



2023/0264(BUD)

19.7.2023

OPINION

of the Committee on the Internal Market and Consumer Protection

for the Committee on Budgets

on General budget of the European Union for the financial year 2024 - all sections
(2023/0264(BUD))

Rapporteur for opinion: Andreas Schwab

PA_NonLeg

SUGGESTIONS

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

1. Notes that in the budgetary procedure the IMCO Committee is responsible for heading one - single market, innovation and digital, including budget clusters 03 02 single market programme, 03 03 EU anti-fraud programme, and 03 05 cooperation in the field of customs;
2. Welcomes the higher amount contributed to the functioning of the internal market; highlights however the impact of the significant inflation rise in the EU last year; notes that due to the high inflation, the proposed budget represents a deduction compared to last year's one; emphasises the necessity to consider such inflation in the determination of the budget; calls for an adaption taking into account the average inflation rate in the EU in 2022; warns that high government spending could further increase inflation; stresses the need to identify and reduce funding for programs with low efficiency and the need to provide for sufficient resources to fund new priorities;
3. Notes that Russia's unjustified and illegal war against Ukraine continues to create problems in the internal market such as high inflation and distortions in supply chains and trade flows. Therefore calls for incentives to make the internal market more resilient, reduce its dependencies and diversify supply chains;
4. Calls for adequate and effective initiatives to restore, further deepen and complete the single market while supporting the transition towards a digital, sustainable social market economy, to promote the interest of European consumers by enhancing a consumer welfare, a high standard of protection, and to address unjustified and disproportionate barriers to the four freedoms making the single market stronger, and more resilient aiming at increasing EU trade flows and improving value chains, thus contributing to economic growth;
5. Reminds that volume of public investment recovered after the financial crisis, reaching a comparable level to that of the United States; emphasizes that private investment in the Union lags significantly behind; calls for adequate structural policies at both the EU and Member States levels to improve their attractiveness as destinations for investment and talent, including by reducing red tape;¹
6. Welcomes the positive reception of the Single Market and InvestEU Programmes; believes that those programmes will continue to help improving the functioning of the internal market and the competitiveness of SMEs and start-ups to generate Europe's growth in the globalised market; calls therefore on the Commission and Member States to maintain sufficient funding of the programmes, especially initiatives that supports the green transition and digitalisation, including the industrial sector, and to ensure their efficiency and monitoring at all levels; Believes that the expenditure from the 2024 budget should be done, taking into account the effectiveness of measures for the development of

¹ <https://oecdecoscope.blog/2022/05/17/how-can-europe-catch-up-on-its-digital-backlog/>

the internal market, social cohesion, the sustainability of SMEs and the elimination of disparities in the internal market;

7. Calls on Member States to implement national recovery and resilience plans to support the digital and sustainable transition; recalls the need for synergies between the single market and the Next Generation EU recovery instrument; Believes that the national recovery and resilience plans should take into account the changes in the Member States following the war in Ukraine and the successive crises;
8. Suggests the allocation of a specific budget for the creation of a program to inform consumers about their rights in the internal market;
9. Highlights, in particular, the great potential of the free movement of services, which is still underdeveloped, and calls for initiatives and actions to boost cross-border trade in services in full respect of the freedom to provide services and taking into account the right for Member States to regulate the services in the general public interest while respecting the criteria of non-discrimination, necessity and proportionality; calls on the Commission to swiftly investigate all cases of hampering the internal market rules, irrespective of the size of the Member State is;
10. Highlights that the Digital Services Act and Digital Markets Act as well as the future legislation on Artificial Intelligence and the Data Act strengthen the digital economy, protect consumers online, ensure fairness and contestability in the digital market and established clear rules on how online platforms and gatekeepers operate; calls for sufficient funding of digital policies of the Union in order to strive for a leadership position of the Union in the global digital economy.
11. Welcomes the Commission's proposal on the establishment of the Union Customs Code and the European Union Customs Authority as well as the European Customs Data Hub; insists on the importance of further standardisation, digitalisation, and automatisisation of the custom systems; stresses that for the proper implementation of the Customs Single Window, sufficient resources should be available for national authorities of Member States; stresses that a lack of sufficient resources and staff of customs authorities could endanger the proper functioning of the internal market and the customs union;
12. Notes that cross-border infrastructure is the backbone of the single market, helping goods, services, businesses and citizens to move freely across borders; stresses and welcomes that the reformed Connecting Europe Facility is an important instrument to invest and further promote pan-European transport infrastructure; Calls to properly address the interconnections between the different Member States and not to create isolated or poorly connected areas within the EU;
13. Calls on the Commission to allocate resources to ensure the access to internet and digitisation for all EU citizens, especially the elderly and those living in rural areas. Although much progress has been made, it is necessary to end the digital gap and ensure equality of conditions for all citizens;
14. Notes that the adoption of best practices in public procurement for EU-funded projects could help to avoid frequent errors and ensure proper implementation of investments;

