



**COUNCIL OF  
THE EUROPEAN UNION**

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**NOTE**

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to : Competitiveness Council  
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Subject : **Priorities for the Internal Market in the next decade – contribution by the Competitiveness Council to the post 2010 Lisbon agenda**  
- Adoption of Council conclusions

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Delegations will find attached draft Council conclusions on "Priorities for the Internal Market in the next decade – contribution by the Competitiveness Council to the post 2010 Lisbon agenda " which were prepared by the Permanent Representatives Committee at its meeting on 18 November 2009.

The Competitiveness Council is invited to adopt the conclusions at its meeting on 3 and 4 December 2009.

**Draft Council conclusions on "Priorities for the Internal Market in the next decade" – contribution by the Competitiveness Council to the post 2010 Lisbon agenda**

THE COUNCIL (Competitiveness),

RECALLING its conclusions of 24 September 2009 on "making the internal market work better",

1. NOTES that the internal market is the cornerstone of EU' s integration and has proved its resilience in the current economic situation, and that the EU for the future should draw the lessons from the impact of the financial and economic crisis on the internal market. In a global economy a strong internal market provides for sustainable growth and jobs. STRESSES that the EU needs to further strengthen and deepen its internal market to meet new challenges. With a view to a new Commission and a renewed EU strategy for growth and jobs, the EU should turn current challenges into opportunities and develop a clear and coherent competitiveness strategy for a well functioning internal market in the next decade. Therefore AGREES that actions should be taken on the basis of strategic priorities in areas where the benefits to citizens, consumers and businesses, in particular SMEs and micro-enterprises, are greatest;
2. CONSIDERS that during the next years there are a number of key areas that especially need to be addressed, including the removal of still existing barriers. Therefore WELCOMES the Commission's initiative to relaunch the internal market as a key strategic objective of the next Commission;
3. NOTES WITH SATISFACTION the Commission's intention to carry out a major internal market analysis including evaluation of existing legislation; STRESSES in this respect the need for an effective coordination and INVITES the next Commission to present a new internal market package with proposals for specific actions and new initiatives, where necessary; CALLS on the Commission to take into account infrastructure network needs as well as to pay due attention to the social dimension and to services of general interest, and at the same time ensuring benefits for SMEs;

4. Pending this new stage in the development of the internal market REAFFIRMS the importance of timely and effective delivery of the ongoing actions in the internal market area, building on achievements in the context of the Single Market Review, notably on the partnership and evidence-based and impact driven approach;
5. RECALLS the necessity for practical measures to further improve the functioning of the internal market, especially practical information, administrative cooperation and enforcement, including problem-solving. RECALLS the wide range of instruments at the EU's disposal, which include, where appropriate, harmonisation as well as mutual recognition. AGREES on the need for prioritisation and improved design, application, monitoring and enforcement of legislation in order to provide for an effective and internal market friendly regulatory framework;
6. HIGHLIGHTS the importance of addressing external aspects, alongside other economic, social and environmental impacts, in impact assessments of EU legislative proposals to ensure coherence between internal regulation and external competitiveness;

## **Key areas**

### **Services and goods**

7. STRESSES that the services sector is a core asset for future growth and jobs. The Services Directive is a crucial step towards facilitating the free movement for services. The demand for new services will continue to increase in the future. In that context, additional measures should be considered, where necessary, to further improve cross border provision of services;

8. UNDERLINES the importance of an effective and transparent mutual evaluation process of the Services Directive which will allow for evidence-based policy conclusions, help ensure high quality implementation across Member States and result in a summary report in December 2010, accompanied where appropriate by proposals for additional initiatives; the Commission and Member States should ensure that appropriate arrangements, including resources, are in place for this process;
9. REAFFIRMS the importance of free movement of goods and effective implementation of the Goods package; ENCOURAGES the Commission to continue its efforts to adapt the existing Community harmonisation legislation to this new legislative framework, to support Member States in its implementation and to prevent the creation of unjustified barriers to free movement of goods in the non harmonised area; CALLS for a broader view on market surveillance<sup>1</sup>, which is an indispensable tool for safe products, for trade and for strengthening the trust in the internal market;
10. UNDERLINES the importance of standardisation as a catalyst to innovation and WELCOMES the Commission's initiative to review the European standardisation system, with special consideration to well-functioning national structures; INVITES the Commission to pay special attention to the services sector;

