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COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

on the implementation of the Services Directive.

A partnership for new growth in services
2012-2015

{SWD(2012) 146 final}
{SWD(2012) 147 final}
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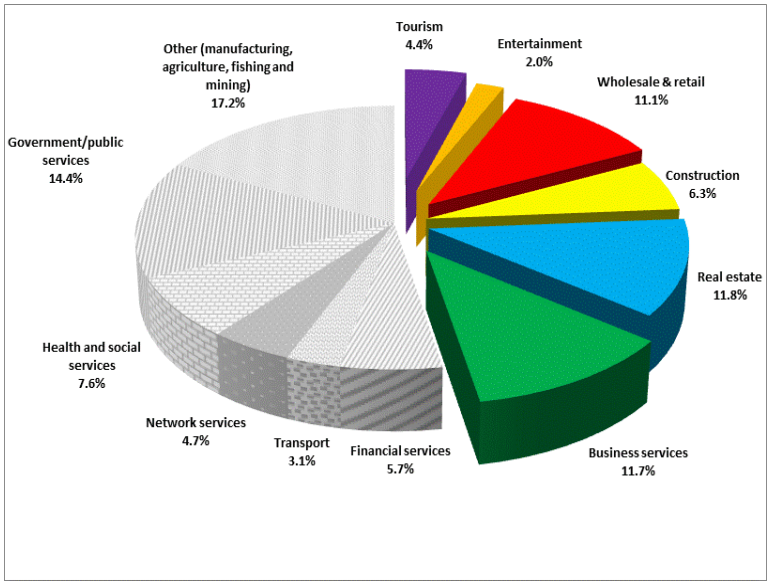
I. INTRODUCTION: MAKING SERVICES WORK FOR GROWTH AND JOBS

The services sector is a significant driver of growth in the EU as it represents more than 65% of EU GDP and employment. The Services Directive is the key instrument at European level for promoting structural reform in the services sector, and it covers services which account for more than 45% of EU GDP. Implementation of the Directive has resulted in a major step forward in terms of removing barriers and moving towards a truly integrated internal market for services. Hundreds of national laws have been modernised and thousands of discriminatory, unjustified or disproportionate requirements have been eliminated throughout the EU. The tools which have been created ('Points of Single Contact') to support implementation of the Directive are now operational in most Member States and are helping to reduce significantly administrative burdens in this area.



Source: Eurostat, National Accounts Statistics, Gross value added, 2009
Note: The darker part on the right shows the services covered by the Services Directive

The figure shows the contribution to the EU economy of the sectors that are covered by the Directive, about 45% of GDP, and those that are not.

Most of the sectors not covered by the Directive are covered by sector specific legislation (see Annex 1).

Services of General Economic Interest are present in many service sectors; they are more specifically addressed in the Commission's Communication of 20 December 2011 on 'A quality framework for Services of General Interest in Europe'.

The measures which Member States have adopted to implement the Services Directive is bringing an additional 0.8% of EU GDP over time, with the majority of the effect materializing during the 5-10 years following implementation.[1] It is clear, however, that service providers still face obstacles when they want to operate cross-border and, unlike in the internal market for goods, consumers are still not always able to access easily services from across the EU. Economic analysis has shown that if Member States were to

[1] Commission Study '*The Economic Impact of the Services Directive: a first assessment following implementation*', published on http://ec.europa.eu/economy_finance/publications/economic_paper/2012/index_en.htm

abolish almost all the remaining restrictions, the total economic gain would be more than three times what we have already achieved - about 2.6% of GDP.[2]

Much more can therefore be done to maximise the economic benefits that the Services directive offers. Member States, in line with calls from the European Council[3], should ensure that the Directive can deploy its full force. Full implementation will significantly improve the functioning of the Single Market for Services, in particular by facilitating market access for SMEs and widening choice for consumers. It will also contribute to enhanced competitiveness in the EU, growth and jobs. This Communication shows how this can be done, and responds to the reporting obligation of the Commission as set out in article 41 of the Directive, the requests from the European Council and the European Parliament to monitor closely and report on the implementation of the Directive and on the initiatives to improve and reinforce the Single Market for services. It sets out the actions that Member States and the Commission should take to ensure that the Directive has the greatest possible impact. These actions are based on the detailed information on the implementation of the Services Directive in each Member State and on the outcome of the Performance Checks provided in the accompanying Staff Working Documents.[4]

