

The single market is failing British businesses

New research by Vote Leave shows that in 2014:

- The cost of the UK's budget contributions to the EU and the burden of just 66 of the EU's single market regulations outweighed what the European Commission claims are the benefits of the single market by £4.5 billion per year.
- The true cost of the single market will be much higher.
- 66% of the 100 most burdensome EU regulations on British companies are single market regulations, costing British business £22.6 billion every year.
- The single market accounts for 68% of the cost of the 100 most expensive regulations for British businesses.

The table summarises the results:

The costs and benefits of the single market in 2014	
Benefits of the single market (European Commission)	£37,301m
Costs of UK's membership fee & 66 single market regulations	£41,768m
Costs less benefits	-£4,467m

The benefits of the single market according to the European Commission

We use European Commission figures to estimate the benefits to the British economy of the single market. This is not because such figures are credible or accurate, but because they are among the most positive assessments of the impact of the single market and because the Commission has previously issued forecasts which have been shown to be significant overestimates of the benefits of the single market.¹ In 2012, the Commission estimated that the single market had increased the EU's GDP by 2.13% had it not been launched in 1992.²

We assume, again generously, that the UK has received a proportionate share of these purported benefits of the single market (2.13% of GDP). The table below summarises what the Commission claims are the benefits of the single market to the British economy:

Benefits of the single market according to the European Commission	
Benefits of single market (% GDP)	2.13%
UK GDP (2014)	£1,751,198m
Benefit to UK (2014)	£37,301m

Source: European Commission, ONS³

¹ For example, in 1988, the Commission estimated that the single market would increase member states' GDP by between 4.25% and 6.5%, see European Commission, 'Europe 1992: The Overall Challenge', SEC(1988)524, (Brussels, 13 April 1988), tab. 1, p. 10 <<http://aei.pitt.edu/3813/1/3813.pdf>>. The benefits of the single market claimed by the Commission in 2012 are half the level of the lower forecast in 1988.

² European Commission, '20 Years of the European Single Market: Together for new growth', (2012), pp. 11 & 13 <http://ec.europa.eu/internal_market/publications/docs/20years/achievements-web_en.pdf>. In the same document, the Commission estimated that the introduction of the euro had increased GDP in the Eurozone by 3.6%, an astonishing claim.

³ ONS, 'Quarterly National Accounts: National accounts aggregates', (30 October 2015), <<http://www.ons.gov.uk/ons/datasets-and-tables/data-selector.html?cid=ABMI&dataset=qna&table-id=A2>>.

Estimating the costs of the single market

One of the principal costs of the single market is the UK's contributions to the EU budget. This is regularly referred to as the UK's 'membership fee' for the single market by pro-EU organisations, such as the Confederation of British Industry.⁴ The table below shows the UK's gross contributions to the EU in 2014:

EU membership fee	
UK gross contributions to EU budget (2014)	£19,107 m

Source: ONS⁵

The second principal cost of the single market is the EU's single market regulations. Using the UK Government's own Impact Assessments, Open Europe has estimated that the 100 most burdensome EU regulations to British business impose costs of £33.3 billion per year in 2014 prices.⁶ This analysis did not state whether the regulations form part of the EU's single market *acquis* or not. Vote Leave has analysed the legal basis under which the EU adopted all 100 of the most burdensome regulations imposed on British business. The full methodology is provided in Annex 1. The table shows the results:

Breakdown of 100 most burdensome EU regulations by their legal basis	
Single market	66
Environment	15
Social policy	14
Public health	5

The table shows that 66 of the 100 most burdensome EU regulations which bind British companies form part of the EU's single market legislation. These are contained in Annex 2. The remaining 34 regulations were adopted under Treaty powers relating to the environment, social policy and public health. A full breakdown of these is provided in Annex 3.

