be taken to ensure proper implementation of the Services Directive (with special attention for online services) and of the Professional Qualifications Directive. Moreover the creation of EU-wide professional cards where appropriate is an idea that needs some analysis given the potential of such cards to enhance the freedom of movement for EU citizens and simplify recruitment procedures for EU businesses.

Other important actions to undertake in this area would be to create an adequate legal framework for services concessions, and to make sure that the reform of the standardization framework also includes services.

In order to enhance its competitiveness and foster growth, the EU needs a digital Single Market. This is also necessary to bring the EU in line with other countries in the world that evolved quicker than Europe towards a digital economy.

E-commerce has a great potential to increase cross-border trade. The Commission should further clarify the legal framework governing e-commerce and also eliminate those differences in national provisions that hinder e-commerce. It is necessary to foster e-commerce and also enhance confidence in it not only for consumers but also for businesses that are sometimes reluctant to use it. Therefore it is important to harmonize contract law where possible and to facilitate cross-border debt recovery.

E-Government services should be further developed since the enterprises could reduce their operational costs by using online procedures when they need to communicate with the authorities, which is an important element of their competitiveness. Therefore the proposal to
ensure mutual recognition of e-identification and e-authentication, as well as the revision of the Directive on electronic signatures is of paramount importance.

The Single Market should benefit all enterprises, but special emphasis should be put on SMEs, since this category of enterprises face even more difficulties in benefitting of the opportunities of the Single Market to the full. The SMEs are the engine of growth for the EU, providing a large part of our jobs. However, they have significant problems to extend their activities and to innovate, which stems from their difficulty to finance such projects. Their dynamism is also negatively affected by administrative burdens that must be reduced. The SMEs’ difficulty to finance themselves on the capital markets needs to be addressed and the Commission is right to emphasize this.

The EU should also take important measures to improve the SMEs’ visibility for investors. SMEs also need better access to information and the communication with them has to be improved. SMEs should be aware of the opportunities of the Single Market, as well as of the financial instruments provided for them in particular by the EU itself. Moreover, innovation should be facilitated for SMEs and it would be important to improve their capacity to take part in research programmes.

Support for innovation is needed not only for SMEs but for all enterprises. Therefore the Commission proposal to create project bonds issued by the private sector is essential to allow them to raise funds. The Commission should make sure that the procedures that are established for using these new financial instruments are also suited for SMEs.

Furthermore, to enhance the innovation capacity of European enterprises the EU needs an efficient regulatory framework concerning venture capital, which is one of the major sources of financing for innovative start-up businesses that will generate high added value. It is therefore crucial to create a regulatory framework to allow venture capital funds to invest in any Member State. The EU will not be able to focus on innovative sectors if there will be no further steps undertaken to ensure that the Single Market works also for venture market.

The report also addresses cross-border procurement, which is of great interest for both EU firms and public authorities. Public procurement accounts to 17% of EU GDP on supplies, works and services every year. At this difficult financial time it is crucial to make sure that this money is used in the most cost-efficient way.

EU Member States should focus on encouraging public procurement of innovative and green products and services. Cross-border procurement accounted only for around 1.5% of all public contracts awarded in 2009. Despite all significant achievement in the Single Market there is still a potential to increase e-procurement and Internet use to make cross-border purchases more successful. Special attention should be given to pre-commercial procurement and joint procurements.

SMEs’ share in above-threshold public procurement is 18% point lower than their overall weight in the economy. Micro and small enterprises lag considerably behind their actual role in the real economy. Better access to the information and overcoming limited technical and financial capacities could considerably enhance the effectiveness of information exchange between procurers and potential suppliers.
Last but not least, fiscal measures are also of great importance. The coordination of fiscal policies and the introduction of a common consolidated corporate tax base would make the Single Market a better business environment for European enterprises. Its advantage would be of providing EU businesses with greater transparency and of facilitating the comparison between different corporate tax rates applied by Member States.

On the other hand, this is not the only obstacle for enterprises to operate across national borders. The Rapporteur supports the establishment of a new VAT strategy that will clarify and adapt the framework to the new realities of European economies with benefits for the competitiveness of EU businesses. Rules on reporting obligations should also be given a specific attention, since they are often a significant burden for businesses and an obstacle to cross-border operations.
3.3.2011

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on the Internal Market and Consumer Protection

on a single market for enterprises and growth
(2010/2277(INI))

Rapporteur: Josefa Andrés Barea

SUGGESTIONS

The Committee on International Trade calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Stresses that the external dimension of the European strategy, which also includes international trade, is assuming growing importance owing to the integration of markets and, therefore, that an appropriate external strategy can be genuinely useful with a view to sustainable growth, employment and a stronger single market for businesses, in line with the aims of the EU 2020 Strategy;

2. Stresses the need for coherence between the Union’s internal and external policies and its overall objectives; maintains that internal policy goals need to be the basis for external trade policy goals; urges that such coherence be pursued in the context of multilateral and bilateral trade agreements through ex ante sustainable impact assessments (SIAs) and periodic ex post evaluations, the inclusion in agreements of clauses on human rights and social and environmental responsibility and their enforcement, coupled with proportionate measures in the event of infringement; emphasises that international trade agreements should also serve the purpose of harmonising rules and standards, particularly for SMEs;

