

Public consultation on the 'Proposal to introduce a services passport and address regulatory barriers in the construction and business services sectors'

Fields marked with * are mandatory.

Introduction

The [Single Market Strategy](#) announced several actions to further develop the single market for services. This public consultation will focus on the following interrelated actions:

1. Initiative introducing a services passport for key economic sectors;
2. Action to address regulatory barriers for key business services and for construction services;
3. Action on insurance requirements for business and construction service providers.

The **business services** sector includes professional, information and support activities such as accounting services, architectural services and engineering services. The focus of this consultation regarding **construction services** is on contractors (both general contractors and subcontractors) as well as developers who ultimately sell the construction product but hire contractors to perform the actual work.

The 2006 **Services Directive** covers a wide range of sectors, such as wholesale and retail, tourism, business services and construction. It excludes sectors such as financial services, network industry and health care. As to the wide range it covers, the Services Directive certainly led to a modernisation of the economy across a variety of sectors.[1]

The Services Directive obliged Member States to eliminate a number of requirements required for the provision of services in their territory from their legal framework. The Services Directive also obliged Member States to ensure that the provision of services in their territories was only subject to certain requirements such as legal form and shareholding to the extent that these requirements were justified by an overriding reason of general interest and proportionate.

The Services Directive, in line with the TFEU, established a different regime for providers established in other Member States and providing services exclusively on a cross-border basis. Since these providers are already subject to the legislation of their home Member State, the Services Directive obliged Member States to ensure that cross-border providers that want to provide services in their territory were only subject to requirements justified by the protection of public policy, public security, public health and the protection of the environment to the extent that these requirements were proportionate.

However, despite work on the implementation of the Services Directive, a number of requirements maintained by Member States still create barriers for the provision of services in other Member States. As a result, the effect has been limited for business services and construction. In 2015, the Commission carried out in-depth reviews of remaining barriers in key business services sectors and the construction sector.[2] Providers in these sectors still face regulatory obstacles such as legal form or shareholding requirements or difficulties in complying with insurance requirements when they provide services in other Member States. As a result, several business services as well as the construction sector show a low level of EU internal market integration.

This consultation aims to gather views on the need for action to address these obstacles as well as different policy options that could be pursued and their potential impact.

This consultation looks at the matter from the perspective of the providers and users of services and does not deal with employee issues and posting of workers.

The results of this public consultation will be without prejudice to potential actions that the Commission may wish to take in the future.

As per the Better Regulation principles, the results of the public consultation will be duly published, so as the responses provided, should the respondents have agreed to publicly disclose their contributions.

The attention of the public is drawn also to parallel consultations as regards the construction sector [http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8725] and forthcoming on regulated professions.

This questionnaire is divided into different sections which are not dependent on one another. In light of their interest and experience respondents can choose to reply to one, several or all sections of this questionnaire.

Sections B.1 and B. 9 are of general interest, sections B.2, B. 4 to B. 6 are likely to be of interest for providers of business and construction sectors and sections B.3 and B. 5 for service recipients in those sectors respectively. Section B. 7 is relevant for insurers for services. Section B. 8 is relevant for national authorities in the area of services. Please click directly on the section (s) of your interest:

- Section B. 1: Questions on services sectors in general (other than business services and construction) [questions 10 to 15]
- Section B. 2: Questions on business services – perspective of service providers [questions 16 to 46]
- Section B. 3: Questions on business services – perspective of customers [questions 47 to 52]
- Section B. 4: Questions on construction services – perspective of service providers [questions 53 to 77]
- Section B. 5: Questions on construction services – perspective of customers [questions 78 to 82]
- Section B. 6: Questions on insurance – perspective of service providers [questions 83 to 96]
- Section B. 7: Questions on insurance – perspective of insurers [questions 97 to 100]
- Section B. 8: Questions for national authorities [questions 101 to 107]
- Section B. 9: General questions on scope of the actions [questions 108 to 111]

[1] For more details on the Services Directive and its implementation, see: http://ec.europa.eu/growth/single-market/services/services-directive/index_en.htm

[2] For business services, see: <http://ec.europa.eu/DocsRoom/documents/13328/attachments/1/translations/en/renditions/native>

For construction services, see: http://ec.europa.eu/growth/single-market/services/construction/index_en.htm

A - Information about the respondent

*

1. Please indicate who you are:

- ☐ Company providing services
- ☐ User of services
- ☐ Consumer association
- ☒ Public authority
- ☐ Business organisation (including associations, chamber of commerce, etc.)
- ☐ Trade union
- ☐ Research institution/Think tank
- ☐ Institutions, such as national or regional parliaments
- ☐ Citizen
- ☐ Other