Vote Leave also quantified the cost of these 66 single market regulations using Open Europe's figures. The table summarises the results:

Breakdown of costs of 100 most burdensome EU regulations		
Single market	£22,661m	68.0%
Other	£10,660m	32.0%

The table shows that the 66 single market regulations impose costs of £22.6 billion on British businesses each year. This amounts to 68% of the costs imposed by the 100 most burdensome EU regulations.

⁴ CBI, *Our Global Future*, (2013), p. 152 <http://www.cbi.org.uk/media/2451423/our_global_future.pdf>.

⁵ ONS, *Pink Book, 2015*, (30 October 2015), table 9.9: 'UK official transactions with institutions of the EU', <<http://www.ons.gov.uk/ons/rel/bop/united-kingdom-balance-of-payments/2015/pdf-reference-tables.pdf>>.

⁶ Open Europe, 'Top 100 EU rules cost Britain £33.3bn', (16 March 2015), <<http://openeurope.org.uk/intelligence/britain-and-the-eu/top-100-eu-rules-cost-britain-33-3bn/>>.

The costs of these 66 regulations to British business can be added to the UK's EU membership fee to provide a partial estimate of the costs of the single market. This is a very conservative estimate, since it takes into account just 66 EU regulations, and accepts Government impact assessments of the cost of regulation, which are often considerably optimistic, at face value. The table summarises the results:

Partial cost of the single market (2014)	
Budget contribution	£19,107m
66 single market regulations	£22,661m
Total	£41,768m

Annex 1: classifying the 100 most costly EU regulations by their legal base

The 100 most burdensome EU regulations and the annual cost of each were taken from Open Europe's 2015 paper. These were then classified by whether they formed part of single market *acquis*. An explanation for the classification of each measure is provided in Annexes 2 & 3. Measures classified as part of the single market *acquis* include those relating to the free movement of goods, persons, services and capital, harmonising measures adopted for the functioning of the internal market, and measures adopted as part of the EU's common transport policy. Measures not adopted under provisions of the EU Treaties relating to the single market include laws concerning social policy and environmental and public health legislation.

Annex 2: EU single market legislation in the 100 most costly EU regulations for British business

UK legislation	EU legislation	Legal base	Single market?	Explanation	Cost of single market legislation
UK Renewable Energy Strategy	Directive 2009/28/EC	TFEU, arts 114 & 192(1) (ex arts 95 & 175(1) TEC)	Yes	TFEU, art. 114. enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£4,670.94
CRD IV package	Directive 2013/36/EU; Regulation 2013/575/EU	TFEU, arts 53(1) & 114	Yes	TFEU, art. 53(1) allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single market. TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£4,590.00
EU Climate and Energy Package	Directive 2009/28/EC; Directive 2009/29/EC; Directive 2009/31/EC; Decision 2009/406/EC	TFEU, arts 114 & 192(1) (ex arts 95 & 175(1) TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£3,425.57
Building and Approved Inspectors (Amendment) Regulations 2006; Energy Performance of Buildings (Certificates and Inspectors) (England and Wales) Regulations 2007	Directive 2010/31/EU	TFEU, art. 194(2)	Yes	TFEU, art. 194 governs the EU's energy policy which exists 'in the context of the establishment and functioning of the internal market'.	£1,538.16
Alternative Investment Fund Managers Regulations 2013	Directive 2011/61/EU	TFEU, art. 53(1)	Yes	TFEU, art. 53 allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single market.	£1,532.49
Motor Vehicles (EC Type Approval)	Directive 2007/34/EC; Directive 2007/35/EC;	TFEU, art. 114 (ex art.	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of	£1,303.73

