



# Single Market Strategy



### Context

The Single Market is Europe's primary economic asset, crucial for growth, prosperity and resilience amid increasing global economic uncertainties and geopolitical challenges. However, the market is still hampered by significant barriers, such as, overly complex EU rules, fragmented national regulations, burdensome administrative procedures, slow digitalisation and inconsistent enforcement. These bottlenecks prevent firms, especially SMEs, from exploiting the full potential of cross-border opportunities, thereby undermining Europe's competitiveness, productivity and strategic autonomy.

# **Objectives**

The Strategy sets out a focused agenda to remove those barriers and modernise the regulatory environment, notably by tackling the "Terrible Ten" obstacles. Core objectives are to simplify EU rules, harmonise divergent national measures, digitise administrative processes, strengthen enforcement, and place SMEs and small mid-caps (SMCs) at the centre of policy design.

#### What this entails for Businesses

- Regulatory burden and compliance costs: A series of Omnibus simplification
  packages (digital simplification, sustainability reporting, small-midcaps) will remove
  paper manuals, allow digital documentation for compliance, and eliminate duplicate
  representative-authorisation requirements.
- Goods circulation and innovation: In instances where harmonised standards stagnate, the Commission will now be able to adopt common specifications. Moreover, the upcoming review of the New Legislative Framework (and a possible EU Market Surveillance Authority) will strengthen border and online checks. This will result in faster product launches, especially in high-tech sectors such as drones, batteries and med-tech, and better protection for compliant producers against sub-standard imports.
- **Public and private finance access:** Revised Public Procurement rules will embed the once-only digital evidence principle and, in strategic sectors, allow a *European preference*. A new voluntary SME Sustainability Standard will help smaller firms meet green-loan criteria. Businesses get easier access to Europe's public-tender market and wider sustainable-finance channels.

- SME and SMC scale-up path: An online SME ID for self-declaration plus the extension of reporting exemptions to small mid-caps smooth the growth journey for companies employing from 0 to 750 employees. Companies avoid sudden compliance "cliff-edges" as they scale, benefiting from lighter audit and reporting obligations.
- **Territorial price discrimination:** A forthcoming tool against *Territorial Supply Constraints* will tackle unilateral supply bans by large manufacturers. Retailers, especially those in smaller markets, gain freedom to source goods where they are cheaper, boosting margins and consumer choice.

## **Impact on Maltese Businesses**

- Export growth for services: Easier mutual recognition and leaner posting rules enables Maltese firms in industries such as ICT, engineering and other professional-services, to do business with continental clients without having to set up costly subsidiaries.
- Lower landed costs for import: Action on Territorial Supply Constraints and harmonised packaging/waste rules reduce the "island premium" on consumer goods.
- **Digital-by-default administration:** The European Business Wallet will work smoothly with Malta's already strong digital public services, making it faster and easier for businesses to interact with public authorities across the EU.

## **Way Forward**

The Single Market Strategy provides a clear and time-bound roadmap to unlock Europe's integrated market. Success will depend on swift adoption by the Council and Parliament of initiatives that will follow, and on proactive national implementation. Continuous stakeholder dialogue and consistent enforcement will be vital to ensure the Strategy delivers on its promise of bolstering competitiveness for both Europe and Malta in an increasingly volatile global economy.

The 'Single Market Strategy: our European home market in an uncertain world', can be accessed here.

Disclaimer: This is a policy brief to create awareness about this initiative and for information purposes. It is not an official position of the Malta Business Bureau.

The Malta Business Bureau is the EU Business Advisory organisation of





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