

15 January 2016

## **Upgrading the Single Market: more opportunities for people and business (COM (2015) 550 final)**

### **Initial Comments by the Confederation of Swedish Enterprise**

The Confederation of Swedish Enterprise is the main business organisation in Sweden, representing over 60.000 member companies and almost all sectors of business with the exception of the banking industry.

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The Confederation of Swedish Enterprise (henceforth SN, which is the Confederation's Swedish acronym) agrees that the Single Market is one of the greatest achievements of the EU. We support the EU Commission's efforts to revive and modernise the Single Market to enhance its function regarding free movement of goods and services. SN represents many businesses that engage in cross-border trade within the EU, and for these, it is especially important that remaining barriers to trade and free movement in the Single Market are removed.

An effective co-operation between the EU institutions and the Member States for completing the Single Market is especially pressing as the EU currently faces great internal and external challenges. Political weight has to be given to the common Single Market as it is both the core and the key to success of the EU and, therefore, fundamental to development and economic growth in the EU.

#### **SUMMARY**

SN welcomes that the majority of measures proposed in the Single Market strategy relate to improving implementation and application of existing common EU rules for the Single Market. We believe that this is among the most important aspects of removing barriers to free movement within the Single Market. Among the proposals for new legislation in the strategy, there are at least two – the proposal for a services passport and new legislation to prevent discrimination of consumers - that SN would consider to be superfluous if legislation that already exists in these areas was implemented and applied correctly.

The way that the Commission has chosen to place different Single Market issues in different strategies and packages requires effective co-ordination and division of work between the different Directorates General involved. Effective co-ordination will also be necessary between the EU institutions and at national level if the various measures to be taken are to really enhance the opportunities for European businesses to engage in cross-border trade and thereby strengthen their global competitiveness.

In cases where new legislation is considered necessary, it has to be developed according to the process for better regulation that is now established at EU-level. It is also important that the external dimension be considered to ensure that any new regulatory framework is co-ordinated with EU external trade policy. New legislation must also be technology-neutral as businesses regardless of business model, use of technology, and degree of digitalisation must be able to comply with regulatory requirements and compete on equal terms. SN also requests that fundamental principles are respected, including the freedoms of trade and contract. This is especially important in relation to the current discussions regarding discrimination of consumers and geo-blocking, and how rules will be applied to the emerging and growing collaborative economy.

The Single Market Strategy document includes many inconsistencies and unclear proposals for measures, and we, therefore, ask the Commission for clarification. Among these are:

- The text body contains many more proposals than the 22 measures listed in the *Roadmap to delivering on the Single Market Strategy*, which therefore confuses understanding as to which of these that the Commission actually plans to pursue.
- Furthermore, the Commission has stated that the SME-perspective will be integrated into all measures for the Single Market as no new Small Business Act will be presented. However, it is unclear how this will be done since the SME-perspective really is only prominent in one section of the Single Market strategy.
- Very little is said in the strategy regarding the VAT Action Plan that will be presented. For such a plan to be effective, it must include the type of simplification measures businesses want and it must be co-ordinated with the ongoing work related to VAT within the framework of the Digital Single Market strategy.
- SN also requests more information regarding how proposals related to efforts to keep illegal products out of Single Market will relate to the proposals in the same area that were announced in 2013.
- In regard to the market information tool for the Single Market that the Commission proposes to develop, clarification is needed in regard to how the tool is intended to function, as well as on the legal basis for such a tool.

There are several proposed measures that we support, among others:

- Implementation and application of existing EU legislation is imperative to remove barriers to the free of movement. To this end, we support the proposal to streamline processes relating to infringement proceedings and monitoring Member States' compliance with EU law.
- For services, we support the proposal intended to improve the notification procedure for national special rules.
- Enhancing SOLVIT and making this tool more efficient is also a step forward in resolving problems related to specific national rules.
- The initiative relating to standardisation should be able to contribute to strengthening the competitiveness of European business, on the condition that the principle of voluntary standards is fully respected.
- We also welcome the specific attention given to difficulties experienced in the retail sector in establishment and operation within other Member States.
- In addition, measures to improve the application of the principles of mutual recognition of goods are important.

## GENERAL COMMENTS

SN seeks clarification from the Commission as to which proposals for measures it actually intends to proceed with. This question arises due to the discrepancy in the strategy document between measures proposed in the body of the text and those in the 'action boxes' under each section, and between these proposed measures and those listed in the *'Roadmap to delivering on the Single Market Strategy'*. The body of the text contains significantly more measures than the 22 listed in the roadmap.