(Amendment) Regulations 2008	Directive 2007/37/EC; Regulation 2007/706/EC; Regulation 2007/715/EC	100 TEC)		the internal market'.	
Data Protection Act 1998	Directive 1995/46/EC	TFEU, art. 114 (ex. art. 100a TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£1,058.83
Motor Fuel (Road Vehicle and Mobile Machinery) Greenhouse Gas Emissions Reporting Regulations 2012	Directive 1998/70/EC (as amended by Directive 2009/30/EC)	TFEU, art. 114 (ex. Arts 95, & 100a TEC); TFEU, art. 192(1) (ex art. 175(1) TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£757.80
Road Transport (Working Time) Regulations 2005; The Road Transport (Working Time) (Amendment) Regulations 2012	Directive 2002/15/EC	TFEU, art. 91 & 153 (2) (ex. arts 71 & 137(2) TEC)	Yes	TFEU, art. 91 allows the EU to legislate on transport by rail, road and inland waterway. It is part of Title VI of TFEU on transport, which establishes a 'common transport policy', which is the means by which the objectives of the Treaties, including the establishment of 'an internal market' must be pursued (see TEU, art. 3(3); TFEU, art. 90). As the ECJ made clear in <i>Parliament v Council</i> [1985] ECR 1513, at [2] 'the common transport policy is included among the activities in which the Community must engage... in order to establish a common market'.	£624.89
Genetically Modified Food (England) Regulations 2004; two other Regulations	Regulation 2003/1829/EC; Regulation 2003/1830/EC	TFEU, arts 43, 114 & 168 (ex arts 37, 95, 152(4)(b) TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£384.32
Employment Equality (Age) Regulations 2006 (now consolidated in the Equality Act 2010)	Directive 2000/78/EC	TFEU, art. 19 (ex art. 13 TEC)	Yes	TFEU, art. 19 enable the EU to legislate on non-discrimination. As such legislation forms part of the principles of the Treaties, it applies to the internal market as to well as to other EU competences.	£315.63
Financial Services and Markets Act 2000	Directive 2004/39/EC	TFEU, art. 53 (ex art.	Yes	TFEU, art. 53(1) allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single	£283.87

(Markets in Financial Instruments) Regulations 2007; five other Regulations		47(2) TEC)		market.	
Vehicle Drivers (Certificates of Professional Competence) Regulations 2007	Directive 2003/59/EC	TFEU, art. 91 (ex art. 71 TEC)	Yes	TFEU, art. 91 allows the EU to legislate on transport by rail, road and inland waterway. It is part of Title VI of TFEU on transport, which establishes a 'common transport policy', which is the means by which the objectives of the Treaties, including the establishment of 'an internal market' must be pursued (see TEU, art. 3(3); TFEU, art. 90). As the ECJ made clear in <i>Parliament v Council</i> [1985] ECR 1513, at [2] 'the common transport policy is included among the activities in which the Community must engage... in order to establish a common market'.	£235.65
Solvency II Directive (not yet transposed into UK law)	Directive 2009/138/EC	TFEU, art. 53 & 62 (ex arts 47(2) & 55 TEC)	Yes	TFEU, art. 53 allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single market. TFEU, art. 62 makes similar provision in respect of the freedom to provide services.	£209.66
Consumer Credit (EU Directive) Regulations 2010; four other Regulations	Directive 2008/48/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£155.09
Non-Road Mobile Machinery (Emission of Gaseous and Particulate Pollutants) (Amendment) Regulations 2006	Directive 2004/26/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£148.79
Fluorinated Greenhouse Gases Regulations 2009	Regulation 2006/842/EC; ten associated EU Regulations	TFEU, arts 114 & 192(1) (ex arts 95 & 175(1) TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£129.26
Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No. 2) Order 2003	Directive 2002/92/EC	TFEU, arts 53 & 62 (ex arts 47(2) & 55 TEC)	Yes	TFEU, art. 53 allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single market. TFEU, art. 62 makes similar provision in respect of the freedom to provide services.	£116.99
Eco-design Directive -	Regulation	TFEU, art.	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate	£106.19

