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REPORT

on

Single Market Governance

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Introduction

The Single Market is at the core of both European integration and European Economic Area (EEA) cooperation. By means of free movement of persons, goods, services and capital, the Single Market has benefited citizens and businesses alike. A prerequisite for the full enjoyment of these benefits is the timely implementation into national law of Single Market legislation and the proper enforcement of the relevant legislation. There has been improvement in the transposition, implementation and reinforcement of Single Market acquis since the first decade of the Single Market.

The current situation shows, however, that there is ample room for further improvement in both the European Union (EU) and the EEA.

Different studies have estimated the additional gains that could be made if implementation records were to be improved. For instance, better implementation of the Services Directive alone could deliver up to an additional 1.8% of EU gross domestic product (GDP), relative to the current state of application, according to the European Commission.¹ Others have found that this number could even reach 3.6% in the long-run.² Additionally, more efficient transposition of EU legislation could reduce the administrative burden by one third, leading to an overall saving of nearly EUR 40 billion.³

While making efforts to secure homogenous and well-functioning Single Market and untap its potential as an engine of growth for Europe, it is at all times important that regulatory harmonisation does not add red tape or unnecessary burden to economic actors, thereby compromising the competitiveness of the EEA in a global context.

Given the significant untapped potential of the Single Market, the strengthening of the Single Market has been very important in tackling the economic and financial crisis in the EU. In recent years the EU has adopted a number of strategic initiatives in order to “relaunch” the Single Market. In this context, there has also been a renewed focus on improving the whole governance cycle of Single Market regarding the transposition, implementation and enforcement of rules in a more comprehensive and coherent manner. The EEA EFTA States have supported EU initiatives to strengthen the Single Market.

The EEA Joint Parliamentary Committee (JPC) has touched upon Single Market governance on several occasions. More recently, the EEA JPC Resolution on “The Annual Report of the EEA Joint Committee on the Functioning of the EEA Agreement in 2012”,⁴ adopted in May 2013, highlighted the shared interest of both the EU and the EEA EFTA States in the timely and appropriate incorporation of legislative acts. The EEA JPC Resolution on “The future of the EEA and the EU’s relations with the small-sized countries and Switzerland”, also adopted in May 2013, emphasised that the EEA review needs to take into account the developments in the Single Market, notably in relation to the transposition, implementation and monitoring of Single Market legislation.

¹ http://ec.europa.eu/internal_market/strategy/docs/governance/com_2012_259_en.pdf

² [http://www.europarl.europa.eu/RegData/etudes/etudes/JOIN/2013/494463/IPOL-JOIN_ET\(2013\)494463_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/etudes/JOIN/2013/494463/IPOL-JOIN_ET(2013)494463_EN.pdf)

³ http://ec.europa.eu/internal_market/strategy/docs/governance/com_2012_259_en.pdf

⁴ <http://www.efta.int/sites/default/files/documents/advisory-bodies/parliamentary-committee/jpc-reports/eea-jcp-report-eea-annual-report.pdf>

On the 20th anniversary of the entry into force of the EEA Agreement, it is important for the EEA JPC to reflect on recent developments in relation to Single Market governance and to elaborate on the consequences of these developments for EEA cooperation. The current report also aims to raise awareness about the importance of this topic in the EEA context.

The first chapter of the report will summarise the recent developments regarding Single Market governance in the EU. The second chapter starts with a brief overview of how EEA-relevant EU legislation is implemented in the EEA EFTA States and then discusses some challenges related to the Single Market governance in the EEA. The third chapter describes the various monitoring and problem-solving tools related to Single Market legislation. The final chapter presents the conclusions of the report.

1. Towards a stronger Single Market

In the recent years, Single Market governance has progressively moved up on the political agenda of the EU, due to a number of initiatives by the European Commission, the European Parliament and the European Council. This development has been strongly supported by the EEA EFTA States.

Single Market governance has been discussed on various occasions at the highest political level in the EU. The March 2012 European Council recognised the need to strengthen the governance of the Single Market and to improve its implementation and enforcement.⁵ In the same vein, the March 2013 European Council reiterated that it was “urgent to improve implementation of all Single Market legislation”.⁶ Within the different constellations of the Council of the EU, the Competitiveness Council has played a key role in strengthening the Single Market policy. The recent Conclusions on Single Market Policy, adopted by the Competitiveness Council on 2-3 December 2013⁷ include a strong plea for the EU Member States to implement and enforce the rules of the Single Market in a proper and timely manner in order to further unlock its growth potential.

