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DRAFT REPORT

on the implementation and streamlining of EU internal market rules to
strengthen the single market
(2025/2009(INI))

Committee on the Internal Market and Consumer Protection

Rapporteur: Anna-Maja Henriksson

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the implementation and streamlining of EU internal market rules to strengthen the single market (2025/2009(INI))

The European Parliament,

- having regard to the Commission communication of 11 February 2025 entitled ‘Commission work programme 2025 – Moving forward together: A Bolder, Simpler, Faster Union’ ([COM\(2025\)0045](#)),
 - having regard to the Political Guidelines for the 2024-2029 Commission term, presented by the President-elect of the Commission on 18 July 2024,
 - having regard to the Commission communication of 11 February 2025 entitled ‘A simpler and faster Europe: Communication on implementation and simplification’ ([COM\(2025\)0047](#)),
 - having regard to the Commission communication of 29 January 2025 entitled ‘A Competitiveness Compass for the EU’ ([COM\(2025\)0030](#)),
 - having regard to the Commission communication of 29 January 2025 entitled ‘The 2025 Annual Single Market and Competitiveness Report’ ([COM\(2025\)0026](#)),
 - having regard to the report by Mario Draghi of 9 September 2024 entitled ‘The future of European competitiveness’,
 - having regard to the report by Enrico Letta of 10 April 2024 entitled ‘Much more than a market’,
 - having regard to the report by Sauli Niinistö of 30 October 2024 entitled ‘Safer Together – Strengthening Europe’s Civilian and Military Preparedness and Readiness’,
 - having regard to its resolution of 18 January 2023 on the 30th anniversary of the single market: celebrating achievements and looking towards future developments¹,
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on the Internal Market and Consumer Protection (A10-0000/2025),
- A. whereas the EU is one of the largest economic blocs in the world; whereas ensuring a competitive, dynamic and simplified regulatory environment is essential for strengthening the EU’s global position and for fostering long-term growth, consumer confidence and innovation; whereas such efforts should be designed to benefit both businesses and consumers by enhancing market access;

¹ OJ C 214, 16.6.2023, p. 8.

- B. whereas the Draghi and Letta reports have identified regulatory complexities and the inconsistent implementation of EU rules as major obstacles to the competitiveness of the EU single market;
- C. whereas the Niinistö report's observations on simplifying the EU's defence industry highlight the strategic need to streamline regulations in key sectors to reduce fragmentation, accelerate procurement and foster European security and competitiveness;
- D. whereas the 2025 Annual Single Market and Competitiveness Report and the Single Market and Competitiveness Scoreboard provide critical information on the current state of the single market;
- E. whereas the Competitiveness Compass and the Commission's work programme 2025 set out ambitious policy objectives aimed at reinforcing the resilience of the single market, reducing administrative burdens and aligning the regulatory framework with global best practices; whereas the views of businesses must be taken into account to ensure that EU policies support economic activity and create a positive environment for investment and innovation;

Strengthening the single market to boost the EU's competitiveness and global influence

1. Underlines that the EU is falling behind in terms of global competitiveness; recognises that regulatory and administrative burdens are key factors in the EU's lagging behind in investment, innovation, job creation and business opportunities; emphasises that the promotion, streamlining and simplification of rules and the implementation of common rules strengthen the single market, thereby boosting competitiveness, economic prosperity, employment, skills development and innovation;
2. Recognises that in order to secure the EU's prosperity, it is necessary to reduce regulatory and administrative burdens on businesses – specifically smaller businesses and start-ups; insists, therefore, that barriers that currently hinder growth, job creation and investment must be removed and that resources should be directed towards encouraging innovation and fostering growth;
3. Emphasises that streamlined processes and the correct implementation of EU laws are vital for the proper functioning of the single market and for reaching crucial policy goals; welcomes the Commission's plan to boost competitiveness through the simplification, streamlining and improved implementation of EU rules; calls on the Commission to act upon the recommendations of the Draghi, Letta and Niinistö reports with concrete measures and clear timelines;

Streamlined rules, better implementation and robust enforcement for a predictable and competitive business environment

4. Underlines that regulatory streamlining and simplification aim to facilitate compliance processes, while upholding the EU's core policy objectives and ensuring a stable and predictable regulatory environment for businesses;