Implementing measures for circulators	2009/641/EC	114 (ex art. 95 TEC)		national laws for the purpose of 'the establishment and functioning of the internal market'.	
Motor Vehicles (Replacement of Catalytic Converters and Pollution Control Devices) Regulations 2009	Regulation 2007/715/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£78.79
Eco-design Directive - Implementing measures for standby and off-mode losses	Regulation 2008/1275/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£61.09
Eco-design Directive - Implementing measures for electric motors	Regulation 2009/640/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£60.52
Money Laundering Regulations 2007	Directive 2005/60/EC	TFEU, arts 53 & 114 (ex arts 47(2) & 95 TEC)	Yes	TFEU, art. 53 allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single market. TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£59.21
Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013	Directive 2011/83/EU	TFEU, art. 114	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£57.94
Pressure Equipment Regulations 1999	Directive 1997/23/EC	TFEU, art. 114 (ex art. 100a TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£55.31
Eco-design Directive - Implementing measures for TVs	Regulation 2009/642/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£54.81
Eco-design Directive - Implementing measures for air conditioners	Regulation 2012/206/EU	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£50.92
Eco-design Directive -	Regulation	TFEU, art.	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate	£50.24

Implementing measures for household lamps	2009/244/EC	114 (ex art. 95 TEC)		national laws for the purpose of 'the establishment and functioning of the internal market'.	
Registration, Evaluation, Authorisation & Restriction of Chemicals (2006)	Regulation 2006/1907/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£46.44
Payment Services Regulations 2009	Directive 2007/64/EC	TFEU, arts 53 & 114 (ex arts 47(2) & 95 TEC)	Yes	TFEU, art. 53 allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single market. TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£42.65
Motor Fuel (Composition and Content) and Merchant Shipping (Prevention of Air Pollution from Ships) (Amendment) Regulations 2010	Directive 1998/70/EC (as amended by Directive 2009/30/EC)	TFEU, arts 114 & 192(1) (ex arts 95, 100a & 175(1) & TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£37.92
Civil Aviation (Denied Boarding, Compensation and Assistance) Regulations 2005	Regulation 2004/261/EC	TFEU, art. 100(2) (ex art. 80(2) TEC)	Yes	TFEU, art. 100 allows the EU to legislate on transport by sea and air. It is part of Title VI of TFEU on transport, which establishes a 'common transport policy', which is the means by which the objectives of the Treaties, including the establishment of 'an internal market' must be pursued (see TEU, art. 3(3); TFEU, art. 90). As the ECJ made clear in <i>Parliament v Council</i> [1985] ECR 1513, at [2] 'the common transport policy is included among the activities in which the Community must engage... in order to establish a common market'.	£34.89
Transfer of Undertakings (Protection of Employment) Regulations 2006	Directive 2001/23/EC	TFEU, art. 115 (ex art. 94 TEC)	Yes	TFEU, art. 115 enables the EU to legislate to harmonise national laws which 'directly affect the establishment or functioning of the internal market.'	£31.94
Payments to Governments and Miscellaneous Provisions Regulations 2014	Directive 2013/50/EU; Directive 2014/51/EU	TFEU, arts 50, 53, 62 & 114	Yes	TFEU, arts 50 & 53 allow the EU to legislate on freedom of establishment, one of the core principles of the single market. TFEU, art. 62 allows the EU to take similar action in the area of services. TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of	£31.56

