



**COUNCIL OF  
THE EUROPEAN UNION**



## **Council Conclusions on the progress report of the Single Market Review**

*2922th ECONOMIC and FINANCIAL AFFAIRS Council meeting*

*Brussels, 10 February 2009*

The Council adopted the following conclusions:

"Referring to the European Council Conclusions of 13th - 14th March 2008 requesting an effective annual follow up to the Single Market Review, the Council WELCOMES the Commission's progress report called "The Single Market Review: one year on" and AGREES with its overall assessment.

### **Firm commitment to the single market principles and priorities**

The Council (ECOFIN) EMPHASIZES that the single market is one of the most valuable achievements of the EU and remains a key driver for improving Europe's global competitiveness. A well-functioning single market without barriers would strengthen resilience of the EU economy and enhance growth potential, job creation, and prosperity of its citizens.

The Council (ECOFIN) UNDERLINES that the single market is a unique asset and should be safeguarded during the current financial crisis and economic slowdown. When deciding on measures, including those in responses to the current crisis, Member States should refrain from adopting policies that impose limits on the four freedoms and distort competition, while all actors must respond to the need for fast and flexible action. The implementation of the European Economic Recovery Plan should adhere to the same single market principles (e.g. non-discrimination, proportionality) and should fully respect the state aid rules. By respecting these principles the single market will provide an appropriate platform for the economic recovery.

# **P R E S S**

The Council (ECOFIN) CONSIDERS strengthening consumer confidence, simplifying the business environment and reducing the administrative burden for SMEs, strengthening the competition throughout the economy, in particular in the services market (timely implementation of the Service Directive) and network industries (e.g. energy, transport and telecommunication), increasing the effectiveness of retail financial services, strengthening financial stability, removing barriers in the labour market, creating innovation friendly market conditions, including the creation of a Community patent, investing in people's skills, and promoting external openness as the most important policy actions in the single market agenda. In this respect, the Council STRESSES the necessity of implementing without delay structural reforms which are foreseen in the Community Lisbon Programme.

### **Delivering through more effective means**

The Council (ECOFIN) STRESSES that a coordinated approach is necessary and the need, in particular in the context of the present economic downturn, for a dynamic and responsive policy framework, respecting a level playing field. It should be based on a range of policy instruments, well-tailored to provide specific policy solutions, and be based on a partnership between the Commission and the Member States. Emphasis should be given to an evidence-based and outcome orientated approach and better and more effective implementation to provide full benefits to citizens and businesses.

The Council (ECOFIN) TAKES NOTE of the progress made regarding the market monitoring initiative, in particular with the sector screening at the European level, and WELCOMES that the Commission has already launched an in-depth monitoring of the food supply chain, retail distribution, electrical engineering and pharmaceutical industries. It ENCOURAGES Member States to support further work on these exercises and to consider similar screenings at the national level. Furthermore, the Council (ECOFIN) INVITES the Member States and the Commission to

implement as appropriate the proposed roadmap for improving the functioning of the food supply chain in 2009 and ENCOURAGES the Commission to complete the in-depth market monitoring in the field of retail services, electrical engineering and pharmaceuticals by the end of 2009 and to launch further in-depth market monitoring exercises, as and when appropriate. The Council (ECOFIN) INVITES the Commission to report back on the state of play on market monitoring by the end of 2009.

The Council (ECOFIN) INVITES the Commission to review how market monitoring recommendations can best support the existing EU and national decision-making process in delivering necessary sectoral reforms at the EU and national level and CALLS on the Commission to report back to the Economic Policy Committee. The Council (ECOFIN) ENCOURAGES the Commission to gather further experience in the design and implementation of market monitoring in close cooperation with Member States, in as the least burdensome way possible and ASKS the Economic Policy Committee to discuss the way forward regarding the methodology used (data, sectors selected, etc.) and to facilitate the exchange of experience. Close cooperation between the Commission and Member States can improve data quality."