3. Takes the view that strengthening the European internal market requires a step forward in terms of imposing minimum standards, and close cooperation as regards the taxation of corporations based in the EU and their operations in trade partner countries;

4. Reiterates the fact that compliance with high European and international standards is crucial to achieving social progress, consumer protection and sustainable economic growth and that, in order to allow EU companies to compete internationally on a level playing field, EU trading partners should abide by the rules and enforce them, as non-compliance is a violation of international obligations which severely impedes the
functioning of the single market;

5. Is concerned about the possible impact on European labour markets of trade agreements entered into under GATS Mode 4; urges the Commission, therefore, to launch an impact assessment prior to the conclusion of any trade agreement, involving social partners at EU and national level;

6. Stresses the need to transform the EU’s trade policy into a true vehicle for sustainable development and the creation of more and better jobs; asks the Commission to develop a trade policy consistent with a strong, job-creating industrial policy;

7. Underscores the need to fight infringements of intellectual property rights (IPRs) with all available legal means in order to promote innovation and the competitiveness of the EU, as the international protection of IPRs, especially trademarks and geographical indications, is vital not only in terms of promoting innovation but also for protecting the jobs of EU citizens in many EU sectors of activity which are at risk from IPR infringement and counterfeiting; calls for innovative approaches to secure copyrights in the digital age which fully respect fundamental rights, privacy and the neutrality of the internet;

8. Underlines also that the protection and enforcement of IPRs should be developed as part of a broader approach taking into consideration the rights and needs of consumers and EU citizens, but which does not conflict with other internal and external EU policies such as promoting the information society, fostering education, health care and development in third countries and promoting biological and cultural diversity on an international scale;

9. Calls on the Commission to adopt a consistent and balanced strategy in cooperation with relevant stakeholders, with a view to fostering innovation and also supporting innovative business, as the best way to reward creation, and protecting fundamental rights, such as the right to privacy and the protection of personal data;

10. Considers it important to ensure symmetry and transparency, in particular for SMEs, in public procurement procedures with industrialised countries and major emerging economies, while fully respecting the need for special and differential treatment for developing countries and the multi-functionality of procurement policies, as well as security and predictability in relation to investments; emphasises that there are some advantages offered by the process of integrating world markets, but is aware that in some cases international firms have violated human rights and labour rights and damaged the environment; points out that companies have duties, and calls for a corporate social responsibility (CSR) clause to be included in trade agreements;

11. Also takes the view that the EU’s future investment policy must promote investments which are sustainable, respect governments’ right to regulate in favour of the public interest and encourage good working conditions in the enterprises targeted by those investments;

12. Calls on the Commission to develop greater coordination between SME-related measures at domestic and international level, and to identify and promote SMEs that have trade potential; takes the view that the Member States should do more to encourage SMEs to
make use of existing initiatives and tools such as the market access database and the export helpdesk;

13. Urges the Commission to ensure that, with regard to the transportation of persons and goods traded both in the internal market and with neighbouring countries, the emphasis is firmly placed on rail networks;

14. Notes that multinational corporations and their subsidiaries are key players in economic globalisation and international trade, and that the United Nations Global Compact of 10 principles asks multinational corporations to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and the fight against corruption; notes also that non-compliance with the legislation in force in any third country in which an EU company of any size operates, constitutes an infraction or criminal offence that is detrimental to workers in the third country in question, and that if such non-compliance is persistent and goes unpunished, it may lead to the spread of less stringent labour, environmental and fiscal standards, thus having a negative impact even on workers in the EU; believes strongly that the Posting of Workers Directive must not create two classes of citizens’ rights within a single company or at a single location;

15. Proposes, in more general terms, that future trade agreements negotiated by the Union should incorporate a chapter on sustainable development, drawing on the principles of CSR as defined by the 2010 update of the OECD Guidelines for Multinational Enterprises.
RESULT OF FINAL VOTE IN COMMITTEE

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| Result of final vote | +: 17  
| | -: 0  
| | 0: 5  |
| Members present for the final vote | Laima Liucija Andrikienė, Daniel Caspary, Christofer Fjellner, Metin Kazak, David Martin, Vital Moreira, Cristiana Muscardini, Niccolò Rinaldi, Helmut Scholz, Peter Šťastný, Keith Taylor, Paweł Zalewski |
| Substitute(s) present for the final vote | Josefa Andrés Barea, George Sabin Cutaş, Béla Glattfelder, Elisabeth Köstinger, Georgios Papastamkos, Carl Schlyter, Jarosław Leszek Wałęsa |
| Substitute(s) under Rule 187(2) present for the final vote | Derk Jan Eppink, Eider Gardiazábal Rubial, Kartika Tamara Liotard |
SUGGESTIONS

The Committee on Economic and Monetary Affairs calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

A. whereas a well functioning and integrated Single Market which aims to promote the free movement of services, including e-learning and e-commerce solutions, is key for businesses - especially SMEs - and consumers and consequently for EU growth, competitiveness and job creation in a globalised world, and is key for citizens in the EU as it contributes to providing improved access to basic products and services,

B. whereas reduction of the administrative burden, use of e-administration and respect for the EU’s Better Regulation strategy are crucial in order for business, notably SMEs as the main engine of EU growth, to reap the full benefits of the Single Market, contribute to job creation and allocate funds to research, development and innovation, while fully respecting social and environmental norms and laws as well as ensuring high levels of consumer protection and contributing to an appropriate distribution of wealth,

