

(English version)

**Question for written answer E-000302/25
to the Commission
Dan-Ștefan Motreanu (PPE)
(23 January 2025)**

Subject: Addressing barriers in the EU single market for services

The 2025 annual report on the single market (on which articles have been recently published in the press) highlights a persistent issue affecting the EU's economic performance: falling productivity and enduring barriers to business. Despite progress in some areas, significant challenges remain, particularly in the services sector, which suffers the most from these barriers.

While trade in goods within the EU has increased from just over 20% of GDP to 23.8% between 2018 and today, trade in services has grown only marginally, from 7% of GDP to 7.8% during the same period. This disparity underscores the sluggish progress in creating a truly integrated market for services.

The report also notes that many of today's barriers to providing services are similar to those that existed two decades ago, indicating a lack of significant reform in this area. These barriers stifle competition, limit growth opportunities and hinder the EU's ability to fully realise the potential of its single market.

What short- and medium-term measures does the Commission plan to implement to address the persistent barriers in the single market for services and to promote a more integrated and competitive market?

Submitted: 23.1.2025

**Answer given by Executive Vice-President Séjourné on behalf of the European Commission
(24 April 2025)**

The Commission will present at the end of May 2025 an ambitious horizontal Single Market Strategy. The strategy will build on the Commission's extensive dialogue with stakeholders and the input received through a call for evidence.

The strategy will provide an overarching vision for the Single Market and announce concrete actions on the Single Market for services and goods as well as the horizontal functioning of the Single Market.

The Single Market for services will be one of the main focus areas of the strategy. Services within the Single Market account for 70% of EU Gross Domestic Product and employment.

Yet, the Single Market for services performs below its full potential. Intra-EU trade in services is less than one third of that in goods, and not higher than with third countries.

Despite an initial reduction of regulatory barriers following the transposition of the Services Directive ⁽¹⁾, around 60% of the barriers experienced by companies 20 years ago are still of the same type today.

Member States restrict access to more than 5700 regulated services, equivalent to one fifth of the labour force. Stakeholders call for a new impulse to reduce regulatory and administrative barriers to the free movement of services in the Single Market, such as sector-specific initiatives to complement horizontal services policies, lighter authorisation regimes and less or simplified declaration obligations as well as improved online information and less burdensome administrative procedures.

Especially given the current context of trade tensions, the growth potential of the Single Market needs to be unleashed. The European Single Market is a joint endeavour, unlocking its full potential requires action at both, EU and Member States level.

⁽¹⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32006L0123>