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REPORT

drawn up on behalf of the Committee on Economic and
Monetary Affairs and Industrial Policy

on consolidating the internal market

PART A : MOTION FOR A RESOLUTION

Rapporteur: Mr G. PATTERSON

PE 97.702/fin./A

By letter of 27 September 1984, the Committee on Economic and Monetary Affairs and Industrial Policy requested authorization to draw up a report on consolidating the internal market.

At its sitting of 14 January 1985, the European Parliament authorized the committee to report on this subject. The Committee on Transport and the Committee on Social Affairs and Employment were asked for their opinions.

At its sitting of 11 September 1984, the European Parliament referred the motion for a resolution tabled by Mr COSTANZO and others (Doc. 2-437/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy.

At its sitting of 9 October 1984, the European Parliament referred the motion for a resolution tabled by Mr EPHREMIDIS and others (Doc. 2-549/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy.

At its sitting of 23 October 1984, the European Parliament referred the motion for a resolution tabled by Mr von WOGAU and others (Doc. 2-713/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy.

At its sitting of 23 October 1984, the European Parliament referred the motion for a resolution tabled by Mr von WOGAU and others (Doc. 2-716/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy as the committee responsible and to the Committee on Transport and the Committee on Youth, Culture, Education, Information and Sport for their opinions.

At its sitting of 13 November 1984, the European Parliament referred the motion for a resolution tabled by Mrs VAN HEMELDONCK (Doc. 2-922/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy as the committee responsible and to the Committee on Transport for its opinion.

At its sitting of 12 December 1984, the European Parliament referred the motion for a resolution tabled by Mr BARRETT (Doc. 2-1070/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy as the committee responsible and to the Committee on Legal Affairs and Citizens' Rights for its opinion.

At its sitting of 12 December 1984, the European Parliament referred the motion for a resolution tabled by Mr TURNER (Doc. 2-1108/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy as the committee responsible and to the Committee on Social Affairs and Employment and the Committee on Legal Affairs and Citizens' Rights for their opinions. The Committee on Social Affairs and Employment has decided not to deliver an opinion.

At its sitting of 11 February 1985, the European Parliament referred the motion for a resolution tabled by Mr von WOGAU and others (Doc. 2-1288/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy.

At its sitting of 11 March 1985, the European Parliament referred the motion for a resolution tabled by Mr de la MALENE and Mr FLANAGAN (Doc. 2-1690/84) pursuant to Rule 47 of the Rules of Procedure to the Committee on Economic and Monetary Affairs and Industrial Policy as the committee responsible and

and to the Committee on Transport and the Committee on Energy, Research and Technology for their opinions. The Committee on Energy, Research and Technology has decided not to deliver an opinion.

The Committee on Economic and Monetary Affairs and Industrial Policy decided to consider all the abovementioned motions for resolutions in its own-initiative report on consolidating the internal market.

On 20 November 1984, the committee appointed Mr PATTERSON rapporteur.

At its meeting of 20-22 May 1985, the committee considered the draft report. It adopted the motion for a resolution as a whole on 21 May 1985 by 18 votes to 3 with 2 abstentions.

The following took part in the vote: Mr SEAL, chairman; Mr von BISMARCK, vice-chairman; Mr PATTERSON, rapporteur; Mr ABELIN, Mr AIGNER (deputizing for Mr I. FRIEDRICH), Mr BESSE, Mr BEUMER, Mr BONACCINI, Mr DE GUCHT, Mr FALCONER, Mr de FERRANTI, Mr GAUTIER, Mr METTEN, Mr MIHR, Mr MÜHLEN (deputizing for Mr HERMAN), Mrs NIELSEN, Mr NOVELLI, Mrs OPPENHEIM, Ms QUIN, Mr ROGALLA, Mrs van ROOY (deputizing for Mr FRANZ), Mrs VAN HEMELDONCK, Mr VISSER (deputizing for Mrs GREDAL) and Mr von WOGAU.

The opinions of the Committee on Legal Affairs and Citizens' Rights, the Committee on Social Affairs and Employment, the Committee on Transport and the Committee on Youth, Culture, Education, Information and Sport are attached.

