



EUROPEAN COMMISSION

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C(2016) 4473 final*

Dear President,

The Commission would like to thank the Riksdag for its Opinion on the Communication "Upgrading the Single Market: more opportunities for people and business" ('Single Market Strategy') {COM(2015) 550 final}.

The Commission shares the Riksdag's view that a well-functioning Single Market is of vital importance for enhancing the EU's competitiveness, growth and employment and welcomes the Riksdag's support for the overarching objectives of the actions set out in the Communication which seek to overcome barriers to trade, prevent new ones from arising and ensure that the Single Market's potential is used to the full.

The Single Market is one of Europe's greatest achievements. By allowing people, services, goods and capital to move more freely in the world's largest economy (14 trillion euros GDP), it offers enormous opportunities for European businesses as well as greater choice and lower prices for consumers. It enables citizens to travel, live, work and study wherever they wish within the Union. However, these benefits do not always materialise because the Single Market's rules are not known, not implemented or simply undermined by other barriers. The Single Market also needs to evolve so that innovative ideas and business models can find their place.

Therefore, the Commission decided to make "a deeper and fairer internal market" one of its ten priorities and to adopt the Single Market Strategy to tackle the above-mentioned challenges. This links in with the Commission's other objectives mapped out in the Commission Work Programme. The Single Market Strategy complements the Investment Plan for Europe and follows up on the Digital Single Market Strategy as well as on the Capital Markets Union.

In response to the more technical questions in the Opinion, the Commission would like to refer the Riksdag to the attached Annex.

*Mr Urban AHLIN
Speaker of the Riksdag
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The points made in this reply are based on the Communication adopted by the Commission on 28 October 2015. The initiatives are being implemented in coordination with the European Parliament and the Council.

The Commission hopes that these clarifications address the issues raised by the Riksdag and looks forward to continuing our political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Elżbieta Bieńkowska
Member of the Commission*

ANNEX

The Commission has carefully considered each of the issues raised by the Riksdag in its Opinion and is pleased to offer the following clarifications.

On services and cross-border e-commerce:

The Commission will launch a legislative initiative introducing a services passport with an electronic document repository to increase certainty and reduce barriers for service providers who want to access the markets of other Member States in order to expand their activities. This may include legislative proposals to address regulatory barriers such as diverging legal structures, shareholding requirements and restrictions for key business services as well as, if appropriate, organisational requirements in construction companies. The Commission will further improve access for service providers to professional services at national and EU level by issuing periodic guidance that identifies concrete reform needs for specific Member States and professions that have unjustified regulations. The Commission will also propose a proportionality test for Member States to use when reviewing existing regulations or proposing additional ones.

As regards cross-border e-commerce, the Commission presented a Communication¹ on 25 May 2016 setting out a comprehensive approach to create better conditions for trade in cross-border e-commerce. The plan boosts e-commerce by tackling geo-blocking, making cross-border parcel delivery more affordable and efficient and promoting customer trust through better protection and enforcement.

On effective compliance:

The Commission agrees with the Riksdag that we must first and foremost make sure that measures already agreed are implemented correctly and in a timely manner by Member States. Therefore, the Commission will further deepen its partnership with Member States through implementation plans for new major legislation, compliance dialogues organised on a yearly basis with each Member State and the possible development of a data analytics tool to improve the monitoring of Single Market legislation. Additionally, the Commission will strengthen and streamline the Single Market's problem-solving tools, including the SOLVIT network, and promote awareness among citizens and companies about their rights.

On small and medium sized enterprises and start-ups

Helping small and medium sized enterprises (SMEs) and start-ups to gain access to finance, is one of the main initiatives of the Single Market Strategy. SMEs have already been placed at the heart of the Investment Plan for Europe. For instance, a quarter of the European Fund for Strategic Investments' (EFSI) guarantee will be used to support innovative SMEs and midcaps as well as to ensure greater and faster access to risk finance for start-ups. In addition, the Capital Markets Union is taking forward a range of measures in support of venture capital and risk capital financing in the EU. In this context, and as part of the Action

¹ COM(2016) 320 final.

Plan on Building a Capital Markets Union², the Commission will bring forward proposals for a European venture capital fund supported by the EU budget.

On ambitious and concrete measures

The Single Market Strategy focuses on practical measures aimed at helping SMEs and start-ups to grow and expand, promoting innovation, unlocking investments and empowering consumers. These measures complement a number of ambitious sectoral initiatives such as initiatives improving the functioning and enforcement of the Single Market for road transport. They are underpinned by economic evidence, focusing on the economically most important obstacles. The legislative actions will be subject to further impact assessment work which will then be the basis for the Commission's final decisions. All of the proposed measures are based on real life issues experienced by European citizens and companies within the Single Market. Our initiatives aim at providing concrete solutions to improve the functioning of the Single Market on the ground and will benefit consumers and companies alike. All of the initiatives will be delivered by the end of 2017. The first proposals already delivered include the prevention of discrimination based on nationality/place of residence (May 25), the Joint Initiative on Standardisation (June 1) and the guidance on the collaborative economy (June 2).

² COM(2015) 468 final.