







Procedure file

Basic information		
INI - Own-initiative procedure	2008/2056(INI)	Procedure completed
Internal market scoreboard		
Subject	2 Internal market, single market 8.50.01 Implementation of EU law	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Internal Market and Consumer Protection		21/11/2007
		PPE-DE CEDERSCHIÖLD Charlotte	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Economic and Monetary Affairs	The committee decided not to give an opinion.	
	 Employment and Social Affairs	The committee decided not to give an opinion.	
	 Legal Affairs	The committee decided not to give an opinion.	
	 Petitions	The committee decided not to give an opinion.	
European Commission	Commission DG	Commissioner	
	Financial Stability, Financial Services and Capital Markets Union	MCCREEVY Charlie	

Key events			
05/07/2007	Non-legislative basic document published	SEC(2007)0978	Summary
13/03/2008	Committee referral announced in Parliament		
24/06/2008	Vote in committee		Summary
27/06/2008	Committee report tabled for plenary	A6-0272/2008	
22/09/2008	Debate in Parliament		
23/09/2008	Decision by Parliament	T6-0421/2008	Summary
23/09/2008	End of procedure in Parliament		

Technical information	
Procedure reference	2008/2056(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 052-p4; Rules of Procedure EP 052

Stage reached in procedure	Procedure completed
Committee dossier	IMCO/6/60357

Documentation gateway					
Non-legislative basic document		SEC(2007)0978	05/07/2007	EC	Summary
Committee draft report		PE407.708	03/06/2008	EP	
Amendments tabled in committee		PE407.832	10/06/2008	EP	
Committee report tabled for plenary, single reading		A6-0272/2008	27/06/2008	EP	
Text adopted by Parliament, single reading		T6-0421/2008	23/09/2008	EP	Summary
Commission response to text adopted in plenary		SP(2008)6073	17/10/2008	EC	
Commission response to text adopted in plenary		SP(2008)6487	29/01/2009	EC	

Internal market scoreboard

PURPOSE: to present the 16th scoreboard on the internal market (covering second half of 2006).

CONTENT: to recall, the Internal Market is a joint effort between the EU and the Member States. The 'Internal Market Scoreboard' records, twice a year, whether the Member States are translating the Internal Market rules into national law. The second edition of the 2006 Scoreboard finds that the gap between the number of Internal Market laws adopted at EU level and those in force in the Member States, the so-called 'transposition deficit' has risen to 1.6% - a sign that the Member States are relaxing their efforts in spite of having posted their best ever result of 1.2% six months previously.

Transposition:

Following one of the best results ever recorded of 1.2% the average transposition deficit has increased by 0.4% of the past half year and now stands at 1.6%. The 1.5% target set by the European Council in 2001 has thus been narrowly missed. If Romania and Bulgaria were to be included the average transposition deficit would amount to 1.8%. The trend outlined above can partially be explained by a surge in the number of Directives that have had to be transposed over the past six months. Future work should be less cumbersome given that 29 Directives are awaiting transposition. The Commission reports serious concerns regarding Portugal. Also singled out is the Czech Republic for posting a transposition deficit of 2.3%. Six internal market Directives that should have been transposed two or more years ago have still not been transposed into Czech legislation. Luxembourg, Italy and Greece also seem unlikely to reach the 1.5% target by December 2007.

Infringements:

Although many Member States have succeed in transposing EU legislation into national legislation they appear to pay much less attention to applying those Directives correctly. For example, the number of infringement proceedings for incorrect transposition or incorrect application of Directives or violation of Treaty rules has increased year after year and continues to rise. In the few instances where Member States have managed to reduce the number of infringement cases, those efforts, although welcome, are marginal since the Member States in question continue to have significant numbers of infringement proceedings (with the possible exception of the Netherlands).

Member States which fall into the above group include Italy, Portugal and Greece, Spain and Poland. Even some of the Member States that have recently focused successfully on transposing Internal Market directives on time such as France, Germany and Belgium continue to accumulate a large number of infringement proceedings. The worst affected sectors include: the Environment; Taxation and Customs Union; Energy and Transport.

Complementary problem solving:

Package meetings continue to be an efficient means of resolving infringement cases at an early stage. Sixteen such meetings took place between July 2005 and July 2006. In more than 50% of cases, progress was made: within the 6 months following package meetings 43% of infringement proceedings were solved and a decisive step forward was taken in a further 10% of cases.

In addition, 8 transposition meetings, to assist Member States with the transposition of Directives, were also held. SOLVIT, the problem solving network for complaints about the incorrect application of EU rules by public authorities, which is now in its fifth year of operation, saw a sharp increase in the number of cases submitted to it in the first half of 2007. The number of cases rose from between 200 and 250 per semester to more than 350 in the first semester of 2007. Chronic understaffing of SOLVIT Centres, however, continues to pose problems.

Internal market scoreboard

The Committee on Internal Market and Consumer Protection adopted an own initiative report by Charlotte CEDERSCHIÖLD (EPP-ED, SE) on the Internal Market Scoreboard.

Implementation: the report stresses that timely implementation, correct transposition and correct application of Internal Market directives is a prerequisite for the effective functioning of the internal market, and has implications also for competitiveness and the economic and social

balance within the EU.

Recalling that, from 2009, the transposition deficit target is set at 1%, the report urges those Member States with a particularly high deficit to take immediate action and the Commission to work closely with them with a view to improving the situation. Furthermore, MEPs regret that Member States sometimes add additional requirements when transposing directives into national law, which hampers the effective functioning of the Internal Market.

MEPs stress that a strong, open and competitive Internal Market acts as an essential part of Europe's response to the challenges of globalisation, and believe that the external dimension should be taken into consideration by the Commission when taking new Internal Market initiatives. The Commission is also called upon to speed up the process of solving disputes at an early stage and to highlight those infringements with the most serious consequences for European citizens.