Governance issues featured high in the paper on “A New Strategy for the Single Market” by Professor Mario Monti, published in May 2010.⁸ Professor Monti put forward a number of concrete proposals to improve the transposition, implementation and enforcement of Single Market law. The paper, furthermore, served as an important basis for relaunching the Single Market as a key strategic objective of the European Commission, with the adoption of the Single Market Act I and II. The third chapter of the Commission Communication “Towards a Single Market Act for a highly competitive social market economy: 50 proposals for improving our work, business and exchanges with one another”, which was the basis for the Single Market Act I, dealt exclusively with governance issues.

The European Commission has subsequently published a number of initiatives aimed at improving Single Market governance. In 2011 it published for the first time an annual action

⁵ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/128520.pdf

⁶ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/136151.pdf

⁷ http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/intm/139846.pdf

⁸ http://ec.europa.eu/internal_market/strategy/docs/monti_report_final_10_05_2010_en.pdf

plan and a report entitled “Annual Governance Check-up”, presenting an integrated view of the results achieved and input received at all stages of the Single Market governance cycle. This provided the European Commission with a stronger role in monitoring compliance of Single Market rules. One of the tools in this regard is the “traffic light chart” showing the results of an EEA State through blue, yellow and green colours according to its performance.⁹

In June 2013 the European Commission presented the online Single Market Scoreboard, which also features the EEA EFTA States and aims to ensure coherent reporting, analyse strengths and weaknesses and provide various incentives for improvement.

In June 2012 the European Commission issued a key policy document entitled “Better Governance of the Single Market”, wherein a renewed commitment towards the Single Market was laid down in more detail. According to the document, particular attention would be given to:

- Unlocking growth potential in areas where such potential is the greatest;
- Making the EU Member States commit to a “zero tolerance” policy in the transposition of directives;
- More vigorous use of enforcement powers, so that breaches of EU law are swiftly brought to an end;
- Monitoring and defining remedial action in the European semester process;
- Providing user-friendly information on how rules work in practice;
- Fast and effective problem-solving mechanisms.

In its Communication the Commission suggests that the following areas offer the most growth potential for the Single Market: services (including retail and wholesale trade, business services, and construction); financial (intermediation) services; transport (rail, road, aviation and maritime); and digital economy (including broadband deployment and e-commerce). In addition, the European Commission considers that the energy sector should be seen as a key market in Single Market policies, because of its strategic role as an enabling industry providing an essential service to the other sectors of the economy. In this context, it is important to point out that the priority areas identified by the European Commission all fall squarely within the scope of the EEA Agreement. The EEA EFTA States are also included in this chart. There are, however, certain data missing on the EEA EFTA States in the chart, despite the fact that they are available from Eurostat. In this specific governance tool, there is room for improvement in order to compare the governance of the Single Market of the EEA EFTA States with that of the EU Member States.

⁹ http://ec.europa.eu/internal_market/scoreboard/index_en.htm

In this Communication the European Commission also expresses its intention to propose regulations instead of directives “notably where there is no need for further discretion when implementing the proposed EU rules”. Indeed, the importance of regulations compared to directives has already increased significantly over the last decade or so. The total number of Internal Market directives has hardly changed whereas the number of EU regulations has more than quadrupled.

Overall, the EU approach to the Single Market policy has become more comprehensive and better coordinated. The Annual Growth Survey 2013, undertaken in the framework of the third European Semester cycle, included for the first time an annual report on the state of Single Market integration.¹⁰ The report aims at reviewing the functioning of the Single Market in the context of the Europe 2020 Strategy within the various EU Member States. It seeks to identify where bottlenecks remain and defines a set of policy priorities on that basis. The most recent annual report on the state of Single Market integration was published on 13 November 2013 as part of the Annual Growth Survey 2014.¹¹

This more comprehensive approach, embedding the Single Market within the broader context of the EU economic policy, raises particular challenges for the EEA EFTA States. Ensuring their involvement in all EU developments pertaining to the Single Market, as required by the EEA Agreement, is a continuous challenge both for the EU and the EEA EFTA States.