C. whereas the EU 2020 strategy objectives and the Small Business Act should be fully integrated into, and underpin, all single market policies,

D. whereas competition policy is an essential tool to enable the EU to have a dynamic, efficient and innovative internal market and to be competitive on the global stage,

1. Calls on the Commission to reconnect with the spirit of Mario Monti’s report, which advocated promoting liberalisation and competition as well as improving fiscal and social convergence;
2. Emphasises the complementary nature of the various measures contained in the Monti report, the coherence of which is not fully reflected in the SMA;

3. Underlines that the adoption of these measures is key to overcoming current obstacles at a national and European level;

4. Welcomes the initiative of the Single Market Act, the balance between economic, social and governance objectives, and notably the aligning of the Small Business Act with the EU 2020 strategy;

5. Calls on the Commission to pay particular attention to the needs of SMEs which are the main employment providers in the European Union, while fully respecting social and environmental norms and laws as well as high levels of consumer protection, by

   (a) facilitating access to capital markets for SMEs to enable investment in research, development and innovation and stimulate European exports,

   (b) simplifying SMEs’ accounts reporting obligations and reducing administrative burdens, and

   (c) taking specific account of SMEs’ dependence on the big companies which subcontract to them and evaluating the case for any specific action to reflect the consequences of that dependence;

6. Underlines the importance of improving the European Union’s economic governance in order to create the economic conditions for enterprises to take advantage of the opportunities provided by the single market allowing them to grow and become more competitive, and calls for this linkage to be made explicit in the Single Market Act;

7. Emphasises the need for effective implementation and completion of the financial supervisory package to achieve a sustainable internal market; calls for an assessment by the Commission to ensure that such implementation is undertaken throughout the EU and a correlation table published in a yearly basis; to that end, considers that best practices should be promoted amongst national and EU supervisory entities;

8. Calls on the Commission to include in its programme key financial services initiatives (e.g. the Single Euro Payments Area (SEPA) and increased legal certainty of securities holdings) which are highly relevant to the single market;

9. Stresses that an EU competition policy based on the principles of open markets and a level playing field in all sectors is a cornerstone of a successful Single Market and a precondition for the creation of sustainable and knowledge-based jobs;

10. Deplores the lack of concrete measures concerning effective application of competition rules, in particular regarding mergers control, and calls on the Commission to:

    (a) integrate competition policy and tools into its Single Market strategy taking into account specific features of SMEs;

    (b) improve assessment of the sectors where inherent competition deficiencies are
observed, such as energy;

(c) evaluate the impact of state aid and structural measures on competition in the context of the financial crisis, and

(d) further evaluate, and where appropriate, simplify or revise, the regulation of state aids as compensation for services of general interest;

11. Calls on the Commission and the Member States to work towards a European private company statute;

12. Underlines the importance of removing fiscal barriers to cross-border activities, without prejudice to the provisions set out in the Lisbon Treaty as regards EU Member States’ sovereignty in tax matters; stresses the need for better co-ordination of national tax policy by Member States with the aim of further decreasing tax obstacles and barriers in the internal market and avoiding double taxation and combating tax competition; calls for the introduction of a common consolidated corporate tax base and a review of the proposal for a simplified taxation system for SMEs active in the single market in line with the principle of subsidiarity;

13. Welcomes a new VAT strategy which prioritises combating VAT fraud and aims to increase growth and reduce the administrative burden on businesses, as called for by the European Parliament;

14. Welcomes the review of the Energy Tax Directive, with a view to better reflecting climate change objectives, provided that the tax burden does not fall unduly on vulnerable consumers;

15. Welcomes the reference to project bonds and urges use of the EU budget to increase the credit granted by the EIB in partnership with the banking and private sectors, and the creation of a project bond scheme in order to finance European projects aimed at strengthening the sustainable recovery of growth and employment, including public services infrastructure projects in transport, energy and telecommunications;

16. Notes that giving an opinion on political priorities does not prejudice Parliament’s views on specific measures which will be informed, among other things, by the impact assessment for each proposal, in line with Better Regulation principles and full respect for social and environmental norms and laws as well as high levels of consumer protection;

17. Calls on the Commission to pay close attention to the impact on the Single Market’s internal cohesion of the growing economic divergence between the EU Member States.
RESULT OF FINAL VOTE IN COMMITTEE

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| Result of final vote | +: 34  
| | -: 6  
| | 0: 0  |
| Substitute(s) present for the final vote | Sophie Auconie, Elena Băsescu, Arturs Živjānis Karinš, Sirpa Pietikäinen, Andreas Schwab, Catherine Stühler |
16.2.2011

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on the Internal Market and Consumer Protection

on a Single Market for Enterprises and Growth
(2010/2277(INI))

Rapporteur: Raffaele Baldassarre

SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Recalls that a single market based on free and fair competition is the EU’s crucial economic reform goal and represents a key competitive advantage for Europe in the global economy;

2. Believes that the Single Market can and should be re-launched and fully completed in order to meet the objectives set in the Europe 2020 Strategy so as to offer more growth for businesses, including social economy enterprises (cooperatives, associations, mutual societies and foundations), and more and better jobs, as well as adequate protection for the rights of European workers and consumers in the EU; stresses, to this extent, that all proposals contained in the Single Market Act need an adequate assessment of their social, economic and environmental impact; considers that, in order to obtain all the benefits from the completion of the Single Market, free movement of workers, capital and services should be fully enforced and supported both at EU and at Member State level;