The report was tabled on 24 May 1985.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

The Committee on Economic and Monetary Affairs and Industrial Policy hereby submits to the European Parliament the following motion for a resolution (together with explanatory statement):

A.

MOTION FOR A RESOLUTION

on consolidating the internal market

The European Parliament,

- having regard to its resolution of 9 April 1984 on the need to implement the internal European market (Moreau and von Wogau report)¹
- having regard to the communication from the Commission to the Council (COM (84) 305 fin.),
- having regard to the communication from the Commission to the Council (COM (84) 556 fin.),
- having regard to the communication from the Commission to the Council and to the European Parliament (COM (85) 19 fin.),
- having regard to the motion for a resolution by Mr COSTANZO and others on safeguarding the Community's internal market and denationalizing customs authorities (Doc. 2-437/84),
- having regard to the motion for a resolution by Mr EPHREMIDIS and others on the release of blocked accounts in Greece (Doc. 2-549/84),
- having regard to the motion for a resolution by Mr von WOGAU and others on an extensive simplification of statistics on intra-Community trade (Doc. 2-713/84),
- having regard to the motion for a resolution by Mr von WOGAU and others on specific cases of temporary importation of private vehicles (Article 5 of Council Directive 83/182/EEC of 28 March 1983) (Doc. 2-716/84),
- having regard to the motion for a resolution by Mrs VAN HEMELDONCK on LPG fittings in motor vehicles (Doc. 2-922/84),
- having regard to the motion for a resolution by Mr BARRETT on the failure of the Council to implement commitments set out in the Treaty of Rome for the establishment of the internal market (Doc. 2-1070/84),
- having regard to the motion for a resolution by Mr TURNER on the conduct of customs officers at the internal frontiers of the Community (Doc. 2-1108/84),
- having regard to the motion for a resolution by Mr von WOGAU and others on behalf of the Group of the European People's Party and by Mr ROGALLA on the mutual recognition of taxation on private vehicles in intra-Community travel (Doc. 2-1288/84),
- having regard to the motion for a resolution by Mr de la MALENE and Mr FLANAGAN on the creation of a large internal market (Doc. 2-1690/84),
- having regard to the report of the Committee on Economic and Monetary Affairs and Industrial Policy and the opinions of the Committee on Legal Affairs and Citizens' Rights, the Committee on Social Affairs and Employment, the Committee on Transport and the Committee on Youth, Culture, Education, Information and Sport (Doc. A 2-50/85), PE 97.702 /fin.

¹ OJ No. C 127, 14.5.1984, p. 9

- gratified at the Commission's initiatives to stimulate and consolidate the internal market, which have clearly given the European Council and, to a certain extent, the Council cause for reflection,

1. Declares its firm commitment to the target of "a fully unified internal market by 1992";
2. Calls upon the governments of the Community's Member States, collectively and individually, not to waver from their own commitment to this target, as expressed at the March 1985 European Council;
3. Notes that the price of failure will be colossal in terms of reduced economic growth, less employment and lower living standards, as well as continued lowering of Europe's industrial and commercial competitiveness in the world;
4. Points especially to the heavy penalties which internal barriers impose on small and medium-sized companies, and also on the development of European industry in the field of new technologies - that is, precisely those sectors which are likely to create the jobs of the future;
5. Also emphasises that the removal of the "petty" internal barriers which affect the daily lives of citizens will be as of great importance to the political future of the Community as the removal of trade barriers to its economic future;
6. Notes the fears in the Community's peripheral regions, and in those areas where unemployment is especially high, that the complete freeing of the internal market might result in a flight both of investment and of employment. Therefore stresses that the creation of a barrier-free internal market must be accompanied by the development of effective common policies, especially where they relate to training and retraining for new skills, to achieve economic convergence, in particular:
 - regional and social policies;
 - integrated programmes;
 - a substantial increase in the Community's "capital account" through, especially, EIB and NCI lending,
7. Takes note of the intention of the Commission to present a communication to the Council on ways of improving European industrial structures; calls on the Commission to draw the conclusions of this analysis and to make the necessary proposals;

