

Section for Single Market, Production and Consumption

Contributions to EU policies

- The Section for the Single Market, Production and Consumption (INT) is part of the European Economic and Social Committee (EESC). Its main task is to draw up <u>opinions</u> at the request of the European Commission, the European Parliament and the Council, or on the EESC's own initiative.
- Its main areas of expertise include:
 - the EU single market;
 - the digital transition;
 - artificial intelligence;
 - competition policy;
 - industrial policy;
 - financial services;
 - small and medium-sized enterprises;
 - the social economy and circular economy;
 - company law;
 - consumer protection;
 - research and innovation; and
 - the EU customs union.

Sandra Parthie
President

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Section for the Single Market,
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- Events are held in order to consult a wide range of civil society organisations.
- The section is made up of 130 members, who are nominated by the governments of the 27 EU Member States for a renewable 5-year term of office. They are divided into three groups: employers, workers and civil society organisations.
- The European Economic and Social Committee is a <u>consultative body</u> established by the
 Treaty of Rome in 1957 to allow, through its opinions, the voices of economic and social
 actors to be heard by the European institutions, and thus participate in the European
 Union's decision-making process.





The European Single Market

In **2023**, the **European Single Market**, one of the most significant achievements of the European project, **celebrated its 30th anniversary**. Since its creation in 1993, it has improved the lives of citizens, businesses and workers by boosting jobs and growth through the free movement of goods, services, people and capital in the EU. Today, it faces challenges related to the effects of the COVID-19 crisis, the digital transition, the war in Ukraine and the energy crisis. As regards these key issues, the work of the INT section and the EESC's opinions, continue to help make the single market one of the assets of the recovery and a sustainable, resilient and solidarity-based economy.

The EESC has adopted many opinions in the area of the Single market, in particular:

- A way forward for the deepening of the Single market through digitalization (25.10.2023)
- The Single Market at 30 how to further improve its functioning (27.4.2023)
- Evaluation of the State subsidy rules for health and social services of general economic interest (27.4.2023)
- <u>Single market emergency instrument</u> (14.12.2022)
- The cost of non-Europe the benefits of the single market (13.7.2022)
- <u>European Commission Communication A competition policy fit for new challenges</u> (18.5.2022)
- State aid rules applicable to health and social services SGEI in a post-pandemic scenario (18.5.2022)
- Commission Communication Single Market Enforcement Action Plan. Identifying and addressing barriers to the Single Market (15.7.2020)

- A Single Market for All (10.6.2020)
- Fostering an entrepreneurship and innovation friendly single market promoting new business models to meet societal challenges and transitions (17.7.2019)
- Regulation establishing the Programme for single market, competitiveness of enterprises and statistics 2021-2027 (17.10.2018)

Digital transition



The digital transition, one of the European Union's priorities, should be at the centre of our efforts, especially in order to guarantee a regulatory framework that removes barriers to online transactions and the processing and transfer of data, while protecting privacy and personal data, ensuring cybersecurity, fairness and fostering digital literacy and skills training.

In this context, the EESC has been the voice of civil society in areas such as the Digital Markets Act and Digital Services Act, semiconductors, the European strategy for data and artificial intelligence.

The EESC contributes to the debate on the digital transition through its opinions on:

- Further enhancing the EU's digital competitiveness (27.4.2023)
- Interoperable Europe Act (22.3.2023)
- Commission Communication Strategic Foresight Report 2022 (22.3.2023)
- Regulation on data collection and sharing relating to short-term accommodation rental services (22.3.2023)
- Regulation on horizontal cybersecurity requirements for products with digital elements (14.12.2022)

- Digital sovereignty: a crucial pillar for EU's digitalisation and growth (26.10.2022)
- European Health Data Space (21.9.2022)
- Data Act (15.6.2022)
- <u>Digital Decade Principles Digital rights and principles</u> (15.6.2022)
- EU 2030 Policy Programme "Path to the Digital Decade" (19.1.2022)
- <u>Digital transformation opportunities for retail companies and its advantages for European</u> <u>consumers</u> (8.12.2021)
- Upgrading inclusive, secure and trustworthy digitalisation for all (7.7.2021)
- Commission Communication 2030 Digital Compass (7.7.2021)
- Regulation on European data governance (27.4.2021)
- Digital Markets Act (27.4.2021)
- The EU's Cybersecurity Strategy for the Digital Decade (27.4.2021)
- Regulation on a computerised system for communication in cross-border civil and criminal proceedings (e-CODEX) (27.4.2021)
- Commission Communication Digitalisation of Justice (27.4.2021)
- The digital single market trends and opportunities for SMEs (18.9.2020)
- Commission Communication Shaping Europe's Digital Future (15.7.2020)

Artificial intelligence

Artificial Intelligence (AI) has huge potential to create new and innovative solutions in order to improve the lives of citizens, to secure the growth of the economy and to respond to challenges in the areas of health and wellbeing, climate change and security. It also brings risks and complex societal challenges to several areas such as work, security, privacy, ethics and skills.

