

SINGLE MARKET EMERGENCY INSTRUMENT September 2022

Recent crises such as the COVID-19 pandemic have disrupted the normal functioning of the Single Market and Europe's economy. The Single Market Emergency Instrument builds on the lessons learned from these crises to ensure that Europe is better prepared to face possible emergencies in the future.

WHAT ARE THE BENEFITS OF THE INITIATIVE?



FOR EVERYONE

FOR COMPANIES

- Improved EU response to crises
- Better availability of crisis-relevant goods and services
- Avoid obstacles to the free movement of goods, services and persons

- Better foresight and planning for emergencies
- $\boldsymbol{\cdot}$ Less trade restrictions, less delays in production, lower prices of inputs
- More legal certainty and predictability

FOR CITIZENS

- More secure employment due to less disruptions to cross-border trade
- Better availability of products and services at lower prices
- Better quality of life for citizens

HOW WILL THE SMEI RELATE TO OTHER EU RULES?



SMEI does not apply when other EU instruments lay down crisis relevant provisions such as HERA (Health Emergency Preparedness and Response Authority), the EU Chips Act or the UCPM (EU civil protection mechanism).



Introduces possible derogations to EU harmonised product legislation to allow for a quicker placing on the market of crisisrelevant goods. **\$OTEU**

2022

NEW CRISIS GOVERNANCE FRAMEWORK FOR THE SINGLE MARKET

The Single Market Emergency Instrument proposes a comprehensive new governance architecture for different levels of risks to the functioning of the Single Market.

Advisory Group

coordinates and advises the Commission

Contingency Planning

This framework applies when there is no crisis and the Single Market functions normally.

Single Market Vigilance

Activated by a Commission decision when an event requires vigilance measures.



Activated by a Council decision if a crisis leads to a severe impact on the Single Market.

TOOLBOX OF CRISIS RESPONSE MEASURES

Contingency Planning

- Preparing crisis protocols, crisis communication, training and simulations
- Establishing an early warning system for Single Market disruptions

Single Market Vigilance

- Monitoring the supply chains of goods and services of strategic importance
- Building up strategic reserves of identified goods of strategic importance
- Facilitates public procurement of identified goods or services of strategic importance

Single Market Emergency

EMERGENCY FRAMEWORK

- Principles to facilitate and re-establish the free movement of people, goods and services on the Single Market
- Freeze on new restrictions to the free movement of goods, services and people
- Improved transparency requires Member States to notify new restrictions as soon as possible and establish single points of contact for companies
- Recommendations to Member States to facilitate availability and supply of crisis-relevant goods by expanding or repurposing production facilities or accelerating permitting
- Recommendations to Member States to facilitate targeted and coordinated distribution of strategic reserves
- Facilitates public procurement of crisis-relevant goods and services by the Commission on behalf of Member States

LAST-RESORT MEASURES

- Requests for information from economic operators
- Calls for priority rated orders
- Targeted derogations of harmonised product legislation

