

Introduction

Ivan Sammut

The Internal Market, initially a common market, has existed since 1 January 1958. Following the Maastricht Treaty in 1994, the EU evolved from a Common Market into an economic union, known as the Internal Market, to signify a union without internal borders. In 2024, Pierre-Yves Dermagne, Belgian Deputy Prime Minister and Minister of the Economy and Employment, said that the Internal Market is one of the main achievements of the European Union. It has provided benefits to our social welfare and reinforced our global economic position. But we should not be complacent: the single market is still fragmented, not everyone benefits equally, and big players impose their own rules. The conclusions adopted today draw a roadmap to strengthen our single market and prepare it for the incoming global challenges.¹

The Council's conclusions acknowledge the achievements of the single market in the 30 years of its existence but also recognise the need for a new strategy to harness its untapped potential. The Council, therefore, called on the Commission to prepare a strategy for a modernised single market before June 2025. The conclusions identify the need for a more efficient regulatory framework adapted to the green and digital transitions and fast-changing global realities. To meet that need, the Council calls for removing unnecessary administrative burdens and compliance obligations (i.e. excessive reporting). The conclusions also call for identifying and withdrawing obstacles to the growth of companies, including SMEs, and applying digital solutions in future regulation (principles like 'think small first', 'once only', 'digital by default' or the SME passport).²

Ministers call for better use of tools like SOLVIT centres (a support service to help companies and citizens facing problems in another Member State). The conclusions call for the prevention of over-regulation, the permanent monitoring of the market situation, and the coherent and strong enforcement of existing legislation. It also calls for addressing unfair commercial practices to strengthen consumer protection. Ministers also underlined the importance of better regulation, with timely, useful, and dynamic impact assessments,

1 <https://www.consilium.europa.eu/en/press/press-releases/2024/05/24/council-adopts-conclusions-on-the-future-of-the-single-market/> last accessed on 28th May 2024.

2 <https://www.consilium.europa.eu/en/press/press-releases/2024/05/24/council-adopts-conclusions-on-the-future-of-the-single-market/> last accessed on 28th May 2024.

broad consultations (including citizens' panels) and the use of regulatory sandboxes – temporary legal frameworks which allow the testing of innovative technologies, products, services or regulatory approaches.

The conclusions also call for several measures to enhance the single market's potential, such as the better use of private and public investment, joint public and private strategic investments, and public procurement. The conclusions also propose removing barriers to cross-border services by applying simplified procedures. Ministers underline the importance of improving the capacities of the EU's workforce (with good education, training, and long-life learning) and making the single market attractive for highly skilled workers from non-EU countries. Ministers also underline the strength of the single market at the global level and emphasise the importance of making the most of its core role in the World Trade Organization and the EU's strength as a global standardisation power.³

2023 marked the 30th anniversary of the Treaty of Maastricht and the creation of the European single market. Since then, a comprehensive process of reflection on the opportunities and challenges it presents has been underway. The European Council of March 2023 called for ambitious action to complete the single market. In June, EU leaders requested an independent High-Level Report on the future of the single market. The Spanish and the Belgian presidencies commissioned the former Italian Prime Minister and president of the Jacques Delors Institute, Enrico Letta, to draw up the report. The final version, 'More than a Market', was presented at the Special European Council on 17 and 18 April 2024.⁴

On 24 May 2024, the Council of the European Union reached the following conclusions among others:⁵

1 The Need for a New Horizontal Strategy for the Single Market

HIGHLIGHTS the central role of the Single Market as a driving force of European integration, sustainable and inclusive growth as well as the Union's global strength; In this regard, UNDERLINES the need for a fully functioning Single Market as an essential prerequisite for long-term competitiveness and

3 <https://www.consilium.europa.eu/en/press/press-releases/2024/05/24/council-adopts-conclusions-on-the-future-of-the-single-market/> last accessed on 28th May 2024.

4 <https://www.consilium.europa.eu/en/press/press-releases/2024/05/24/council-adopts-conclusions-on-the-future-of-the-single-market/> last accessed on 28th May 2024.