SN notes that the new Single Market Strategy for Goods and Services differs from previous initiatives, such as the Single Market Acts I and II. We see that several important Single Market issues have now been put in separate strategies or action packages such as The European Energy Union, Investment Plan for Europe and the Capital Markets Union, the area of tax, the Digital Single Market Strategy, the Circular Economy package, the Labour Mobility package, Better Regulation, trade and investment policy, and the road transport package. We welcome that the transport area is mentioned in the final version of the Single Market Strategy, as it was not in earlier drafts. Transport of both goods and passengers is a central Single Market issue.

The approach of the Commission to separately address areas that all impact on the Single Market will require effective and efficient co-ordination of all activities conducted by the several Directorates General responsible for each area. This is particularly so in regard to the Single Market Strategy for Goods and Services and for the Digital Single Market Strategy since several proposed actions are included in both strategies. Effective co-ordination will also be critical when these strategies are considered in the various EU institutions and at national level. This is necessary to ensure that these efforts will strengthen the competitiveness of European businesses and enable further cross-border trade. SN, therefore, asks the Commission for clarification in regard to how these efforts will be organised.

We also note the Commission's ambitious schedule to prepare detailed proposals regarding the 22 measures in the roadmap in 2016 and 2017. This tight timetable carries its own demands for co-ordination in regard to effective work delivering desired results. SN is of the opinion that a complete evidence-base including a good quality impact assessment has to be prepared for each measure or proposal. Consultation with stakeholders according to established guidelines is a key aspect of this. This applies to the entire decision-making process from the EU level to the national level and is something easily neglected when timetables are demanding and deadlines are looming.

SN welcomes the Strategy's emphasis on improving implementation and application of existing regulation, and that the proposals for new legislation are relatively few. We are of the opinion that the guiding principle for EU institutions and Member States in these efforts to upgrade the Single Market must be implementation, application, and effective and fit-for-purpose legislation. This is necessary in order to eliminate many of the existing barriers to free movement.

Where new legislation may be considered necessary, it is important that the legislative process follows the Commission's Better Regulation framework and principles. SN is also of the opinion that the process can be improved by the European Parliament and the European Council preparing impact assessments for substantial amendments to EU Commission

legislative proposals and by trilogue negotiations between the institutions becoming more transparent.

Despite the fact that the Commission states in the introduction to the strategy document that global value chains generate major new opportunities, this perspective is not mentioned again in any of the proposed measures in the strategy. SN considers it highly important that the external dimension is considered when new legislation is drafted and decided at EU-level and that EU legislation is co-ordinated with external trade policy to a greater extent.

**Comments on the Proposed Actions** (the headings correspond to those in the strategy document)

## **2. CREATING OPPORTUNITIES FOR CONSUMERS AND BUSINESSES**

### **2.1 Enabling the balanced development of the collaborative economy**

SN agrees that the Commission's intention to identify existing regulations and to review how these should be applied, and/or changed to also cover new business models based on digital platforms is a good and pragmatic first step. Hasty regulatory measures may, indeed, lead to competitive inequalities and a market fragmentation. We oppose special rules for businesses in the collaborative economy and instead advocate a regulatory framework that is principles-based and technology-neutral. Regulatory frameworks must permit businesses, regardless of business model, to comply with their purpose and requirements.

The Commission lists several regulatory frameworks as important to consider in regard to the collaborative economy (the Services Directive, the E-Commerce Directive, and European consumer legislation). To this list we believe EU competition legislation should be added to ensure equal competition. Furthermore, in regard to all legislative areas, SN emphasises the importance of uniform application in all Member States and of careful consideration of the global aspects and development of the collaborative economy.

### **2.2 Helping SMEs and start-ups to grow**

The Commission decision to not introduce an updated 'Small Business Act' raises mixed reactions among SMEs, especially considering the effort invested in preparing such an Act. The Commission has, instead, indicated its intention to integrate SME issues into every action planned for the Single Market upgrade. Incorporating principles such as 'think small first' into all legislation is, therefore, all the more important. We note, however, that there is limited discussion of SME issues in the strategy document except as outlined in this section. We, therefore, ask the Commission to clarify how SME issues will be integrated into all the planned actions.

