

FREEDOMS GROWTH

The Single Market - at the Heart of Europe

While the advantages of the Single Market are many, we have a lot more work to do to reach its full potential. The EPP Group, as the largest group in the European Parliament, has engaged its efforts in achieving this goal.



EPP Group
in the European Parliament

The EPP Group is by far the largest political group in the European Parliament with 271 Members and 3 Croatian Observer Members.

Editor: Pedro López de Pablo,
Head of the Press and Communications Service
Web: www.eppgroup.eu
Contact: epp-publications@europarl.europa.eu



20 years of the 'Four Freedoms' of the Single Market

The EPP Group at the heart of Europe

The end of 2012 will mark the 20th anniversary of the Single European Market. Twenty years of free movement of goods, capital, people and services have changed the way of life of 500 million Europeans.

Today, the four freedoms of the Single Market are needed more than ever to revitalise the European economy in response to the current crisis.

The EPP Group in the European Parliament considers that this anniversary is a good moment to assess what has been achieved and which improvements have to be introduced.

Free movement of people
The Single Market has given EU citizens the freedom to choose where they wish to live, study or work.

Free movement of goods
Customs and trade barriers have been abolished, giving consumers a wider choice, better quality and lower prices.

Free movement of services
Barriers for services have been lifted, allowing businesses to operate in a larger market.

Free movement of capital
The integration of capital markets has improved opportunities for companies and citizens with better and cheaper financing.

**THE 4 FREEDOMS
OF THE SINGLE MARKET
AT A GLANCE**

FREEDOMS GROWTH

WHAT DO THE **FOUR FREEDOMS** MEAN FOR YOU?

1 Increased prosperity

Over the last 15 years, the Single Market has increased the EU's prosperity by 2.15% of GDP.

2 More jobs

2.75 million extra jobs were created over the period 1992-2009 as a result of the Single Market.

The European Health Insurance Card ensures access to public healthcare across the EU. In addition, citizens can travel abroad for medical treatment.

3 More opportunities to live, work and study abroad

In 2011, around 6 million EU citizens worked in an EU country other than their own, while close to 3 million university students completed part of their studies in another Member State with the help of the Erasmus Programme.

4 Cross-border social security

When moving to another Member State, EU citizens retain their social benefits and pensions.

5 Easier to travel and shop

EU citizens can travel around most of the EU without carrying a passport or being stopped for checks at borders. For shoppers, there are no limits on what they can buy and take home with them for personal use.

6 Wider choice of products and services

The Single Market has led to a wider range of products on offer, while the establishment of common standards has led to safer and greener products.

7 Lower prices

The opening-up of national markets and the increase in competition has driven down prices, such as a 70% decrease in mobile phone costs and a 40% drop in the cost of airline tickets.

8 Less red tape

Single Market rules often replace a large number of divergent national laws, reducing bureaucracy. This has made it easier to do business, with trade within the EU rising by 30% since 1992.

9 Huge potential market

Any business in the EU automatically has close to 500 million potential customers at their disposal. This allows larger businesses to benefit from economies of scale, while new markets have been opened up to SMEs.

10 Better value for taxpayers

Companies may submit bids to provide goods and services in all EU Member States. This increase in competition leads to government savings and more money can then be spent on healthcare and education.

WHAT IS LEFT TO BE DONE?

Europe has become a very different place in the 20 years since the creation of the Single Market. But a lot more work remains to be done to ensure the respect of its four freedoms. This work is key to overcoming the current economic crisis and this is why the EPP Group wants to focus its efforts on the unfinished business:

1 A real Single Market for services:

- The implementation of Single Market rules for the services market is poor. A correct application of the Services Directive will boost EU GDP by 2%.

- Stimulating rapid development of the digital Single Market, the EU could gain 4% of GDP.

2 Lead legislation to economic growth:

- The establishment of a single European patent system will reduce costs for the protection of patents by 20% and achieve annual savings of around EUR 50 million per year.

- A single set of rules for data protection could save EUR 2.3 billion and create numerous incentives to enhance cross-border business.

- A reform of public procurement rules will be a powerful tool for growth, as tenders represent 19% of the total expenditure of goods and services in the EU.

3 Promote growth-enhancing investments:

- The Commission should propose a comprehensive plan for projects that provide economic growth and jobs, targeted to SMEs, R&D and innovation.

- The new Multiannual Financial Framework (MFF) 2014-2020 should have sufficient resources to finance a growth and competitiveness agenda.

- A stronger use of innovative financial instruments, such as project bonds or EIB support for SME financing, could be a lever to attract private investors.

4 Use the Single Market to fight youth unemployment:

- Rules to tackle early school-leaving and better education could bring more job and entrepreneurship opportunities for young people across the EU.

- A revision of the Professional Qualifications Directive will reduce impediments and bureaucracy.

5 Further reduce red tape:

- Implementation of the EPP Group target for a reduction of 25% of bureaucratic burdens by 2015.

- Application in all Member States of the 'SME Test' to avoid legislative proposals that result in additional administrative costs for business.