A programme for a unified market

8. Observes that the Commission's response to Parliament's resolution of 9th April 1984 was the "consolidation programme" of 13th June 1984, which contained over 120 legislative proposals "to be adopted by the Council" either in 1984 or 1985,
9. Deplores the fact that only half the proposals listed for 1984 have in fact been adopted by Council; and - so far - practically none of those listed for 1985,
10. Requests the Commission to confirm its commitment to the 'consolidation programme' as a whole;
11. Concludes, however, that there must now be a new, more comprehensive strategy to cover the years to 1992, which includes this consolidation programme;
12. Concludes, also, that this must be more than a list of necessary measures. There must be a systematic timetable, indicating priorities and the interrelation between measures in different fields - in short a critical path analysis of the steps needed to remove all internal barriers over seven and a half years,
13. Draws especial attention to the possibility of linking related proposals in "packages", the method employed for the successful adoption of 15 Directives eliminating technical barriers in September 1984,
14. Stresses, in this context, the important role of the Internal Market Council, which should co-ordinate the work in this field of other Councils,
15. Believes it to be vital, if the programme is to be achieved on target, that the Council substantially improve its decision-taking capacity; therefore welcomes the readiness of all Member States' governments, as expressed in the final report of the Dooge committee, to accept more majority voting and calls on them to undertake to accept qualified-majority decision-taking with regard to the measures contained in the programme to implement the internal market;
16. Calls upon the Commission to propose the use of legislative instruments which lend themselves most easily to adoption by Council (for example, by avoiding the necessity for lengthy discussions on technical annexes).

17. Observes that the programme for creating a unified internal market will be running in parallel with the transitional period of enlargement; and therefore asks the Commission to spell out clearly how the two processes are to be co-ordinated, with particular regard to the possible use of safeguard clauses;

Crossing internal frontiers

18. Agrees with the Commission that controls at the Community's internal frontiers are the "most visible and glaring sign" of failure to complete the internal market; and also agrees entirely that the ultimate objective must be "their final abolition, and not merely their simplification";
19. Warns, in this context, of the danger that short-term "improvements" in border procedures - for example, the use of keyboard data entry computers for the checking of passports - may actually make it more difficult to eliminate them in the long run;
- calls therefore on the Community and the Member States to reduce the number of computerized facilities, and not to proceed with new installations, at the Community's internal frontiers; calls on the Community to concentrate, rather, on developing a common computer programme for external-frontier goods processing; calls on the Member States not to increase the number of customs officials, since, in the short term, a policy of personnel reallocation should be introduced in connection with the consolidation of controls at the Community's external frontiers;
20. Believes that, though welcome as a step towards the creation of a Community identity, the European passport must be recognized as an authoritative identification document;
- (a) Persons
21. Urges the Council to give priority, with regard to the creation of a people's Europe, to the efficient processing of transfrontier passenger traffic by road, rail, sea and air;
22. Re-affirms its support for the draft Directive on the easing of controls and formalities applicable to nationals of the Member States when crossing intra-Community borders, as the first step to the complete abolition of such controls; deplores that the Council could not reach an agreement at its last meeting and urges that a supplementary meeting of the Council be held so that the directive can nevertheless come into effect at all internal borders on 1 July this year;

23. Supports in particular the abolition of passport checks on Community citizens leaving one Member State to enter another.
24. Also supports the elimination of double control posts at land frontiers where this has not already been achieved, again as a step to their complete abolition,
25. Reaffirms its demand in the resolution of 9th April 1984 that frontier crossing facilities for residents and workers in border areas should be improved; and calls for an end to situations in which fines can be imposed on border area residents for using "easy" crossings without special documentation,
26. In view of the fears of certain Member State governments that the abolition of internal frontier controls - particularly at ports and airports - will increase the risk of undetected entry by criminals, illegal immigrants, terrorists and drug traffickers believes :
- that control of third-country nationals must as soon as possible be moved from internal frontiers to the Community's external border;
 - that this implies the alignment of Member States' policies concerning foreigners, visas, migrants and immigrants;
 - that Member States must develop far tighter co-operation in matters of public security, and in the fight against drug trafficking,
27. Affirms that by 1992 the concept of "Community citizenship" should have been firmly established, giving all such citizens the right to enter any Member State freely, to work and reside there, and to receive social security benefits and be taxed on the same basis as nationals of that State, and to recognition of equivalent educational qualifications;
28. Therefore welcomes the European Council's agreement to the recommendation of the Ad Hoc Committee for a People's Europe recognizing a general right of residence for all citizens of the Community, but believes that by 1992 this should no longer be conditional upon evidence of adequate resources or health insurance, and calls upon the Council to assume its responsibility and adopt the draft directives (COM(79) 215 and COM(80) 358) on the right of residence;