### ***Action Plan for VAT***

Value added tax is an area with extensive red tape that adds extra costs to business operations. The EU needs a VAT system that is simple and effective, but still flexible enough to allow Member States to simplify regulations at national level. Such a VAT system would mean important simplification for small and medium sized enterprises but would also benefit larger companies. There are several areas that SN would like to be fully considered by the Commission as it proceeds with its Action Plan for VAT. The Action Plan described in the Single Market Strategy must be co-ordinated with the actions to simplify the VAT system proposed in the Digital Single Market Strategy and with work carried out within the framework of the Refit-programme.



We think that a primary consideration must be to streamline the interpretation and application of VAT regulations in Member States. This would enable resolving the practical problems businesses encounter as a result of current differences in interpretation and application of regulations. To give one example, ten Member States currently impose VAT on international occasional passenger bus services, while no VAT is imposed on train or air passenger services. Each of these ten countries have differing rules and administrative procedures covering how businesses must register their operations, document their trips and how they will offset VAT incoming and outgoing. This situation naturally gives rise to added administrative costs for the affected companies. The sector demands that if passenger service operators must register and pay VAT, that administration must be possible at a single common point of contact.

However, SN is fully aware of the difficulties in achieving a more harmonised interpretation of VAT regulations. We, therefore, think that a measure that should be easier to take would be to make relevant, practical and preferably web-based information available to companies about how VAT regulations are applied in Member States. Such information must be easy to access and must be available in a language that most companies would understand, preferably English. Alternatively, translation software must be available. Access to such information would provide businesses with the necessary understanding of when and how to register for VAT, how to report, what documentation is required and the applicable rates.

In addition, SN would like to see additional improvements to the Mini One-Stop-Shop (MOSS) registration and payment system initiated in January 2015, which can be used by companies to administer VAT on telecommunications, broadcasting and electronic services B2C. One improvement would be a common cross-border turnover threshold.

SN welcomes the Commission's efforts to counteract fraud in relation to VAT processing. VAT fraud not only negatively impacts public finances, but also affects businesses that follow the rules and that face unfair competition from companies that disregard regulations. However, SN is of the opinion that fraud is best controlled through closer collaboration between national tax agencies in the Member States. Comprehensive risk assessment, swift exchange of information between national agencies, and effective use of this information are all critical.

***Initiative to facilitate the use of digital technologies throughout a company's lifecycle***

SN supports the Commission's initiative to facilitate companies' use of digital technology, for example for registration of a company and filing of company documents and information with public authorities. Concrete measures must be of varied form and scope, respect the principle of subsidiarity and be flexible so as not to jeopardise progress and already implemented measures in Member States that are more advanced in this field.

***Legislative initiative regarding business insolvency***

SN can support this initiative as it is line with a basic purpose of promoting entrepreneurship – where a business failure should not prevent the opportunity to start a new commercial undertaking. However, we would argue that such a regulatory framework needs to be carefully designed so as to prevent misuse. Such a new legislation must also be based on simple and stable rules that are clear, and easily applied, as well as considered fair and not arbitrary. SN is of the opinion that this type of rules, even if justified, should be a limited exception to general principles governing sanctity of contracts, and correct performance of contractual duties. It is important to remember that on the other side from a general

improvement in the business climate are, in each individual case, creditors who actually suffer a loss of their legal rights.

### **2.3 Making the market without borders for services a practical reality**

The service sector represents a significant portion of growth and job creation in the EU. SN is of the opinion that that complete and correct application of the Services Directive would resolve many of the problems faced by service providers within the Single Market. Measures planned by the Commission in this regard should support the process of achieving the complete and correct application of the Directive.

The Commission intends to put forward a proposal for new legislation that would introduce a 'services passport' for certain prioritised sectors. Our view is that the Commission should instead and as a first step promote use of the Internal Market Information System (IMI). Furthermore, the Points of Single Contact (PSC) have to be established and contain all the information as provided for in the Services Directive regarding the rules, laws, and procedures that apply to service providers as well as possibilities to process administrative formalities. SN would like to see that the PSCs are expanded to also include information regarding trade with goods or are integrated with the Product Contact Points. All information provided in the contact points must be available in the national language or languages, and importantly, in an internationally well-known language, preferably English. Furthermore, the information must be the same and maintain the same quality regardless of the language that it is provided in. If these reforms are carried out, the proposal regarding a 'services passport' would most probably be superfluous.