5. Considers that a well-functioning single market, in which rules are implemented in a correct and effective way, is a shared responsibility of the EU institutions and the Member States; urges the Member States, therefore, to eliminate gold-plating and to avoid inconsistent implementation of EU laws; demands that the Commission ensure that rules are properly enforced across all of the Member States;
6. Asks the Commission to adopt measures to ensure that current and future legislation remains proportionate and does not add unnecessary burdens for businesses, and to include in its relevant legislative initiatives a mandatory early review clause (of three to five years), without increasing administrative burdens in the process; calls for the revision of all legislative acts that unnecessarily hamper competitiveness;
7. Urges the Commission to prepare high-quality impact assessments of all legislative proposals, including delegated and implementing acts; underlines that the impact assessments should account for the cumulative effects of regulations and assess the interoperability between new and existing rules, particularly concerning reporting requirements; insists that all impact assessments include a competitiveness check, specifically assessing the impact on small and medium enterprises (SMEs) and start-ups;
8. Calls for impact assessments to be carried out systematically on significant amendments proposed by Parliament and the Council to the Commission's proposals, as already agreed by the co-legislators in 2016²;
9. Considers that it is vital to avoid overlaps and inconsistencies among different legal acts, especially concerning single market legislation for goods and services, in order to enhance legal clarity and efficiency; stresses that the effective implementation, enforcement and uniform application of the existing legal framework must be prioritised over the introduction of new legislation;
10. Urges the Commission to ensure a more structured and transparent stakeholder consultation process, including a review of the expert groups system, to ensure inclusive and well-informed decision-making processes and to improve the quality of single market rules;
11. Suggests that the Commission develop a mechanism to set a deadline for the publication of guidelines and enforcement measures before a regulation takes effect; demands that the use of level 2 legislation, such as delegated and implementing acts, be limited to technical matters, and that clear timelines and sufficient notice periods for economic operators are ensured;
12. Urges the Commission and the co-legislators to balance regulatory caution with innovation-friendly policies and regulations, thus designing future regulations with innovation in mind; suggests the inclusion of regulatory sandboxes in all future regulations affecting innovative sectors, with a particular focus on benefiting SMEs and

² [Interinstitutional Agreement of 13 April 2016 between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making, OJ L 123, 12.5.2016, p. 1, ELI: http://data.europa.eu/eli/agree_interinstit/2016/512/oj.](http://data.europa.eu/eli/agree_interinstit/2016/512/oj)

start-ups; advocates for establishment of ‘EU innovation hubs’ across the Member States;

13. Welcomes the appointment of a Commissioner for Implementation and Simplification and calls for the Commissioner to have adequate resources and authority to ensure the proper implementation of EU legislation and sector-specific simplification; urges all the Commissioners to systematically assess the streamlining and implementation needs within their respective policy areas; calls on the Commission to continue putting forward ‘Omnibus’ simplification proposals for streamlining single market legislation;
14. Notes that while the Commission has improved the detection and rectification of EU law infringements, enforcing EU rules and rectifying infringements in the single market still takes too much time; calls on the Commission to uphold its role as a guardian of the Treaties by fully utilising its enforcement powers, including the initiation of infringement procedures, when necessary, to ensure the timely, consistent and effective enforcement of the single market rules;

Unlocking the full potential of the single market

15. Calls on the Commission to strengthen existing enforcement instruments, such as SOLVIT and the Single Market Enforcement Taskforce, to tackle issues related to the functioning of the single market;
16. Emphasises the crucial role of the free movement of services in unlocking economic potential, noting that integration in this sector remains weaker than in the goods sector; stresses the need to ensure the consistent application of the Services Directive³; demands that the Commission introduce new initiatives and targeted sectoral measures that enhance market integration, while maintaining regulatory coherence and preventing the fragmentation of single market rules;
17. Notes that inconsistency in the implementation of EU rules hampers the effective functioning of the single market, including the free movement of workers;
18. Recalls the importance of common standards for the functioning of the single market; stresses the importance of safeguarding the EU standardisation system and maintaining its operational integrity;
19. Urges the Commission to reduce unnecessary reporting burdens by implementing targeted measures, such as extending reporting intervals, eliminating redundant obligations and ensuring proportionality in sector-specific requirements; stresses the importance of tailored approaches for SMEs and start-ups, of fostering a digital business environment, and of upholding the ‘once-only’ principle in order to streamline compliance procedures;
20. Acknowledges and recognises the potential of the Commission’s intention to propose a new EU-wide legal regime, the ‘28th legal regime’, aimed at supporting the growth of smaller and innovative companies;