(b) Goods

29. Welcomes the decision on a Single Administrative Document for the movement of goods within the Community, which will replace up to 70 different documents currently in use; notes that the Document still covers 48 items of data, as compared to the similar Benelux document which requires only 17; and therefore insists that further progress can be made in simplification, as well as in reaching agreement on the codes to be used, stresses the importance of reducing to a minimum the possibility for Member States to ask for additional documents;
30. Nevertheless points out that documents to be checked at frontiers should as soon as possible be replaced by the direct exchange of data between computers based within Member States; and stresses the consequent importance of the Cooperation in Automation of Data and Documentation for Imports/Exports ("CADDIA") programme, and the Coordinated Development of Computerised Administrative Procedures (CD) project;
- is convinced that, on the basis of improved cooperation between Member State authorities and undertakings, the requisite supervisory and information-gathering duties with regard to intra-Community trade can be carried out well away from frontiers via data-processing systems;
31. Again draws attention to the importance of transferring away from internal frontiers veterinary, plant health, animal feed and similar controls; stresses that this will mean the mutual recognition by Member States' of tests and certificates in this field: and asks the Commission to report on progress.
32. Supports the People's Europe committee in its recommendation that personal allowances for tax-paid items and the tax-paid still wine allowances should increase by 25% on July 1st. Remarks, however:
- that this will do no more than restore the real value of the personal allowance to the figure of 20 years ago;
 - that to avoid discrimination all tax-paid allowances should rise;
 - that these allowances should not merely be reviewed regularly to avoid a fall in their real value, but should be steadily enlarged to infinity by 1992, in conjunction with fiscal harmonisation;
 - that the Commission should therefore prepare a timetable for this enlargement of allowance.

33. Agrees also with the People's Europe recommendation that the limit for tax exemption on small postal consignments should rise to 100 ECU from July 1st; but believes that regular revaluation should more than preserve its value in real terms;
34. Welcomes the New Community Instrument as an important step forward in replacing controls at internal frontiers by common controls at the Community's external frontier; stresses, however, that abuse for protectionist ends is unacceptable;
35. Supports the replacement, by 1992, of national customs services by a common Community customs service;
36. Calls on the Commission to conduct a survey of the Member States' regulations and guidelines governing the conduct of customs officials and the procedure for investigating complaints and to report to Parliament on this subject;
37. Calls on the Commission - should such regulations and guidelines differ greatly from country to country - to submit a recommendation containing a code of conduct for customs officials and basic rules for a common complaints-handling procedure;
38. The principles specified in paragraphs 29-38 for goods should be applied to agricultural products;

(c) Transport

39. Welcomes the measures adopted at the end of 1984 in the field of road haulage, in particular the decision to enlarge Community quotas over a five-year period; insists on faster progress in order to establish a real internal market in this field, which means complete abolishment of the quota principle; at the present rate of implementation, the internal market will still be pure illusion in 1992;
40. Deplores, in particular, the failure to reach agreement on the granting of full exemption from duty of the contents of commercial vehicle fuel tanks; and agrees with the People's Europe Committee that exemption should be given at least to passenger buses from the 1st July.

