



Procedure file

Basic information	
INI - Own-initiative procedure	2004/2224(INI)
Procedure completed	
The implementation, consequences and impact of the internal market legislation in force	
Subject	
8.50 EU law	
8.50.01 Implementation of EU law	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	IMCO Internal Market and Consumer Protection		30/11/2004
		PSE MCCARTHY Arlene	
European Parliament	Committee for opinion	Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs		05/09/2005
		UEN RYAN Eoin	
	JURI Legal Affairs	The committee decided not to give an opinion.	
European Commission	Commission DG	Commissioner	
	Legal Service		

Key events			
18/11/2004	Committee referral announced in Parliament		
21/03/2006	Vote in committee		Summary
23/03/2006	Committee report tabled for plenary	A6-0083/2006	
04/04/2006	Debate in Parliament		
16/05/2006	Results of vote in Parliament		
16/05/2006	Decision by Parliament	T6-0204/2006	Summary
16/05/2006	End of procedure in Parliament		

Technical information	
Procedure reference	2004/2224(INI)

Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/6/24618

Documentation gateway

Amendments tabled in committee		PE368.097	10/02/2006	EP	
Committee opinion	ECON	PE365.005	20/02/2006	EP	
Committee report tabled for plenary, single reading		A6-0083/2006	23/03/2006	EP	
Text adopted by Parliament, single reading		T6-0204/2006	16/05/2006	EP	Summary
Commission response to text adopted in plenary		SP(2006)2902	22/06/2006	EC	
Commission response to text adopted in plenary		SP(2006)3065-2	01/08/2006	EC	

The implementation, consequences and impact of the internal market legislation in force

The committee adopted the own-initiative report by its chair, Arlene McCARTHY (PES, UK), on the implementation, consequences and impact of the internal market legislation in force. Noting that transposition and implementation of Community law continue to be a problem, the report urged the Council and the Commission to improve monitoring of the implementation of - and compliance with - European law, and said that this would make it easier to introduce sanctions for non-compliance. It also insisted that Parliament should play a "central role" in any such monitoring process.

MEPs stressed the need for a common approach to better regulation, based on a core set of regulatory principles: subsidiarity, proportionality, accountability, consistency, transparency and targeting. The Commission was urged to produce a short, clear guide to the better regulation process and to set up an "independent audit body" to structure and guarantee the quality and independence of economic impact assessments of EU law. The committee warned that Parliament would not consider proposals without their being accompanied by a quality impact assessment, and insisted that all legislative proposals forwarded to Parliament should include an executive summary of the impact assessment.

Lastly, MEPs pointed out that, although the EU institutions have committed themselves to the use of alternative regulation methods, no formal mechanism exists to consult Parliament on the measures that will be delivered by alternative regulation. The report stressed that "this absence of checks and balances undermines the democratic prerogative of Parliament". It called for Parliament to be provided with a list of policy measures in which the Commission has used alternative regulation mechanisms, together with an evaluation of the failure or success of such measures and their impact on the situation in practice. And it urged the Commission, in its annual work programme, to provide a list of those proposals which may be the subject of alternative regulation.

The implementation, consequences and impact of the internal market legislation in force

The European Parliament adopted a resolution based on the own-initiative report drafted by Arlene McCARTHY (PES, UK), on the implementation, consequences and impact of the internal market legislation in force. Recognising that successive internal market scoreboard reports showed that transposition continues to be a serious problem in several Member States, Parliament stressed the need for a common approach to better regulation, based on a core set of regulatory principles, namely subsidiarity, proportionality, accountability, consistency, transparency and targeting. However, this approach cannot bypass the rights of social consultation and must respect the principles of participative democracy. Parliament, Council and the Commission must establish 'better regulation' task forces, to set up an interinstitutional working group to develop training, skills and quality control and to share and benchmark better regulation best practice. Parliament urged the Commission to produce a short guide to the better regulation process, outlining the key appraisal steps that should take place in the evolution, development and implementation of Community legislation including an ex-post evaluation on important issues, in cooperation with Parliament. Furthermore, all Commission proposals should be accompanied by a "Better Regulation Check List" summarising the steps through which the proposal should proceed.

Parliament asked that the Commission carry out both ex ante and ex post impact assessments on legislation to assist in identifying whether key policy objectives have been met and to assist with the regulatory review process. All legislative proposals forwarded to Parliament should include an executive summary of the impact assessment. In addition, Member States must ensure that they were not causing new implementation problems by imposing additional requirements at national level when transposing Community legislation ("gold-plating"), and confirm this by means of a formal declaration to the Commission.

Parliament wanted the Commission to establish a transparent fast-track infringement procedure for internal market test cases. The Council and the Commission should also improve monitoring of the implementation of and compliance with Community law. This would assist in improving transposition rates and the sharing of best practice between the Member States, as well as in introducing sanctions for non-compliance. Parliament also wished to be provided with a list of policy measures in which the Commission had used alternative means of regulation. It should include an evaluation of the failure or success of such means of regulation, their impact on the situation in practice ? and more specifically on employees" and consumers" rights, social cohesion, fair competition, the stimulation of growth and the EU's competitive position ? and on best practice, and lessons learned from the process. Alternative regulatory proposals must include clear objectives and defined deadlines for action, as well as sanctions for non-compliance.

Parliament insisted on its central role in monitoring Member States? implementation of and compliance with Community law.

Finally, it recognised the potential of the Lamfalussy process to achieve a single market in financial services, but regretted the slow progress in reaching an interinstitutional agreement which fully recognised the Parliament's role in the implementation process.