				the internal market'.	
Producer Responsibility Obligations (Packaging Waste) (Amendment) Regulations 2014	Directive 1994/62/EC	TFEU, art. 114 (ex art. 100a TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£29.10
Batteries and Accumulators (Placing on the Market) Regulations 2008; Waste Batteries and Accumulators Regulations 2009	Directive 2006/66/EC	TFEU, arts 114 & 192(1) (ex arts 95(1) & 175(1) TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£18.50
Eco-design Directive - Implementing measures for tertiary lighting	Regulation 2009/245/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£15.42
Oil Stocking Order 2012	Directive 2009/119/EC	TFEU, art. 122 (ex art. 100 TEC)	Yes	TFEU, art. 122 forms part of Title VIII of Part 3 of TFEU, which is intended to coordinate member states' economic and monetary policies. Under TFEU, art. 119(1), the coordination of national economic policies shall be 'based... on the internal market'.	£15.17
Eco-design Directive - Implementing measures for simple set-top boxes	Regulation 2009/107/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£14.79
Control of Substances Hazardous to Health (Amendment) Regulations 2004	Directive 2003/53/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£12.33
Undertakings for Collective Investment in Transferable Securities Regulations 2011	Directive 2009/65/EC	TFEU, art. 53 (ex art. 47(2) TEC)	Yes	TFEU, art. 53 allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single market.	£10.59
Eco-design Directive - Implementing measures for washing	Regulation 2010/1015/EU	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£10.28

machines					
Road Vehicles (Approval) Regulations 2009	Directive 2007/46/EC; Directive 2008/74/EC; Directive 2008/89/EC; Directive 2009/1/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£10.21
Electronic Communications and Wireless Telegraphy Regulations 2011	Directive 2009/136/EC; Directive 2009/140/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£9.53
Railways and Other Guided Transport Systems (Safety) Regulations 2006; Railways (Access to Training Services) Regulations 2006	Directive 2004/49/EC	TFEU, art. 91(1) (ex art. 71(1) TEC)	Yes	TFEU, art. 91 allows the EU to legislate on transport by rail, road and inland waterway. It is part of Title VI of TFEU on transport, which establishes a 'common transport policy', which is the means by which the objectives of the Treaties, including the establishment of 'an internal market' must be pursued (see TEU, art. 3(3); TFEU, art. 90). As the ECJ made clear in <i>Parliament v Council</i> [1985] ECR 1513, at [2] 'the common transport policy is included among the activities in which the Community must engage... in order to establish a common market'.	£9.42
Welfare of Animals (Transport) (England) Order 2006	Regulation 2005/1/EC	TFEU, art. 43 (ex art. 37 TEC)	Yes	TFEU, art. 43 allows the EU to legislate to give effect to the common agricultural policy. Article 38 of TFEU provides that "'the internal market'" shall extend to agriculture, fisheries and trade in agricultural products'. The 'rules laid down for the establishment and functioning of the internal market' apply to agricultural products, subject to art. 43 TFEU.	£9.28
Pesticides (Maximum Residue Levels) (England and Wales) Regulations 2008	Regulation 2005/396/EC	TFEU, art. 43 & 168(4)(a) (ex arts 37 & 152(4)(a) TEC)	Yes	TFEU, art. 43 allows the EU to legislate to give effect to the common agricultural policy. Article 38 of TFEU provides that "'the internal market'" shall extend to agriculture, fisheries and trade in agricultural products'. The 'rules laid down for the establishment and functioning of the internal market' apply to agricultural products, subject to art. 43 TFEU.	£8.85
Tobacco Products (Manufacture, Presentation and Sale) (Safety) Regulations 2002	Directive 2001/37/EC	TFEU, art. 114 & 207 (ex arts 95 & 133 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'. TFEU, art. 207 governs the EU's common commercial policy, one of the cornerstones of the single market.	£7.93
Statutory Auditors and Third Country Auditors Regulations 2007; Partnerships	Directive 2006/43/EC	TFEU, art. 50(2)(g) (ex art. 44(2)(g) TEC)	Yes	TFEU, art. 50 allows the EU to legislate on freedom of establishment, one of the core principles of the single market.	£7.89