*

3. Please indicate your place of residence or establishment (main headquarters in case of multinational companies):

- ☐ Austria
- ☐ Belgium
- ☐ Bulgaria
- ☐ Croatia
- ☐ Cyprus
- ☐ Czech Republic
- ☐ Denmark
- ☐ Estonia
- ☐ Finland
- ☐ France
- ☐ Germany
- ☐ Greece
- ☐ Hungary
- ☐ Ireland
- ☐ Italy
- ☐ Latvia
- ☐ Lithuania
- ☐ Luxembourg
- ☐ Malta
- ☒ Netherlands
- ☐ Poland
- ☐ Portugal
- ☐ Romania
- ☐ Slovak Republic
- ☐ Slovenia
- ☐ Spain
- ☐ Sweden
- ☐ United Kingdom
- ☐ Country from the EEA
- ☐ Non-EEA country

***4. Please indicate whether you have an establishment in Member States other than the place where your main headquarters are located:**

- ☐ Yes
- ☒ No

5. Please provide your contact information (name of organisation and/or personal name, address, and email address):

Note that submissions that are sent anonymously will neither be published nor taken into account.

Ministry of Economic Affairs of the Netherlands, DEBNC@minez.nl

***6. Would you agree to be contacted by the European Commission for possible follow-up questions on the basis of your responses?**

☒ Yes

☐ No

***7. Please indicate your organisation's registration number in the Interest Transparency Register**

To verify, click on this link: <http://ec.europa.eu/transparencyregister/public/consultation/search.do?locale=en&reset=>

Note: If your organisation/institution responds without being registered, the Commission will consider its input as that of an individual and will publish it as such.

If the answer is "no", or "not relevant", please indicate it also below.

not relevant

***8. Received contributions may be published on the Commission's website, with the identity of the contributor.**

Please state your preference with regard to the publication of your contribution:

please note that regardless the option chosen, your contribution may be subject to a request for access to documents under Regulation 1049/2001 on public access to European Parliament, Council and Commission documents. In this case the request will be assessed against the conditions set out in the Regulation and in accordance with applicable data protection rules

☒ My contribution may be published under the name indicated; I declare that none of it is subject to copyright restrictions that prevent publication

☐ My contribution may be published but should be kept anonymous; I declare that none of it is subject to copyright restrictions that prevent publication

☐ I do not agree that my contribution will be published at all

*

9. Which parts of this consultation do you want to reply to? (multiple choice possible)

- ☐ Questions on services sectors in general (other than business services and construction) *[6 questions in total]*
- ☐ Questions on business services – perspective of service providers *[31 questions in total]*
- ☐ Questions on business services – perspective of customers *[6 questions in total]*
- ☐ Questions on construction services – perspective of service providers *[25 questions in total]*
- ☐ Questions on construction services – perspective of customers *[5 questions in total]*
- ☐ Questions on insurance – perspective of service providers *[14 questions in total]*
- ☐ Questions on insurance – perspective of insurers *[4 questions in total]*
- ☒ Questions for national authorities *[7 questions in total]*
- ☒ General questions on scope of the actions *[4 questions in total]*

B.8 - Questions for national authorities

101. Should measures be taken to ensure that all the procedures applicable to service providers who want to provide services in another Member State be fully electronic?

- ☒ Yes, we need to take measures to eliminate paperwork for companies and administrations
- ☐ No, we should leave to Member States work to ensure that procedures are fully electronic
- ☐ I do not know

102. Are you an authority registered in IMI?

- ☒ Yes
- ☐ No

103. Have you made use of it in the last three years to communicate with authorities from other Member States?

- ☒ Yes
- ☐ No

104. How do you evaluate its functioning?

	1	2	3	4	5
Scale from 1 = "very inefficient" to 5 = "very efficient"	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please comment on issues not functioning:

The Netherlands supports the IMI as an IT solution for efficient information exchange between Member States. Originally, IMI was set up to allow the exchange of information on service providers between authorities in different Member States. Now, the IMI system has a much wider application, being an instrument in many areas of the single market. In this application of IMI, the Netherlands recognizes there are possibilities to improve the functioning of IMI.

First of all, IMI has an added value for authorities when the exchange of information is efficient and swift. In order to achieve this, the IT design of IMI could be improved, making sure authorities can more easily recognize and process relevant information sent from other authorities. Also, the quality of translated content could be improved.

Finally, when authorities have alternative, more efficient networks of information exchange available to them, authorities tend to use IMI inconsistently, in turn leading to low involvement of the relevant authorities in the IMI information exchange. Therefore, the efficiency of IMI could also be improved by making sure that IMI is only the required information exchange instrument when there is no other efficient network between authorities is in place to safely and swiftly exchange the required information.

