



20 June 2007

### **SEMINAR ON ENFORCEMENT IN THE INTERNAL MARKET WEDNESDAY 20 JUNE 2007**

**1. Welcome by Jesús Banegas, Chairman of BUSINESSEUROPE Internal Market Policy Committee**

**2. Presentation of key issues on enforcement by Jean-Paul Mingasson, BUSINESSEUROPE General Adviser**

Jean-Paul Mingasson presented the reality of the Internal Market as regards enforcement of its basic principles and legislation and highlighted the existing inconsistencies between Member States regarding transparency, commitment, diligence, resources, etc., which prevent the market from functioning properly. He set out facts and figures to explore three items: burden-sharing between Commission and Member States, a more integrated approach and means of redress.

**3. Keynote speech by Catherine Day, Secretary General of the European Commission on EU Commission's Communication on implementation of Community law and special focus on services**

#### **Background:**

The European Commission is reflecting on the revised policy for the Internal Market of the 21st century. An interim report was issued in March 2007 and will be followed by a final report on the Single Market Review later this year together with a list of concrete proposals. The Commission has already tabled several initiatives to improve the Internal Market, namely:

- ✓ The "goods package" issued in February 2007 to ensure more coherent and comparable designation, operation and monitoring of Notified Bodies, to set up a common legal framework and to ensure an equivalent level of market surveillance.
- ✓ The services directive adopted in December 2006.
- ✓ The forthcoming Communication on the Application of Community Law on which Mrs Day, Secretary-General of the EU Commission, will expand later on.

#### **Summary:**

Catherine Day recalled how challenging it is to manage transposition of each directive with 27 Member States. The European Commission has to encourage Member States to attach higher importance to the transposition phase, to involve them and to anticipate transposition problems.



Ms Day added that it is necessary to streamline infringement mechanisms but the preventive side also has to be developed and emphasis has to be put on a better regulation culture both at EU and national level. She finally recommended that the Commission and the business community work together to improve Community law.

**4. A company's views on the mutual recognition principle by Paul Coebergh van den Braak**, Senior Director in charge of standardisation and regulation at Philips. He is also Vice-Chair of BUSINESSEUROPE's Internal Market Committee (IMCO) and Chair of the Free Movement of Goods Working Group.

**Background:**

Despite the legal framework and other instruments created to ensure free movement of goods and services, the Internal Market is not working properly. Barriers remain and have a direct impact on companies which have to bear extra costs and sometimes decide to stay out of the Internal Market. Misapplication of the mutual recognition principle for goods is one of the most harmful problems that has given rise to a large number of Internal Market infringement cases registered by the EU Commission.

**Summary:**

Paul Coebergh van den Braak presented its vision of good regulation which should protect consumers and society, create a level playing field for competition and achieve this in an efficient manner. He recalled that good enforcement is necessary to fight against free-rider behaviours and to ensure fair competition. He focused on the costs created by overregulation and in particular on redundant conformity assessments which are very time-consuming and costly. Mr Coebergh van den Braak finally expressed the need for EU to enforce existing regulation better, to produce high-quality legislation when necessary and to promote harmonisation in a global context.

**5. A national authority's views on enforcement of Community legislation by Marc Van Hende**, Director-General in charge of Enforcement and Mediation of Federal Public Service Economy, SMEs, Self-employed and Energy in Belgium and **by Dirk Meijer**, Director responsible for Food and Consumer Product Safety Authority in the Netherlands

**Background:**

Member States have a key role to play for correct enforcement. They have to ensure correct transposition and administrative implementation of EU law, proper application of the mutual recognition principle, market surveillance and border control as well as effective cooperation among competent authorities at EU and national level.

**Summary:**

Marc Van Hende explained that the focus on cross-border enforcement is quite new at national level. However the enforcer is a key player and he presented the tools available and used by national authorities to control safety and security. He reminded participants that there is a need for close cooperation between authorities and concluded that a holistic approach is required to ensure an efficient enforcement, instead of a purely national approach.



Dirk Meijer recalled the importance of national authorities regarding enforcement. He strongly advised to adopt a risk-based approach to evaluate products and explained that European coordination on enforcement should be ensured through informal organisations. As far as European legislation is concerned, a European dynamic is required for enforcement.

**6. EU Commission's views on enforcement for services by Jacqueline Minor, Director of Directorate B (Horizontal Policy Development) in DG Internal Market and services and by Michel Ayrat, Director of Directorate C (Regulatory Policy) in DG Enterprise and Industry.**

**Background:**

The European Commission has recently taken actions to facilitate two fundamental freedoms of the EC Treaty, for free movement of goods and services, which also address enforcement issues:

- ✓ The services directive of December 2006, by facilitating mutual assistance, cooperation and information between national authorities
- ✓ The legislative package for goods proposed in February 2007 to:
  - Ensure that business can better rely on the principle of mutual recognition
  - Introduce more efficient rules on market surveillance activities and on accreditation of conformity assessment

**Summary:**

Jacqueline Minor highlighted the importance of a risk-based and timely transposition of each directive which is based on recommendations and peer pressure. She focused on infringement procedures and especially alternative dispute solutions (SOLVIT) which are more flexible and more rapid for business. She concluded that the direction the internal market should take to become more efficient depends on a closer cooperation between Member States and EU institutions.

Michel Ayrat reminded the participants the importance of the mutual recognition principle to fight against technical obstacles. Regarding the area of goods, Mr Ayrat exposed the existing problems and possible solutions. Then, he focused on the "new approach" proposals which simplify the harmonisation. Lastly, he added that the goods package adopted by the Commission on 14 February 2007 will probably be adopted by the Council and the Parliament in early 2008 (for the mutual recognition and the accreditation and market surveillance proposals) and at the end of 2008 (for the horizontal framework proposal).



### **7. Conclusions by Jesús Banegas**

Jesús Banegas brought the seminar to an end with the BUSINESSEUROPE's recommendations for better enforcement in the Internal Market. Those recommendations which are also presented in the brochure "Enforcement in the Internal Market" are the following:

1. Ensuring timely and correct transposition and administrative implementation of Community legislation including administrative simplification.
2. Stepping up Member States' efforts and resources to fulfil their enforcement responsibilities through effective and homogenous market surveillance, efficient external border control and correct application of the mutual recognition principle.
3. Providing more information, facts and figures on national compliance with and enforcement of Internal Market legislation.
4. Creating a greater partnership and cooperation between the Commission and Member States.
5. Improving cooperation and mutual assistance among Member States.
6. Ensuring easier access to both EU and national means for asserting Internal Market rights including promotion and reinforcement of Solvit and speedier and more efficient infringement procedures.
7. Better positioning of the Internal Market in the global context through promotion of EU standards.

On behalf of the business community, he asked the Commission to give due consideration to these concerns in the forthcoming Single Market Review and that both EU and national governments step up their efforts to ensure a better enforced Internal Market.

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