41. The amount of fuel contained in commercial-vehicle fuel tanks which is exempt from duty was increased to 200 litres on 1 July 1984. The amount exempt must be increased to the equivalent of the content of a normal commercial-vehicle fuel tank, as a result of which measurements of fuel tank contents could be discontinued and the forms currently filled in by drivers when entering or leaving a Member State could be dispensed with;
42. The Community's efforts to introduce a flexible transportation network geared to Community requirements and with regulatory practices kept to a minimum, must be combined with a number of harmonization measures, particularly as regards the adaptation of national systems of commercial-vehicle taxation and vehicle weights and dimensions. Existing obstacles should be eliminated as soon as possible;
43. Draws attention to the Commission's pledge to take action "at the appropriate time" against the complex and restrictive national regulations applying to bus and coach services; and once again supports the People's Europe Committee in recommending that passenger transport should be taxed for the whole journey at the tax rate applicable at its point of departure,
44. The speedy processing of passengers and goods traffic through Austria, Switzerland and Yugoslavia also influences the efficient functioning of the internal market and, therefore, the search for ways of eliminating bottlenecks should be vigorously pursued too. Unfortunately, in the past, neither the Commission nor the Council has displayed the political resolution that such problems demand. In particular, the Community should be more sympathetic towards the difficult position of Austria.
45. Deplores the lack of progress made in implementing the Commission's memorandum on a common air transport policy; welcomes the recent agreements between the UK and Netherlands and Luxembourg governments to deregulate prices; and supports moves to enforce the direct applicability of the Treaty to air transport.

(d) Miscellaneous

46. Calls, once again, for the further extension of the temporary export of goods;
47. Calls upon the Commission to ensure that all Community citizens enjoy their right, established by the Court, to take across an internal frontier enough currency to pay for all normal services without having to supply a posteriori evidence;

The removal of Fiscal Barriers

48. Welcomes the new determination of the Commission to make progress with fiscal harmonisation, which is an essential precondition for the abolition of internal barriers, points out that the abolition of internal barriers does not require total harmonization of VAT and excise duties, but, rather, that there is a sufficient degree of alignment of these taxes;
49. Notes that this will require considerable political courage by Member States, since it will involve limitations on national governments' and parliaments' freedom of action in the field of indirect taxation;
50. Notes that Member States from time to time make substantial changes in tax rates and coverage for reasons which can be less compelling than the necessity to complete the internal market;
51. Concludes that any diminution of democratic control over taxation by national parliaments must be compensated by increased democratic control at Community level through the European Parliament.
52. Believes that the first priority must be the removal of VAT collection from the Community's internal frontiers. Notes in this context that the adoption by Council of the draft 14th VAT Directive should have taken place, according to the "consolidation document", in 1984; but that this event is, if anything, now further away than ever.

53. Notes that some Member States have argued that deferred payment of VAT will cause loss of revenue, a cash-flow advantage to importers, changes to establish VAT correction systems and added risks of frauds; is, however, of the opinion that the introduction of deferred payment of VAT causes merely a temporary cash-flow disadvantage for Member States, which could be coped with by means of temporary measures; believes that the results of deferred payment of VAT for importers and domestic suppliers depend mainly on the existing commercial terms of payment in relation to the term of VAT payment. As regards the risks of fraud the experience in the Benelux, where deferred payment of VAT has existed since the introduction of VAT, shows that this fear seems to be unjustified; is of the opinion that, for the purpose of removing fiscal barriers, changes in VAT collection systems are inevitable, but require adequate transitional measures; therefore asks the Commission to counter Member States' abovementioned objection;
54. Notes that these problems would be mitigated by changing the system whereby goods sent commercially from one Member State to another are free of VAT on export, and taxable on import. This should be replaced by a system whereby goods would be taxed in the country of export; and a clearing system established to credit this revenue to the country of import.
55. In the case of goods which private individuals take across frontiers tax paid, reaffirms its support for the principle contained in the Gaston Schul judgement of the Court; that no further tax should be payable on second-hand goods; and stands by its call for radical changes to this effect in the proposed 16th VAT Directive.
56. Recognises, however, that the complete elimination of controls on tax-paid goods could give rise to "artificial" trade flows, particularly in border areas, arising from differences in tax rates; and agrees with the Commission that there must therefore be a programme to approximate the coverage and rates of VAT and excise duties.
57. As a first step, believes that Member States must observe the prior information and consultation procedure proposed by the Commission in 1981, so that national tax changes are no longer made without taking into account the Community dimension; and that they should also observe a "stand-still" so that there is no further widening of tax gaps between national systems.