The actions will be monitored using the measures to improve governance of the single market which the Commission has presented in a Communication adopted alongside this one. This monitoring will be part of the surveillance carried out in the context of the European Semester and reflected when necessary in country specific recommendations. The Commission already proposed country-specific recommendations on structural reforms in the services sector for 12 Member States on 30 May 2012.[5]

II. DELIVERING THE FULL EFFECT OF THE SERVICES DIRECTIVE

The Directive covers a large variety of sectors ranging from traditional activities to knowledge-based services. The impact of the Directive is wide-ranging and affects service providers both large and small, including thousands of SMEs.

The Commission will focus its efforts on those service sectors with significant economic weight, and with above average growth potential.

- business services representing 11.7% of GDP,
- construction representing 6.3% of GDP,
- tourism representing 4.4 % of GDP, and
- retail representing 4.2% of GDP.

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[2] The figure 2.6% includes the above mentioned 0.8% of additional EU GDP as well as additional gains of up to 1.8% of GDP which could be achieved under a more ambitious scenario in which Member States abolish almost all restrictions.

[3] Statement of the Members of the European Council, 30 January 2012.

[4] Commission Staff Working Document '*Detailed information on the implementation of Directive 2006/123/EC on services in the internal market*'; Commission Staff Working Document '*Results of the performance checks of the internal market for services (construction, business services and tourism)*'.

[5] COM(2012) 299 Action for Stability, Growth and Jobs, 30 May 2012

By ensuring better implementation and better delivery on the ground we can get much more out of what has already been agreed. This is an opportunity that the EU cannot afford to ignore to deliver short-term results for growth and jobs.

Member States and the Commission should concentrate primarily on ensuring a more ambitious and full implementation of the Services Directive with a view to releasing its untapped potential before extending its scope. Almost all commercial service activities are already covered by EU legislation (see Annex 1). The Commission therefore considers that there is no need at present to modify the Directive.

The most significant benefits of the Directive so far have been for service providers wishing to start a business in their own or another Member State. In contrast, service providers wishing to provide cross-border services are still unsure about the regulatory frameworks applied by Member States and continue to face obstacles. In some cases problems arise because of inconsistent or incorrect application of other EU instruments such as the Directive on Recognition of Professional Qualifications or the E-Commerce Directive.

1. 'Zero tolerance' policy for non-compliance

The Commission will apply a 'zero tolerance' policy in cases of non-compliance with the unequivocal obligations indicated below that the Directive imposes on Member States. The Directive prohibits a number of discriminatory and particularly burdensome requirements listed in its Article 14. Member States have removed them to a large extent. However, remaining discriminatory requirements have been identified and must be eliminated.

The Directive introduces specific obligations to simplify authorisation procedures: (1) tacit approval, i.e. silence from the administration means approval, is foreseen in Article 13(4) and (2) nationwide validity of authorisations provided for in Article 10(4). A number of Member States apply these obligations only to a limited extent and with too many exceptions. Urgent action is required to implement these obligations properly.

The Directive bans the total prohibition of commercial communications for regulated professions in Article 24. However, in ten Member States total bans on commercial communications still exist and must be removed.

Establishment requirements render impossible the provision of cross-border services. They are one of the most restrictive requirements addressed by Article 16 of the Services Directive (the freedom to provide services clause), in its paragraph 2 and Member States may not impose it on service providers.. Residence and nationality requirements are also prohibited by Article 14 of the Services Directive. Violations of these unequivocal prohibitions still remain in Member States and must be eliminated.[6]

[6] See Commission Staff Working Document '*Detailed information on the implementation of Directive 2006/123/EC on services in the internal market*'.

Actions

Member States must commit to make their legislation fully compliant with the Services Directive by putting an end to remaining instances of non-compliance with unequivocal obligations in the Services Directive in their legislation as a matter of urgency.

The Commission will apply its zero tolerance policy through infringement procedures, where necessary.

2. Maximizing the economic effect of the Services Directive

The Directive allows Member States discretion on many aspects of its implementation. In particular, Article 15 of the Services Directive refers to requirements such as legal forms, shareholding requirements, quantitative and territorial restrictions and tariffs, which Member States are allowed to maintain only to the extent that they are proportionate and justified by an overriding reason of general interest and proportionate.

