

Programme for single market, competitiveness of enterprises, including small and medium-sized enterprises, and European statistics 2021–2027

2018/0231(COD) - 07/06/2018 - Legislative proposal

PURPOSE: to establish a new programme for improving the functioning of the internal market for the period 2021-2027.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the internal market is one of the EU's greatest successes. Nevertheless, it has to continuously adapt to a rapidly changing environment characterised by digital revolution and globalisation. Still, **barriers to a proper functioning of the internal market remain** and new obstacles are emerging. Moreover, only 6 % of EU citizens feel well informed about their rights as a citizen of the Union and only 36 % feel fairly well informed.

Action is required at EU level to ensure the consistent development of the internal market; non-discrimination; consumer protection; effective competition; the development of Member States' capabilities and of cooperation between them; and the tackling of cross-border issues.

Under the next multiannual financial framework for the period 2021-2027, the proposed new programme **brings together activities financed under five previous programmes** in the areas of business competitiveness ([COSME](#)), consumer protection ([Regulation \(EU\) No 254/2014](#)), customers and end-users in financial services ([Regulation \(EU\) 2017/826](#)), policy making in financial services ([Regulation \(EU\) 258/2014](#)) and the food chain ([Regulation \(EU\) 652/2014](#)) respectively.

All of these activities are united by their shared objectives to regulate, implement, facilitate, enforce and protect various activities and actors within the internal market.

CONTENT: the proposal for a Regulation - presented for a Union of 27 Member States - seeks to establish **the programme for improving the functioning of the internal market and the competitiveness of enterprises**, including micro, small and medium-sized enterprises and the framework for financing of development, production and dissemination of European statistics. It lays down the objectives of the Programme, the budget for the period 2021 to 2027, the forms of Union funding and the rules for providing such funding.

The scope of the proposed programme covers the areas of the internal market, SME competitiveness and European statistics in a comprehensive way. The specific objectives of the programme are as follows:

- **making the internal market work better:** the objective is to facilitate the prevention and removal of obstacles and to support the development, implementation and enforcement of the Union law in the areas of the internal market for goods and services, public procurement, market surveillance as well as in the areas of company law and contract and extra-contractual law, anti-money laundering, free movement of capital, financial services and competition, including the development of governance tools;
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- **improving the competitiveness of businesses, especially SMEs:** improving the competitiveness of enterprises, in particular SMEs: building on the success of the current COSME programme, the Commission proposes to strengthen support for small enterprises to facilitate their access to markets, including the internationalisation of SMEs, the business environment, the competitiveness of certain sectors, the modernisation of industry and the promotion of entrepreneurship. SME loan guarantees previously granted under the COSME programme shall now be granted under the SME component of [InvestEU](#);
- **increasing standardisation:** the programme shall also enable the financing of European standardisation and stakeholder participation in setting up European standards. It shall support the development of high-quality international financial reporting and auditing standards;
- **promoting the interests of consumers:** the programme shall empower, assist and educate consumers, businesses and civil society by: (i) ensuring a high level of consumer protection, sustainable consumption and product safety notably by supporting competent enforcement authorities and consumer representative organisations and cooperation actions; (ii) ensuring that all consumers have access to redress and; provision of adequate information on markets and consumers; (iii) enhancing the participation of consumers, other financial services end-users and civil society in financial services policy-making; (iv) promoting a better understanding of the financial sector;
- **contributing to a high level of health for humans, animals and plants throughout the food chain:** funding shall support the safe production of food, the prevention and eradication of animal diseases and plant pests, and the improvement of animal welfare in the EU. It shall also promote market access for EU food producers, contribute to exports to third-countries, and significantly support the agri-food industry as a leading sector of the EU economy;
- **producing and communicating high-quality statistics on Europe:** the programme establishes the financial framework for providing high-quality, comparable and reliable European statistics to underpin the design, monitoring and evaluation of all the Union policies. This replaces the predecessor [European statistical programme](#).

The proposed programme also includes new initiatives aimed at improving the functioning of the internal market, such as the initiative ‘**An ambitious and innovative competition policy for a stronger Union in the digital age, Joint Cluster Initiative**’ (e.g. to respond to market developments linked to the use of big data and algorithms) and the initiative for collaborations between clusters or clusters of businesses.

Implementation of the Programme shall be based on annual or multi-annual work programme or programmes. The contribution of the programme to the overall objective of increasing the share of EU expenditure contributing to **climate** objectives to 25% shall be monitored.

Proposed budget: the programme shall have an overall budget of **EUR 4.089 billion for the period 2021-2027**. This shall be supplemented by an allocation of EUR 2 billion from the InvestEU Fund, in particular its SME window, which shall make a significant contribution to achieving the objectives of the Regulation.