



30 years of EU Single Market

Achievements to date and future challenges

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#SingleMarket30

1. Intro: The Internal Market in brief

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THE SINGLE MARKET IN NUMBERS



The Single Market accounts for **15% of global GDP** offering **goods** and services to more than **440 million European citizens**



17 million Europeans live or work in an EU country other than their own



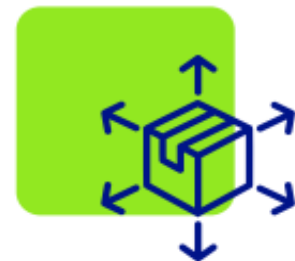
The benefits of removing Member-State-level barriers to the Single Market for goods and services alone could amount to **EUR 713 billion** by the end of 2029



It is home to **23 million businesses** which employ nearly 128 million people



The **EU accounts** for around **16.2% of the world's trade in goods and services**



Services account for around **70% of the EU's GDP** and around 73% of total employment

Advantages, governance and vision

Advantages

- Free movement of goods, services, people and capital
 - EU legislation replaces 27 national legislations
 - Single currency
 - Policies protecting consumers and workers
 - Economic weight = increased bargaining power
 - Safety net in case of crisis (e.g. sub-primes, debt, energy)
-

Governance

- Common customs tariff
 - Competition policy
 - Governance tools to implement legislation
-

Vision

- Green and sustainable economy
- Digitalization of the economy
- Reduction of strategic dependencies

Governance (1/2)

The proper functioning of the IM depends on effective implementation of its rules!

Monitoring tool: Single Market Scoreboard

➤ Country data for Spain

Payment delays (22 days for Spanish authorities and 53 for b2b)

Responsive administration and burden of regulation:

Digital public services to start and run a business (93.6% -100% = best performing)

Access to public procurement

Access to services and services markets

Access to finance

➤ 16,6 % of SMEs indicating deterioration compared to 11.3% (EU average)

Governance (2/2)

INFORMATION AND ADVICE:

- 'Your Europe': information site for citizens and businesses
- Your Europe Advice': tailor-made information service

COOPERATION / ACTION

- **SOLVIT**: a network to help citizens and businesses solve problems caused by incorrect transposition of EU law by an administration from another country
- **SMET**: cooperation between the Commission and the Member States in removing obstacles to the IM
- measures to remedy infringements of Union law

2. Challenge

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Challenge 1: Digital Economy

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Digital economy (1/2)



Problem 1: Dominant position of certain large platforms

EU response: Regulate their economic activities to ensure that they behave in a fair way online - **Digital Markets Act**

Concretely: obligations for 'gatekeepers' to:

- allow user companies to trade outside their platform
- prohibit tracking of users outside the platform service for targeted advertising purposes
- prohibit the promotion of their own services and products to the detriment of those offered by third parties on their platform

Digital economy (2/2)



Problem 2: Online distribution of illegal products and content

EU response: Eliminate illegal content (hate, child pornography, terrorist, fake news...) and illegal products (counterfeit or dangerous) - **Digital Service Act**

Concretely: obligations for online platforms, e.g. to provide:

- user **alert systems**
- systems to **protect minors**
- systems to **protect personal data**