There is a great deal of variation in the extent to which Member States have used this discretion. Often they have chosen to preserve the status quo instead of being more ambitious in opening up their services markets. Even if these options may not always constitute a violation of the Directive, these requirements are liable to hamper economic growth and Member States should revisit them. This should take us some way to the additional growth identified.

Member States should therefore reassess the way in which they have used their discretion. They should examine as a priority requirements limiting company structures and capital ownership which are an obstacle to the development of professional services. The progress achieved and on-going reforms in a number of Member States show that these services can benefit from a lighter regulatory regime without jeopardizing quality or undermining the independence of professionals.

Similarly, the freedom to provide services clause laid down in Article 16 of the Directive requires an assessment of the justification and proportionality of requirements which Member States impose on service providers established in other Member States when they provide cross-border services in their territory. Businesses and professionals providing cross-border services are still, far too often, uncertain about the rules applicable to them. What is worse, they may sometimes have to comply with virtually all the laws of the Member State where they provide services in addition to their obligations under the legislation of their own Member State. National legislation implementing the Services Directive's rules on the cross-border provision of services must be improved so as to provide legal certainty and put an end to this double regulatory burden.

Insurance obligations in particular can be a problem for service providers. They exist for many activities in order to protect service recipients. Some of these requirements duplicate requirements already complied with in the Member State of establishment, thus increasing costs for businesses. Even more importantly, finding insurers in the Member State of establishment or in the Member State where the service is provided for cross-border service activities can be difficult, notably in the construction and tourism sectors.

Actions

The Commission, together with the Member States, will launch in 2012 a peer review process and exchange of best practices focusing on requirements limiting company structures and capital ownership and on the freedom to provide services clause. Member States should commit to a thorough review of their legislation in these matters. Results will be assessed by mid-2013.

Member States must eliminate all restrictions and authorisations which are not justified on the basis of the Directive, and in particular should review the necessity and proportionality of requirements imposed on service providers. For any remaining restrictions which may be justified on the basis of the Directive, they should assess the economic benefits of eliminating them and take action where necessary.

The Commission will make country-specific recommendations on priority actions in the context of the European Semester for 2013. If necessary, in the light of the results achieved, the Commission will consider proposing additional legislation on specific issues.

Member States should step up efforts to enhance the use of the Internal Market Information System (IMI). The Commission will closely monitor and assist Member States in doing so.

The Commission will encourage the development of measures by the insurance sector with the aim of providing service providers with adequate insurance cover, including when they provide services in other Member States. In particular, insurance companies established in several Member States that provide insurance policies covering service provision should cover service providers when they provide cross border services in these Member States.

The Commission will assess the progress achieved by the insurance sector by the end of 2013. Depending on progress or the lack thereof, the Commission will consider alternative solutions, including proposing legislation.

3. Professional services: Modernisation of the regulatory framework

There are around 800 categories of regulated professions. Discrepancies in regulating professional services have been identified amongst Member States. The effects of these divergences are made worse by cumbersome procedures for the recognition of qualifications. The European Council has stressed the importance of making progress on enhancing the mutual recognition of professional qualifications, reducing the number of regulated professions and removing unjustified regulatory barriers[7]. The recently proposed modernisation of the Professional Qualifications Directive addresses these issues. To ensure that progress is made as quickly as possible, the Commission has addressed country specific recommendations on this issue to 8 Member States[8] which will be followed up in the European Semester exercise for 2013.

With regard to cross-border service provision, the proposal for the revised Directive provides that Member States will have to clearly identify and justify those cases where they want to make use of the exceptional possibility to check the qualification of service

[7] European Council Conclusions, March 2012.

[8] COM(2012) 299 30 May 2012.

providers before they can offer services. Member States will also have to ensure that the annual declaration that service providers may have to make is valid for the whole territory of the Member State. This will reduce red tape and remove uncertainty for professionals. The transparency and mutual evaluation mechanism proposed will contribute to reducing the complexity due to divergences in the regulation of professions. Member States should review at national level the qualifications requirements imposed on regulated professions and the scope of reserved activities.