3. Underlines that employment depends not least on the effective protection of intellectual property rights; therefore welcomes the Commission’s announcement of legislative proposals to tackle the new challenges posed by piracy on the Internet and to improve customs activities in this area;

4. Stresses that the balance of the proposals requires that a sectorial approach be taken to the orientations proposed: energy, transport, technological innovation, legal certainty for enterprises and workers etc. and that consultations be organised in each of these sectors;
5. Considers that the process of creating of a single market in energy should focus not only on enhancing businesses’ competitiveness but also on maintaining energy prices accessible to both consumers and businesses;

6. Considers that small and medium-sized enterprises (SMEs) are the basis of the European economy and the main drivers of sustainable and quality job creation, employment, economic growth and social cohesion in Europe; emphasises that greater efforts must be made to improve SMEs’ access to and participation in the Single Market, including the removal of all barriers to the development of e-commerce as identified in the 2010 ‘Digital Agenda’, and support for the development of broadband availability as well as a broader application of ICT; considers that language learning should be promoted through life-long learning (vocational training), mostly for SMEs’ employees, as a means of reinforcing the access of SMEs to the single market;

7. Points out that one of the main problems for SMEs in times of economic downturn is their access to finance; considers, however, that SMEs’ financing needs can be better served by improved support from public banks rather than via stock markets and venture capital funds as proposed by the Commission; emphasises that the Commission’s approach would make SMEs more vulnerable to financial market volatility and ‘asset stripping’ strategies, endangering the stability of SMEs and employment stability;

8. Underlines that the ‘think small first’ principle has not yet been implemented so as to remove the burdens hampering SMEs; calls for a differentiated policy for SMEs; suggests that SMEs with a specific growth potential, high wages and good working conditions should be supported and calls for a differentiation within the Small Business Act in order to bring it into line with Europe 2020;

9. Welcomes the review of the Fourth and Seventh Directives seeking to further simplify financial reporting obligations with a common level throughout the European Union, and to reduce administrative burdens, especially for SMEs, in order to encourage further development of the single market and contribute to the creation of new jobs; demands that a reduction of the administrative burden must not reduce protection of workers, i.e. by lowering occupational health and safety obligations; underlines that high transparency and sufficient disclosure requirements have to be fulfilled in order to protect creditors;

10. Reiterates the need to create a more SME-friendly regulatory environment by carefully assessing the impact of any new regulatory or legislative measures on SMEs with a view to the reduction of red tape, the enhancement of competitiveness and the promotion of quality employment; stresses the need to keep existing health and safety provisions for workers; calls also for better reinforcement of the single market, as well as an increased role for and greater political will on the part of the Member States to improve it;

11. 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;

12. Strongly favours the proposal for EU project bonds to finance European projects and considers that this is an urgent task for Europe with regard to strategic investments and job creation; is of the opinion that properly financed common European projects can
contribute to EU competitiveness, exploiting the full potential of the single market and creating employment; calls for the projects to be selected according to their employment creation potential after a mandatory impact assessment;

13. Asks the Commission to carry out an annual assessment of public and private investment needs and how they are being, or should be, met in the framework of its proposal No 16;

14. Stresses the importance of using public procurement rules to support employment, social progress and sustainable development; urges the Commission to facilitate access to public procurement for SMEs, social economy enterprises and Fair Trade;

15. Stresses the importance of putting pre-commercial public procurement to better use in support of innovation, which is an essential condition for sustainable growth, employment and social progress; urges the Commission to undertake initiatives in order to take this concern into account in its proposal No 17 and to look into means to open up and facilitate access to public procurement for SMEs, including social economy SMEs, both in the EU and in third countries; calls on the Commission to further encourage the use of social and environmental standards in public procurement contracts, where appropriate;

16. Welcomes, in addition to proposals No 19 and No 20 on tax issues, the implementation of Mario Monti’s proposals for the establishment of a Tax Policy Group, which brings together representatives from the Member States;

17. Welcomes the Commission’s proposal to publish a VAT strategy; believes that better tax coordination between Member States is needed to avoid unfair tax competition and market distortions; welcomes, in this regard, the Commission’s proposal for a directive introducing a common consolidated corporate tax base (CCCTB); believes that a CCCTB will boost the competitiveness of SMEs in particular by reducing burdens arising from administrative complexity and by tackling fiscal impediments to growth due to fragmentation, thus achieving a potentially positive impact on public finance and employment;

18. Is concerned about the distortion created in the internal market as a result of the different levels of tax fraud in the Member States; urges the Commission to act decisively to create a regime of incentives and sanctions against tax evasion and illicit capital flight, including initiatives against tax havens, which is hampering the European economy; to this extent, asks the Commission to add to its proposal No 19 an impact assessment to evaluate the different problems caused by tax evasion and the black economy in all Member States;

19. Underlines the importance of removing legislative barriers to cross-border activities; calls on the Commission to create a ‘level playing field’ for all forms of enterprises within the Single Market by taking the necessary steps to introduce proposals for European statutes for associations, mutual societies and foundations, to propose a feasibility study and an impact assessment for the statutes for associations and mutual societies, and to complete the impact assessment for the statute for foundations in due course;

