

Implement the services directive which will effectively foster growth and jobs

“Proper national implementation will result in more growth and new jobs”

BACKGROUND

After a difficult debate, the services directive was adopted in December 2006, marking an important moment for the creation of a well-functioning EU single market for services and realisation of the Lisbon agenda's jobs and growth targets. Member States must complete its transposition by 28 December 2009.

High quality, uniform and timely transposition is very important to turn the directive into tangible and real benefits for citizens and companies. For companies and especially for SMEs, the directive should remove remaining barriers to the free movement of services and foster cross-border trade. In addition, it should simplify existing legislative and administrative procedures and improve how public administrations operate and cooperate among themselves.

Transposition is progressing at an uneven pace and the quality of transposition also varies widely from country to country. In particular, wide divergences are observed in the Member States' plans to establish the Points of Single Contact, the use and interoperability of electronic instruments and of information and communication tools on the expected benefits of the directive. European, national and local authorities must provide the necessary financial and human resources to ensure not only a correct transposition by the deadline but also a smooth functioning of the key elements of the directive both nationally and across borders.

National screening resulting in administrative simplification

Member States must review and simplify procedures and formalities for establishment of, access to and exercise of a service activity. Authorisation schemes should be kept to a minimum and properly justified. Effective coordination and the use of standardised procedures among national authorities (at central, regional or local level) responsible for the screening should be ensured. This should apply to all services covered by the directive and if appropriate, extension to other sectors should be considered. Information about the content of the screening, in particular amendments to the existing regulations, should be made public.

Establishment of effective point(s) of single contact

Member States must create point(s) of single contact (PSCs) that provide the necessary information and allow completion of all procedures and formalities relating to establishment, access to and exercise of a service activity. This should be possible also at distance and by electronic means which are effective and interoperable.

In case of several PSCs, the role, tasks and responsibilities of the central and the regional PSCs should be clearly established and made public. Standardised procedures should be developed to enable easy use and exchange of information. Use of the PSC by providers established in other Member States should be facilitated namely using English in addition to the national official languages.

Legal certainty and transparency through reporting obligations

Article 16 of the directive allows for certain national restrictions to the cross-border provision of services subject to specific conditions. The grounds on which Member States can justify national restrictions on foreign service providers must be interpreted and implemented strictly according to existing ECJ case law and not enlarged arbitrarily by Member States. Member States should not abuse this possibility and provide proper justification as indicated in article 39. The Commission should establish a public register of all the national requirements that Member States must notify and determine the consequences for failure to notify.

Effective enforcement and better information

The Internal Market Information system (IMI) is useful for articulation of the cooperation and mutual assistance between competent authorities. The Commission should facilitate and monitor this system. Regular information about the progress and decisions taken concerning national transposition should be made public. A wide communication campaign targeting SMEs should be launched by governments at the relevant level with the assistance of key stakeholders to explain the benefits, rights and obligations created by the directive.

Mutual evaluation exercise

From 2010, a new decisive phase will open whereby the direct effects of the services directive are expected to become visible. The mutual evaluation process will allow the Commission, Member States and the European Parliament to assess the quality of the transposition and identify gaps and areas for improvement. Consultation of the private sector as both users and providers of services will be of utmost importance for the success of this exercise.