



Connecting the dots of the single market

The European Single Market is a source of aspiration and prosperity, yet its potential has not been fully unleashed due to its still developing nature. We pledge to support policies that will deepen economic integration and exploit the full potential of the Single Market.

BANKING UNION

The EU has managed to establish a Roadmap for a Banking Union, the boldest and most ambitious undertaking since the common currency project. It aims to make rampant banking crises a thing of the past and to forge the most coherent and solid supervisory framework for banks worldwide. A vibrant Single Market needs a stable and single banking environment to fuel it.

YEPP calls for

1. The Commission, Parliament and Member-States to stay true to their commitment to reach a consensus regarding the implementation of a Single Rulebook. The single Rulebook will lay down the foundations for the Single Supervision Mechanism (SSM) and the Single Resolution Mechanism (SRM).
2. The implementation of a single regime for bank failure, with a common resolution fund as its central component, incorporating the very essence of the Banking Union rationale. YEPP firmly believes that a Banking Union which lacks a clearly defined bail-in

and bail-out framework will be unable to successfully correspond to its mission statement, or to end the notion of "too-big-too-fail", alien to the spirit of free market and fair competition, particularly when taxpayers are called to rescue failing, ill-managed private institutions.

3. The European Institutions to promote the SSM and SRM, under the Single Rulebook, to Eurozone Member States.
4. The clarification of the legal basis upon which the Single Rulebook (as well as the SSM and SRM) rests.

INVESTMENT

Investment is the steam engine for real growth. Therefore, we support policies that do not create new public debt, but use taxpayers' money effectively and which deliver real outcomes. We call for extending and deepening the single market by ensuring openness and competitive markets, improving European and national regulation and expanding Europe's infrastructure and scientific base. We commit to promoting the European Investment Plan, which aims to bring €315bn into the real economy until 2017 without creating new debt.

"We need to make available as much public investment as necessary, and as much private investment as possible"

Vice-President Katainen.

YEPP calls for

1. The European Investment Plan not to be disjointed into small and fragmentary projects, but to prioritise large Public-Private Partnerships in energy and transportation. This will create greater added value to the wider economy through the correct allocation of EU funds.
2. The European Investment Bank to diversify its financing models, through the wider adoption of "project bonds", aimed at stimulating investment

interest in large infrastructure projects. This could leverage more than 2 trillion euro until 2020¹.

3. The promotion and adoption of legislation on behalf of Member States, introducing the “Social Corporation” legal form of business, with suitable regulation for auditing and financing.
4. We welcome the idea of re-inventing securitisation and support the effort of the Commission to establish standards for high quality securities. Hence we call for further development of European standards for securities markets, for a proper supervisory element and an integration of securities settlement.
5. Supporting the reduction in the cost of capital ventures, both in terms of multiple taxation and incentive compared to traditional banking loans, and to foster a better environment for private equity.

CONSUMER RIGHTS

Consumer expenditure accounts for 56% of EU GDP and is essential to meeting the Europe 2020 objective of smart, inclusive and sustainable growth. Stimulating this demand can play a major role in bringing the EU out of the crisis. To make this possible, the potential of the Single Market must be realised. Consumers shopping online across the EU have up to 16 times more products from which to choose, but 60% of consumers do not yet use this retail channel. Empowered and confident consumers can drive forward the European economy.

YEPP calls for

1. The Commission to closely cooperate with national governments when introducing the Union-wide campaign to increase knowledge of consumer rights and interests, under the European Consumer Agenda of 2012, in line with Article 12 TFEU and

¹https://www.dbresearch.com/PROD/DBR_INTERNET_EN-PROD/PROD000000000320937/Project+Bond+Initiative%3A+Project+selection+the+key+to+success.pdf

promote online market and consumption through ICT tools.