The European Parliament (EP) has actively pushed for the strengthening of the Single Market and shaped the above-mentioned initiatives. In April 2011 the EP adopted three resolutions as its contribution to the Single Market Act I, and in response to the Commission Communication “Towards a Single Market Act for a highly competitive social market economy: 50 proposals for improving our work, business and exchanges with one another”. One of the three resolutions focused exclusively on governance issues and put forward a number of proposals to strengthen Single Market governance.¹²

On 7 February 2013 the EP adopted a resolution on “Governance in the Single Market”,¹³ which proposed to establish a Single Market governance cycle as a specific pillar of the European Semester, with emphasis on impact assessment, proper implementation of the measures adopted, better enforcement and regular evaluation. A follow-up report entitled “Single Market Governance within the European Semester 2014” was adopted by the Committee on the Internal Market and Consumer Protection in the EP in January 2014. The initiative aims to provide an updated position towards the content of the new Annual Growth Survey and priority actions at national and European level, as well as the recent efforts made by the European Commission with regard to the multitude of Single Market instruments. The plenary vote for the report is expected in February 2014, following a key debate with the EP Committee on Economic and Monetary Affairs and the EP Committee on Employment and Social Affairs on the Annual Growth Survey.

¹⁰ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0752:FIN:EN:PDF>

¹¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0785:FIN:EN:PDF>

¹² <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P7-TA-2011-144>

¹³ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+REPORT+A7-2013-0019+0+DOC+XML+V0//EN&language=sk>

The EEA EFTA countries, as full participants in the Single Market, have followed the above-mentioned developments closely. They have expressed their political commitment to new strategic initiatives intended to revive the Single Market as well as to the strengthening of Single Market governance in particular. They have participated actively in the dialogue on these initiatives through joint EEA EFTA Comments on the Single Market Act I and II¹⁴ and through bilateral initiatives.¹⁵

2. Single Market governance in the EEA

The Single Market governance structures on the EU side and on the EEA EFTA side are similar, but not exactly the same, particularly when it comes to the transposition, monitoring and enforcement of Single Market legislation. It seems therefore worthwhile to first summarise briefly the main specificities of the EEA framework before assessing how EEA cooperation has kept up with evolving Single Market governance.

Specificities of EEA cooperation

Single Market legislation consists primarily of directives, regulations and decisions adopted by the EU ("*acquis communautaire*"). Directives specify the date by which the national laws must be adopted, hereby giving national authorities room for manoeuvre within the deadlines necessary to take account of differing national situations. The obligation to transpose a directive into the national law of the EEA EFTA States is triggered by an EEA Joint Committee Decision (JCD), but it is left to each EEA EFTA State to choose the form and method of implementation.

Pursuant to the EEA Agreement, regulations and decisions shall "as such" be made part of the internal legal order of the EEA EFTA States. According to the legal order of Liechtenstein, regulations and decisions are directly applicable once the EEA JCD incorporating it into the EEA Agreement enters into force. In Iceland and Norway, however, regulations and decisions are not directly applicable, but must be made part of their internal legal orders by way of national implementing measures.

It has to be noted that the Single Market legislation applicable in EEA EFTA States at a given point in time does not coincide exactly with the legislation applicable in EU Member States. This situation is due to the time lapse between the adoption or abrogation of legal acts by the EU and their incorporation into or deletion from the EEA Agreement. The EEA EFTA States have a set-up of institutions and procedures to evaluate the EEA relevance and acceptability of new EU acts, the processing of the incorporation of legal acts into the EEA Agreement and monitoring of their correct application in the EEA EFTA States. The ultimate aim of the EEA Agreement is to achieve an Internal Market that is as homogeneous as possible within all EEA States, and to keep the period between the adoption or abrogation of Single Market legislation and the respective changes in the EEA Agreement to an absolute minimum.

¹⁴<http://www.efta.int/eea/eea-efta-comments>

¹⁵<http://www.eu-norway.org/news1/Norwegian-comments-on-the-Single-Market-Act-/#.UvC1kmJ5NQE>

The EFTA Surveillance Authority (ESA) and the EFTA Court are entrusted with responsibilities similar to the European Commission and the Court of Justice of the European Union with regard to the monitoring and enforcement of Single Market legislation in the EEA EFTA States. In carrying out its tasks as the “watchdog” of the EEA, ESA cooperates closely with the European Commission. This cooperation ensures uniform implementation and application of the Internal Market rules and principles throughout the whole EEA.