³ [Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market, OJ L 376, 27.12.2006, p. 36, ELI: http://data.europa.eu/eli/dir/2006/123/oj.](http://data.europa.eu/eli/dir/2006/123/oj)

Embracing digitalisation and artificial intelligence for growth and governance

21. Welcomes the Commission's planned fitness check on the legislative *acquis* in the digital policy area; calls on the Commission to include an Omnibus simplification regarding the envisaged Digital Package; demands that the Commission clarify the legislative framework and the interplay between existing EU legal acts, such as the Digital Services Act⁴, the General Data Protection Regulation⁵, the Artificial Intelligence Act⁶, e-commerce rules and the Product Liability Directive⁷, and between these acts and future legislative initiatives before their adoption by the Commission; insists that the Commission ensure that all laws adopted in the 2019-2024 Commission term are correctly and consistently implemented and applied across all of the Member States;
22. Recognises the potential of digitalisation and artificial intelligence as key tools for reducing administrative burdens and for streamlining administrative procedures, including reporting, authorisation, permitting and compliance requirements; believes that electronic tools and portals should be the standard for all reporting and administrative requirements and envisions their integration into a digital 'one-stop shop', where possible;

Improving consumer protection in the digital age

23. Highlights that the streamlining of consumer protection legislation should not lower the current high standard of consumer protection across Europe; acknowledges the significant progress made in strengthening consumer protection rules and adapting them to new technological and sustainability realities;
24. Reaffirms that consumer protection laws should remain principle-based and coherent across different legal instruments; calls for proportionate and purpose-driven consumer information obligations;
25. Calls for enhanced consumer redress mechanisms and the full enforcement of consumer rights in the EU, including through a revision of the Consumer Protection Cooperation Regulation⁸;

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⁴ [Regulation \(EU\) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC \(Digital Services Act\), OJ L 277, 27.10.2022, p. 1, ELI: <http://data.europa.eu/eli/reg/2022/2065/oj>.](http://data.europa.eu/eli/reg/2022/2065/oj)

⁵ [Regulation \(EU\) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, OJ L 119, 4.5.2016, p. 1, ELI: <http://data.europa.eu/eli/reg/2016/679/oj>.](http://data.europa.eu/eli/reg/2016/679/oj)

⁶ [Regulation \(EU\) 2024/1689 of the European Parliament and of the Council of 13 June 2024 laying down harmonised rules on artificial intelligence \(Artificial Intelligence Act\), OJ L, 2024/1689, 12.7.2024, ELI: <http://data.europa.eu/eli/reg/2024/1689/oj>.](http://data.europa.eu/eli/reg/2024/1689/oj)

⁷ [Directive \(EU\) 2024/2853 of the European Parliament and of the Council of 23 October 2024 on liability for defective products, OJ L, 2024/2853, 18.11.2024, ELI: <http://data.europa.eu/eli/dir/2024/2853/oj>.](http://data.europa.eu/eli/dir/2024/2853/oj)

⁸ [Regulation \(EU\) 2017/2394 of the European Parliament and of the Council of 12 December 2017 on cooperation between national authorities responsible for the enforcement of consumer protection laws, OJ L 345, 27.12.2017, p. 1, ELI: <http://data.europa.eu/eli/reg/2017/2394/oj>.](http://data.europa.eu/eli/reg/2017/2394/oj)

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

EXPLANATORY STATEMENT

With 450 million inhabitants in 27 Member States, the EU is one of the world's largest economic blocs. We meet all the prerequisites to compete well globally, but we have a single market whose full potential is not being exploited. That means that we are falling short of the level of competitiveness that we could achieve and the economic growth that we could create. That is why we need tangible action to bolster the single market and cut red tape for our businesses, especially for small and medium-sized enterprises (SMEs) – action that will enable Europe to attract investment and innovation, which in turn will bring about more jobs, more tax revenue for Member States and thus also greater welfare for all of us in the EU.

In their reports, Mario Draghi and Enrico Letta have proposed solutions to boost Europe's competitiveness and the single market. Since those reports were submitted to the Commission, there have been further changes in global circumstances. We are now living in an age of great uncertainty. Russia's brutal war of aggression against Ukraine is continuing. Ukraine's fight for freedom and independence is also about the future of all of us in Europe. Together with the US, we have given Ukraine support in the form of both defence-related equipment and humanitarian aid since the Russian aggression began. It is now increasingly clear that Europe can no longer count on wholehearted support for Ukraine from the US.