20. Strongly supports the efforts to pursue international trade negotiations with the aim of removing obstacles to trade, so as to obtain better access for European companies to third countries’ markets, notably in the field of public procurement; reiterates in this respect the
importance of including social and environmental standards in trade agreements concluded between the EU and third countries in order to promote corporate social responsibility within the context of these negotiations, where applicable; emphasises, in this respect, the importance of an effective implementation of the ILO’s standards and its Decent Work Agenda and the OECD Code of Conduct for Multinational Enterprises.
## RESULT OF FINAL VOTE IN COMMITTEE

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|                  | 0: 15  |
| Members present for the final vote | Regina Bastos, Edit Bauer, Jean-Luc Bennahmias, Pervenche Berès, Mara Bizzotto, Philippe Boulland, Milan Cabrnoch, David Casa, Alejandro Cercas, Ole Christensen, Derek Roland Clark, Sergio Gaetano Cofferati, Marije Cornelissen, Tadeusz Cymański, Karima Delli, Proinsias De Rossa, Frank Engel, Sari Essayah, Richard Falbr, Ilda Figueiredo, Thomas Händel, Marian Harkin, Roger Helmer, Liisa Jaakonsaari, Danuta Jazłowiecka, Martin Kastler, Ádám Kósa, Patrick Le Hyaric, Veronica Lope Fontagné, Olle Ludvigsson, Elizabeth Lynne, Thomas Mann, Elisabeth Morin-Chartier, Csaba Öry, Siiri Oviir, Rovana Plumb, Konstantinos Poupakis, Sylvana Rapti, Licia Ronzulli, Elisabeth Schroeder, Joanna Katarzyna Skrzypecka, Jutta Steinruck, Traian Ungureanu |
| Substitute(s) present for the final vote | Raffaele Baldassarre, Françoise Castex, Jelko Kacin, Ria Oomen-Ruijten, Evelyn Regner, Emilie Turunen |
| Substitute(s) under Rule 187(2) present for the final vote | Catherine Bearder |
1.3.2011

**OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY**

for the Committee on the Internal Market and Consumer Protection

on a Single Market for Enterprises and Growth
(2010/2277(INI))

Rapporteur: Francesco De Angelis

**SUGGESTIONS**

The Committee on Industry, Research and Energy calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Recognises the role of product standards for the functioning of the European internal market and regards standards as a key tool for promoting sustainable and high-quality goods and services for consumer and enterprises; welcomes the proposal to reform the European Standardisation System and calls for measures promoting transparency, cost reduction and improved involvement of stakeholders;

2. Notes that, with a view to ensuring the efficient functioning of the single market, the mutual evaluation process of the Services Directive can be further improved, in particular by means of prompt data sharing; calls for an assessment of the impact of the directive on the quality of services, including an evaluation of the room for manoeuvre that the directive allows public authorities for the introduction of public interest requirements to service providers; believes that the existing unnecessary bureaucratic burdens at national, regional and local level prevent the implementation of general rules for all Member States;

3. Calls on the Commission and Member States to acknowledge the diversity of business models in Europe when drafting legislation; stresses in particular the importance of social economy businesses, whose model is not based on size or on area of activity, but rather on respect for common values, as reflected in the involvement of social stakeholders, the primacy of the individual and social objectives over capital, the safeguarding and
implementation of the principles of solidarity and responsibility, the reconciliation of the interests of users with the general interest, voluntary and open membership and mobilisation of the bulk of surpluses in pursuit of the aims of sustainable development and the provision of services to members, while acting in the general interest;

4. Stresses the imperative need to adapt EU Information and Communication Technology (ICT) standardisation policy to market and policy developments which will lead to achieving European policy goals requiring interoperability; considers that the development of electronic commerce in the internal market has to focus primarily on problems of a legal nature faced by both businesses and consumers, paying particular attention to cross-border trading while at the same time guaranteeing a high level of consumer protection; stresses that greater account must also be taken of the needs of SMEs not principally engaged in on-line trading;

5. Reiterates that the principle of non-discrimination within the internal market eliminates the requirement imposed on nationals of another Member State to supply original documents, certified copies, certificates of nationality or official translations of documents in order to benefit from a service or from more advantageous terms or prices;

6. Takes the view that the European Union must step up its efforts in the climate and energy sector so as to contribute to the establishment of a fully operational energy market whilst meeting future energy challenges; believes that, in order to achieve the EU’s climate and energy objectives, a new approach is necessary in terms of applying adequate minimum duty rates on CO2 emissions and on energy content and avoiding overlaps with emission quotas trading; stresses the importance of encouraging local and regional authorities to exploit ICTs in their energy efficiency and environmental plans and believes that this application will significantly increase business opportunities at local and regional level;

7. Points out the need for further energy efficiency plans and measures to significantly increase energy savings, and calls for the Commission to closely monitor the implementation of the directives on energy-labelling, eco-design, transport, buildings and infrastructure, in order to ensure and to implement a common European framework approach; calls for the Commission similarly to adopt an ambitious approach in the forthcoming Resource Efficiency Strategy with regard to its objectives, policies and instruments; highlights that eastern European infrastructure should be enhanced in line with the infrastructures of the other Member States;