In 1997 the European Commission and ESA launched the Internal Market Scoreboard to monitor how well the EU Member States and the EEA EFTA States comply with their obligations to ensure the timely transposition of Internal Market directives. The EEA EFTA Scoreboard includes notably data on the transposition status of the EEA-relevant directives, and on the number of infringement proceedings initiated against the EEA EFTA States for non-correct or late transposition. The EEA EFTA Scoreboard is published twice a year.

Current situation and future challenges

General overview

The three previous biannual EEA EFTA Internal Market Scoreboards show that from the second half of 2012 the EEA EFTA States have been falling behind in the implementation of EEA legislation. According to the latest Scoreboard of July 2013, the average transposition deficit for the EEA EFTA States was 1.2%, thus above the 1% transposition deficit target.¹⁶ The average EU Member State remained at 0.6%. Over the previous year ESA had also initiated a high number of formal infringement proceedings for non-implementation. However, the scoreboards from the first half of 2010 until the first half of 2012 show that the average transposition deficit was less than 1% for the EEA EFTA States.

The latest Scoreboard of July 2013 also shows that many of the outstanding directives are in the focus areas with most growth potential identified by the European Commission, i.e. services, financial services, transport, energy and digital market. In those areas, the Commission has called on the EU Member States to commit to zero tolerance for late and incorrect transposition of directives. Against this backdrop, and for the effective functioning of the Single Market throughout the EEA, it is extremely important that both the EU Member States and the EEA EFTA States undertake additional efforts in these policy fields.

Legal acts waiting to be incorporated into the EEA Agreement

As described in the previous chapter, the implementation, monitoring and enforcement of the respective Single Market legislation in the EEA EFTA States does not take place in exactly the same manner as in the EU Member States. One particular feature of the EEA is that there is always a delay between the adoption or abrogation of Single Market legislation on the EU side and its incorporation into the EEA Agreement. While national legislative procedures need to be respected, it is important that the EEA EFTA States step up their

¹⁶ <http://www.eftasurv.int/media/esa-docs/physical/IMA-Scoreboard-32.pdf>

efforts to keep this time period to an absolute minimum.. The EEA EFTA States conduct regulatory and vital national preparations both preceding to: i) JCD's amending the EEA Agreement, including possibly special arrangements, derogations or transitional periods, and ii) facilitating swifter implementation processing when crafting and adopting legal bills and national regulations in relevant national institutions in the EEA EFTA States. A more proactive approach in the early stages of the policy process by both sides could contribute to reducing delays once legislation is formally adopted. It should also be noted that the EEA Agreement provides for a consultation process between the EEA EFTA States and the EU side in the process of developing new EEA-relevant legislation and programmes.¹⁷

Another challenge is the number of adopted legal acts in the EU that are waiting to be incorporated into the EEA Agreement – the so called “backlog”. Since 2000, between 200 and 400 legal acts have been incorporated per year. However, three times during this period, in 2007, 2012 and 2013, 400 or more legal acts were incorporated. The number of acts incorporated per year depends for instance on the complexity of the EU acts, the number of legal acts adopted per year in the EU and constitutional challenges for the EEA EFTA States. Developments in the EU over recent years have also affected the EEA. For instance, since the entry into force of the Lisbon Treaty, the EU has adopted more cross-sectoral legislation possibly raising two-pillar issues not covered by Protocol 1 of the EEA Agreement and more provisions foreseeing power of execution by an EU institution, sometimes including imposing fines. Such legislation effectively contains horizontal challenges and provisions of delegating State power which has in some cases resulted in constitutional challenges for the EEA EFTA States. All of the aforementioned has had consequences for the processing of legal acts.

The EU side is concerned about the number of legal acts awaiting incorporation into the EEA Agreement and has therefore underlined to the EEA EFTA States the importance of continued efforts to reduce the backlog, in order to ensure the homogeneity of the Single Market, by keeping the period between legislative action in the EU and the respective changes in the EEA Agreement to a minimum. The EU side is especially worried that the delay undermines the legal certainty and homogeneity of the Internal Market. The requests from the EU side to speed up the incorporation should be seen in the context of the more stringent approach towards the implementation of Single Market rules in the EU.

