

Brussels, 27 October 2010

European Commission sets out plans to strengthen the Single Market with measures to boost growth and enhance citizens' rights

The European Union's Single Market is the cornerstone of more than 60 years of European integration. Barriers that once stopped goods and services from freely flowing from Lisbon to Helsinki have been torn down. Companies now benefit from a market of 500 million consumers. Consumers travelling abroad have seen dramatic cuts in mobile phone charges. A single currency has made shopping and travelling abroad effortless. Workers now benefit from extensive rights. People can work, study and live anywhere in the EU's 27 Member States. While Europeans can be proud of these achievements, businesses and citizens also know that hurdles still exist when they exercise their rights. The European Commission set out a series of concrete solutions in two reports published today to boost the single market. In the EU Citizenship Report, the Commission proposes measures to make peoples' lives easier when they exercise their EU rights to get married, buy a house or register a car in another EU country. To boost growth, competitiveness and social progress, the Single Market Act calls for action to make the lives of all market participants – companies, consumers and workers – easier.

"Free movement is a cherished right in the European Union. Businesses and citizens have reaped huge rewards as the EU steadily broke down internal barriers to goods, services and people. I want to build on our achievements so that everyone – from tourists and students to workers and small business owners – can truly benefit from a European area of freedom, security and justice," said Vice-President Viviane Reding, EU Commissioner for Justice, Fundamental Rights and Citizenship. "My goal today is to make sure that we remove the remaining hurdles that people face when exercising their rights. Citizens should feel comfortable if they travel, study or settle abroad. Citizens must have the same rights no matter where they are."

Internal Market Commissioner Michel Barnier said: "Markets need to serve both the economy and our citizens. That is what defines our society. But right now, the EU Single Market is not delivering as well as it could: it needs to offer more. Citizens and businesses, big and small, need to find an interest for them in the Single Market. There is real urgency: Europe can't afford to leave this potential unexploited. That is why today the Single Market sets out 50 proposals to be put into place by 2012 to make the Single Market work better."

Making citizens' lives easier

The first-ever EU Citizenship Report looks at everyday problems faced by citizens when they exercise their EU rights and extend aspects of their lives beyond national borders: when they travel, study, work, get married, buy a house or car in another EU country. The report includes 25 measures the Commission plans to take in the next three years to make life easier for European citizens:

- **Tourists/ Expatriates:** The Commission will update the rules protecting holiday makers from, for example, bankruptcy of their travel provider during their holiday ([IP/09/1824](#)). The Commission will also propose additional ways to strengthen the rights of passengers in all modes of transport and enforce the rights of air passengers (e.g. in case of long delays and cancellations). The Commission will further reinforce the right to consular protection for EU citizens whose home Member State is not represented in third countries, by strengthening the legal framework and increasing awareness among citizens and consular officials.
- **Consumers:** the Commission will help consumers get redress if they have problems with a trader, by facilitating the fast and inexpensive out-of-court resolution of disputes across borders, through the promotion of alternative dispute resolution and mediation.
- **Couples:** the Commission will propose legislation to make it easier for international couples to know which courts have jurisdiction and which country's law applies to their jointly owned house or bank accounts.
- **Workers:** the Commission is developing a new system of electronic exchange of information between national administrations so as to make it simpler and quicker for people working in another EU country to transfer their social security rights.
- **Car owners:** the Commission will propose legislation to simplify the paperwork and formalities for the registration of cars bought in another EU country and will address cases in which citizens are required to pay registration tax twice.

Renewing the “Europe for Citizen” Programme

The programme “Europe for Citizen,” which supports town-twinning and citizens' projects, will be currently under review. The Commission is launching a public consultation today to allow people to comment on the next stage of the programme's activities. The consultation can be accessed in all 23 EU languages via the Commission's [public consultations' website](#).

A Single Market for growth

With 20 million enterprises providing 175 million jobs, businesses play an essential role in finding our way back to growth. The Single Market Act will simplify life for SMEs, which make up more than 99% of Europe's businesses. But Europe's wealth and growth does not only rest on the shoulders of Europe's businesses. A good social system, quality education, competitive jobs and salaries are equally important. The Single Market Act will further strengthen Europe's highly competitive social market economy and will put people at the heart of the Single Market: as consumers, taxpayers, workers, investors, entrepreneurs, patients or pensioners.

Key Priorities:

- **For businesses: *Capital for SMEs*:** Access to finance for SMEs is tough. Europe's smallest businesses are hardly visible to potential investors and the requirements for being listed on capital markets are complex. The Commission will make proposals to change this. The Commission will also reduce costs for SMEs by simplifying accounting rules and improving their access to public procurement contracts. The Commission will look at introducing a common tax base for businesses operating cross-border, leading to further cost savings.
- **For businesses: *Social Business and long term investment*:** Europe has enormous potential for developing social entrepreneurship. In recent years, many initiatives have been taken by individuals, foundations and companies to improve access to food, housing, health care, jobs and banking services for those in need. To foster more cross-border action, the Commission will propose European statutes for such organisations to serve and promote the social economy. The Commission will also encourage longer term investments, including ethical investments, exploring options for a specific labelling regime.
- **For consumers: *Online commerce*:** Young Europeans cannot understand why they cannot always buy their music on any website. Today, the online market is seriously under-performing. That is why the Commission will propose rules in 2011 aimed at ensuring that creators and artists can sell their work throughout Europe with a one-stop shop for authorisation allowing them to reap the rewards of their work. Full implementation of the Services Directive and updated rules for e-commerce will also make a difference.
- **Workers: *professional qualifications*:** 4600 professions are today regulated differently in member states. A thorough revision of the professional qualifications directive is therefore overdue. The Commission believes introduction of professional I.D. card or “cartes professionnelles” would reduce remaining red tape.

Making the Single Market work

Without effective enforcement, the Single Market would come to a grinding halt. EU Member States are responsible for the timely and correct implementation of European law into national law. In addition to the normal enforcement measures, the Commission will also engage in regular dialogue with Member States, such as the mutual evaluation of EU laws and alternative dispute mechanisms.

To take this discussion forward, the Commission is launching a **European-wide debate** with all interested stakeholders on the Single Market Act. In the future, the Commission will further strengthen its consultation and dialogue with civil society. In particular, the Commission will open up its expert groups to represent consumer organisations, trade unions, businesses, and local authorities.

Today's Citizenship Report is available at the Justice Directorate-General Newsroom:

http://ec.europa.eu/justice/news/intro/news_intro_en.htm

Homepage of Vice-President Viviane Reding, EU Commissioner for Justice, Fundamental Rights and Citizenship:

http://ec.europa.eu/commission_2010-2014/reding/index_en.htm

Homepage of Michel Barnier, EU Commissioner for the Internal Market:

http://ec.europa.eu/commission_2010-2014/barnier/index_en.htm

More information on the Single Market Act is available at:

http://ec.europa.eu/internal_market/smact/index_en.htm

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