



EUROPEAN COMMISSION

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Dear Speaker,

The Commission would like to thank the Riksdag for its Opinion on the Communication on “The Single Market in a changing world” {COM(2018) 772 final}.

The Commission is pleased that the Riksdag shares the view that the Single Market is a key factor for growth and competitiveness and welcomes the broad support for the Commission’s call to further improve the functioning of the Single Market and unleash its potential further. As the Commission has pointed out in its Communication, services are one of the areas where the untapped potential is the largest and the Commission welcomes the support of the Riksdag to deepen this important component of the Single Market.

The Commission agrees with the Riksdag that the Single Market goes hand in hand with an ambitious trade policy. The Single Market, as one of the largest markets in the world, is also a tool to open markets abroad for businesses in the Union. Thanks to the Single Market, the Union can help shape a rules-based, open and multilateral trading system. At the same time, the Commission is taking decisive action against dumping, de-regulation or distortions of competition from third countries.

The Commission agrees that digital technologies are crucial and adaptations of the Single Market to new technologies in general is key. The Commission also welcomes the statement by the Riksdag that effective competition enforcement is essential to a functioning Single Market.

As regards taxation, the Commission believes that tax policy can no longer be managed solely within national borders in the Single Market if it is to address the new challenges that have emerged in the Union and globally. The Commission is also of the view that unanimity in the field of taxation has resulted in several obstacles to efficient decision-making. It is for these reasons that, in its Communication of 15 January 2019 {COM(2019) 8 final}, the Commission has proposed a roadmap for a progressive move to qualified majority voting in certain areas of taxation. The Commission looks forward to receiving feedback from the Riksdag on this Communication.

*Mr Andreas Norlén
Speaker of the Riksdag
SE – 100 12 STOCKHOLM*

As regards labour law aspects, the Commission would like to recall that the European Pillar of Social Rights acknowledges the central role of social partners. The Commission's proposals implementing the European Pillar of Social Rights on the European Labour Authority and on transparent and predictable working conditions take fully into account the autonomy of the social partners.

The Commission has proposed a European Labour Authority precisely to ensure the smooth functioning of the Single Market and support free movement, which the Riksdag identifies as a priority. Social partners will have an important role to play both through the governance of the new Authority and cooperation on the ground.

The objective behind the Commission's proposal for a Directive ensuring transparent and predictable working conditions in the Union is to broaden and to modernise existing obligations to inform each worker of his or her working conditions. It also intends to create new minimum standards to ensure that all workers, including those on atypical contracts, benefit from more transparency and predictability as regards their working conditions. It respects the diversity of the labour markets and social systems, as well as the subsidiarity and proportionality principles. The Directive contains all flexibility for social partners to adapt the proposed substantive rights to the national situation while maintaining the overall level of workers' protection.

The principles of subsidiarity and proportionality are core elements of the Commission's better regulation agenda that underpin how it prepares its policy proposals. The Commission also takes the reasoned opinions it receives from national Parliaments very seriously and endeavours to provide clear and comprehensive replies. As regards the reasoned opinions mentioned by the Riksdag, the Commission would like to refer to the specific replies that were sent to the Riksdag.

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

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Jyrki Katainen
Vice-President of the Commission*