US policy in relation to Ukraine has changed radically since Donald Trump became President in January 2025. The EU and Europe must now take greater responsibility for supporting Ukraine and for their own defence and security. The security policy changes we are now witnessing will have far-reaching consequences, both economically and geopolitically, which is why Europe needs to take a firm grip on its own future. In addition to our defence, we need to boost our strategic autonomy and streamline and bolster our single market, thereby generating economic growth. That is also the way to boost our competitiveness vis-à-vis countries such as China and the US.

What is at stake here, ultimately, is the defence of liberal democracy, the rule of law and human rights – the defence of our way of life, our fundamental values, freedom, equality and the free movement of people, goods and services. For that reason, too, action needs to be taken to bolster Europe's single market, our competitiveness and thus our economy.

We need to make the most of our strengths and address the single market's shortcomings. The message from the business community and our firms is clear. Red tape must be cut for businesses. It weakens competitiveness and takes resources away from growth-creating activities. Several important reports have been written recently; they contain a host of tangible proposals. Where Draghi's report focuses on boosting competitiveness, and Letta's the single market, former Finnish President Sauli Niinistö argues in favour of a preparedness union and points to the need to simplify a number of rules, also with a view to strengthening Europe's security.

The European Parliament, for its part, now ought to highlight the need for action and reforms that strengthen the single market, cut back on red tape and support uniform ways of implementing existing EU legislation in our Member States.

To strengthen Europe's global position, promote investment, innovation and economic growth, but also consumer confidence, we need a competitive, clear and understandable

regulatory framework that treats our businesses and consumers equally, regardless of the EU country where people live and work. Complicated rules, overlapping reporting obligations and inconsistencies in implementing jointly agreed directives and regulations across Member States mean that we are not exploiting our single market's full potential. This also means that we are missing out on investment, jobs and therefore economic growth. That is why we need action that brings about change and growth and makes it easier to operate as an entrepreneur in Europe, with a special focus on small businesses and start-ups. Legislation that makes investment more difficult, lengthens licensing processes and hampers EU competitiveness should be avoided, with due regard for the subsidiarity principle. This own-initiative report also notes the discussion surrounding a possible new EU-wide legal status, the '28th regime', to make it easier for small, innovative businesses to grow.

While simplifying processes and cutting red tape, it is important that we maintain our key policy objectives, such as climate targets and strong consumer protection. We will not compromise on them. For businesses, the aim is also predictability. The more uncertainties there are about policy objectives and possible rapid changes, the more difficult it is for businesses to venture to take important investment decisions. That is why policy needs to be framed for the long term and the rulebook needs to be clear, understandable and easy to follow. We must make it easier for our businesses to develop, invest and create growth, otherwise we in Europe risk falling behind on the global competitive stage.

The Commission is now called on to set specific timetables for action to cut red tape and administrative burdens for businesses, and to put forward specific roadmaps for the future. The Commission ought to keep to its targets and take decisive action to cut red tape by 25% for larger firms and 35% for SMEs. This own-initiative report welcomes the fact that the Commission now has a Commissioner with responsibility for simplification. However, the Commissioner needs sufficient resources and tools to carry out his remit and coordinate with the relevant directorates and departments.

Digitalisation and artificial intelligence (AI) as drivers of growth and as administrative tools

Digitalisation and AI are here to stay. The EU needs to encourage Member States to invest in digital infrastructure so as to facilitate the goal of becoming a leader in digitalisation, quantum computing, AI and cutting-edge technologies.

This also involves the tools we provide businesses with. This own-initiative report notes the considerable potential of digitalisation and AI as key tools for streamlining administrative processes, including reporting and licensing processes. It is equally important that businesses should have access to funding. The Capital Markets Union can also facilitate that.

After the Commission's planned review of digital policy legislation, the need to lessen unnecessary burdens on businesses has to be addressed. Because of the volume of new digital policy legislation adopted during the last term of office, it is important that the Commission should also clarify how the various laws relate to each other. A single eGovernment solution, also using AI, would make things easier for businesses across the EU. For smaller firms, it would be particularly welcome if there were a single digital platform, a 'one-stop shop', where they could find all relevant information on applicable rules, manage reporting and all other administrative requirements, and obtain instructions on how to apply for different

authorisations, etc. With regard to reporting, it must be sufficient for a firm to submit information only once. Similarly, both the e-wallet for businesses and e-ID for citizens should now be implemented quickly in all Member States.

This also concerns the availability of digital services across the single market. For instance, progress ought to be made on geoblocking audiovisual content in the single market so that streaming services would be more accessible across the EU. That would be of great importance for language minorities throughout the EU.