Once the proposal has been adopted, the Commission intends to present a Communication in 2013. The Communication will draw on progress made with the country specific recommendations and other developments in Member States as regards the regulation of professions.

Actions

The European Parliament and the Council should adopt before the end of 2012 the proposal for a modernised Professional Qualifications Directive as urged by the European Council of October 2011.

The Commission will:

- assist Member States with the implementation of the country specific recommendations on professional services as part of the European Semester exercise for 2013 and in this context launch an exercise in 2012 with Member States in order to make progress as rapidly as possible.

- present a Communication in 2013, following the adoption of the revised Directive, to take stock of progress made in Member States and to facilitate the mutual evaluation of regulated professions foreseen in the Directive.

4. Ensuring the Services Directive works for consumers

Facilitating the provision of services across national borders is not enough for the establishment of a genuine single market for services. It is equally important to ensure that recipients of services can easily enjoy the opportunities that the single market offers to them.

To enhance the rights of consumers and strengthen their confidence in the internal market, the Services Directive obliges Member States to remove regulatory obstacles for service recipients wanting to buy services supplied by providers established in other Member States. It also ensures that consumers can make informed choices when buying services in other Member States by means of information obligations that apply both to providers and to Member States authorities (for example by the creation of the so-called Article 21 bodies that assist consumers). Finally, the Directive aims to put an end to practices by service providers that unjustifiably hamper access to their services by consumers resident in other Member States. In this regard, the 'non-discrimination' clause is a major step in giving consumers unimpeded access to the Single Market.

Article 20 of the Directive prohibits discrimination against service recipients on the basis of their nationality or country of residence. This applies to refusals to supply or offers subject to inferior conditions when they cannot be justified on objective grounds.

Situations of this type should no longer arise if Article 20 is fully implemented in the Member States.

The non-discrimination clause requires a case-by-case assessment.[9] Particular attention should be given to cases where consumers face higher charges than would be imposed for a domestic transaction when they wish to pay for a service provided in another Member State by credit transfer or direct debit in euro. Consumers should, in principle, no longer be refused supply on the ground that it is impossible to physically deliver goods in another Member State. Similarly, service providers should not rely on mere geographic factors in order to engage in practices that artificially partition markets within the EU single market to the detriment of consumers.

To the extent that impediments to cross-border service provision continue to exist, initiatives are underway at EU level to reduce them and to improve the functioning of the single market. This includes the completion of the Single Euro Payments Area, the Commission's proposal for an optional Common European Sales Law, the implementation of the Consumer Rights Directive, the proposal to establish one-stop-shops for the processing of VAT, the proposals to establish alternative dispute resolution (ADR) entities for the resolution of consumer disputes and the EU-wide online platform for cross-border complaints (ODR) and forthcoming initiatives in the area of collective management of copyright and private copying and reprography levies.

Actions

Member States must enforce national provisions implementing the 'non-discrimination' clause as a matter of priority. The Commission will engage with the) national bodies treating complaints of discriminatory treatment as well as with the competent enforcement authorities to ensure consumers are able to fully benefit from the Single Market. In particular, the Commission will propose targeted actions by mid-2013 to monitor application and to take remedial enforcement action where deficiencies are detected.

The Commission has come forward with initial clarifications on the 'non-discrimination' clause and will closely monitor its enforcement. Additional specific guidance will be issued by the end of 2013 on the basis of further experience with the national implementation of this provision. This guidance will take into account regulatory developments which reduce the remaining obstacles for businesses offering their services cross-border.

The Commission will immediately start work with businesses for example through representative organisations and chambers of commerce, to improve transparency and support efforts to ensure that customers can shop cross-border in the single market. The Commission will support providers in specific sectors with the voluntary establishment of quality charters that include commitments concerning the cross-border conditions of access to their services. Progress made shall be evaluated by the Commission by mid-2013.

The Commission in close cooperation with Member States will inform consumers about their single market rights under the Services Directive in the context of the awareness raising campaign which will be carried out in 2013 as part of the European Year of Citizens.

[9] See for more detail: Commission Staff Working Document with a view to establishing guidance on the application of Article 20(2) of Directive 2006/123/EC on services in the internal market.

5. Making Single Market rules work on the ground

The Directive does not exist in isolation. It can achieve its full effect only when applied together with other Single Market Directives in a coherent way. This is particularly important in the case of the Professional Qualifications Directive and the E-Commerce Directive.