2. The Commission to make the RAPEX (Rapid Alert System for Non-Food Products) reporting system more transparent and effective; there is a need to further develop the European Consumer Centres (ECC) and Consumer Protection Cooperation (CPC) networks.
3. The implementation of online dispute resolution mechanisms to overcome the concerns of the majority of consumers, who are reluctant to engage in cross-border online retail, fearing that *"something might go wrong"*.
4. The labelling of bad business practices, by an improved e-commerce enforcement framework.
5. Swift implementation of those policies, that under the European Consumer Agenda of 2012 are still underway.
6. The EU to plan and implement an awareness campaign about e-Commerce.

DIGITAL SINGLE MARKET

The European economy is rapidly becoming digitalised. Europe could add 4% to its GDP by 2020 by stimulating its faster development. When e-commerce in goods reaches 15% of total retail sales in Europe, and if all Single Market barriers were to be removed, the overall gain for consumers would be around EUR 204 billion (1.7% of EU GDP)². A dynamic digital single market is a key component for reinvigorating the Single Market and creating growth. A central milestone in the Digital Single Market Package, to be announced in May 2015, should be the protection of all Rights under the European Convention of Human Rights.

"By creating a connected digital single market, we can generate up to €250 billion of additional growth." **President Juncker.**

² Civic Consulting (2011). "Consumer market study on the functioning of e-commerce".

YEPP calls for

1. The harmonisation of digital copyright protection rules among Member States.
2. The introduction of legislation facilitating the incorporation of cloud computing and next-generation intelligence systems into trade. It is estimated that these industries will grow and generate €1.7 trillion for the EU's economy by 2030.
3. The EU to boost big data and analytics innovation by drawing up legal lines on big data innovation. This industry could leverage up to 330 billion euros for the EU's GDP by 2020³.
4. The promotion of investment in new generation broadband infrastructure. An increase in the broadband penetration by 10% is expected to increase annual per-capita GDP growth by 0.9% to 1.5%.

TRANSPORTATION

Transport is a key pillar of the single market, as it allows for the free movement of goods and people across borders. The cost and efficiency of transportation, and the quality of Europe's infrastructure networks, directly affect trade, mobility and the competitiveness of the European economy. The transportation industry directly employs around 11 million people and accounts for 5% of EU GDP.

Aviation

Since the 1990s, the Aviation Sector has been widely liberalised from the scope of market access and free competition has been ensured. Today, it employs more than 3 million people, contributing more than €140 billion to the European GDP. A Single Market in the aviation industry was created in the 1990s and the Commission's Fitness Check in 2013 found that no further legislative measures are needed. However, certain follow-up actions are suggested.

³ <http://www.businesseurope.eu/content/default.asp?PageID=568&DocID=33328>
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YEPP calls for

1. Legislation which creates a framework allowing for a detailed breakdown of passenger's costs into charges, fees and taxes. This will provide more transparency for ticket costs, levelling the playing field for a freer and more open competition between the respective service providers.
2. Abstention from any regulatory action regarding Computerised Reservation Systems (CRS), until marketing and technology utilisation trends within the aviation industry stabilise.⁴
3. The EU must simplify regulation and bureaucracy for European flight companies so that they can compete better globally.

Railway

Legislation concerning European railways was first adopted in 1991. Since then, the boosting of competition amongst railway service providers is of high priority to European law making, aiming to provide cheap, safe and environmentally friendly transportation to the public and the freight transport industry. However, much work is still needed as the progression of the unification of the European railway markets is slower than that of the aviation market⁵ and railways are the very veins of Europe's economy.

YEPP calls for

1. The pan-European adoption of the scheme separating the infrastructure network from service providers, under the Fourth Railway Package. The Member States, being the owners of the railway network will monitor free competition among the industry, abolishing monopolies wherever they exists.

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http://ec.europa.eu/transport/modes/air/internal_market/doc/fitness_check_internal_aviation_market_en_commission_staff_working_document.pdf page 110

⁵<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2013:0034:FIN:EN:PDF>

2. Measures taken, at an EU level, to allow for better railway journey planning and information sharing between local authorities and service providers, to reduce traffic delays and accidents. This should include smart logistics applications and ICT solutions.
3. That the European Railway Agency places more focus on the achievement of interoperability in the EU's railways by ensuring the application of common rules and a single signalling scheme for trains. It should further act as a one-stop authorisation agency for entering the market. This would diminish authorisation costs of €212 million by 20% by 2025 and allow for European trains to run freely through the entire continent.

