

EU today:

21 million European companies, 175 million jobs and 500 million consumers. Expand, buy, sell, create, invest and hire throughout the European Union and beyond - think and act globally.



Single Market in Europe

The internal market of the European Union is a Single Market in which the free movement of goods, services, capital and people is ensured and in which European citizens are free to live, work, study and do business. Since it was created in 1993 (under the leadership of Jacques Delors), the single market has opened more to competition, created new jobs, defined more affordable prices for consumers and enabled businesses and citizens to benefit from a wide choice of goods and services.

How does it work?

- **Free movement of people** (abolition of internal border controls and asylum policy)
- **Free movement of workers and goods**
- **Free movement of capital, law relating to undertakings** (company law, intellectual property law and immigration and the right of nationals of third countries)
- **The right and freedom to establish and provide services.**

The free movement of goods, money and people does not happen smoothly everywhere and all of the time. Legislation is missing in some places and there are administrative obstacles in some EU countries. Nevertheless, the Single Market is one of the European Union's greatest achievements, because it has opened up new opportunities for companies and people within the European Union. **A strong and successful Single Market should create jobs and address issues of social protection and environmental sustainability.**

The Single Market today

All border controls within the EU on goods have been abolished together with customs controls on people, which are possible due to the Schengen Agreement (1985). Random spot checks by police (part of the fight against crime and drugs) still take place when necessary. Ireland, the United Kingdom, Cyprus, Bulgaria and Romania do not participate in the Schengen Agreement.

For the majority of products, EU countries have adopted the principle of mutual recognition of national rules. Any product legally manufactured and sold in one Member State must be allowed to be placed on the market in all other Member States. The service sector has also been liberalised. Nevertheless, the freedom of movement for people is not yet complete. Action has been taken to improve worker mobility, and particularly to ensure that educational diplomas and job qualifications (for plumbers, carpenters, etc) obtained in one EU country are recognised in all others.

Single VAT payment

On 29 October 2004 the European Commission put forward a proposal that simplified the obligations on value added tax (VAT). This system uses the single number VAT for all deliveries to be achieved in the whole EU territory, with a declaration of VAT in a single electronic portal. This way, it provides a "one-stop-shop" system for merchants to fulfil all their VAT obligations in one place. It gives marketers the ability to use the VAT number by which they are identified in their respective Member States for all deliveries to be made in another.

Competition

The competition puts businesses under constant pressure to offer the best possible range of goods at the best possible prices. In a free market business should be a competitive game and the consumers benefit from lower prices, better quality of products, more choices, innovation in products and services, etc. The Common Competition Policy sets out the rules on free trade within the European Single Market. This policy is implemented by the European Commission which, together with the Court of Justice, is responsible for ensuring that it is respected.

The reason for this policy is to prevent any agreement between businesses, any aid from public authorities or any unfair monopoly from distorting free competition within the Single Market. In the case of illegal public aid, or failure to notify such aid, the European Commission may demand that it be paid back by the recipient. The European Commission must be notified of any merger or takeover that could lead to a company having a dominant position in a particular sector.

What does the Single Market bring to the citizens?

- Freedom to travel, work and live
- Better quality of food and protection of consumer rights
- A better quality of life in general

Find more information at
EU Info Centre
Dečanska 1 (Dom omladine)
11000 Belgrade, Serbia
Mon - Fri: 10:00 - 19:00
Sat: 10:00 - 15:00



Consumer Policy

The EU's consumer policy allows its citizens to shop in confidence in any Member State. All consumers benefit from the same high level of protection. The products you buy and the food you eat are tested and checked to make sure they are as safe as they can be. The EU acts to make sure that you are not cheated by rogue traders and are not the victim of false or misleading advertising. Consumer's rights are protected and you have access to a refund wherever you are in the EU, whether you buy your goods in a shop, by mail-order or via the telephone and internet.

Thanks to the Single Market, the single currency and electronic commerce, citizens can shop in confidence across the European Union in shops and online. Protecting consumers, their interests and their safety is an essential part of the EU's overall objective to improve the quality of life of all Europeans. That is why the EU strives to ensure that whatever you decide to buy, and wherever you are in the EU, you are protected by key basic principles of consumer protection, financial services and consumer credit. Customer protection includes:

- price transparency and product guarantees;
- food safety rules, regarding animal health, food chain control, food additives, labelling, etc.;
- specific measures for toys safety, electrical appliances and lighting equipment safety and quality;
- fair business practices, price indicators and labelling;
- protection against unfair contract terms and business practice (misleading and comparative advertising, aggressive door to door selling);
- good financial services and consumer credits;
- protection of air travel passengers, regarding flight information, delays, cancellations, overbooking and baggage;
- regulations about distance and doorstep selling, timeshares and package holidays;
- regulations against piracy and counterfeiting.

The Single Market also reinforced the financial services and electronic commerce. With the growth of the online market, the EU also provides guidelines for good online business practices and rules to cover all aspects of consumer credit and non-cash means of payment. Consumers' interests and benefits are already factored into legislation to liberalise key public services like transport, electricity and gas, telecommunications and posts. The new laws ensure that the public continues to enjoy universal access to high quality services at affordable prices.

What's in it for me?

The Single Market brings many benefits to EU citizens. The key one is the freedom of choice. EU citizens can choose where they wish to travel, live, study or work regardless of their nationality. Changing countries has become much easier; academic and professional qualifications are recognised across the EU, and most social and pension protection rights as well as health care are guaranteed. Prices for air

travel and telephone calls are lower; mobile phone costs have come down by 70%, and the cost of airline tickets dropped by 40%. Traveling and transport have become easier as you don't have to worry about the driving licence or insurance validity wherever you are in the EU. Increased competition has brought more choices and made travel more affordable overall.

Also, with the new Single Market there is less bureaucracy. It has been greatly reduced, in particular for small and medium sized enterprises (SMEs). There is no bureaucracy at internal EU borders, no customs duties or tariffs. Setting up a business and trading across EU is no longer complex and time consuming as before. In the new Single Market businesses have a huge potential market at their disposal.

In Conclusion

The advantages of the Single Market are clear. Yet there is more work to be done. The European Union continues to work towards further simplification of the regulations in order to ensure that Europe's citizens, consumers and businesses get the maximum benefits from its existence. That is why the European Commission adopted the Single Market Act; a series of measures to boost the European economy and create jobs. Confidence and social progress in the Single Market also need a strong boost to help stimulate economic growth. The work continues in partnership with national governments, the European Parliament and civil society actors to tackle the remaining barriers.

The Single Market Act is an ambitious political programme and commitment. At the end of 2012, we will celebrate the 20th anniversary of the Single Market, and 20 years of delivering results for Europeans.

Importantly, by then, we should be prepared for the new economic challenges that will shape the new Single Market strategy in the years to come.



EU Info Centre

Dečanska 1 (Dom omladine)
Belgrade, Serbia
T: +381 (11) 3221 996
E: info@euinfo.rs
W: www.euinfo.rs



Delegation of the European Union to Serbia

19a Avenue, Vladimira Popovića 40/V,
New Belgrade, Serbia
T: +381.11.3083200
E: delegation-serbia@eeas.europa.eu
W: www.europa.rs