



Single Market: Trading safe products across Europe

#SingleMarket

For most products in the EU *common rules and standards* exist. These products can be sold across borders without any barriers. This means that a company that sells kettles, phones or toys in one country can sell them freely in any other EU country.

However some products cannot be sold automatically in another EU country. This is the case when *only national rules* apply. Then the **principle of mutual recognition** should still allow them to be sold.

WHAT IS MUTUAL RECOGNITION?

The principle of mutual recognition states:

"If a product is deemed good for sale in one EU country, it is good for sale in all of them".

The basis for this principle is that the different national rules in Europe give consumers equal protection for health, safety and environment. It provides businesses with access to a larger market, and customers get a wider choice of products.

DOES IT WORK?

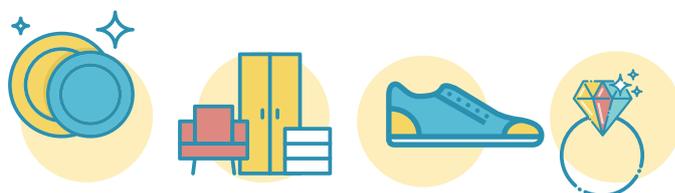
Companies often face barriers, delays and extra costs when they try to sell their product in another country. National authorities may ask them to prove the products meet national or local requirements. This is especially burdensome for SMEs. Most of them end up adapting their product to the local market or not selling abroad at all.

HOW SHOULD IT WORK?

A company wants to sell its product in another EU country, but the product does not fall under common rules. The principle of mutual recognition allows them to sell the product in another EU country with no additional costs, and no delays.

WHAT PRODUCTS ARE CONCERNED?

Any product for which there are no common EU rules, such as shoes, tableware, furniture, jewellery or even electric mouse traps.



THE COMMISSION TAKES ACTION ...

... to **speed up** the procedure for companies



Companies can use a "mutual recognition declaration" that will help them demonstrate that their product meets all the requirements in the home country. Authorities would have to clearly justify why they refuse market access. Companies would know if they can sell their product in a matter of months, not years.

... to **simplify** the work for authorities



SOLVIT – the problem-solving network of authorities - can look into the case. The authorities in the home country then cooperate with their counterparts in another EU country, and agree on a solution together. If that doesn't work, the Commission can identify concerns and issue an opinion.

... and to **reinforce** trust between authorities



Training and exchanges of officials will improve collaboration between national authorities. To support this, a targeted 'train the trainer' package for authorities and a hand book on how to apply the rules will be developed.

WHAT CAN WE GAIN FROM BETTER MUTUAL RECOGNITION?

More trade – With improved mutual recognition more products that fall under national rules can be sold across Europe. By removing barriers, intra-EU trade in goods could increase by more than €100 billion per year.



Lower costs – If a mutual recognition application is denied, it is costly to challenge it. It can cost between €10 000 and €100 000 per product and per market. Only big companies can afford to challenge such decisions, not SMEs. Better mutual recognition can lighten this financial burden for companies.

