EUROCHAMBRES

Factsheet – EUROCHAMBRES REPORT ON THE SINGLE MARKET

What is the objective of this survey and what insights does it provide?

A EUROCHAMBRES survey from 2018 showed that 70% of enterprises are not pleased with the current state of the Single Market. Needless to say, this figure is far too high.

As the von der Leyen Commission takes office, it is clear that a substantial part of the Single Market's potential is yet to be unleashed. Protectionism, also inside the European Union, is on the rise again which puts the Single Market and the enforcement of its rules under pressure.

Not in the least, EUROCHAMBRES notes a fatigue among policy-makers to renew and revitalize the Single Market. This puts the economic prosperity of European businesses and citizens at risk, as well as our competitiveness at the global stage.

The report including all the results is supposed to be read as a message from the European businesses to the European institutions and to prompt them to action.

Who participated in the survey?

1107 businesses from all **EU Member States** (except the UK) have participated in the survey. They are from **different sectors and different sizes**. They delivered answers in an anonymous way between 2 September and 2 October.

Here are some figures about the composition of the respondents:

- 45.8% are producers and 54.2% are service providers.
- 31.3% have less than 10 employees, 24% between 10 and 49, 23.2% between 50 and 249 and 21.5% have more than 250 employees.
- 77.1% of respondents already trades cross-borders in the EU, while 8.9% would like to but doesn't yet. 13.9% doesn't and has no plans to do so.
- 30.4% of respondents trade online.

How was the survey done?

EUROCHAMBRES, together with the Chambers of Commerce and Industry, have set up a survey including 3 sections.

- ☑ The first section concerned the perceived obstacles to trade in the Single Market. Businesses were asked in this section to give their perception on 16 suggested obstacles, rating them from "very significant" to "insignificant".
- ☑ The second section followed the same logic with a list of 16 suggested solutions to the obstacles, which the businesses could rate from "extremely helpful" to "unhelpful".
- ☑ The final section focused on what business do in case of an infringement of their Single Market rights. Several non-mutually exclusive options were given to them.

What are the main obstacles in the Single Market?

1. Complex administrative procedures - **79.5%**
2. Different national service rules - **71.6%**
3. Inaccessibility to information on rules and requirements - **69.1%**
4. Different national product rules - **67.0%**
5. Different contractual/legal practices - **65.6%**
6. Concerns about resolving commercial or administrative disputes, because of deficits in legal protection before national or EU authorities and courts - **60.5%**
7. Differing VAT procedures - **60.4%**

What are the main solutions to the obstacles in the Single Market?

13 out 16 suggested solutions have an approval rating above 70% (means that the respondents said it was either "extremely helpful" or "helpful").

91.2%
Cutting red tape e.g. extensive reporting, information or documentation obligations.

86.5%
Better and clearer information on a single EU online portal in different languages concerning all necessary procedures and formalities to operate in another EU country.

85.0%
Administrative simplification for trading goods and services in other EU Member States by making available a maximum number of procedures through an online web portal.

83.0%
Improved implementation of EU law via more cooperation between Member States and EU Commission on enforcement.

82.5%
Take greater account of the impact of new regulations on small and mid sized enterprises.

81.6%
Ensure better legal protection before national and European authorities and courts in case of breaches of EU rules.

78.2%
Creation of a single point of contact in the home country, certifying your company's eligibility to provide services in your home country, in order to facilitate proof of eligibility in other EU countries.

77.5%
Harmonization of national regulations and standards such as product design and licensing requirements.

77.5%
A standardized EU-wide VAT declaration in your native language.

75.0%
Increased action against national measures that make it more difficult for foreign companies than domestic ones to establish themselves on their local market.

73.5%
A single EU-wide repository where you can enter company data and documentation required for public tender processes in order to avoid multiple requests for the same information.

71.2%
Harmonization of national regulations on (online) consumer protection.

70.2%
Stop requiring A1 portable document forms for business trips abroad .

Are there differences between Service providers and producers?

Yes. Service providers have a markedly more negative view of the current state of the Single Market. The percentages about the barriers are consistently higher for 13 out the 16 suggested obstacles. This makes sense as the services sector is much less integrated than the Single Market for goods.

Are there differences between companies of different sizes?

Yes. The results suggest that 86.4% of small and medium-sized companies want that legislation is better adapted to their needs. Bigger companies seem to have more issues the portable A1 document required by national administrations when sending workers abroad for business trips. They have more issues with this related to the fact they are more active in markets other than their domestic one.

Are there differences between companies already exporting in the EU and the ones who are not?

Yes. The companies not exporting yet but willing to consistently perceive higher barriers to trade than those already active in the Single Market. They especially see higher barriers with regards to differences in national consumer laws, arbitrary procurement practices and a lack of information about potential business partners abroad.

What are EUROCHAMBRES policy priorities for the 2019-2024 legislative term?

We have lined up 8 priorities, based on the responses of the 1107 participating companies. They are described in more detail in the final report.

- ☑ Commit to the Single Market in actions and not only in words
- ☑ Improve the implementation and enforcement of Single Market law
- ☑ Reduce complexity through better information online and digitalisation
- ☑ Make the development of the Single Market for services the no° 1 priority
- ☑ Provide a better legal framework adapted to the needs of SMEs
- ☑ Boost the capacity of problem-solving services like SOLVIT
- ☑ Reduce bureaucratic burdens by asking less administrative documents
- ☑ Harmonize national regulations, while respecting the country of origin principle

About EUROCHAMBRES

EUROCHAMBRES represents over 20 million businesses in Europe through 46 members (43 national associations of chambers of commerce and industry and two transnational chamber organisations) and a European network of 1700 regional and local chambers. More than 93% of these businesses are small and medium sized enterprises (SMEs). Chambers' member businesses employ over 120 million.

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