



Europe's single market

Benefits EU citizens and businesses



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"We need to put back at the heart of the single market, those who live and use it daily: our citizens, consumers and businesses."

The single market Before and after

■ The single market

The single market exists for the benefit of all the European Union's 500 million citizens. Its cornerstones are the 'four freedoms': free movement of people, goods, services and capital between all 27 EU member countries. These can be enjoyed, with limited exemptions, by everyone living and working in the European Union.

■ Citizens: freedom of choice

The single market has increased every citizen's freedom to choose where you wish to live, study or work. In general, workers can seek employment and employers can engage staff in any Member State, regardless of nationality. Academic and professional qualifications are recognised across the EU. Most pension and social protection rights as well as health care are no longer jeopardised simply because you change countries.

■ More benefits: consumers

Consumers benefit from the single market. You now enjoy the advantages of wider choice, better quality and lower prices. In principle, you can buy goods and services from any provider in the EU without having to accept contractual conditions different from those that apply in your own country.

■ Single market for businesses

The single market allows businesses to operate unhindered in all Member States. Companies have the opportunity to grow as they wish. They have a large market to sell into and no longer need worry about customs duties or tariffs at internal EU borders. Firms can organise their supply chains and finances using any supplier, anywhere in the EU. As a result, businesses, big or small, have the potential to maximise their efficiency and become more competitive.

Before : You paid high prices for air travel and telephone calls.

After : Prices are lower. Mobile phone costs have come down by 70%, and the cost of airline tickets dropped by 40%.

Before : You had to show your passport at every national border.

After : You can travel across most of the EU without showing a passport or being stopped for checks at borders.

Before : You had to pay duties on goods you bought abroad.

After : There are no limits on what you can buy and bring home with you for personal use in the EU.

Before : Setting up a business and trading across borders was complex, took a long time and involved lots of red tape.

After : There is no bureaucracy at borders, less costs and businesses have a huge potential market at their disposal.

In addition to reducing costs and exchange rate risks, the European Union's single currency benefits companies by encouraging investment and bringing more certainty to business planning. This allows firms to be more effective overall. Trade within the euro area is estimated to have increased between 4% and 10% since the introduction of the single currency.

■ **Less bureaucracy**

Bureaucracy, formerly part and parcel of trading across borders, has been greatly reduced, in particular for small and medium-sized enterprises (SMEs). Laws have been either unified or harmonised across the 27 Member States to make a well functioning single market possible. Companies can now decide to establish themselves in another EU country under the same conditions or to offer cross-border services from their home base.

■ **The way forward**

The advantages of the single market are clear. Yet there is more work to do to ensure Europe's citizens, consumers and businesses derive the maximum benefit from its existence.

That is why the European Commission adopted the Single Market Act, a series of measures to boost the European economy and create jobs. Confidence and social progress in the single market also need a strong boost to help stimulate economic growth.

Commissioner Barnier and the European Commission intend to keep the Single Market Act high on the political agenda. We will work in partnership with national governments, the European Parliament and civil society actors to tackle remaining barriers and ensure delivery of the actions by the end of 2012, the twentieth anniversary of the 1992 single market programme.



What do EU citizens think of the single market (Eurobarometer 2009)

81% of EU citizens agree that the single market leads to wider choice of products in supermarkets, electronic shops, clothing retail stores and pharmacies.

A large majority of EU citizens agree that EU-wide rules on public procurement help to combat favouritism and corruption. Two-thirds of EU citizens think that the single market provides more jobs in the Union.

Eight out of ten people think that opening a foreign-owned factory in their region would create local wealth and economic growth.

Day to day benefits

Better value for tax payers as a result of more open and competitive public procurement rules, governments have more money to spend on other priorities. For example, the price of railway rolling stock has dropped, with studies pointing at savings from 10% to 30%.

The euro

The introduction of the euro was a huge step in European integration and one of its major successes. Some 330 million citizens now use it and enjoy its benefits. These will spread even more widely as other EU countries adopt the currency.