A tool for policy-making: MEPs consider that the Scoreboard could be further developed as a tool assisting policy makers in identifying obstacles and barriers and in pinpointing where new initiatives are called for. They call on the Commission to widen and deepen the range of information and indicators included in the Scoreboard, inter alia quality, social conditions of workers and the impact on the environment and climate change.

The Commission is also called upon to:

- include an easily comprehensible summary in future Scoreboards to increase accessibility for citizens and other stakeholders;
- consider indicators that better reflect the relative importance of directives for industry and citizens within various sectors;
- introduce indicators in the Scoreboard regarding the number of proceedings before the European Court of Justice concerning quality of secondary legislation, as well as its incorrect implementation;
- include indicators relating to cross-border aspects of public procurement;
- evaluate, through sector inquiries and surveys, the quality and coherence of implementation in the Member States in order to guarantee the effective functioning of legislation;
- develop indicators measuring the costs incurred by citizens and industry as a result of late and incorrect transposition;
- hold, in cooperation with Parliament and the Presidency of the Council, a yearly Internal Market Forum with participation of the Member States and other stakeholders.

Free movement of persons: the report regrets that citizens still face many obstacles in relation to free movement within the Internal Market (15% of SOLVIT cases handled in 2007 were related to free movement of persons and EU citizenship). MEPs therefore call on the Member States and the Commission to step up efforts to ensure the free movement of persons. In particular, they call on Member States to establish one-stop shops to assist people on all legal and practical matters when moving within the Internal Market.

The Member States are called upon to establish national Internal Market centres to promote the coordination, simplification and political visibility of their efforts to make the Internal Market work. The report also calls on the Member States to ensure that SOLVIT centres are properly staffed in order to improve administrative efficiency in and shorten the handling time noticeably, which is currently 10 weeks.

Consumer Markets: lastly, MEPs consider that the Internal Market Scoreboard and the Consumer Markets Scoreboard are interlinked and that it is important to promote their coherent development. However, they underline that they have different target addressees and hence should be kept separate with different sets of indicators.

Internal market scoreboard

The European Parliament adopted by 612 votes to 33, with 8 abstentions, a resolution on the Internal Market Scoreboard.

The own initiative report had been tabled for consideration in plenary by Charlotte CEDERSCHIÖLD (EPP-ED, SE) on behalf of the Committee on Internal Market and Consumer Protection.

Implementation of directives: the resolution stresses that timely implementation, correct transposition and correct application of Internal Market directives is a prerequisite for the effective functioning of the internal market, and has implications also for competitiveness and the economic and social balance within the EU. MEPs underline the importance of ownership of the Internal Market at national, regional and local levels and the Commission's role to create partnerships in the related policy-making process to this end.

Recalling that, from 2009, the transposition deficit target is set at 1%, the resolution urges those Member States with a particularly high deficit to take immediate action and the Commission to work closely with them with a view to improving the situation. Furthermore, MEPs regret that Member States sometimes add additional requirements when transposing directives into national law, which hampers the effective functioning of the Internal Market.

MEPs stress that a strong, open and competitive Internal Market acts as an essential part of Europe's response to the challenges of globalisation, and believe that the external dimension should be taken into consideration by the Commission when taking new Internal Market initiatives. Parliament recalls that in an open and competitive Internal Market, better targeted and more stringent tools are needed to improve the fight against counterfeiting and piracy. The Commission is also called upon to speed up the process of solving disputes at an early stage and to highlight those infringements with the most serious consequences for European citizens.

A tool for policy-making: MEPs consider that the Scoreboard could be further developed as a tool assisting policy makers in identifying obstacles and barriers and in pinpointing where new initiatives are called for. They call on the Commission to widen and deepen the range of information and indicators included in the Scoreboard, inter alia quality, social conditions of workers and the impact on the environment and climate change.

The Commission is also called upon to:

- include an easily comprehensible summary in future Scoreboards to increase accessibility for citizens and other stakeholders;
- consider indicators that better reflect the relative importance of directives for industry and citizens within various sectors;
- introduce indicators in the Scoreboard regarding the number of proceedings before the European Court of Justice concerning quality of secondary legislation, as well as its incorrect implementation;
- include indicators relating to cross-border aspects of public procurement;

- evaluate, through sector inquiries and surveys, the quality and coherence of implementation in the Member States in order to guarantee the effective functioning of legislation;
- develop indicators measuring the costs incurred by citizens and industry as a result of late and incorrect transposition;
- hold, in cooperation with Parliament and the Presidency of the Council, a yearly Internal Market Forum with participation of the Member States and other stakeholders.

Free movement of persons: the resolution regrets that citizens still face many obstacles in relation to free movement within the Internal Market (15% of SOLVIT cases handled in 2007 were related to free movement of persons and EU citizenship). MEPs therefore call on the Member States and the Commission to step up efforts to ensure the free movement of persons. In particular, they call on Member States to establish one-stop shops to assist people on all legal and practical matters when moving within the Internal Market.

The Member States are called upon to establish national Internal Market centres to promote the coordination, simplification and political visibility of their efforts to make the Internal Market work. Member States are also urged to ensure improved practical knowledge of EU law at all levels of national administrations. The report also calls on the Member States to ensure that SOLVIT centres are properly staffed in order to improve administrative efficiency in and shorten the handling time noticeably.

Consumer Markets: lastly, MEPs consider that the Internal Market Scoreboard and the Consumer Markets Scoreboard are interlinked and that it is important to promote their coherent development. However, they underline that they have different target addressees and hence should be kept separate with different sets of indicators.