



Summary of Hearing of Michel Barnier - Internal Market and Services

The need to give fresh impetus to the internal market and improve regulation of the financial services industry were the main topics addressed by Michel Barnier, Commissioner-designate for the internal market and services, during his hearing at the European Parliament. MEPs from the economic affairs and internal market committees questioned him on the social dimension of the single market and his ideas for regulating Europe's financial sector in the long term.

Mindful of the French "No" to the draft Constitution in 2005, which he saw as "proof that Europe had strayed away from its citizens", Michel Barnier used his opening remarks to underline his intention of restoring public trust in the European project by "making sure the internal market is about those who live it on a daily basis: citizens, consumers and businesses". Replying to doubts about his impartiality in this area, Mr Barnier said "I will take no orders from Paris, London or anywhere else".

Obeying the rules of the single market

To a question by Christian Buşoi (ALDE, RO) about the tools at his disposal to make Member States apply EU directives within the time limits laid down, Mr Barnier said he favoured negotiation rather than binding legal pressures. He planned to visit each of the 27 Member States to discuss with governments and economic and social representatives the slow implementation of the Services Directive. On this issue, Mr Barnier admitted "I was not proud when the tale of the Polish plumber was bandied about in my country. It would be better in any case to speak of the Luxembourg plumber, who has to grapple with four different legal systems if he wants to work in a 40-kilometer radius".

Professional mobility and SMEs

The right to live and work in another country is a key freedom that the Commission must defend, argued Mr Barnier. He said he intended to look closely at the problems encountered by Member States in transposing the directive on the mutual recognition of professional qualifications.

On small and medium-sized firms, which account for 80% of European businesses and 90% of jobs, the Commissioner-designate planned to "make life easier for them", for example by introducing a European one-stop-shop to cut red tape and by completing legislation on the European company statute.

The social dimension

In his opening remarks, Mr Barnier had said that better living and working conditions and guaranteed access to high-quality public services would be among his priorities for relaunching the single market. "I will work to put the internal market at the service of human progress, fight social dumping and protect services of general interest", was his reply to a number of questions from MEPs, including Evelyne Gebhardt (S&D, FR), on the social dimension of the common market.

Europe's defence

Press release

"Europe is not doomed to be a subcontractor of the American or Chinese economies. We will need a political Europe and a European defence dimension", said Mr Barnier in answer to a question by Philippe Juvin (EPP, FR) about the fragmentation of the European market in military equipment.

"In an unstable, fragile and dangerous world, we must have a European defence dimension. But we will not advance against the Member States with threats to their sovereignty - we'll move forward *with* them", he said.

Financial market regulation and international markets

Stressing his determination to reform the financial industry, Mr Barnier said "There can be no consolidated European market without a European financial market". With a revision of the capital requirements directive, the creation of deposit guarantee schemes, the regulation of derivatives and measures on the traceability of financial products, he planned to "push through the reform of supervisory arrangements" needed to make Europe "the first region in the world to learn lessons from the crisis".

Peter Skinner (S&D, UK) asked Mr Barnier how he would persuade the EU's international partners to adopt similar rules in the area of financial regulation, so that the world's financial centres had a level playing field.

"We are facing a global crisis", answered the Commissioner-designate. "We must start at home, in Europe, but we must also work with our partners round the world, especially the United States and China, to agree on a common frame of reference". He added "it is in our interest to be open but we must not be naïve".

Financial speculation and derivatives

Jean-Paul Gauzès (EPP, FR) raised the question of speculation in commodities. "Speculation in basic foodstuffs is a scandal when there are a billion starving people in the world", replied Mr Barnier. He added "We must ensure markets contribute to sustainable growth. I am fighting for a fairer world and I want Europe to take the lead on that".

Fears for the City of London

In reply to sharp criticism from Godfrey Bloom (EFD, UK) about the consequences of regulation for the UK economy and London as a financial centre in particular ("Don't kill the goose that lays the golden eggs", said Mr Bloom), the Commissioner-designate answered "It isn't in the interests of the British financial industry to keep undergoing crises caused by a lack of control and supervision". Adam Smith, he pointed out, had said the market cannot function without a sense of fair play.

Contact :

Cezary LEWANOWICZ

IMCO

Press Service

BXL: (+32) 2 28 44659

STR: (+33) 3 881 74903

PORT: (+32) 498 98 35 88

EMAIL: imco-press@europarl.europa.eu

François ARNAUD

FR

Press Service

BXL: (+32) 2 28 32379

STR: (+33) 3 881 74005

PORT: (+32) 498 98 32 83

EMAIL: presse-fr@europarl.europa.eu