5 <https://data.consilium.europa.eu/doc/document/ST-10298-2024-INIT/en/pdf> last accessed on 28th May 2024.

prosperity, to achieve the fair green and digital transitions, ensuring a level playing field that leaves no one behind; **STRESSES** the need to include concrete steps towards further integration, removing unjustified or disproportionate barriers – especially for services – and preventing restrictions to free movement in a new horizontal Single Market strategy; **HIGHLIGHTS** that a fully functioning Single Market must be based on the principle of subsidiarity and proportionality;

REITERATES that to maintain the Union's economic security, resilience and competitiveness, more work is needed to revitalise the Union's social market economy and its industrial base, further enhance the Union's connectivity and strengthen the resilience of its supply chains, as well as to boost its technological leadership and attractiveness as a business location and a labour market, where SMEs can innovate, scale up and prosper; **EMPHASISES** that a strategic geopolitical vision must be given to the Single Market to guarantee the achievement of these goals, its strategic autonomy, while preserving an open economy, and attaining climate neutrality;

2 Investing in the Fair Green and Digital Transitions

While ensuring a level playing field within the Single Market and promoting it globally, **UNDERLINES** the need for mobilising a combination of both private and public financing, including the creation of truly integrated European capital markets, to support the fair green and digital transitions and to stimulate the growth potential of European businesses, and that the Union's budget and the EIB group continue to play an important role; **STRESSES** the urgency to boost the Union's global competitiveness and attractiveness;

INVITES the Commission to undertake an in-depth analysis of the existing public procurement legislative framework towards resilient and sustainable public procurement and effective competition, to assess whether a revision is necessary during the 2024–2029 term in light of the major commitments that the EU made in order to achieve its sustainable development objectives by 2030, while promoting the fair treatment of European suppliers;

3 Delivering on Cross-Border Services and Fostering High-Quality Jobs

STRESSES that significant untapped opportunities lie in the area of services and

UNDERLINES the need to remove fragmentation, and to simplify the rules for cross-border provision of services, not limited to the scope of the Services

Directive, to achieve the full opportunities of the services sector, while ensuring workers' rights, by:

focusing on horizontal and economically significant services, especially in professional and business services, in light of servitisation;

STRESSES the valuable contribution of the social economy to strengthen the Single Market in making the fair green and digital transitions more inclusive and rooting them in local communities;

CALLS ON the Commission, the Council and the Member States to follow-up on these Council Conclusions towards a constant improvement and integration of the Single Market through the annual policy cycle for the Single Market and competitiveness; INVITES the Commission to base itself on an improved Annual Single Market and Competitiveness Report which reflects practices and challenges of businesses and citizens;

CALLS ON the Commission to adopt a new horizontal Strategy for a modernised Single Market by June 2025 with the aim to reduce fragmentation and complete the Single Market across policy areas, including a roadmap with clear timelines and milestones for urgent and concrete actions across all policy areas, based on facts and needs from businesses, social partners, stakeholders and citizens, focusing on redundant, incoherent or burdensome rules;

INVITES the Commission to develop technical and factual analyses of the recommendations in the High-Level Report across all relevant policy areas and invites the Member States and the Commission to examine these in-depth and identify key recommendations; The current and future Council Presidencies will take work forward on the identified recommendations on the basis of these analyses, with a view to creating an area without internal borders in which the free movement of goods, persons, services and capital is ensured for the benefit of all;

INVITES the incoming Council Presidencies to ensure the follow-up of these Conclusions in close coordination with the relevant working groups.

This book addresses some of the issues mentioned in the Council of the European Union meeting on 24 May 2024. It selects some topics highly relevant to the Internal Market and the citizens' rights *vis-à-vis* the Internal Market and explores the way forward in the next decade. Part I deals with a selection of papers on Citizens' Rights. Part II deals with a selection of papers on digital rights and Artificial Intelligence (AI), which will be the Internal Market's challenge in the next decade. Finally, Part III deals with a selection of substantive rights within the context of the Internal Market.