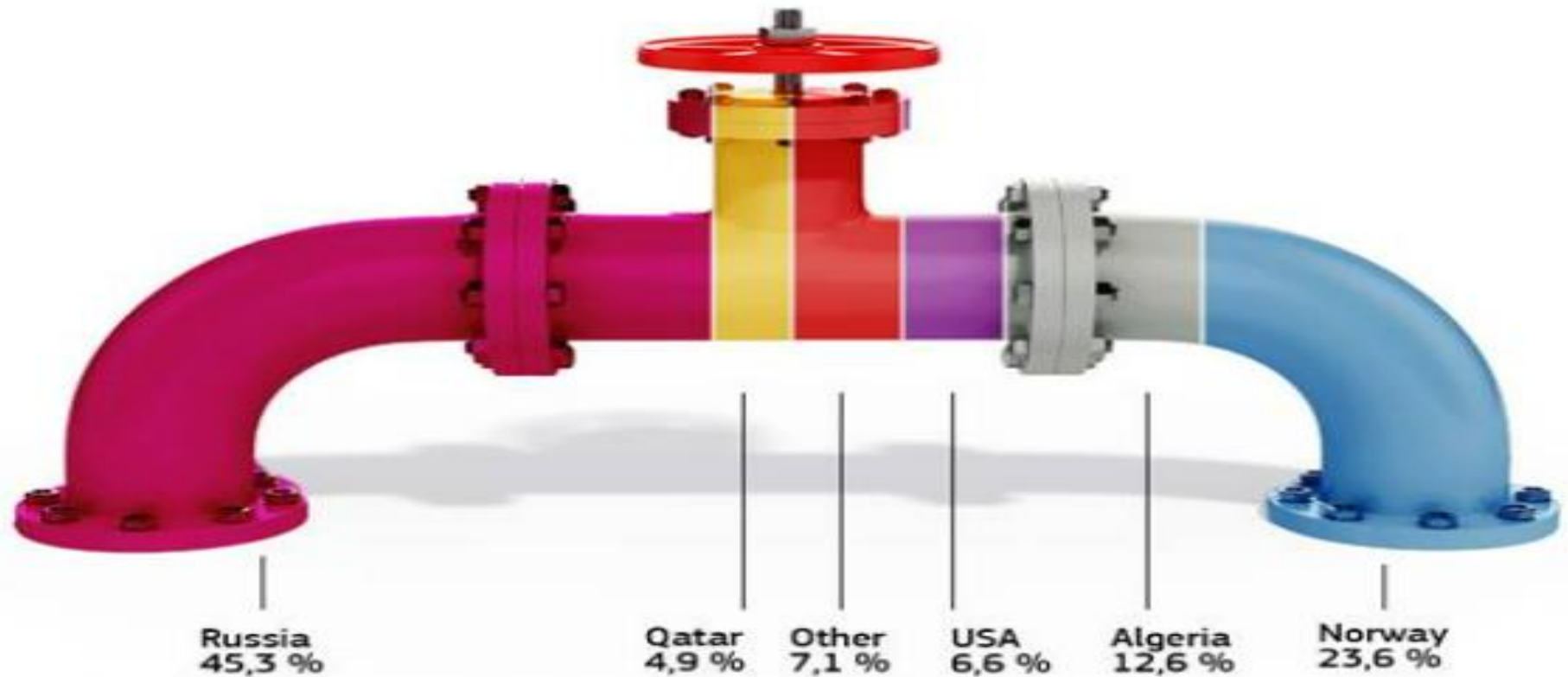
Challenge 2: Industry

Energy
Semiconductors
Critical raw materials
Green technologies

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Energy (1/2)

Share in EU natural gas imports, 2021



Source: European Commission

Energy (2/2)



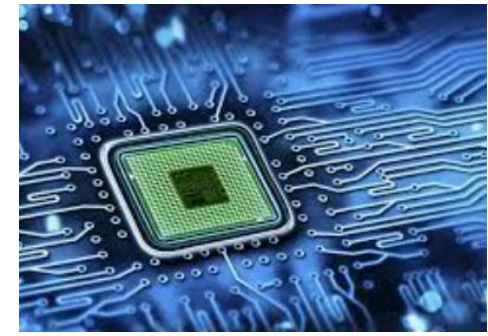
Problem? Risk of shortage, price increase (impact on industry and citizens)

EU response: secure energy supply at reasonable prices - **REPower EU (2022)**

Concretely: e.g. series of measures

- diversifying **gas** supply
- increase production and import volumes of **biomethane** and **hydrogen**
- increase the use of **renewable energy** and **electrification**

Semiconductors



What? Semi-conductor chips are essential components of electronic products manufactured in Europe

Problem? dependency on Asia + risk of shortages

EU response: securing the supply of semiconductors - **Chips Act**

Concretely: investments of €43 billion to produce in Europe (objective: **20%** of world production by 2030)

Progress: On 1 February 2023, the American Wolfspeed Group and the German equipment manufacturer ZF announced the construction of "the world's largest factory" in Saarland to produce silicon carbide chips

1 trillion

microchips were
manufactured around
the world in 2020

10%

EU's share of the
global microchips
market

Critical raw materials (1/2)



What? Certain metals and minerals (e.g. lithium, cobalt, graphite, silicon, etc)