Since 2011, the EEA EFTA side has undertaken efforts to reduce the backlog. In 2012 new procedures were adopted by the EFTA Standing Committee and new working methods were introduced. In 2013, the EEA Efficiency Project was launched, aiming to identify bottlenecks and possible measures to facilitate swifter processing of legal acts on the EEA EFTA side. High priority will be given to implementing these measures in 2014.

In addition to the backlog, the increased use of regulations in the EU instead of directives, as well as the higher frequency of employing decisions for regulating the Single Market, could lead to more situations where different legislation applies on the EU side compared to the EEA EFTA side. This is due to the fact that specific implementing measures are not required

¹⁷ See in particular Articles 79, 81, 99, 100 and 102, as well as Joint Declaration No. 15 in the Final Act of the EEA Agreement.

in the EU Member States for EU regulations and decisions, whereas this is necessary in Norway and Iceland.

The role of the EFTA Surveillance Authority

The European Commission's role in monitoring and enforcing Single Market legislation has been progressively strengthened in the recent years. Using its legal powers as defined in the Treaties, the European Commission has assumed a very proactive role in the implementation of Single Market legislation and in following up possible infringements. ESA is the equivalent of the European Commission when it comes to the monitoring and enforcement of relevant legislation in the EEA. Consequently, ESA has a key role in ensuring that the Single Market is properly implemented in the EEA. ESA was not provided with the same extensive responsibilities that the Commission enjoys under Article 17 of the Treaty on European Union (TEU) as regards the application of the Treaties. Since the entry into force of the EEA Agreement, however, there have been developments in the powers of ESA. For instance, ESA regularly performs on-the-spot inspections to ensure that the EEA EFTA States apply EEA legislation correctly within the fields of food and feed safety, animal health and welfare. This was not foreseen at the establishment of ESA. Another example is the role ESA has been given in monitoring the quotas in the EU emissions trading system.

In view of the strengthened role of the European Commission, however, in relation to the monitoring and enforcement of Single Market law in the EU, it would seem worthwhile to consider the future role of ESA in the EEA.

New horizontal tools

In recent years two new horizontal Single Market governance tools have been developed. The "Annual Governance Check-up" report and the more recently published online Single Market Scoreboard include the relevant data on the EEA EFTA States.¹⁸ It is important that the EEA EFTA States are involved in the new governance tools. Since the EEA EFTA States do not participate in the European Semester, the data relevant to the EEA EFTA States is not included in the annual report on the state of the Single Market integration, which since 2012 has been annexed to the Annual Growth Survey, undertaken in the framework of the third European Semester cycle. Relevant statistics are, however, available for the EEA EFTA States due to the EEA EFTA States' cooperation with the EU through Eurostat. More coordinated EU action in the field of Single Market governance and inclusion of EEA EFTA statistics could hence lead to a reduced divergence of Single Market governance structures in the EEA and the EU.

A recent initiative by the EEA EFTA States that contributes to the enhanced coordination of governance structures in the EU and the EEA is the so called "EEA-Lex". This is an interactive online service that offers detailed information on the status of EU legal acts under consideration for incorporation into the EEA Agreement or acts already incorporated.¹⁹

¹⁸ The specific tools of Single Market governance which are included in the "Annual Governance Check-Up" report and Single Market Scoreboard are discussed in the next chapter.

¹⁹ <http://www.efta.int/eea-lex>

3. The tools of Single Market governance

Overview

The governance of the Single Market includes a set of specific instruments that aim to improve monitoring, enhance the exchange of information and facilitate problem-solving in the Single Market. These tools have been developed at both EU and Member State level to help the functioning of the Single Market. Initially developed individually, they have recently been pulled together in a governance cycle which includes a stronger role for the European Commission to monitor compliance nationally. As fully fledged members of the Single Market, it is important to include the EEA EFTA States in any further developments and initiatives of the governance cycle.

The specific tools include for instance the Internal Market Information System (IMI), European Employment Services (EURES), the online problem-solving network SOLVIT and the online traffic light chart. This section provides an overview of the main tools that also include the participation of the EEA EFTA States.