Procedures for the recognition of professional qualifications are long and cumbersome in many Member States.

Cross-border services are increasingly provided on line. Despite the simplification introduced by the Services Directive and the E-Commerce Directive, barriers still exist.

Actions

Member States must commit to make their legislation and procedures fully compliant with the Professional Qualifications and E-Commerce Directives. National law must take full account of the combined effects of these Directives. Necessary adaptations must be made as a matter of urgency.

The Commission will vigorously enforce these Directives, with particular attention to their combined application, to ensure positive results on the ground for service providers. The Commission will use infringement procedures where necessary.

6. Sector-specific needs

The performance checks exercise[10] has identified the need to address a number of bottlenecks for growth in specific sectors.

6.1 Specialist services: Making mutual recognition a reality

Cross-border specialist services may be subject to requirements due to the implementation of sector-specific EU rules that require the authorisation of experts for activities involving fluorinated greenhouse gas (F-gas) in refrigeration systems, the energy efficiency of buildings or waste treatment and transport. Where such experts are subject to a system of accreditation Regulation (EC) 765/2008 facilitates mutual recognition of accreditation certificates. Its full effect should be ensured.

When EU sector-specific legislation provides for authorisation or accreditation schemes at national level, it should ensure that authorised or accredited service providers can exercise their activities in other Member States on the basis of the authorisation or accreditation obtained in their home Member State.

Actions

The Commission will aim at ensuring an increased use of mutual recognition clauses in future proposals of sector-specific legislation setting up authorisation schemes for experts providing specialised services.

[10] Commission Staff Working Document '*Results of the performance checks of the internal market for services (construction, business services and tourism)*'.

When applying existing sector-specific legislation, Member States must give full effect to Article 56 TFEU and to EU legislation facilitating the provision of services by experts from other Member States such as the Professional Qualifications Directive when the profession is regulated or Regulation 765/2008 on accreditation where applicable. Member States should make use of IMI to facilitate the verification of compliance with requirements in other Member States.

Technical standards should be further aligned, in particular by using EU standardisation mechanisms (CEN), in areas where there are significant divergences in the national implementation of EU legislation, as is the case for the certification of the energy performance of buildings.

6.2 Consumer protection legislation

A significant part of the existing consumer protection *acquis* has been based on minimum harmonisation. In areas where minimum harmonisation applies, Member States have gone very often beyond the minimum harmonisation rules. This results in a situation where service providers may be faced with heterogeneous requirements depending on where they wish to provide their services, which can lead to distortions in the single market. The Commission can address this in two ways: by means of further or even full harmonisation, as done recently with the Consumer Rights Directive and as proposed in January 2012 in the General Data Protection Regulation; or by means of optional harmonisation as proposed in October 2011 with the optional Common European Sales Law. Both methods are complementary and should be used depending on the state of the acquis, the need to respect the principle of subsidiarity and the public interests involved as well as the need to ensure a high level of consumer protection notably when it comes to online services.

Actions

The Commission will aim at accelerating legislative procedures on measures affecting consumers which are of key importance for the single market for services.

The Commission will aim, when proposing new legislation, at ensuring, where appropriate, increased levels of harmonisation in future EU consumer protection legislation. The European Parliament and the Council should join efforts in achieving this purpose to ensure that the single market can take full effect.

As concerns the tourism sector in particular and as announced in the Consumer Agenda[11]*, the Commission will propose an updated Package Travel Directive by early 2013 which will seek further harmonisation of national laws notably as regards online offers.*

In consumer protection legislation where minimum harmonisation applies, the Commission will work together with national enforcement authorities to ensure the correct implementation of the whole EU consumer acquis in a coherent and encompassing manner, taking due account of single-market rights and rules.

[11] A European Consumer Agenda - Boosting confidence and growth, COM (2012) 225 final.

6.3 Retail and business services: Specific initiatives

The performance of the retail sector is impeded by a number of problems, many of which were identified in the Retail Market Monitoring Report[12] and by the European Parliament[13]. In view of the economic importance of this sector, the Commission is preparing a European Retail Action Plan to set an EU strategy for the retail sector for the coming years.