The EESC was one of the first institutions to address these issues through its <u>own initiative</u> <u>opinion</u> adopted in 2017. Since then, it has organised several events on this issue to allow civil society to be heard by EU policymakers.

Opinions adopted by the EESC in this area:

- Artificial Intelligence Liability Directive (25.1.2023)
- Developing Artificial Intelligence in European micro, small and medium-sized enterprises (MSMEs) (19.1.2022)
- Regulation laying down harmonised rules on artificial intelligence (22.9.2021)
- Fostering a European approach to Artificial Intelligence (22.9.2021)
- Regulation on machinery products (22.9.2021)
- <u>Digital Services Act</u> (27.4.2021)
- White Paper on Artificial Intelligence (15.7.2020)
- <u>Commission Communication Building Trust in Human-Centric Artificial Intelligence</u> (30.10.2019)
- Blockchain and the Single Market (30.10.2019)
- <u>Commission Communication Coordinated Plan on the development of Artificial Intelligence</u> (15.5.2019)
- Commission Communication Artificial intelligence for Europe (19.9.2018)
- Artificial intelligence: anticipating its impact on jobs to ensure a fair transition (19.9.2018)
- <u>Artificial intelligence</u> (31.5.2017)

Observatory of the Digital Transition and Single Market (DSMO)

The Observatory of the Digital Transition and Single Market was set up in October 2020, with a view to providing the EESC with a structure enabling it to analyse how the digital single market operates, to identify shortcomings and obstacles and to propose solutions.

The Observatory is composed of 24 members and focuses on the development of the EU Single Digital Market. It covers the activities of the EESC related to artificial intelligence and the digital agenda.



Louise Grabo
President
Digital Transition and
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Industrial transition and strategic autonomy

In 2022, the European Union was ranked third in the world as an industrial powerhouse, behind China and the United States. European industry is one of the pillars of the EU economy. In 2022, it accounted for approximately one quarter of European GDP. However, its influence is gradually shrinking. The EU needs to respond by strengthening the single market, by promoting and maintaining a competitive industrial base, financing the transition to a sustainable and carbon-neutral industry and by ensuring access to affordable resources, raw materials and affordable fossil-free energy. In light of this, it is also crucial to take into account the interests of workers.

In this context, the concept of open strategic autonomy has become a key part of European industrial policy.

The EESC has made recommendations on these matters in many of its opinions:

- Commission Communication Long-term competitiveness strategy (13-14.12.2023)
- Competitiveness and Industry (25.10.2023)
- Regulation establishing the Strategic Technologies for Europe Platform (STEP) (20.10.2023)
- For a resilient, sustainable and responsible European Union supply chain of critical raw materials (20.10.2023)
- Green Deal Industrial Plan and Net-Zero Industry Act (13.7.2023)
- A competitiveness check to build a stronger and more resilient EU economy (14.12.2022)
- Commission Communication A Chips Act for the EU (15.6.2022)
- Regulation on semiconductors (15.6.2022)
- Regulation on Chips Joint Undertaking (15.6.2022)
- How will the industrial ecosystems identified contribute to the strategic autonomy of the EU and the well-being of Europeans? (19.1.2022)
- Commission Communication Updating the 2020 New Industrial Strategy (20.10.2021)
- Industrial transition towards an green and digital European economy (2.12.2020)
- Commission Communication A New Industrial Strategy for Europe (15.7.2020)



Promoting entrepreneurship, SMEs and social entrepreneurship

Small and medium-sized enterprises (SMEs) drive the European economy. They account for 99 % of all businesses in the EU and employ around 100 million people. A favourable environment for SME development, and entrepreneurship, are essential for ensuring economic growth, innovation, employment and social inclusion.

The Section is very active in these areas and has adopted the following opinions:

- <u>Strengthening MSMEs' financial resilience and promoting second chance for entrepreneurs</u> (25.10.2023)
- Modern Business Responsibility Avenues for Elevating MSMEs' Ability for Successful Transformation (25.10.2023)
- <u>Patent package</u> (20.9.2023)
- <u>Directive to further expand and upgrade the use of digital tools and processes in company law</u> (14.6.2023)
- <u>Directive harmonising certain aspects of insolvency law</u> (22.3.2023)
- Regulation on Community designs (22.3.2023)
- Business transfers as promoters of sustainable recovery and growth in the SME sector (22.9.2022)
- SMEs, social economy enterprises, crafts and liberal professions / Fit for 55 (21.9.2022)
- <u>EU Standardisation Strategy</u> (18.5.2022)

- Next Generation SME Strategy Enhancing Effective and Swift Delivery (19.1.2022)
- Reconciling ambitious sustainable and social objectives with an enabling environment for micro, small and medium-sized enterprises (20.10.2021)
- <u>Commission Communication on an SME Strategy for a sustainable and digital Europe</u> (16.9.2020)
- Directives on European company law (17.10.2018)

For years, the EESC has also played an important role in promoting social entrepreneurship and the social economy. It has carried out many activities and adopted several opinions on these issues:

- Social economy package (25.10.2023)
- Commission Communication EU action plan for the social economy (26.8.2022)
- <u>Innovative financial instruments as part of the development of social impact companies</u> (19.1.2022)
- The role of the social economy in the creation of jobs and in the implementation of the European Pillar of Social Rights (27.4.2021)
- Strengthening non-profit social enterprises as an essential pillar of a socially equitable Europe (18.9.2020)
- Blockchain and distributed ledger technology as an ideal infrastructure for the social economy (17.7.2019)
- <u>Towards an appropriate European legal framework for social economy enterprises</u> (19.6.2019)
- Social economy enterprises' contribution to a more cohesive and a democratic Europe (15.5.2019)
- Social economy enterprises as a driver for migrant integration (23.5.2018)



The European Social Economy Enterprise Day deserves a special mention. The aim of this participatory event, which has been organised by the INT Section since 2016, is to give the floor to representatives of the social economy sector to shed light on the actions that need to be taken in order to develop an ecosystem conducive to their growth.

In this context, the EESC's call (in the Strasbourg Declaration 2019) for an **action plan** to support the social economy, was heard by the

European Commission who launched such an action plan in 2021. In its opinion on the Action plan for the social economy (18.5.2022), the EESC made proposals to further enhance this action plan. The social economy could become a key player in the transition towards a more sustainable and resilient world.

Consumer protection and the green transition

Protecting consumer rights and promoting a sustainable society are among the priorities of the EESC. The Committee has played a key role and taken a position on the following:

- Advertising through influencers and its impact on consumers (13.7.2023)
- Directive on common rules promoting the repair of goods (14.6.2023)
- Green Claims Directive (14.6.2023)
- Product liability Directive (25.1.2023)
- Instant payments regulation (22.2.2023)
- Directive on Financial services contracts (21.9.2022)
- <u>Directive on empowering consumers for the green transition through better protection</u> against unfair practices and better information (13.7.2022)

- Directive relating to the making available on the market of radio equipment (8.12.2021)
- Directive on consumer credits (20.10.2021)
- Advertising for modern, responsible consumption (20.10.2021)
- Product Safety Directive (20.10.2021)
- Review of the Roaming Regulation (7.7.2021)
- Commission Communication New Consumer Agenda 2020-2025 (27.4.2021)
- Commission communication on a Retail Payments Strategy for the EU (24.3.2021)

Every year since 1999, the INT Section has organised the **European Consumers Day**, in close



cooperation with the European Commission and the acting presidency of the Council. This event allows consumers, businesses and politicians to discuss problems relating to consumption and production within the single European market. The European Consumers Day is held either at the EESC headquarters in Brussels, or in the Member State holding the presidency at this time.

Following the 23rd edition of the European Consumers Day on 17 November 2022 on "Empowering"

consumers for a more sustainable world", the EESC sent the European Commission the recommendations put forward by civil society.



The EESC plays a key role in promoting the circular economy, in particular through the **European Circular Economy Stakeholder Platform** – a joint initiative of the EESC, European Commission and stakeholders in the sector. Since 2017, this platform has facilitated policy dialogue between stakeholders, including during its <u>annual conference</u>, and shares best practices, strategies and information on upcoming EU events.

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In addition, the EESC was one of the first institutions to launch the debate on **collaborative consumption** and the **collaborative economy**.

The EESC has adopted the following opinions in these areas:

- Revision of textile labelling regulation (12.7.2023)
- Towards circular public procurement (9.6.2021)
- New Circular Economy Action Plan (15.7.2020)
- Consumers in the Circular Economy (17.7.2019)
- New sustainable economic models (18.10.2017)
- The functional economy (14.12.2016)



Research, development and innovation



Research and innovation are essential assets for the development and competitiveness of European businesses. They are key to creating jobs and facing big challenges in areas such as health, ageing, security, pollution and climate change.

Aware of the importance of this aspect, the European Union has set up framework programmes for research and development with a view to supporting innovation.

The INT section actively participated in a debate on a <u>new European Research Area (EER)</u> (24.3.2021), which aims to create a single market for research and innovation and foster the competitiveness of European industry. It also issued opinions on: <u>the European High-Performance Computing Joint Undertaking</u> (27.1.2021), <u>Joint undertakings under Horizon Europe</u> (9.6.2021), <u>the Pact for Research and Innovation in Europe</u> (23.2.2022) and on <u>a New European Innovation Agenda</u> (14.12.2022).

At the request of the European Commission, it contributed to the <u>ex post evaluation of Horizon</u> 2020 (23.3.2023).

The EU Customs Union

Established in 1968, the EU Customs Union provides for the free movement of goods imported into the EU, harmonises customs duties on imported goods and ensures that they are safe for people, animals and the environment. To improve the functioning of the Customs Union, the Commission put forward proposals on which the EESC has expressed its opinion on both the: Customs Union Action Plan (24.3.2021) and the EU Single Window Environment for Customs (24.3.2021). In 2023, the EESC adopted an opinion on the Customs Reform Package.

FOR MORE INFORMATION

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