With the aim of ensuring proper Single Market governance, these instruments serve the following functions:²⁰

- Monitoring the correct implementation of Single Market rules;
- Informing citizens and businesses about their rights under EU law;
- Enabling citizens and businesses to make use of their rights by simplifying and speeding up administrative procedures, both at home and across borders, through online eGovernment portals;
- Connecting competent authorities across borders in order to improve cooperation between them;
- Solving the problem when EU rights have been breached, through informal or formal procedures;
- Evaluating the situation based on real-life feedback.

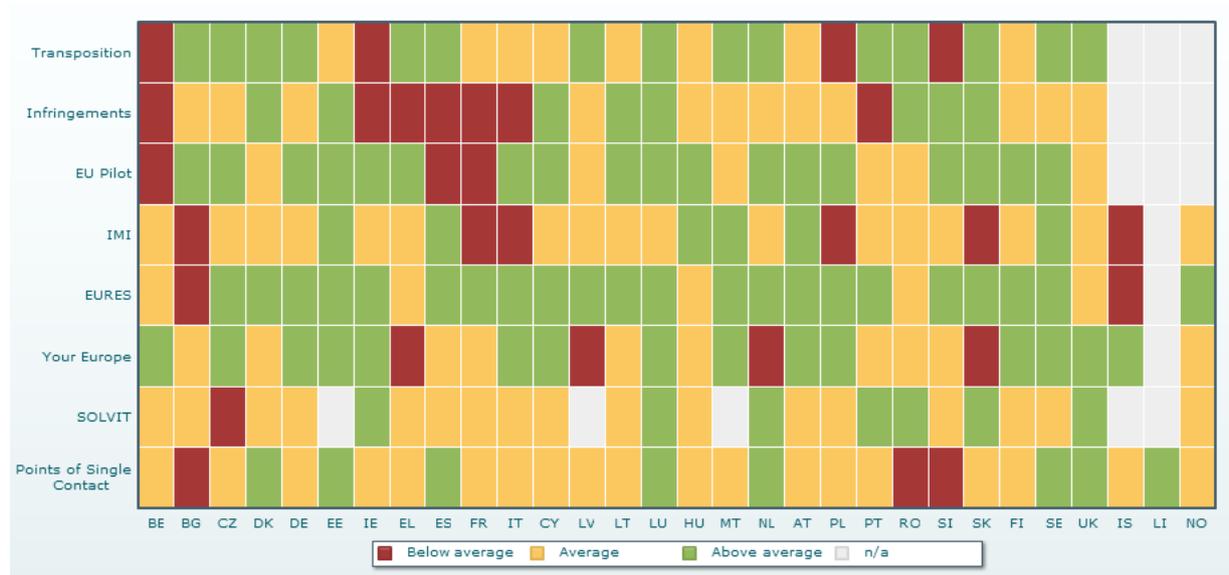
Performance of the governance cycle

The “traffic light chart” shows how EEA States have performed for certain governance tools on the basis of selected indicators in each area. It not only highlights where performance is above average (green), average (yellow) and below average (red) but also shows in which areas the EEA States are doing well and in which areas efforts need to be stepped up.

²⁰ [http://europa.eu/rapid/press-release MEMO-12-136_en.htm?locale=en](http://europa.eu/rapid/press-release_MEMO-12-136_en.htm?locale=en)

By clicking on a square that represents the performance of an EEA State you will be directed to a “country sheet” where you will find a short explanation as to why a country has been rated green, yellow or red for the individual Single Market tools.

The following chart shows the reporting period 2012-2013:



Internal Market Information System (IMI)

IMI is a software application accessible via the internet, developed by the European Commission in cooperation with the EU Member States, in order to assist EU Member States with the practical implementation of information exchange requirements laid down in EU acts by providing a centralised communication mechanism to facilitate cross-border exchange of information and mutual assistance.²¹ IMI is currently being used for administrative cooperation under the Directive on the Recognition of Professional Qualifications,²² the Services Directive²³ and, on a pilot basis, the Posting of Workers Directive.²⁴

European Employment Services (EURES)

EURES is a cooperation network designed to facilitate the free movement of workers within the EEA. Partners in the network include public employment services, trade unions and employers’ organisations. The network is coordinated by the European Commission.²⁵ According to the data of the current EU Single Market Scoreboard, the EURES platform and