Generally, lack of access to information about the laws and rules that apply in the Single Market and in different Member States, prevents companies from making use of all the opportunities that the Single Market offers. Since the number of contact points increases, and several different contact points may contain information relevant to a specific company's operations, it is important to link these contact points together. We, therefore, see the necessity of a central hub for the various contact points. For example, the Your Europe or EUGO websites could be used, or, indeed the 'Single Digital Gateway' as proposed by the Commission in the Digital Single Market Strategy.

There are many examples of how good quality and easily accessible information would help companies to do business cross-border in the Single Market. One such example is the area of food packaging (food contact materials, FCMs). There are only a few common EU rules governing this area, and most regulations are national – but these vary widely between Member States. Information in this regard – on what is regulated and how – that is made available at a single point of contact would simplify operations of companies interested in selling across borders.

#### ***Regulation of professional qualifications***

SN is of the opinion that simpler and faster recognition of professional qualifications across borders, and a reduction in the number of regulated professions within the EU is needed and important. Free movement of employees is a prerequisite for service providers to be able to offer services in other Member States and also to establish a presence in other Member States than the one where the company is based.

#### **2.4 Addressing restrictions in the retail sector**

SN welcomes the specific attention the Commission pays to the difficulties experienced by companies in the retail sector in terms of establishment and operation in other Member States. The problems companies meet are often related to Member States' interpretation and application of the principle of freedom of establishment, and moreover, to regional and local regulations restricting it. Economic needs testing for establishment is an example of a practice that our members report being problematic and that must be counteracted.

SN thinks that the Commission's proposal to gather examples of 'best practice' to support Member States in efforts to achieve functioning, less restrictive regulation for the retail sector is good. We would, however, ask that the Commission continually monitors this 'best practice' to ensure Member States actually deliver the desired results, and provides information on the guidance that the Commission intends to provide to Member States. Moreover, the Commission needs to provide more information about what it actually intends by its intention to provide guidance about "the Commission's priority setting for enforcement action with respect to restrictions in the retail sector".

#### **2.5 Preventing discrimination of consumers and entrepreneurs**

SN questions the Commission's position that more legislative measures are needed in this area before existing laws have been fully implemented and reviewed.

The Commission claims that consumers "too often find themselves discriminated against on the basis of their nationality or place of residence." SN requests an account from the Commission of how many cases of discrimination this statement actually involves and a proportionality assessment to determine the size of the problem to be corrected in relation to the market intrusion any proposed solution would entail. SN is of the opinion that the assessment of 'too often' is entirely too vague an evidence base for a new legislative proposal.

Naturally, we feel that discrimination based on nationality or country of residence should not be permitted. But there is already legislation in place that bans such practices; provided in Article 20 of the Services Directive, specifically, Article 20(2). This covers cases where service providers may discriminate when offering their services. SN's view is, therefore, that the Commission should first work to ensure uniform and balanced application of Article 20(2). This legislation should be applied only to the extent it does not disproportionately restrict the freedom of trade (as established in the European Union Charter of Fundamental Rights) or the principle of freedom of contract. It also should only be applied when different treatment, which is not necessarily the same as discrimination, cannot be "justified by a legitimate goal and the means to attain that goal are proportionate and necessary," as per the Commission's own guidelines (SWD (2012) 146 final).

The Commission, in both its Digital Single Market Strategy and the Single Market Strategy, states that it will work to prevent unjustified discrimination of consumers, or geo-blocking. We therefore presume that the Commission will clarify exactly what it means by 'unjustified' in this regard.

The guidelines on the application of Article 20(2) state that different treatment cannot be equated with discrimination. Recital 95 of the Services Directive contains language regarding the objective reasons that may justify different treatment in the provision of a service, such as higher actual costs due to distance; technical characteristics related to provision of the service; varying market conditions; seasonal variations in demand; different vacation periods

in the various Member States; pricing by different competitors; greater risks related to rules differing from those of the Member State of establishment, and a lack of required intellectual property rights in a particular territory.

This list is not exhaustive but the reasons mentioned are among those that our members indicate impact their business strategies most. It is interesting to note that a majority of these objective reasons are linked to remaining trade barriers in the Single Market and to national regulations in Member States. SN, therefore, argues that the Commission should first direct resources towards removing red-tape and barriers to free movement according to which companies adapt their business strategies, and which consequently cause different treatment of consumers.