ENERGY

Europe is currently developing its "Energy Union" strategy. It aims to create a single European energy market. In this environment, households will receive affordable energy, businesses will receive competitive rates and Member States will receive a resilient energy scheme of mutual trust and solidarity, relieving them from overdependence on specific, monopolising suppliers.

YEPP suggests

1. That funds from the European Investment Plan be allocated for public works that bring the 10% "Interconnection Goal" closer by 2020 and 15% by 2030.
2. That the European Parliament works towards the inclusion of policies in the Energy Union Agenda, that are "green" in their nature and provide for more free competition.
3. That the 2012 Energy Efficiency Directive's implementation on behalf of the Member States is strictly monitored.
4. The European Union to create a framework for common gas supplies.

INDUSTRY

One can buy and sell products freely within the European Union without specific requirements, taxes or other obstacles. The vast majority of products on the EU market are subject to common European rules which set high standards of safety for consumers, and protection of the environment. Controls on the movement of goods within the internal market were abolished in January 1993 and the European Union is now a single territory without internal frontiers. We note with satisfaction the EU's achievements⁶ on labelling industrial products and conformity assessments under the principles of "mutual recognition" and "third party involvement" in the labelling process.

YEPP calls

1. To boost the quality and trust the conformity assessment procedures by the introduction of legislation regarding third party testing bodies, with clear and simple rules regarding their laboratories, testing and inspection methods. A single industrial market needs a single market of credible inspectors, acting on the same widely-known sets of rules.
2. On Member States to fully adapt their national legislation according to the requirements of the "Alignment Package" of 2014, before April 2016⁷, in accordance with Decision 768/2008 of the Council.
3. For the adoption of legislation regarding medical devices, gas appliances, cableways and personal protection equipment, which is pending and not included in the Alignment Package's Directives.
4. The EU should not lower the established standards in protection of consumers in implementing the aforementioned measures.

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http://ec.europa.eu/enterprise/policies/single-market-goods/internal-market-for-products/market-surveillance/index_en.htm

7

http://www.orgalime.org/sites/default/files/position-papers/PP_alignment_9_directives_NLF_March12.pdf

FREE MOVEMENT

Although the free movement of goods, capital, services and people are the most advanced of our freedoms within the EU, YEPP notes that certain measures are needed in order to fully realise them.

YEPP calls for

1. Better implementation and stronger enforcement of the Services Directive of 2006 in all Member States, which alone can bring additional gains of up to 1.8% of EU GDP.
2. The removal of the remaining obstacles to the free movement of people. Barriers beyond issues related to the implementation of the Services Directive should be addressed decisively, such as the lack of recognition of professional qualifications and the high number of regulated professions and specialisations that fragment labour markets. If fully realised, this alone could increase the EU's GDP by 2,76%⁸.
3. The implementation of fast track methods, on a European level, to appeal possibly restrictive decisions imposed by national authorities on goods. This, however, should not interfere with the Court of the EU's judicial powers.

POSTFACE: The Legal Protection of the Community's Financial Interests

Under the TFEU Art. 86, the establishment of a "European Public Prosecutor's Office" is made possible. This body, working with Eurojust, will be responsible for detecting evidence which possibly constitutes "Fraud Against The EU" and then indict suspects before competent national criminal justice systems. So far this has not been realised.

YEPP suggests

⁸ <https://www.imf.org/external/pubs/ft/wp/2014/wp14113.pdf>

1. The establishment of the European Public Prosecutor's Office with a mandate that does not violate the legal traditions of either continental or common law systems, and therefore avoiding any possible distortions in the consistent deliverance of justice and the rule of law in any Member State. Once established, the EPPO should be able to utilise channels of communication with Eurojust, Europol and national authorities charged with combating money laundering, aiming for the synchronisation of collective efforts, in favour of the EU's financial interests.