Business services have been identified as a service sector where the level of productivity could be significantly improved. The Commission,as announced in the Single Market Act and "the Industrial Policy for the Globalisation Era" Communication, is setting up a High-Level Group on Business-Related Services to study the shortcomings of this particular sector. This Group will focus on four specific business services sectors: (i) marketing and advertising; (ii) facility management; (iii) technical and engineering services; and (iv) design. A special emphasis will be placed on the links between EU business services and manufacturing, as well as on the development of voluntary European standards that have the potential to improve quality of services and comparability between services provided by service providers in different Member States.

Actions

The Commission will adopt in 2012 a European Retail Action Plan setting out an EU strategy for this sector.

The Commission will create a High-Level Group on Business-Related Services to study the shortcomings of this particular sector by autumn 2012.

7. Towards second generation Points of Single Contact

The Points of Single Contact (PSCs) aim to make life easier for service providers by providing them with one interface to access all the necessary information and by allowing them to complete the relevant administrative procedures online. They also facilitate informed choices by recipients who wish to buy services. PSCs offer them essential information such as the contact details of the competent authorities and means of redress generally available in case of dispute.

But there are large variations in the user-friendliness of the information provided by the PSCs on the rules for the main service sectors.

Many PSCs provide information in at least one foreign language, which is a major benefit for service providers. However, many administrative procedures are not yet online and whenever they are available at national level, they are often inaccessible to users from abroad.

It is essential to tackle these deficiencies and to make PSCs function as they should for the benefit of users. This means that Member States still need to overcome major

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[12] Retail market monitoring report '*Towards more efficient and fairer retail services in the internal market for 2020'*, COM (2010) 355.

[13] Report of the European Parliament of 1 June 2011 on a more efficient and fairer retail market (2010/2109(INI).

challenges in terms of further simplification and streamlining of procedures, greater back-office integration and necessary technical adaptations, in particular to ensure cross-border access. It is also important to make business aware of the existence of PSCs and their usefulness.

Actions

Member States must make their PSCs fully compliant with the requirements of the Services Directive as a matter of urgency.

By the end of 2014 Member States, assisted by the Commission are encouraged to develop the second generation PSCs which should (1) cover all procedures during the business life cycle, (2) be multilingual, and (3) be more user-friendly. The Commission will agree with Member States criteria for the second generation PSCs in the form of a 'PSC Charter'.

The Commission will launch a communication campaign on PSCs in 2013, coordinate with Member States to improve the internet presence of PSCs and engage with business organisations to make businesses more aware of PSCs and further promote their use.

III. CONCLUSION

Services are a major driving force of the European economy. A more integrated and better functioning Single Market for services is vital to contribute to the economic recovery of the EU.

All Member States have made significant efforts to implement the Services Directive. They have removed many unjustified barriers and have modernised their regulatory framework applicable to services. This will boost the EU economy.

However, growth and job creation in the services sector are still hampered by a wide range of obstacles. More growth is possible if action is taken now to release the full potential of the Services Directive.

In line with the Communication on Better Governance for the Single Market, we should concentrate our efforts on making what already exists work better. This Communication proposes ways forward to maximise the economic effect of the Services Directive in particular in services sectors of significant economic importance.

– Member States should step up their level of ambition as regards the Services Directive. Any remaining obstacles should be thoroughly assessed as to their economic impact.

– The Commission has put forward a proposal to modernise the legal framework for the mobility of professional services; Member States should adopt it swiftly.

– The Single Market must work for consumers. Businesses should not partition it in an artificial way to the detriment of service recipients.

– Other Single Market instruments, such as the Directive on the Recognition of Professional Qualifications and the E-Commerce Directive, and the Services Directive should be applied in a streamlined way. Where necessary, Union law should be

modernised to meet specific services' needs and to ensure that the legal framework works effectively on the ground for both service providers and recipients.

– Member States should develop the Points of Single Contact to become fully-fledged e-government tools responding adequately to the needs of service providers and recipients.

This requires a political commitment by all European institutions and Member States to give the necessary priority to delivering the required actions within the set time-scale. The Commission will work with Member States in a partnership to create new growth and jobs in services and will monitor progress closely in its Annual Growth Survey.