(Accounts) Regulations 2008					
Eco-design Directive - Implementing measures for external power supplies	Regulation 2009/278/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£7.76
Cocoa and Chocolate Products (England) Regulations 2003	Directive 2000/36/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£6.99
Reports on Payments to Governments Regulations 2014	Directive 2013/34/EU	TFEU, art. 50(1)	Yes	TFEU, art 50 allows the EU to legislate on freedom of establishment, one of the core principles of the single market.	£6.73
The Road Vehicles (Testing) (Miscellaneous Amendments) Regulations 2013	Directive 2010/48/EU	TFEU, art. 91 (ex art. 71 TEC)	Yes	TFEU, art. 91 allows the EU to legislate on transport by rail, road and inland waterway. It is part of Title VI of TFEU on transport, which establishes a 'common transport policy', which is the means by which the objectives of the Treaties, including the establishment of 'an internal market' must be pursued (see TEU, art. 3(3); TFEU, art. 90). As the ECJ made clear in <i>Parliament v Council</i> [1985] ECR 1513, at [2] 'the common transport policy is included among the activities in which the Community must engage... in order to establish a common market'.	£6.67
Electricity and Gas (Internal Markets) Regulations 2011	Directive 2009/72/EC; Directive 2009/73/EC; Regulation 2009/714/EC; Regulation 2009/715/EC	TFEU, arts 53, 62 & 114 (ex arts 47(2), 55 & 95 TEC)	Yes	TFEU, art. 53 allows the EU to legislate on freedom of establishment, one of the four fundamental freedoms of the single market. TFEU, art. 62 makes similar provision in respect of the freedom to provide services. TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£6.37
Welfare of Farmed Animals (England) (Amendment) Regulations 2010	Directive 2007/43/EC	TFEU, art. 43 (ex art. 37 TEC)	Yes	TFEU, art. 43 allows the EU to legislate to give effect to the common agricultural policy. Article 38 of TFEU provides that "'the internal market'" shall extend to agriculture, fisheries and trade in agricultural products'. The 'rules laid down for the establishment and functioning of the internal market' apply to agricultural products, subject to art. 43 TFEU.	£6.37
Sheep and Goats (Records, Identification and Movement) (England) Order 2009	Regulation 2004/21/EC	TFEU, art. 43 (ex art. 37 TEC)	Yes	TFEU, art. 43 allows the EU to legislate to give effect to the common agricultural policy. Article 38 of TFEU provides that "'the internal market'" shall extend to agriculture, fisheries and trade in agricultural products'. The 'rules laid down for the establishment and functioning of the internal market' apply to agricultural products, subject to art. 43 TFEU.	£5.58

Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Regulations 2012	Directive 2011/65/EU	TFEU, art. 114	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£5.51
Eels (England and Wales) Regulations 2009	Regulation 2007/1100/EC	TFEU, art. 43 (ex art. 37 TEC)	Yes	TFEU, art. 43 allows the EU to legislate to give effect to the common agricultural policy. Article 38 of TFEU provides that "'the internal market'" shall extend to agriculture, fisheries and trade in agricultural products'. The 'rules laid down for the establishment and functioning of the internal market' apply to agricultural products, subject to art. 43 TFEU.	£5.14
Official Feed and Food Controls (England) Regulations 2009	Regulation 2004/882/EC; Regulation 2009/669/EC	TFEU, arts 43, 114 & 168(4)(b) (ex arts 37, 95 & 152(4)(b) TEC	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£3.94
Companies Act 2006 (Amendment) (Accounts and Reports) Regulations 2008; three other Regulations	Directive 2006/46/EC	TFEU, art. 50 (ex art. 44(1) TEC)	Yes	TFEU, art 50 allows the EU to legislate on freedom of establishment, one of the core principles of the single market.	£3.89
Ship and Port Facility (Security) Regulations 2004	Regulation 2004/725/EC	TFEU, art. 100(2) (ex art. 80(2) TEC)	Yes	TFEU, art. 100 allows the EU to legislate on transport by sea and air. It is part of Title VI of TFEU on transport, which establishes a 'common transport policy', which is the means by which the objectives of the Treaties, including the establishment of 'an internal market' must be pursued (see TEU, art. 3(3); TFEU, art. 90). As the ECJ made clear in <i>Parliament v Council</i> [1985] ECR 1513, at [2] 'the common transport policy is included among the activities in which the Community must engage... in order to establish a common market'.	£3.83
Plant Health (Fees) (England) (Amendment) Regulations 2014	Directive 2000/29/EC; Directive 2002/89/EC	TFEU, art. 43 (ex art. 37 TEC)	Yes	TFEU, art. 43 allows the EU to legislate to give effect to the common agricultural policy. Article 38 of TFEU provides that "'the internal market'" shall extend to agriculture, fisheries and trade in agricultural products'. The 'rules laid down for the establishment and functioning of the internal market' apply to agricultural products, subject to art. 43	£2.82