15. Stresses that the budget should be transparent and understandable to the citizens of the Union and based on results with a view to increasing the efficiency and productivity of public institutions;
16. Underlines the importance of clear labelling to indicate publicly that a project had been funded or partly funded by the EU; reiterates that effective and sustainable spending and proper evaluation of results and impacts of funded projects creates savings that could finance further activities;
17. Urges the Commission and authorities managing EU funded projects to always assess the need for public funding in their project selection procedures in order to avoid crowding out private investments; reminds that such a cost-benefit analysis demonstrating a funding gap would help in assessing the need for EU funding in research projects, according to the Court of Auditors; regrets in this regard it is not already a standard procedure.
18. Asks the Commission to support the pilot projects and preparatory actions proposals within the IMCO Committee's remit, that help or improve the European single market and the transparency and information for European consumers on the products and services they receive.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Date adopted | 18.7.2023 |
| Result of final vote | +: 29 -: 9 0: 1 |
| Members present for the final vote | Andrus Ansip, Pablo Arias Echeverría, Alessandra Basso, Brando Benifei, Adam Bielan, Biljana Borzan, Vlad-Marius Botoș, Markus Buchheit, Anna Cavazzini, Deirdre Clune, David Cormand, Alexandra Geese, Sandro Gozi, Maria Grapini, Svenja Hahn, Krzysztof Hetman, Virginie Joron, Eugen Jurzyca, Kateřina Konečná, Maria-Manuel Leitão-Marques, Antonius Manders, Leszek Miller, Anne-Sophie Pelletier, René Repasi, Christel Schaldemose, Andreas Schwab, Ivan Štefanec, Róza Thun und Hohenstein, Tom Vandenkendelaere, Kim Van Sparrentak, Marion Walsmann |
| Substitutes present for the final vote | Marco Campomenosi, Claude Gruffat, Ivars Ijabs, Karen Melchior, Tsvetelina Penkova, Kosma Złotowski |
| Substitutes under Rule 209(7) present for the final vote | Paulo Rangel, Grzegorz Tobiszowski |

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 29 | + |
|-------|---|
| ECR | Adam Bielan, Grzegorz Tobiszowski, Kosma Złotowski |
| ID | Alessandra Basso, Marco Campomenosi |
| PPE | Pablo Arias Echeverría, Deirdre Clune, Krzysztof Hetman, Antonius Manders, Paulo Rangel, Andreas Schwab, Ivan Štefanec, Tom Vandenkendelaere, Marion Walsmann |
| Renew | Andrus Ansip, Vlad-Marius Botoș, Sandro Gozi, Svenja Hahn, Ivars Ijabs, Karen Melchior, Róza Thun und Hohenstein |
| S&D | Brando Benifei, Biljana Borzan, Maria Grapini, Maria-Manuel Leitão-Marques, Leszek Miller, Tsvetelina Penkova, René Repasi, Christel Schaldemose |

| 9 | - |
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| ID | Markus Buchheit, Virginie Joron |
| The Left | Kateřina Konečná, Anne-Sophie Pelletier |
| Verts/ALE | Anna Cavazzini, David Cormand, Alexandra Geese, Claude Gruffat, Kim Van Sparrentak |

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| ECR | Eugen Jurzyca |

Key to symbols:

+ : in favour

- : against

0 : abstention