ANNEX 1 - EU LEGISLATION APPLYING TO SERVICES SECTORS

	Main sectors covered by the Services Directive (2006/123/EC)
	• Business Services including professional services (, *lawyers, architects, accountants, tax advisers, consulting agencies, communication and marketing agencies, patent agents, certification services, sport intermediaries, artist managers, recruitment agencies, interpreters, veterinaries, land surveyors …)* • Construction services and crafts acitivites • Retail • Real-Estate • Tourism (*Hotels, restaurants, cafés, travel agents, tourist guides…)* • Private Education

Services Sectors	**Main EU legal instruments covering the sector**
Energy	**Internal market for natural gas** • Directive 2003/55/EC of the European Parliament and of the Council of 26 June 2003 concerning common rules for the internal market in natural gas and repealing Directive 98/30/EC. **Internal market in electricity** • Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and repealing Directive 2003/54/EC (Text with EEA relevance). **Internal market in gas** • Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (Text with EEA relevance).
Financial Services	**Action plan for Financial Services and follow-ups** (Directive 2006/43/EC, Directive 2006/46/EC, Directive 2007/63/EC, Directive 2007/44/EC, Directive 2009/14/EC, Directive 2007/36/EC, Directive 2007/64/EC, Directive 009/111/EC, Directive 2009/44/EC, Directive2010/76/EU, Directive 2009/49/EC, Directive 2011/61/EU, Directive 2011/89/EU)
Healthcare	• Directive 2011/24/EU of the European Parliament and of the Council of 9 March 2011 on the application of patients' rights in cross-border healthcare. • Directive 2005/36/EC of the European Parliament and of the Council of 7 September 2005 on the recognition of professional qualifications

Postal Services	• Directive 97/67/CE • Directive 2002/39/CE • Directive 2008/06/CE
Telecom	• Regulation (EC) No 1211/2009 of the European Parliament and of the Council of 25 November 2009 establishing the Body of European Regulators for Electronic Communications • Directive 2002/22/EC of the European Parliament and of the Council of 7 March 2002 on universal service and users' rights relating to the electronic communications networks and services as amended by Directive 2009/136/EC of the European Parliament and of the Council of 25 November 2009 • Directive 2002/21/EC of the European Parliament and of the Council of 7 March 2002 on a common regulatory framework for electronic communications networks and services as amended by Directive 2009/140/EC of the European Parliament and of the Council of 25 November 2009 • Directive 2002/20/EC of the European Parliament and of the Council of 7 March 2002 on the authorisation of electronic communications networks and services as amended by Directive 2009/140/EC. • Directive 2002/19/EC of the European Parliament and of the Council of 7 March 2002 on access to, and interconnection of, electronic communications networks and associated facilities as amended by Directive 2009/140/EC. • Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector as amended by Directive 2006/24/EC and Directive 2009/136/EC
Transport	**Road transport** • Regulation (EC) No 1072/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international road haulage market • Regulation (EC) No 1073/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international market for coach and bus services • Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road and repealing Council Regulations (EEC) Nos 1191/69 and 1107/70 **Maritime transport** • Council Regulation (EEC) No 4055/86 of 22 December 1986 applying the principle of freedom to provide services to maritime transport • Council Regulation (EEC) No 3577/92 of 7 December 1992 applying the principle of freedom to provide services to maritime transport within Member States (maritime cabotage) **Rail transport** • Council Directive 91/440/EEC of 29 July 1991 on the development of the Community's railways, OJ L 237, 24.8.1991, p. 25. • Regulation (EU) No 913/2010 of the European Parliament and of the Council of 22 September 2010 concerning a European rail network for competitive freight

	Air transport • Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community • Council Directive 96/67/EC of 15 October 1996 on access to the ground handling market at Community airports) **Inland navigation** • Council Regulation (EC) No 1356/96 on common rules applicable to the transport of goods or passengers by inland waterway between Member States with a view to establishing freedom to provide such transport services • Council Regulation (EEC) No 3921/91 laying down the conditions under which non-resident carriers may transport goods or passengers by inland waterway within a Member State

	Sectors not covered as such by secondary EU legislation
	• Gambling • Activities which are connected with the exercise of official authority (as set out in Article 51 of the Treaty) • Private security services • Notaries, bailiffs • Taxis and port services