105. Is there a need to introduce measures that allow for more and easier information exchange between Member States regarding service providers established in one Member State that want to set up a presence in another Member State (such as through a branch or agency)? (multiple choice)

- ☐ Yes, information on the service provider provided by the Member State of primary establishment could help the Member State of secondary establishment assess the service provider's application
- ☐ Yes, this would increase mutual trust between authorities of the Member States concerned
- ☒ No, there is no need for more information exchange between Member States in this situation
- ☐ I do not know

106. What information could be relevant to include in the information exchange between Member States administrations? (multiple choice)

- ☒ Basic information about a service provider (e.g. name of the company)
- ☐ Specifics about the type of activity
- ☐ Information about qualifications of professionals, posted workers, health and safety
- ☐ Information about the criminal record and economic solvency/soundness of the company
- ☐ Information about compliance with sector-specific requirements in home Member State (authorisations, etc.)
- ☒ None of the above
- ☐ Other
- ☐ I do not know

Please specify:

500 character(s) maximum

Please see the section "Please feel free to add general comments on this section", as we ran out of character space in this field.

107. Which tools might be used or adapted to support more information exchange between Member States authorities?

- ☐ The Internal Market Information system (IMI), *an IT-based network and platform set up in 2007 through which national administrations are communicating on many single market relevant fields*
- ☒ A new system to ensure home and host Member States cooperation
- ☐ There is no need to support more information exchange between home and host Member States authorities
- ☐ I do not know

Please specify which one:

500 character(s) maximum

The to be released Single Digital Gateway.

Please feel free to add general comments on this section:

1000 character(s) maximum

REACTION TO QUESTIONS 105 & 106:

In principle, the Netherlands believes that all types of service providers, no matter their nationality and origin of their qualifications, should be able to perform service activities anywhere within the single market. Authorities should treat foreign service providers with trust instead of ex ante checks through all kinds of information related to criminal records or insolvency matters.

In the current situation where rules on services are not harmonised within the EU, the Netherlands recognizes that the exchange of information on service providers could be helpful in facilitating cross-border activities of service providers. For this information exchange, IMI or the new Single Digital Gateway (currently under design) could be useful instruments to provide for efficient and easier information exchange between authorities.

B.9 - General questions on the scope of the actions

108. Which services sectors should be covered by potential action to facilitate cross-border activities through a services passport?

(Please also describe why)

1000 character(s) maximum

In principle, the Netherlands believes that all types of service providers, no matter their nationality and origin of their qualifications, should be able to perform service activities anywhere within the single market. For a new initiative such as the services passport to be implemented and function properly, we agree with the Commission to focus on priority sectors of business services (including architecture, engineering and accounting) and construction services, as these are sectors with high potential for creating growth. Both business services and construction also represent major inputs in other sectors – so improving the functioning of these markets in particular could lead to growth across the whole economy, including industrial and digital sectors.

109. Which business services sectors should be covered by potential action to facilitate cross-border activities through a services passport?

(Please also describe why)

1000 character(s) maximum

The Netherlands has welcomed the Commission's Communication on the Single Market Strategy where it set out its intentions to take sector-specific measures to boost the single market for services. The Commission has also set out its wish to include the architectural, accounting and civil engineering services in the services passport. The Netherlands encourages the Commission to take these business services sectors forward in the development of the services passport. The services passport must tackle regulatory barriers that exist within these services sectors that hamper market access by new and/or foreign service providers in the economies of other Member States.

110. Which construction services sectors should be covered by potential action to facilitate cross-border activities through a services passport?

(Please also describe why)

1000 character(s) maximum

The Netherlands supports the Commission to cover the construction sector. The services passport must tackle regulatory barriers that exist within these services sectors that hamper market access by new and/or foreign service providers in the economies of other Member States.

111. Which services sectors other than business services and construction should be covered by potential action to address regulatory obstacles?

1000 character(s) maximum

Please refer to answer to question 108.

Please feel free to add general comments on this section:

1000 character(s) maximum

Differences in national requirements and restrictions are creating real obstacles to EU businesses wishing to make full use of the Single Market (SM). There may be potential for the services passport (SP) to make progress on mutual recognition in services. This would be in line with the request in the Competitiveness Council Conclusions of Dec 2013 calling on the Commission to identify areas where additional mutual recognition could be beneficial for the SM and for job creation and growth. The SP could be used by cross-border service providers to fulfil equivalent requirements, enhancing the application of the principle of mutual recognition and should facilitate reducing regulatory barriers for businesses going cross-border, while taking into account public interest objectives as set out in the Treaty. Thus, it is vital that the SP tackles the real regulatory barriers that service providers face. Finally, SP should be a tool to enhance the free movement of services.

Contact

GROW-E1@ec.europa.eu