8. Welcomes the proposal to review the Small Business Act in order to link it closely with the 2020 Strategy and calls on the Commission to take proper account of SMEs’ and micro-businesses’ crucial role in Europe; calls on the Commission to accelerate high-speed broadband links in EU regions in order to ensure maximum participation of SMEs in an increasingly digitised internal market; calls for an SME-friendly, quality-oriented and flexible EU patent system that encourages technological innovation and the emergence of new business models; welcomes the proposal to adopt an action plan for SMEs’ access to capital markets, such as Eurobonds, and calls for the promotion of innovative financing mechanisms aimed at innovative SMEs; welcomes the Commission’s plans to modernise the EU’s value-added tax system, with particular regard to the simplification of the rules concerning SMEs and the reduction of compliance costs;
stresses the importance of implementing the proposals of the High-Level Group on Burden Reduction;

9. Reaffirms that the right to practise a profession in another Member State is one of the fundamental freedoms guaranteed by the Treaty and a necessary condition for a highly competitive social market economy, and calls on the Commission and Member States to lift all existing barriers to the free movement of workers;

10. Highlights the need for the EU to achieve stronger autonomy in energy supply; believes that a regional clustering approach in the context of the internal energy market should facilitate this autonomy, as should the diversification of energy routes throughout European countries; furthermore, asks the Commission to improve the integration of renewable energies, and underlines the need for smart grids to become more efficient; is also of the opinion that the implementation of cooperation mechanisms must become more efficient and transparent;

11. Emphasises the need for a stronger coordination and harmonisation of the use of the European Radio Spectrum and hopes that that Spectrum will be used more effectively in order to reduce prices for final users;

12. Welcomes the Commission’s proposal to strengthen dialogue with civil society by conducting consultations; points out, however, that most of the necessary instruments are already available, since this is a step to which the Commission committed itself some time ago, in the framework of its Impact Assessment Guidelines, with a view to forecasting more accurately the effects of its legislative proposals from various points of view; stresses once again how important it is that the EU institutions should consult interested stakeholders, in order both to draw on their specialist expertise and to guarantee the transparency of, and secure public acceptance for, their activities;

13. Welcomes the initiative on the environmental footprint of products, and urges the Commission to quickly establish a real common assessment and labelling system;

14. Recognises that public procurement is a powerful instrument for driving markets toward sustainable products and services and for stimulating innovation; welcomes the intention of the Commission to revise and simplify public procurement rules, and stresses that this process should not put under threat, but rather should strengthen, the capacity of public authorities to include criteria of general interest, such as environmental and social criteria, in their calls for tender.
RESULT OF FINAL VOTE IN COMMITTEE

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<td>Substitute(s) present for the final vote</td>
<td>Antonio Cancian, Francesco De Angelis, Françoise Grossetête, Jolanta Emilia Hibner, Ivailo Kalfin, Mario Pirillo, Catherine Trautmann</td>
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<tr>
<td>Substitute(s) under Rule 187(2) present for the final vote</td>
<td>Niccolò Rinaldi</td>
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2.3.2011

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on the Internal Market and Consumer Protection

on a single market for enterprises and growth (2010/2277(INI))

Rapporteur: Sophie Auconie

SUGGESTIONS

The Committee on Regional Development calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

A single market for enterprises and growth

1. Observes that European Union policies on the single market and regional development are highly complementary and stresses that progress of the internal market and further development of the Union’s regions are interdependent, leading to a Europe marked by cohesion and competitiveness; welcomes the Commission’s proposals aimed at deepening the single market;

2. Stresses that in a globalised world the single market has to ensure the best possible business environment for enterprises, and to take the specific nature and diversity of SMEs into account in order to foster job creation, innovation, entrepreneurial values, improvement of the profile of the entrepreneur and support for the business spirit and self-employment in all EU regions, including rural areas; welcomes, therefore, the planned assessment of the ‘Small Business Act’ and the reinforcement of the ‘Think Small First’ principle; stresses the role regional policy can play in the further integration of the Single Market and calls on Commission and Member States to make EU funds more easily accessible, especially to SMEs as they are the most flexible component of Europe’s economy; draws attention to the importance of local businesses for social ties, employment and dynamism in disadvantaged areas, particularly urban districts facing difficulties or sparsely populated areas; calls for them to receive appropriate support under the Union’s regional policy;
3. Asks the Commission and the Member States to put an end to delays and flaws in the transposition of the single market directives, so as to ensure undistorted competition;

4. Notes the fact that the single market for patents remains incomplete; encourages the promotion of a European Union patent which could enhance innovation, growth and competitiveness and thus give European companies the chance to reap the full benefits of the EU Single Market;

5. Stresses that real and effective single market accessibility for all EU regions is a prerequisite for the free movement of people, goods, capital and services, and thus for a strong and dynamic single market; points out, in this connection, the essential role played by the Union’s regional policy in terms of developing infrastructure and with regard to economically and socially coherent and balanced development of regions; welcomes the Commission’s proposal to adopt in 2011 a revision of the Community guidelines for the development of the trans-European transport network, as well as a proposal on a global framework for the funding of transport infrastructure; advocates a regional approach making use of the Structural Funds to encourage investment in cross-border energy, transport, communication, health and environmental, research and education infrastructure in order to provide access to essential services for all and to ensure the harmonious functioning of the internal market; calls for the development of innovative sources of funding (such as public-private partnerships, project bonds and user charges), while fully respecting the need for high level of quality and universal access to the services of general interest, as key instruments in favouring project execution; underlines in this context the need to support the development of a range of public-private partnerships, including at local and regional level; calls on the Commission and the Member States jointly to address the complexity of the rules governing revenue-generating projects;

