

Mr Thierry Breton

Commissioner for Internal Market European Commission Rue de la Loi 200 1049 Brussels BELGIUM

16 April 2021

Dear Commissioner,

Enforcement of Single Market rules: taskforce to deliver

The Single Market has been under significant pressure during the COVID-19 crisis and this stress test has once again highlighted its importance for our economies. Safeguards to protect the integrity of the Single Market are paramount to foster our interconnected value chains. We appreciate the Commission's efforts in this regard and are looking forward to contributing further to a successful Single Market Agenda.

Approximately a year ago the Single Market Enforcement Taskforce (SMET) was established to monitor the main challenges of implementation and enforcement of the Single Market rules and supervise the delivery of actions under the respective Commission's Action Plan adopted on 10 March 2020. Back then, adequate adherence to Single Market rules was already an outstanding topic but the launch of SMET activities has been slow.

In this context, BusinessEurope members underline the imperative of having a strong Single Market governance system that leaves no room for unilateral uncoordinated decisions or "selective gaps" in compliance with the Single Market rules, created by Member States. Just as companies are obliged to comply with the Single Market acquis, so are Member States.

Having this in mind, the European business community would like to highlight the following:

- The European Commission should take a strong leadership role when it comes to ensuring the Single Market rules work on the ground.
- Such leadership could only be demonstrated by zero tolerance to barriers in the Single Market; the business community expects the Commission to address longstanding barriers which were flagged before the crisis as well as to react to every barrier listed in the Commission communication on "Identifying and addressing"



barriers to the Single Market" of 10 March 2020, with respective concrete actions to address them in the Commission's work programs.

- SMET should not only be a platform for discussions on implementation issues and barriers in the Single Market: we strongly support SMET to play a key role in putting forward solutions for the removal of those implementation issues which result in barriers; they could be directly and immediately addressed by respective Council preparatory bodies if deemed necessary and the Commission powers were not sufficient for the solution.
- For SMET to become a real "mediator" and a brain-center for solutions, transparency
 of its activities (and working methods) and the opening a channel of communication
 with stakeholders are key; while BusinessEurope understands the underlying
 sensitivities of some of the issues addressed by SMET, the minimum transparency
 standards on the topics discussed and the timetable should be followed.
- However instrumental SMET may be, it should not be a forum that delays necessary
 enforcement actions or allows Member States to escape action on their poor
 implementation "on the basis of discussions in SMET"; the Commission should not
 be shielding from sensitive but necessary decisions behind this forum either.
- BusinessEurope looks forward to a substantively strong 'Strategic Report on the Single Market' that would propose both a strong Single Market implementation assessment and SMET as its key supporting infrastructure.

The success of the revised Industrial Strategy in bringing us to the objectives of the green and digital transition relies on the resource efficiency and consumer choice of the Single Market without barriers. Its freedoms are the basis for Europe's industry and services to develop, and as such demand much higher attention.

My team at BusinessEurope and myself remain at your disposal to discuss further details with you and your services and to constructively contribute to the SMET activities.

Yours sincerely,

Markus J. Beyrer