				TFEU.	
Railways (Interoperability) Regulations 2011	Directive 2008/57/EC; Directive 2009/131/EC; Directive 2011/18/EU	TFEU, arts 91 & 172 (ex arts 71 & 156 TEC)	Yes	TFEU, art. 91 allows the EU to legislate on transport by rail, road and inland waterway. It is part of Title VI of TFEU on transport, which establishes a 'common transport policy', which is the means by which the objectives of the Treaties, including the establishment of 'an internal market' must be pursued (see TEU, art. 3(3); TFEU, art. 90). As the ECJ made clear in <i>Parliament v Council</i> [1985] ECR 1513, at [2] 'the common transport policy is included among the activities in which the Community must engage... in order to establish a common market'.	£2.60
Eco-design Directive - Implementing measures for dishwashers	Regulation 2010/1016/EU	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£2.23
Road Vehicles(Registration and Licensing) (Amendment) (No. 2) Regulations 2012	Regulation 2009/595/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£2.12
Flavourings in Food (England) Regulations 2010	Regulation 2008/1334/EC	TFEU, art. 114 (ex art. 95 TEC)	Yes	TFEU, art. 114 enables the EU to adopt legislation to approximate national laws for the purpose of 'the establishment and functioning of the internal market'.	£1.84
Cost of single market					£22,611.77
% of cost of top 100 regulations caused by single market					67.96%
Single market regulations in top 100 most costly EU regulations					66

Annex 3: Non-single market legislation in the 100 most costly EU regulations for British business

UK legislation	EU legislation	Legal base	Single market?	Explanation
Working Time Regulations 1998; Working Time (Amendment) Regulations 2003	Directive 2003/88/EC	TFEU, art. 153(2) (ex art. 137(2) TEC)	No	Social policy
Agency Workers Regulations 2010	Directive 2008/104/EC	TFEU, art. 153(2) (ex art. 137(2) TEC)	No	Social policy
Water Environment (Water Framework Directive) (England and Wales) Regulations 2003	Directive 2000/60/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Environment
Merchant Shipping (Prevention of Air Pollution from Ships) and Motor Fuel (Composition and Content) (Amendment) Regulations 2014	Directive 2012/33/EU	TFEU, art. 192(1)	No	Environment
Control of Vibration at Work Regulations 2005	Directive 2002/44/EC	TFEU, art. 153(2) (ex art. 137(2) TEC)	No	Social policy
Waste Electrical and Electronic Equipment Regulations 2006	Directive 2002/96/EC; Directive 2003/108/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Environment
Fixed-term Employees (Prevention of Less Favourable Treatment) Regulations 2002	Directive 1999/70/EC	TFEU, art. 155(2) (ex art. 139(2) TEC)	No	Social policy
Working Time (Amendment) Regulations 2002	Directive 1994/33/EC; Directive 2003/88/EC	TFEU, art. 153(2) (ex arts 118a & 137(2) TEC)	No	Social policy
Greenhouse Gas Emissions Trading Scheme (Amendment) Regulations 2014	Regulation 2014/421/EU	TFEU, art. 192(1)	No	Environment
Sex Discrimination Act 1975 (Amendment) Regulations 2008 (now consolidated in the Equality Act 2010)	Directive 2006/54/EC	TFEU, art. 157 (ex art. 141(3) TEC)	No	Social policy
Environmental Permitting (England and Wales) (Amendment) Regulations 2013	Directive 2010/75/EU	TFEU, art. 192(1)	No	Environment
End-of-Life Vehicles (Producer Responsibility) Regulations 2005	Directive 2000/53/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Environment
Control of Noise at Work Regulations 2005	Directive 2003/10/EC	TFEU, art. 153(2) (ex art. 137(2) TEC)	No	Social policy
Nitrate Pollution Prevention Regulations 2008; Nitrate Pollution Prevention (Amendment) and Water Resources (Control of Pollution) (Silage, Slurry and Agricultural Fuel Oil) (England) (Amendment) Regulations 2013	Directive 1991/676/EEC	TFEU, art. 192 (ex art. 130s TEC)	No	Environment
Waste Management (England and Wales) Regulations 2006	Directive 1975/442/EEC; Directive 1999/31/EC	TFEU, art. 192 (ex art 130s TEC)	No	Environment
Work at Height Regulations 2005	Directive 2009/104/EC	TFEU, art. 153(2) (ex art. 137(2) TEC)	No	Social policy