6. Underlines the importance of the regions and of regional policy implementation for the success of the Europe 2020 strategy and the deepening of the single market; calls upon the Commission to establish a real correlation between the Single Market Act and the EU2020; points out in this connection that EU structural funding should be allocated in a flexible, dynamic, forward-looking manner, inter alia in order to cushion further the possible adverse effects on the EU’s regions of international trade agreements and to prepare them for necessary socioeconomic change in the framework of a strategy grounded in a balance between conditioning factors and potentialities, alongside flexibility as regards sectoral instruments and policies; calls for a more user-friendly regional policy and maximum transparency, and also for stricter rules against ‘fund-shopping’, by means of which some enterprises may misuse the Union’s financial instruments; underlines the need for deeper harmonisation and integration of the Structural Funds rules, avoiding the breakdown of a project into different parts to apply to different funds; recommends that the focus be put not just on the regularity of expenditure, but also on the quality of interventions, and that there should be sufficient resources for potentiating assistance on the management side;

7. Underlines that regions situated on the internal borders of the single market are the first to experience the consequences of removing those borders; asks the Commission to take into account concerns regarding the ‘threshold effect’ between border regions that enjoy comparable degrees of development but receive significantly different levels of financial
support under the Union’s regional policy; calls for a debate on solutions to offset those undesired effects;

8. Emphasises, in the interests of boosting regional competitiveness, the importance of ‘smart specialisation’ of regions; the EU single market can only flourish as a whole when all actors and all regions – including SMEs in all sectors, including the public sector, the social economy and citizens themselves – are involved; not only a few high-tech areas, but all the regions of Europe and every Member State must be involved, each focusing on its own strengths (‘smart specialisation’) within Europe;

9. Asks the Commission to clarify the ‘macro-economic conditionality’ mentioned in the debate on the future of the Union’s regional policy, which, if it is not adequately implemented, could lead to the imposition of damaging and useless sanctions on potential beneficiaries under regional policy, i.e. enterprises and EU citizens;

10. Welcomes the Commission’s intention of reviewing public procurement rules with the aim of bringing them into line with EU objectives and policies, simplifying the procedures, particularly for small local and regional authorities, and facilitating better access to public contracts for SMEs;

11. Stresses that services are a unique source of development for the single market; emphasises that the Services Directive is an essential step towards a true single market for services, and that the transposition process should take place as quickly as possible and in a transparent manner; calls on the Commission to support those Member States that are experiencing problems or delays in implementing it; underlines, in particular, the need to ensure socially and regionally equitable access to services of general interest by making full use of the possibilities provided by the Lisbon Treaty, while having due regard to subsidiarity and the right to local self-government of regional and local authorities;

12. Stresses that the single market requires an adequately funded regional policy for the period after 2013 and that its budget must on no account be less than that which applies during the current period, 2007-2013;

13. Underscores the potential for the EU’s regions to play their considerable role in assisting the Commission’s drive to create a digital Single Market; highlights, in this regard, the importance that should be placed on utilising the funds available to the EU’s regions in order to overcome their lack of development in the fields of e-commerce and e-services, which could serve as a fruitful source of future growth in the regions;

A single market for Europeans

14. Takes the view that territorial cooperation (including European Groupings of Territorial Cooperation (EGTCs) and macro-regional strategies) makes a decisive contribution to removing visible and invisible internal borders within the single market and further developing that market, among other ways by using the full potential of cross-border competitive clusters; insists on the importance of consolidating this cohesion policy Objective, and calls, in this connection, for the post-2013 budget for territorial cooperation to be increased in order to promote multilevel cooperation across national frontiers, to ensure the cohesive development of cross-border regions and, more broadly, to better
exploit the potential of territorial cooperation; would like access to European regional cooperation funding to be simplified in order to facilitate participation by, inter alia, private parties;

15. Recalls the need to take account under the EU’s integrated policies of the situation of regions with specific territorial characteristics, particularly outermost regions as defined in Article 349 of the Treaty on the Functioning of the European Union, in order to enable those regions and their enterprises, work force and citizens to be fully integrated into the EU’s internal market and thus to benefit in full from it; encourages the Commission to continue with, and further develop, the specific provisions for these regions; recalls the need to establish the wider European neighbourhood action plan referred to in its Communication COM(2004)0343 as a complement to integration into the single market; calls finally for the proposals in the chapter ‘Increasing solidarity in the single market’ to be expanded and bolstered, and particularly for account to be taken of the impact of the single market in the most disadvantaged regions in order to anticipate and support the adjustment efforts of those regions;

16. Welcomes the proposed creation of a European Foundation Statute and notes the Commission’s undertaking to present a regulation by the end of 2011; calls for the creation of a European Association Statute in order to facilitate cross-border citizens’ initiatives and to contribute to the development of EU citizenship beyond frontiers;