²¹ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:316:0001:0011:EN:PDF>. For more information see the European Commission’s IMI website at http://ec.europa.eu/internal_market/imi-net/index.html

²² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2005:255:0022:0142:en:PDF>

²³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:376:0036:0068:en:PDF>

²⁴ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31996L0071:en:PDF>

²⁵ For more information, see <https://ec.europa.eu/eures/home.jsp>

network were increasingly used in 2012 and could thereby actively contribute to alleviating labour market imbalances.²⁶

Your Europe

The Your Europe portal²⁷ provides practical information and advice to individuals and businesses, helping them to understand and exercise their EU rights. By actively contributing to the portal, promoting the tool and closing the information gap, EU Member States help to overcome barriers to mobility and integration in Europe. The portal is structured into one section for citizens and one section for businesses.

The use of the two sections of the portal, Your Europe-Citizens and Your Europe-Business, is growing at an impressive speed currently attracting over four million visits per year.²⁸

SOLVIT

In order to guide citizens who move or travel abroad and businesses that are active across borders, the European Commission, the EU Member States and the EEA EFTA States created SOLVIT. It provides them with fast and pragmatic solutions to problems caused by the breach of EU law by a public authority. SOLVIT is an informal alternative to other problem-solving mechanisms, such as national court procedures, formal complaints to the European Commission and petitions.

From 2011 to 2013, SOLVIT handled over 3000 cases per year of which most of them fell within its mandate.²⁹

Points of Single Contact

The Points of Single Contact (PSCs) are e-government portals for entrepreneurs active in the service sector. These are one-stop shops through which service providers can obtain all relevant information and complete all procedures relating to their activities. According to the European Commission, focus is currently on improving the way the information is presented online.³⁰

4. Conclusions

There is a clear political commitment in the EU, supported by all EU institutions, to strengthen the Single Market. This commitment is also fully supported by the EEA EFTA States.

²⁶ http://ec.europa.eu/internal_market/scoreboard/performance_by_governance_tool/eures/index_en.htm

²⁷ <http://europa.eu/youreurope>

²⁸ http://ec.europa.eu/internal_market/scoreboard/performance_by_governance_tool/youreurope/index_en.htm

²⁹ http://ec.europa.eu/internal_market/scoreboard/performance_by_governance_tool/solvit/index_en.htm

³⁰ http://ec.europa.eu/internal_market/scoreboard/performance_by_governance_tool/points_of_single_contact/index_en.htm

In recent years the European Commission has assumed a very proactive role in the implementation of Single Market legislation and in following up possible infringements. The European Commission has also introduced a number of new instruments for Single Market monitoring and reporting recently pulled together in a comprehensive governance cycle. The EU's Single Market initiatives have, furthermore, become better coordinated with the related policy areas.

The Single Market and its governance tools should be developed in parallel in the EU and in the EEA. Hence, the developments described above have a number of implications for the EEA:

(1) Both the EU Member States and the EEA EFTA States need to undertake further efforts to implement and enforce Single Market legislation. They need in particular to tackle late and incorrect transposition of directives in the focus areas identified by the European Commission such as services, financial services, transport, energy and the digital market.

(2) The EEA partners should furthermore continue to make efforts to ensure the homogeneity of the Single Market, by keeping the period between legislative action in the EU and the respective changes in the EEA Agreement to a minimum. It should also be noted that the EEA Agreement provides for a consultation process between the EEA EFTA States and the EU side in the process of developing new EEA-relevant legislation and programmes.³¹

(3) In view of the more proactive role of the European Commission regarding the transposition, implementation and monitoring of EU legislation, it seems appropriate to consider ESA's role in the EEA, including providing initial assessment of possible EEA horizontal challenges.

(4) As full members of the Single Market, it is important that the EEA EFTA States are included at the same level as the EU Member States in the new Single Market governance tools. In this regard, there are potential improvements to be made by the EU side in including available statistics for the EEA EFTA States in governance tools such as the Annual Growth Survey in the framework of the third European Semester and online tools such as traffic light charts reporting on national performance.

³¹ See in particular Articles 79, 81, 99, 100 and 102, as well as Joint Declaration No. 15 in the Final Act of the EEA Agreement.