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READY, STEADY, SERVICE!

THE SERVICES DIRECTIVE: STATE OF PLAY WITH IMPLEMENTATION

INTRODUCTORY REMARKS BY PHILIPPE DE BUCK – DIRECTOR GENERAL OF BUSINESSEUROPE

Ladies and Gentlemen,

Good afternoon, it is my pleasure to welcome you to the BUSINESSEUROPE seminar on implementation of the Services Directive. Let me first say that I am very pleased and grateful to have such distinguished speakers with us today and numerous participants representing all interested parties: EU institutions, national governments, economic operators, academics and press delegates.

Let me start by recalling the importance of the services sector in the EU. It represents around 70% of European GDP and between 2000 and 2005, services accounted for around 95% of total net job creation in the EU¹.

In spite of these imposing figures, free movement of services, one of the fundamental freedoms of the single market, is not yet a reality across Europe. The services sector is still significantly lagging behind the goods sector in terms of market integration.

¹ European Commission's "Employment in Europe" 2006 Report.

By way of example, services represent almost 30% of exports from the EU to the rest of the world, while they account for only 20% of exports between EU Member States².

The services single market is hampered by a wide range of barriers, such as quantitative restrictions or authorisations, registration requirements or aptitude tests as concerns the establishment of service providers, bans on commercial communications and restrictions on the language used as concerns the promotion of services and finally, the obligation to have a local representative or the existence of different professional titles as concerns the distribution of services.

The growing potential of this sector in the economies both within the EU single market and globally is undeniable. This is why the Services Directive was adopted to create a level playing field and boost competition in the services field.

Its adoption on 12 December 2006 was the result of a difficult and complicated debate. Despite substantial changes and reduction of its scope during the legislative process, the directive is a very important step towards a genuine single market for services in Europe. This should translate in more jobs and growth and more choice and better prices for consumers.

But it will only deliver its promises if it is well transposed and implemented at national level. National governments have until 28 December 2009 to incorporate the directive in their legal orders and to do everything necessary, this includes important legislative and administrative work, to comply with the directive's provisions. The way and the commitment that Member States will use to carry out this job will be crucial.

This is particularly important given the difficult economic situation we are facing and which is having an acute impact on employment. BUSINESSEUROPE's Autumn Economic Outlook forecasts a decrease in the EU 27 employment rate of minus 0.5%, in 2009 whereas employment increased by 1% in 2008. There is no magical solution to redress this situation but the Services Directive offers a concrete opportunity to create new jobs and boost our economies.

This is why today's event "Ready, Steady, Services!" aims at giving an overview, a year before the transposition deadline, on the state of play in the race for national transposition. We will also take the opportunity to present business views and recommendations for a successful and high quality transposition. A comparative report on transposition based on

² Eurostat, "Intra EU share of EU international trade in services amounts for 57% in 2007", Issue 57/2008

information provided by BUSINESSEUROPE member federations will be provided and we will hold a debate to hear from you what your expectations and views on this issue are.

We will first welcome Mrs Emer Daly, Director for Horizontal Policy Development in DG Internal Market and Services, who has kindly agreed to be the keynote speaker today in the absence of Mr Holmquist. She will present the European Commission's experience during the national implementation phase.

He will be followed by Damien Verdier, Chair of BUSINESSEUROPE's Free Movement of Services Working Group who will present the key findings from BUSINESSEUROPE's transposition report.

A panel debate will be then opened with three speakers who will talk about challenges and expectations concerning the implementation of the Services Directive:

First, Sophie in't Veld, MEP (ALDE, The Netherlands), Member of the Committee on Economic and Monetary Affairs will present her views on the EU services market and her expectations from the Services Directive.

Then, Anna-Lena Bohm, CEO of UniGuide (Swedish consulting services company offering system solutions and telecommunication services for companies and organisations) will present her company's experience and prospects in the services market.

And finally, Marie-José Palasz, Head of mission on the transposition of the services directive at the French Ministry of Economy and Finance, will present the transposition situation in France as well as the difficulties encountered.

The panel will be followed by a time for questions and answers. I strongly encourage participants to join in the debate.

Today's event will be closed by a set of recommendations for meaningful and successful transposition of this important directive.

Without further ado, I will pass the floor to Mrs Emer Daly and wish you a fruitful debate.

The floor is yours, Mrs Daly.

THANK YOU!