58. In the case of VAT, reaffirms that there should then be steady progress in developing a common VAT base: a general reduction in the number of rates to two: plus the zero rate, and an approximation of rates within a 2%-3% band in each case;
59. Notes that approximation of this band may produce revenue losses in some countries (e.g. Denmark and Ireland), and gains in others (e.g. Luxembourg); but that most goods sold within the Community are already taxed at a rate between 14% and 19%.
60. In the case of excise duties on alcoholic beverages welcomes the Commission's new initiatives, and looks forward to further progress on the principle that all alcoholic drinks are to some extent in competition with each other. Calls for similar new initiatives in the fields of duties on mineral oils and duties on tobacco, taking into account the opinion of Parliament;
61. Looks forward to examining in detail the Commission's analyses of the revenue effects of proposals for fiscal harmonisation.
62. Calls on the Commission to submit immediately to Council a proposal amending Directive 83/182/EEC of 28 March 1983 in such a way that a Community citizen and his family may travel freely in the European Community in a motor vehicle registered and taxed in his country of residence, after paying any duty required in that country in respect of the vehicle, without being subject to further levies;

New technologies

63. With regard to the development of new technologies, the Commission should draw up a code indicating which forms of support are a priori acceptable;
64. The major significance to industry of advanced-technology fields - such as in telecommunications and public utilities - and the considerable research and development costs involved demand genuine liberalization of the internal market for government contracts, and this should be a requirement for EIB-financed projects;
65. With regard to large-scale projects, it is very important that the Commission and Council should embark on implementing infrastructure programmes which

genuinely help to consolidate the Community's economic structures and internal market, and are viable, such as a European glass-fibre telecommunications network, a broadband network, a European high-speed rail link between the Community's major economic centres, and a number of tunnel links. The feasibility of providing financial aid for such projects should be studied;

An end to technical and legal barriers

66. Reaffirms the urgent need to end the compartmentalization of the Community market by differing national safety and health standards and other technical specifications such as duplicated technical inspections of vehicles containing LPG facilities and of dual-purpose vehicles and the processes of testing and certification; notes that these non-tariff barriers constitute one of the most important reasons for the lack of European competitiveness;
67. Regrets that no Member State is entirely guiltless of using health or safety rules as a cloak for protection; therefore calls upon the Commission to be vigilant in ensuring that Article 36 of the Treaty is not abused, and in enforcing the direct applicability of Articles 30-34;
68. Also regrets that, where harmonisation of technical standards on the basis of Article 100 has been unavoidable, progress has not even kept pace with developing technology; and that "harmonisation" itself is widely seen, not as the replacement of different national standards by a single Community standard, but the imposition of more red tape;
69. Asks the Commission to report urgently on the steps taken to correct the reported "widespread failure" by Member States to observe the provisions for prior notification of new national standards contained in Directive 83/198;
70. Welcomes in general the Commission's "new approach" to the harmonisation of technical standards, whereby a Directive would lay down only essential safety or other requirements, leaving the task of defining detailed technical characteristics to European, and if necessary national standards bodies;
71. Nevertheless asks the Commission to make clear how wide it believes the scope for action under this "new approach" to be, and particularly whether it will be applied in the field of health, as well as safety, standards.

72. Calls on the Commission to clarify as soon as possible, on the basis of real-life examples, the possible form that this procedure will take; calls on the Commission and Council to let the wisdom of voluntary restraint prevail as regards the wording of the framework directives, since, otherwise, excessively detailed formulation might invalidate the advantages of the new system;
73. Recognises the dangers of unfair competition under the system of optional harmonisation, but notes that this has proved a useful means of securing agreement in Council, as a transition to total harmonisation;
74. Regrets that the Commission's proposals have hitherto lacked a clear definition of the role of the European standards institutes CEN and CENELEC; takes the view that the technical details of harmonization directives should be laid down by these standards institutes rather than by Commission departments; calls on the Commission to submit specific proposals on funding, staff allocation and further action within the Institutions, with a view to ensuring that these responsibilities are discharged as well as possible;
75. Also welcomes in principle the alternative of recognising a national standard or standards until a European standard is adopted; but notes the fears of certain Member States that this might give advantages to countries with dominant standards bodies.
76. Noting that, under the "new approach", power to decide detailed specifications will lie with the Commission, the proposed standing committee of national government representatives and the standards bodies themselves, requests the creation of a procedure whereby Parliament can be kept informed and have the opportunity to comment on the creation of European standards.
77. Reaffirms that the creation of European standards is especially important in the field of information technology; and condemns those suppliers who are holding up the development of new standards in the hope of maintaining a market advantage.
78. Stresses that in order to ensure that enterprises can benefit of the enlarged economic area of the Community, which is of vital importance for strengthening the competitiveness of the European industry in the world market, the enterprises need a legal framework within which they can organise their activities and cooperate on a Europe level without any impediments;