Maternity and Parental Leave etc. Regulations 1999; Parental Leave (EU Directive) Regulations 2013	Directive 2010/18/EU	TFEU, art. 155(2)	No	Social policy
Air Quality Standards Regulations 2010	Directive 2008/50/EC	TFEU, art. 192 (ex art. 175 TEC)	No	Environment
Information and Consultation of Employees Regulations 2004	Directive 2002/14/EC	TFEU, art. 153(2) (ex art. 137(2) TEC)	No	Environment
Environmental Assessment of Plans and Programmes Regulations 2004	Directive 2001/42/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Environment
Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000	Directive 1997/81/EC; Directive 1998/23/EC	Protocol on Social policy	No	Social policy
Control of Asbestos Regulations 2012	Directive 2009/148/EC	TFEU, art. 153(2) (ex art. 137(2) TEC)	No	Social policy
Dangerous Substances and Explosive Atmospheres Regulations 2002	Directives 1998/24/EC; Directive 1999/92/EC	TFEU, art. 153(2) (ex arts 118a & 137(2) TEC)	No	Social policy
Environmental Damage (Prevention and Remediation) Regulations 2009	Directive 2004/35/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Environment
Construction (Design and Management) Regulations 2015	Directive 1992/57/EEC	TFEU, art. 153 (ex art. 118a TEC)	No	Social policy
Merchant Shipping (Ship-to-Ship Transfers) Regulations 2010	Directive 1992/43/EEC	TFEU, art. 192 (ex art. 130s TEC)	No	Environment
Human Tissue (Quality and Safety for Human Application) Regulations 2007	Directive 2004/23/EC; Directive 2006/17/EC; Directive 2006/86/EC	TFEU, art. 168(4)(a) (ex art. 152(4)(a) TEC)	No	Public Health
Control of Major Accident Hazards (Amendment) Regulations 2005	Directive 2003/105/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Environment
Control of Salmonella in Poultry Order 2007	Regulation 2003/2160/EC; Regulation 2006/1168/EC	TFEU, art. 168(4)(a) (ex art. 152(4)(a) TEC)	No	Public Health
Cleaner Road Transport Vehicles Regulations 2011	Directive 2009/33/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Environment
Transnational Information and Consultation of Employees (Amendment) Regulations 2010	Directive 2009/38/EC	TFEU, art. 153 (ex art. 137 TEC)	No	Social policy
Town and Country Planning (Environmental Impact Assessment) Regulations 2011	Directive 2011/92/EU	TFEU, art. 192(1)	No	Public Health
Waste (England and Wales) Regulations 2011	Directive 2008/98/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Public Health
Plant Protection Products (Sustainable Use) Regulations 2012	Directive 2009/128/EC	TFEU, art. 192(1) (ex art. 175(1) TEC)	No	Public Health