## **Consumers**

11. STRESSES that a well-functioning internal market is necessary in order to strengthen consumers' confidence to make use of the opportunities that it offers. To enable consumers to contribute to the development of a competitive market place an active consumer policy is needed. CONFIRMS that it will continue to give particular attention to the proposed Directive on Consumer Rights with the aim of achieving a fully functioning internal market and ensuring benefits for both consumers and businesses, including SMEs; by striking the right balance between a high level of consumer protection and a well-functioning Internal

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<sup>1</sup> ***Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93***

Market; UNDERLINES that, in order to enhance performance of the Internal Market, it is essential to focus on eliminating barriers that make business-to-consumers cross-border transactions, including e-commerce, more difficult and more expensive;

### **Intellectual Property rights**

12. UNDERLINES that it is important to establish a Community patent, a European and Community Patents Court and to further improve the protection and enforcement of Intellectual Property Rights (IPR) to strengthen the competitiveness of European enterprises; WELCOMES the Commission's intention to present a comprehensive strategy for IPR;
13. STRESSES the importance of reaching agreement in this area to contribute to the implementation of the free movement of knowledge and innovation - the “fifth freedom” - in the internal market in order to contribute to growth and jobs;

### **External aspects**

14. HIGHLIGHTS that a well functioning internal market is of key importance for the EU's external competitiveness; STRESSES the need to ensure that the EU market remains open to the world, and that other markets are open to our trade, by continuing to press for increasingly open markets which should lead to reciprocal benefits. A seamless flow of trade and investments within the EU and between the EU and our external trading partners is key for longer-term productivity, growth and welfare. NOTES, in this regard, that internal and external policies should be mutually reinforcing;
15. AGREES that the renewed EU strategy for growth and jobs must contain an explicit external agenda, establishing a set of concrete and coherent measures aiming to capture the beneficial effects of external trade and openness for EU competitiveness and addressing all related challenges, including promoting EU access to third markets on the basis of internationally agreed rules, in particular as concerns fair competition and the protection of intellectual property rights;

16. EMPHASIZES that these measures, in line with previous policy initiatives, notably the Global Europe Strategy, should aim for, inter alia, increased market access, multilateral trade liberalisation in the framework of the Doha Round as well as deep, balanced and comprehensive Free Trade Agreements pursuant to key economic criteria and policy objectives set out in Global Europe;
17. In addition, NOTES the importance of regulatory dialogues and that specific measures to enhance transparency and cooperation should be pursued actively, and in this regard:
- a) UNDERLINES the crucial role of open international standards for market access and removal of barriers to trade; STRESSES the importance of standards-receptive legislation referring to international standards, as well as conformity assessment procedures, in particular the manufacturer's declaration of conformity and, in other cases, cooperation in the field of accreditation and market surveillance;
  - b) INVITES the Commission to explore, together with the Member States, building on existing experience, the possibility of setting up a comprehensive internet-based information gateway for rules and regulations related to trade in goods, services and investments in order to enhance transparency for economic operators.
  - c) ENCOURAGES the Commission and the Member States to intensify their efforts to implement the most efficient and business friendly customs procedures in the world, with the objective of facilitating trade and enhancing supply chain security, health and safety as well as the protection of IPR and of the environment;

## Coordination and follow-up

18. UNDERLINES the need for more effective coordination between different policy areas, including between internal market policies and trade policies, for the purpose of ensuring that the most important issues for the competitiveness of EU businesses, including SMEs, are identified and properly addressed; INVITES the Commission to increase coordination of internal market issues across its policies and AGREES, in its horizontal role, to take a similar approach;
19. STRESSES that the contribution of the external agenda to EU growth and competitiveness should be subject to evaluation and follow-up. This should include an assessment of EU's own openness as well as that of third countries in order to ensure that EU businesses are operating in a genuinely global competitive environment;
20. LOOKS FORWARD to the presentation by the Commission of ambitious internal market measures, including its future Internal Market package; INVITES the Commission to regularly update the Competitiveness Council on progress towards this end;
21. REAFFIRMS its intention to continue to review progress on horizontal internal market issues, including the external aspects of the internal market, on a yearly basis based on input from the Commission, with a view to making the internal market fully operational.

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