



A simpler Single Market to make companies choose Europe

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Today, the European Commission has presented a [Single Market Strategy](#) to create a more simple, seamless and strong European home market. The Strategy sets out bold actions to reduce existing barriers holding back intra-EU trade and investments, helps SMEs to operate and scale up their activities, and alleviates businesses by boosting digitalisation. The Strategy calls on Member States to do their part in making the EU market the best choice for companies, workers and consumers.

In today's world, marked by economic volatility and trade tensions, the EU market is the first driver of our competitiveness. The EU market has increased EU GDP by at least 3-4% and created 3.6 million jobs since its creation. Further completing the Single Market would double the already achieved gains.

The Single Market Strategy focuses on several priorities:

Dismantling barriers: while recognising the need to work on removing all barriers, the strategy focuses on removing the 10 most harmful ones reported by businesses – the “[terrible ten](#)”: complicated business establishment and operations; complex EU rules; lack of ownership by Member States; limited recognition of professional qualifications; lack of common standards; fragmented rules on packaging; lack of product compliance; restrictive and diverging national services regulation; burdensome rules for posting of workers in low-risk sectors; unjustified territorial supply constraints causing high prices for consumers.

These are the barriers that most hinder the free movement of goods and services and make it difficult for businesses and citizens to fully capitalise on Europe's Single Market. They have been identified based on comprehensive stakeholder consultations. Their removal will enhance the free circulation of safe products, the cross-border provision of services and simplified business establishment and operation throughout the EU.

Bring new dynamism to Europe's service sector: services make up the largest part of Europe's economy, but their cross-border trade is stagnating. The strategy focusses on specific service sectors and proposes to:

- put forward a Construction Services Act and a new EU Delivery Act to modernise rules both in the construction and in the postal and parcels sector;
- facilitate industry-related services such as installations, maintenance and repair services;
- support Member States in freeing regulated business services from unnecessary regulation.

All these actions will complement ongoing initiatives in the energy, telecommunications, transport and financial services sectors.

Support SMEs' development and growth: To help SMEs make the most of the Single Market's scaling opportunities, the Commission introduces a new definition of [small mid-cap companies](#) (SMCs), extending some of the benefits afforded to SMEs to these SMCs. The Strategy proposes an “SME ID”, an online tool to offer a simple way of verifying SME status. Moreover, the SME Envoy Network will promote measures supporting and facilitating SME activity in cross-border trade. These new initiatives are published together with the latest Annual Report on European SMEs, which highlights expected growth in SME added value and employment.

Simplify existing rules and make digitalisation the norm: as part of the Commission commitment to reduce regulatory and administrative burden for businesses, the Commission is today also publishing a [fourth simplification](#) omnibus package for businesses. The measures cut €400 million in annual administrative cost for companies. Among others, companies will be able to submit documents digitally to comply with obligations under certain EU harmonised product legislation and to

provide product instructions digitally rather than on paper.

Improve joint ownership of the Single Market: to make the benefits of the Single Market more tangible, it is important to increase its joint political ownership with the Member States. To this end, Member States should name a high-level Single Market representative ("Sherpa") to oversee the application of EU Single Market rules. Member States are also encouraged to prevent Single Market barriers by assessing the proportionality of their draft national measures.

Background

Since its creation more than 30 years ago, the Single Market has been a powerful catalyst for Europe's growth, prosperity and solidarity. With 26 million businesses and 450 million consumers, Europe is the second largest global market today, with a GDP of €18 trillion, accounting for 18% of the global economy.

The new Single Market Strategy responds directly to a request from the European Council, which in April 2024 called on the Commission to develop a horizontal single market strategy by June 2025. Ministers in charge of competitiveness reaffirmed the call, asking the Commission to present a detailed roadmap of actions with a clear timeline. These requests echoed similar conclusions of reports by Enrico Letta and Mario Draghi in 2024, as well as the Commission's own 2025 Annual Single Market and Competitiveness Report, which all highlighted that creating a truly integrated Single Market is critical for European competitiveness and resilience.

For More Information

A [Strategy](#) for making the Single Market simple, seamless and strong

[Questions & Answers](#)

[Factsheet](#)

[Single Market Strategy](#)

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Quote(s):

"In today's uncertain world, the first partners of Europeans must be Europeans themselves. It is time European companies "europeanise" before they "internationalise". Today's Strategy makes the Single Market simpler, seamless and stronger, by facilitating businesses' lives and lifting the main barriers that still today, hamper intra-EU trade. Today's Strategy lays out a new approach and method. By joining our efforts, we can increase the benefits to all from the Single Market, Europe's economic and social cornerstone."

Stéphane Séjourné, Executive Vice-President for Prosperity and Industrial Strategy - 21/05/2025

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