79. Calls on Council rapidly to complete its work on the proposed Community trade mark regulation.
80. Asks the Commission to ensure the entry into force of the European convention on European patents in those Member States which are in a position to ratify it;

Free Movement of Services and Capital

81. Notes that the service industries account for nearly 60% of employment in the Community, yet that little progress has so far been made in creating a true internal market for services,
82. Welcomes the progress made in ensuring right of establishment in certain fields; but points out that a real internal market for services will not exist without ensuring, as well, the right to provide cross-frontier services.
83. Considers it of major importance that a survey of existing national barriers in the Member States be conducted as soon as possible, with a view to establishing a free capital market and the free movement of capital, and requests its Committee on Economic and Monetary Affairs and Industrial Policy to help to ensure that this survey is completed soon;
84. Notes that in insurance, the US accounts for over 28% of worldwide business, the Community for only 8%; and therefore calls for rapid progress in adopting the draft Directives on insurance now before Council, as necessary to create a competitive European insurance market,
85. Welcomes the proposed Directive on mortgage credit, as a simple and effective method of creating a free internal market in this field,
86. Supports the wider use of the ECU as currency denominator in both the insurance and mortgage fields, as an equitable solution to the sharing of exchange risks,
87. Supports the People's Europe Committee in calling for an intensification of efforts to ensure the mutual recognition of both professional and technical qualifications,
88. Calls for greater progress in implementing the Commission's action programme on financial integration in the Community.

89. Urges in particular the rapid adoption of the proposal on minimum standards for 'undertakings for collective investment in transferable securities' (UCITS), thus opening up opportunities for Community citizens to participate in popular investment schemes like unit trusts;
90. Asks the Commission to ensure that the charges made by financial institutions for transferring sums of money between Member States are not excessively high in relation to the charges for transfers within a Member State;
91. Demands that the barriers to the free movement of capital within the Community caused by exchange controls be removed, as part of a coordinated policy to develop the European Monetary System. In particular would support a programme to:
- put strict time limits on controls imposed through the safeguard clauses (Art. 73 and 108(3) of the Treaty);
 - confine the application of these clauses to the prevention only of speculative capital movements;
 - eventually replace the safeguard mechanisms by the development of monetary solidarity;

CADDIA and the CD project

92. Stresses the important fact that the CD project not only covers Community countries but also concerns main trading relations in Europe, especially with regard to transit countries such as Austria, Switzerland and Yugoslavia; nevertheless asks the Commission to make clear the extent to which the inclusion of Member States' external trade in the CD project is delaying the introduction of computerization in intra-Community trade;
93. Calls on the Commission to amend its proposal of 26 January 1983 on the standardization and simplification of statistics relating to trade between the Member States with a view to incorporating by 1987, when a new nomenclature is scheduled to be introduced, current national sets of statistics into the Community system NIMEXE;

94. Asks the Commission to report progress on the agreement of data-exchange standards.
95. Also asks the Commission to report on the situation with regard to the recruitment of experienced customs systems analysts; and also on the budgetary situation,

Conclusions : Monitoring progress

96. Observes that if there is really to be a barrier-free internal market by 1992, the timetable laid down must be followed year by year; and that a failure in one area could create "bottlenecks" jeopardising the whole programme,
97. Is therefore of the opinion that Parliament must monitor progress in each field by obtaining information on which Member State(s) is(are) blocking a particular proposal, in order to exert pressure when necessary;
98. Calls on the Commission to continue its efforts to realize the stated objective by exerting further pressure on the Council and by exploiting the Treaty of Rome to the full;
99. Reserves the right to draw the necessary conclusions, in due course, from the study of the conditions for legal recognition of any action taken - particularly in view of the Court of Justice's judgment on an appeal in respect of nonfeasance - with a view to strengthening its role in the implementation of the internal market;
100. Instructs its President to forward this resolution to the Council, the Commission and the national parliaments.