

Research Paper on The Cost-of-Non-Europe in the Single Market for Services

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How the report tries to support IMCO :

1. Provides the 'design' of the I.M. for services, with its underpinnings
2. Identifies gaps/ deficits in the services I.M.
3. And the related deficits in the 'proper functioning' of the single services market
4. Surveys the quantitative and qualitative economic gains of overcoming the 'Costs of Non-Europe [items 2 + 3]

Holistic view of internal services market acquis

Treaty 'chapeau'

- General TFEU obligations
- free movement & right of establishment
- EU competition policy
- EU regulation & European standards

horizontal services regime

- horizontal services directive (2006/123)
- public procurement, works & concessions
- infrastructures for network industries
- appropriate, subsidiarity-driven EU powers in a two-tier Union (incl. Agencies)

sectoral services regime

financial markets

- banking
- insurance
- investment services
- asset mgt.
- financial stability

transport modes

- road haulage
- river/maritime
- bus/coach
- air/rail (see network section)
- EU regulation
- Agencies (safety)

network sectors

- broadcasting
- eCommunications
- gas (electra)
- postal
- air /rail transport

regulated professions

- diploma recognition
- link services dir
- EU-wide codes

temporary cross-border services & Dir 96/71

- posted workers
- no circumvention

sensitive sectors

- private security
- cross-border health (patients)
- gambling

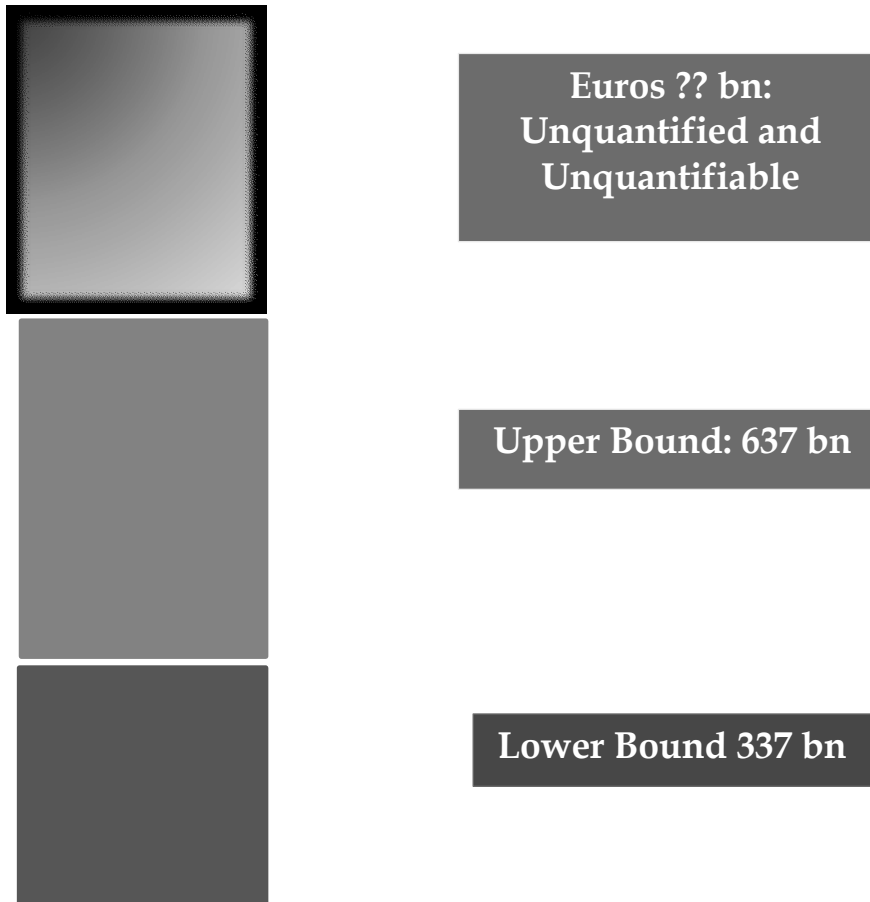
cross-cutting regimes for single market activities

- * internal retail market * digital single market *Internal market for logistics *Horizontal aquis

How to quantify the CoNE in Services?

Sector	Lower bound (bn)	Upper bound (bn)
Services directive	100	304
Financial markets	39.7	105.7
Rail freight	no estimation provided	
eComms	150	150
Gas and Electricity	47	77
Professionals Services	no estimation provided	
Retail	no estimation provided	
TOTAL	336.7	636.7

BUT.....



There are important CAVEATS to bear in mind..

- a) an apples & pears & oranges problem ; summing up very different studies is analytically incorrect
- b) studies use different internal market scenarios;
- c) end-dates of the assumed adjustment may be many years apart;
- d) based on different types of models
- e) some areas have not been quantified and other ones are probably not even quantifiable, yet, *they all matter*
- f) The proper design of the single services market has, so far, received little attention ; this is addressed and forms another, be it very different value-added