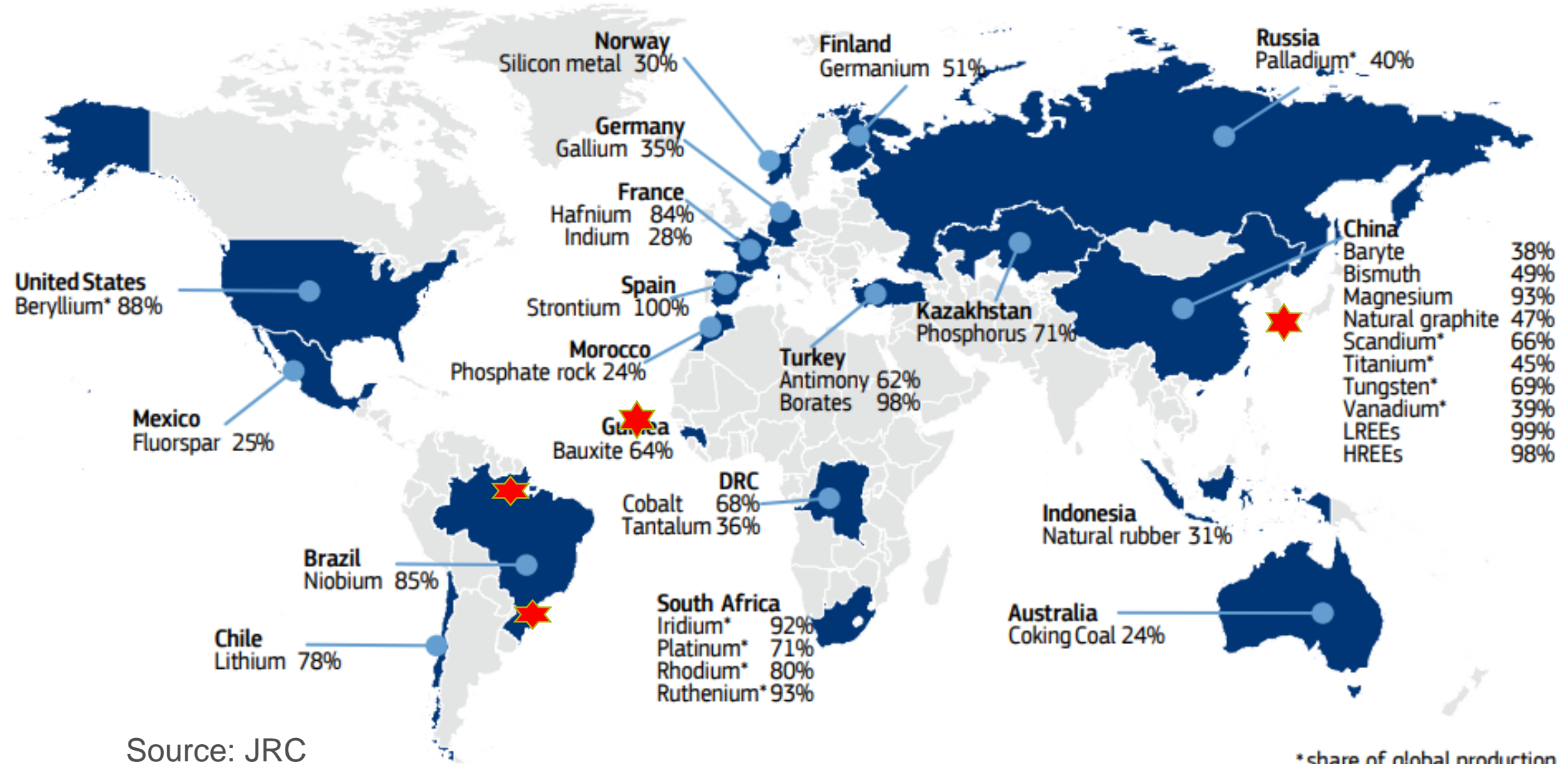
- **uses:** electric car batteries, photovoltaics, semiconductors
- **strategic sectors:** green industry, digital, automotive, defence, space

Problem ? growing world demand, EU dependency, rising prices

EU response: Diversification, exploitation of European deposits, recycling - **Critical Raw Material Act (2023)**

Critical raw materials (2/2)

Figure 5: Global suppliers of EU critical raw materials⁴⁶



Source: JRC

* share of global production

Green technologies (1/2)

What ? Clean energy technologies, low pollution (ecology + fast growing market)

Sectors: Photovoltaic, hydrogen fuel cells, wind power, biogas/biomethane, batteries, carbon capture, heat pumps



Solar photovoltaic
and solar thermal



Electrolysers
and fuel cells



Onshore wind and
offshore renewables



Sustainable
biogas/
biomethane



Batteries
and storage



Carbon capture
and storage



Heat pumps and
geothermal energy



Grid technologies

NET-ZERO TECHNOLOGY TRENDS

⋮ represent

The net-zero technology global market is worth about **€600 billion per year by 2030**

3x key mass-manufactured net-zero technologies expected by 2030


The EU net-zero ecosystem **doubled in value from 2020 to 2021**, reaching €100 billion

Deployment of renewables will **nearly quadruple by 2050**


Deployment of heat pumps will increase **6-fold by 2050**

Global production of electric vehicles will increase **15-fold by 2050**

EU Response: Net-zero industry Act (2023)



Simplifying
the regulatory
framework for
net-zero technologies



Scaling up
manufacturing
of net-zero
technologies



Fostering
competitive and
resilient European
net-zero industry

Conclusions:

Recurring problem: EU dependencies (energy, SC, critical raw materials, green technology components)


Risks:

- shortage (impact on production)
- price increase (impact on European competitiveness)

EU response?

- diversify supply (energy, raw materials)
- stimulate investments in Europe (SC, green technologies)
- recycle (energy, raw materials)

and also the **Skills agenda!**

A close-up photograph of a blue ballpoint pen writing the words "thank you" in a cursive script on a white piece of paper. The pen is positioned diagonally from the top right towards the bottom left, with its tip resting on the paper. The ink is a vibrant blue, and the handwriting is fluid and personal. The background is a plain, light-colored surface.

thank
you