The voice of business must be heard in the legislative process

Business views need to be taken into account more effectively, and the Commission is called on to make use of regulatory sandboxes so as to allow businesses to test at an early stage how proposed rules might work in practice, particularly in innovative sectors. Regulation that hampers growth should be avoided. Special attention needs to be paid to cutting red tape for SMEs, which could be subject to lighter regulation than larger firms. Similarly, the Commission ought to promote the scaling-up of start-ups.

To ensure that the voice of business is better heard, expert groups' work should also be reformed in line with the Draghi report in order to reduce overlapping and streamline the drafting of legislation. SMEs, too, should have a powerful voice.

Proper implementation is the cornerstone of the single market

There are 27 countries in the EU, each of which is responsible for implementing EU legislation. Clearly, as things stand, not all countries meet the requirements for implementation in all respects, which in turn brings about imbalances. Streamlined processes and proper implementation of EU law are therefore called for. The single market needs to be fair both to businesses and to consumers. Single-market rules must be uniformly implemented.

Much new legislation was adopted during the last term of office. Now, the focus needs to be on effective implementation and uniform application of existing legislation. Instruments to enforce compliance with single-market rules, such as SOLVIT and SMET, should be strengthened in line with the Draghi and Letta reports. Member States must also take responsibility for creating a powerful single market and avoid phenomena such as gold-plating.

New legislation requires impact assessments

In order to ascertain what the consequences of a proposed item of legislation will be, impact assessments are needed. Without proper impact assessments, situations may arise where legislation has consequences that the legislative authority did not intend. The regulatory framework today is complex; it is therefore crucial to take various impacts into consideration as comprehensively as possible at an early stage in the legislative process.

It is crucial to consider the cumulative effects of different items of legislation; and it is crucial that new and existing rules should operate in a complementary manner. Any assessment ought also to include a competitiveness check, focusing in particular on the impact of the regulatory framework on SMEs and start-ups.

Similarly, there need to be impact assessments for amendments proposed by Parliament or the Council during trilogues that may have a major impact on the legislation concerned. Nowadays, in practice, significant changes may be made during trilogues that are not subject to impact assessments. That, in turn, can produce unexpected consequences in practice which the legislative authority did not intend. At the same time, of course, it is important to safeguard the ability of individual MEPs to propose amendments. That is a fundamental democratic right. It is nonetheless also important – so as to maintain full confidence in the EU's legislative process – that major proposals for amendments at the final stage of that process should also be subject to proper impact assessments.

Europe's competitiveness and security are at issue

Enhanced competitiveness and greater security go hand in hand with a more powerful single market. We must therefore cut needless red tape so that our businesses can focus on the things that matter. That is the responsibility we all bear.

**ANNEX: ENTITIES OR PERSONS
FROM WHOM THE RAPPORTEUR HAS RECEIVED INPUT**

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur declares that she received input from the following entities or persons in the preparation of the draft report:

Entity and/or person
Airbnb
Ahold Delhaize
Amadeus
Bureau européen des unions de consommateurs (BEUC)
Bitkom e.V.
BusinessEurope
Civil Society Europe
Computer & Communications Industry Association (CCIA Europe)
Connect Europe
Deutsche Telekom AG
DIGITALEUROPE
Doctrine
DOT Europe
EDEKA ZENTRALE Stiftung & Co. KG
European DIY Retail Association (EDRA)
European Garden Machinery industry Federation (EGMF)
EUnited AISBL - European Engineering Industries Association
Eurochambres
EuroCommerce
European Fintech Alliance
European Startup Network
European Tech Alliance
Finanssiala ry
Google
Intel
Kaupaniitto
Kemianteollisuus
Meta Platforms Ireland Limited
Metallinjalostajat ry
Microsoft
Mirka
Neogames Finland ry
NOVE
Orgalim – Europe’s Technology Industries
Panimoliitto
Patria
Permanent Representation of Finland to the EU
Seldia – The European Direct Selling Association

SMEunited
Suomen Yrittäjät
VZVB – Federation of German Consumer Organisations
Wolt

The list above is drawn up under the exclusive responsibility of the rapporteur.

Where natural persons are identified in the list by their name, by their function or by both, the rapporteur declares that she has submitted to the natural persons concerned the European Parliament's Data Protection Notice No 484 (<https://www.europarl.europa.eu/data-protect/index.do>), which sets out the conditions applicable to the processing of their personal data and the rights linked to that processing.