### **3. ENCOURAGING MODERNISATION AND INNOVATION**

#### **3.1 Modernising our standards system**

SN argues that to ensure the success of the Joint Initiative on Standardisation, all standardisation mandates must be included. Standards mandates must always be market-relevant and be based on consensus. Moreover, use of mandated standards must always be voluntary.

In developing standards policy, consultations between enterprises and the Commission must follow the Better Regulation principles in relation to follow-up measures for standards policy and mandated standardisation. As well, mandated standardisation should take the global view at all times.

#### **3.2 More transparent, efficient and accountable public procurement**

In regard to public procurement, SN, and our members, are particularly interested in implementation of the new EU rules for April 2016. The Commission's proposals for action contained in the strategy document appear to be directed towards administrations in Member States. We support the Commission if it can contribute to ensuring that better information and data regarding large-scale procurements is made available.

#### **3.3 Consolidating Europe's intellectual property framework**

In regard to the proposals concerning intellectual property, SN supports efforts to develop a unitary supplementary protection certificate system. To ensure these efforts accomplish their purpose, consultation with business is fundamental. Exceptions to patent protections for research purposes must be studied closely, and approached with care to avoid the risk of distorting competition.

National financial and other support to SMEs for their efforts regarding intellectual property should be restricted in use, and only for limited periods, with clear criteria and subsequent follow-up and assessment based on additionality and opportunity cost analyses. Any such national support should also not compete against private actors who offer this type of service. And, this should not lead to authorities who are responsible for such support to fail in any way in their primary supervisory tasks, such as with reviewing applications (it they are patent and trademark supervisory authorities).

SN is of the opinion that traditional know-how should not be used as an exception to protection of trade secrets. We also oppose additional protected geographic designations of origin. In regard to supervision, we generally support the 'follow the money' approach, but the judicial system and other actors should not thereby receive *carte blanche* to take action



against actors who infringe on intellectual property in a way that negatively impacts legal commercial actors operating in the same or related industries.

#### **4. ENSURING PRACTICAL DELIVERY**

##### **4.1 A culture of compliance and smart enforcement**

SN fully agrees with the Commission's statement that a well-functioning Single Market depends on full and more harmonised implementation and application of common legislation in the Member States. The Commission alone cannot revive and modernise the Single Market. Member States also carry great responsibility in following through with implementation and application in a way that promotes free movement, rather than impedes it.

##### ***Monitoring Single Market legislation***

SN welcomes that the Commission intends to improve the efficiency of infringement proceedings and to work more closely with Member States in various ways to ensure that common legislation is implemented and applied, and that national legislation complies with EU law. A new data analytics tool for monitoring Member State's compliance with Single Market legislation must adequately complement tools already in use, and it must function so that it truly facilitates the detection of non-compliance; it is not enough that it should function in a way that "could help better detect non-compliance" as described in the strategy document.

Compliance also involves the interpretation of EU-legislation which differs between Member States and this aspect has to be included in the Commission's work on monitoring of compliance. In this context, we want to draw attention to problems we note in relation to restoring services to the municipal sphere, particularly in relation to waste management. From a Single Market perspective, we argue that this is important since it often involves the interpretation of rules covering services of general economic interest at the national level, and how this impacts on the freedom of establishment and the free movement of services. We see significant risk that Member States interpret rules in a way that can give rise to the creation of public monopolies, which distort sound and efficient competition and this is something that the Commission should monitor.

##### ***A market information tool for the Single Market***

SN strongly questions the implementation of a new tool that would enable the Commission to obtain information directly from individual businesses. The description in the strategy indicates that the Commission intends to exercise supervisory authority of individual companies' compliance with EU law. We think that the Commission should explain how it foresees the practical function of such a tool, and the legal grounds on which it can be based, since supervisory authority is exercised on the national level, except for the area of competition law.

##### ***REFIT***

The Commission states in several sections of the strategy document that it wants to use the new 'REFIT Platform' to identify unnecessary, complicated regulations and opportunities for simplification. We are positive to the platform being established since it will provide an additional forum for consultation with stakeholders, and a portal where businesses can communicate proposals for simplification of regulation to the Commission. Complete transparency is imperative for the platform to function efficiently. SN welcomes that the

Commission has committed itself to always respond to such proposals submitted through the platform and to justifying why (or why not) a proposal is processed further.