ANNEX II – LIST OF INITIATIVES WITH TIMELINE

Policy areas	***Actions***	***Timeline***
1. Zero tolerance for non-compliance	➢ *Member States make their legislation fully compliant with the Services Directive.*	*immediately*
	➢ *Commission apply zero tolerance policy via infringement procedures, in particular in priority sectors.*	*immediately*
2. Maximizing economic effect of the Services Directive	➢ *Commission launch peer review with Member States to reassess specific legislation in priority sectors.*	*launch 2012* *results assessed mid 2013*
	➢ *Member States eliminate all remaining unjustified or diproportionate restrictions and assess economic benefits of eliminating justified requirements.*	*immediately*
	➢ *Priority actions to be taken by Member States reflected in country-specific recommendations in the European semester.*	*as of 2012*
	➢ *Member States increase efforts to enhance use of Internal Market Information System (IMI).*	*immediately*
	➢ *Commission engage with insurance sector to ensure adequate insurance cover for service providers including for activities in other Member States.*	*immediately*

	➢ *Commission assess progress achieved and consider alternative solutions, including proposing legislation if necessary.*	*by end 2013*
3. Modernisation of regulatory framework for professional services	➢ *European Parliament and Council adopt proposal for a modernised Professional Qualifications Directive.* ➢ *Commission assist Member States with implementation of country specific recommendations on professional services as part of the European Semester exercise for 2013.* ➢ *Commission present a Communication to facilitate mutual evaluation of regulated professions.*	*before end 2012* *2012 - 2013* *2013*
4. Ensuring Services Directive works for consumers	➢ *Member States enforce national provisions implementing the 'non-discrimination' clause.* ➢ *Commission propose targeted actions to monitor application and to take action where deficiencies are detected.* ➢ *Commission issues additional specific guidance on Article 20.* ➢ *Commission work with businesses to ensure that customers can shop cross-border.* ➢ *Commission in close cooperation with Member States inform consumers about their single market rights under the Services Directive in the context of the awareness raising campaign as part of the European Year of Citizens.*	*immediately* *mid 2013* *end 2013* *immediately* *assess progress mid 2013* *2013*

5. Making Internal Market rules work on the ground	➢ *Member States make their legislation and procedures fully compliant with the Professional Qualifications and E-commerce Directives.* ➢ *Commission vigorously enforce these Directives; use infringement procedures where necessary.*	*immediately* *immediately*
6. Sector-specific needs: ***6.1 Mutual recognition for specialist services*** ***6.2 Consumer protection legislation: increased harmonisation in certain sectors***	➢ *Commission ensure full effect of Treaty freedoms by aiming at increased use of mutual recognition clauses in future proposals for sector-specific legislation setting up authorisation schemes for experts providing specialised services.* ➢ *Member States give full effect to EU legislation requiring acceptance of experts from other Member States and make use of IMI to facilitate verification of compliance with requirements in other Member States.* ➢ *Further align technical standards, in particular by using EU standardisation mechanisms (CEN), in areas where there are significant divergences in the national implementation of EU legislation.* ➢ *Commission aim at ensuring increased levels of harmonisation where appropriate in future EU consumer protection legislation. European Parliament and the Council should join efforts in*	*when adopting future proposals* *immediately* *on-going* *when adopting future proposals*

6.3 Retail and business services: Specific initiatives	*achieving this purpose to ensure that the single market can take full effect.* ➢ *Commission review Package Travel Directive.* ➢ *Commission work together with national enforcers to ensure correct implementation of EU consumer acquis in a coherent and encompassing manner, taking due account of single-market rights and rules.* ➢ *Commission adopt a European Retail Action Plan setting out an EU strategy for this sector.* ➢ *Commission create a High-Level Group on Business-Related Services to study shortcomings of this sector.*	*2012* *Early 2013* *2012* *autumn 2012*
<u>7. Towards second generation Points of Single Contact</u>	➢ *Member States make their PSCs fully compliant with the Services Directive.* ➢ *Member States develop the second generation PSCs: (1) cover all procedures during the business life cycle, (2) multilingual, and (3) more user-friendly. Commission will agree with Member States criteria for the second generation PSCs in the form of a 'PSC Charter'.* ➢ *Commission launch a communication campaign on PSCs, coordinate with Member States to improve PSCs' internet presence and engage with business organisations to make businesses better aware of PSCs and further promote their use.*	*immediately* *2012-2014* *2013*