Governance and partnership in the single market

17. Appreciates the Commission’s multilevel governance approach and its greater efforts to involve the general public in the consultation processes; stresses that this approach should be duly applied in all shared-competence Union policies, including cohesion policy; recalls that this is necessary in order to ensure genuine participation in decision making by regional and local political and economic actors; observes that, in these consultations, the new special role of local and regional authorities should be taken into account, as it is they that implement the EU rules; 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 Europe 2020 Strategy’ in every Member State to create stronger ownership in the implementation of the EU 2020 Strategy; considers finally 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;

18. Welcomes the role played by the Committee of the Regions in involving local and regional parties in the debate on the Single Market Act; asks the Commission to continue to involve the European Parliament and the Committee of the Regions and to work with them closely in order continuously to monitor the potential and actual consequences for regions of the deepening of the single market; welcomes, therefore, the idea of a single market forum.
## RESULT OF FINAL VOTE IN COMMITTEE

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| **Members present for the final vote** | François Alfonsi, Luis Paulo Alves, Charalampos Angourakis, Jean-Paul Besset, Alain Cadec, Salvatore Caronna, Rosa Estaràs Ferragut, Danuta Maria Hübner, Seán Kelly, Evgeni Kirilov, Constanze Angela Krehl, Ramona Nicole Mănescu, Riikka Manner, Iosif Matula, Erminia Mazzoni, Lambert van Nistelrooij, Jan Olbrycht, Wojciech Michał Olejniczak, Markus Pieper, Tomasz Piotr Poręba, Monika Smolcová, Georgios Stavrakakis, Nuno Teixeira, Michail Tremopoulos, Oldřich Vlasák, Kerstin Westphal, Hermann Winkler |

| **Substitute(s) present for the final vote** | Karima Delli, Karin Kadenbach, Andrey Kovatchev, Marie-Thérèse Sanchez-Schmid, Patrice Tirolien, Derek Vaughan |

| **Substitute(s) under Rule 187(2) present for the final vote** | Stanimir Ilchev |
1.3.2011

OPINION OF THE COMMITTEE ON LEGAL AFFAIRS

for the Committee on the Internal Market and Consumer Protection

on a Single Market for Enterprises and Growth
(2010/2277(INI))

Rapporteur: Piotr Borys

SUGGESTIONS

The Committee on Legal Affairs calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Given the Council’s failure to reach a unanimous decision on the translation arrangement for EU patents, welcomes the request made by several Member States for authorisation for enhanced cooperation in the area of the creation of unitary patent protection, allowing participating Member States to establish a patent valid in all participating countries; calls on all Member States to join in the enhanced cooperation; encourages swift adoption and implementation to support innovation and strengthen European competitiveness on a global scale;

2. Highlights the calls in the Mario Monti report and in the European Parliament’s resolution of 20 May 2010 on delivering a single market to consumers and citizens (Louis Grech report), for a more holistic approach to the internal market, in terms of both strategy and perception, with a view to making it more effective and restoring public confidence; underlines the importance of the ‘Single Market Act’ initiative of legislative and non-legislative proposals to strengthen and update the internal market, complete the digital internal market and address and break down remaining barriers;

3. Agrees with the list of measures identified by the Commission to promote and protect creativity, and calls on the Commission not to delay any further the presentation of the proposals for legislative and non-legislative measures in this area, supported by a thorough impact assessment, in particular the framework directive on collective management of copyright and orphan works; takes the view that the Commission revision of the EU trademark legislation should be included on that list;

4. Stresses the need to adapt the EU legislative framework in the area of copyright to the ubiquity of the online world, whilst ensuring copyright protection, legal certainty and fair
remuneration of rightsholders for both offline and online uses; points out that a more efficient and less costly licensing process through interoperable technological platforms is a key issue for the creation of a single digital market;

5. Notes that one of the great advantages of the internal market has been the removal of barriers to mobility and the harmonisation of institutional regulations, fostering cultural understanding, integration, economic growth and European solidarity;

6. Calls for Commission proposals to revise the Accounting Directives in order to avoid costly and inefficient over-regulation, in particular for SMEs, so that their competitiveness and growth potential can be exploited more effectively;

7. Stresses the need to interconnect the business registries of the 27 Member States via a single access point and for the data concerned to be reliable, kept up to date and provided in a standard format and in all EU official languages. Notes that greater transparency in the internal market could lead to increased cross-border investment; is convinced that better and easier access to information is necessary in order to assist small and medium-sized enterprises, which are a key element in the backbone of the European economy and the main motor for creating jobs, economic growth and social cohesion in Europe, as it helps to lighten the administrative burdens of such enterprises;

8. Calls on the Commission to take the necessary steps to introduce proposals for European statutes for associations, mutual societies and foundations, to propose a feasibility study and an impact assessment for the statutes for associations and mutual societies, and to complete the impact assessment for the statute for foundations in due course;

9. Warns against the notion that the European economy can somehow develop and grow without free and fair trade with as many other countries in the world as possible, including our leading trade partner today, the US, and emerging economies like China, India and Brazil; considers that the European Union should also rely on its own strengths by making better use of its internal market, especially since the bulk of its growth is also linked to domestic demand;

10. Points out that a renewed single market should take into account the specific needs of people with disabilities and use their potential to contribute to the economic growth of the EU; calls on the Commission to take further actions in order to facilitate their access to market both as employees and consumers.
RESULT OF FINAL VOTE IN COMMITTEE

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