SN and our members have on several occasions submitted information and simplification proposals to the Commission (most recently in October 2015) within the framework of the REFIT programme. These included many proposals addressing barriers to trade in the Single Market, and we hope to get feedback on these through the platform. A few examples are those put forward by the bus and coach sector organisation regarding that green zone rules should be harmonised to the same standard in every Member State and in cities; that coaches should be excepted from road tax and congestion charges since they should be considered public transportation and that the technology used is harmonised so that coach businesses do not need to carry many separate solutions for road tax and congestion charges according to the various countries they pass through.

#### ***Streamlining SOLVIT***

SN also welcomes the Commission's intention to support and promote the streamlining of SOLVIT and to draw attention to the need for proper follow-up of recurring or structural cases that have not been solved through SOLVIT. We argue that preliminary rulings from SOLVIT should be available in regard to trade barriers and see problems with the requirement that companies must be able to show written notice of infringement from an authority before a case can be handled. We generally see the need for clearer procedures in regard to what information is required from a business in a SOLVIT notification to attest that a rule poses a trade barrier in a Member State. Furthermore, shorter and expressly set processing times for SOLVIT cases with national authorities are necessary.

#### ***Transparency for gold-plating***

Something that SN thinks is missing in the strategy document are measures designed to follow up the occurrence of so-called 'gold-plating' when EU legislation is transposed and implemented at national level. While Member States are entitled to exceed the minimum level imposed through EU Directives in their implementation, the lack of uniform implementation leads to a fractured Single Market in practice. We seek transparency in this area. This would include that Member States should be required to justify any gold-plating and explain the reasons why as well as the effects any added provisions are likely to have on the affected business. Such explanations could be included in an impact assessment prepared in conjunction with the implementation. This information would then be shared at EU level. We had hoped this consideration would be included in the new Inter-institutional Agreement, but are disappointed that the language in the final agreed version of the text is entirely too weak on this point. SN, therefore, is of the opinion that the issue of transparency for questions of gold-plating must still be addressed.

#### **4.2 Improving the delivery of the Services Directive by reforming the notification procedure**

SN shares the Commission's view that the current notification procedure for services has many shortcomings, and must be improved. We, therefore, support the Commission proposals in this regard. A transparent, practical notification procedure that is applied by all Member States is highly important in ensuring that national special rules governing services can be questioned and avoided.

### **4.3 Strengthening the Single Market for goods**

#### ***Mutual Recognition***

SN welcomes the Commission's intention to take action to improve the application of the principle of mutual recognition. A possible review of the Mutual Recognition Regulation must, however, be based on careful analysis of the evaluation that has been carried out of the application of the principle and on consultation with stakeholders. We support the objective of transferring the burden of proof from businesses to national authorities in regard to whether products are (or are not) covered by the principle of mutual recognition.

Trade barriers that arise in several Member States due to national labelling requirements, and which affect many businesses, must be highlighted and removed. Among other things, SN demands clear criteria for mandatory labelling. Faulty or flawed harmonisation of product labelling causes significant costs and administrative burdens for businesses. As part of its efforts in this regard, the Commission should consider creating a database including information about which labelling requirements for non-food products that are in force at national level and about which the applicable EU rules are.

A similar problem exists for labelling of foodstuffs in regard to both mutual recognition and national special rules. We see a significant need for improvement in this regard in order to achieve a fully functioning Single Market. The Commission must, therefore, also take action against requirements for designations of origin on foodstuffs that many Member States have implemented. Many other national labelling requirements also present barriers to trade in foodstuffs, such as various types of health marking. Differing excise duties on certain categories of foodstuffs also create confusion and raise barriers to imports from other Member States.

#### ***Keeping illegal products from the market***

In regard to keeping illegal products out of the Single Market, SN asks for more information about how the Commission's proposed actions relate to the initiatives to update the regulatory framework for consumer product safety and market surveillance that were introduced in 2013. We welcomed that initiative in general, but strongly opposed unjustified requirements for mandatory origin labelling contained in the proposed regulatory package. Such requirements would only cause added regulatory costs for businesses while still not addressing the actual problems involved. SN supports efficient co-operation between the Commission and those national authorities responsible for market surveillance. However, we are sceptical to the proposed system requiring businesses to register their products to demonstrate they are approved in a Member State. We see that such a system easily becomes mandatory in practice, while market surveillance then concentrates only on products that are registered, rather than on supervising all products on the market.

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The Confederation of Swedish Enterprise and our members will continue our active efforts to contribute to improving the Single Market. We look forward to continuing dialogue and constructive collaboration with the Commission and with government at national level as the measures contained in the Single Market Strategy are turned into concrete actions.

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