



Public consultation on services markets

**Why is there a need for a service
passport? How integrated are our
services markets?**

Why is there a need for a services passport?

- 83% of businesses say that complex procedures are a significant barrier to doing business in the single market¹
- Procedures to access other Member States often not electronic
- Service providers need to provide numerous documents, in many cases translated or certified
- Procedures are often without clear timelines
- Lack of information about applicable rules and procedures and limited trust between home and host Member States

What are the objectives of a services passport?

- A **key** to be offered to service providers in their first step to start operating in another Member States
- Aim is in particular to help **SMEs** in key services sectors to expand cross border
- Build a relation between home and host Member States based on more **trust** through increased transparency and communication between the two

The services passport could reduce administrative burden in several ways

Situation today

Service provider faces different host Member State authorities

Service providers needs to complete different procedures

Procedures often complicated, lengthy and not electronic

Service provider needs to re-submit same documents several times

No or limited communication between home and host Member States

Situation with a services passport

Service provider would deal with its familiar home Member State

Service providers would face a single EU-wide common procedure

Electronic procedure with clear timelines to process applications

Formalities should not have to be repeated when documents are still valid

Increased trust through facilitating interaction between home and host Member States

In which services sectors might there be a need for addressing regulatory obstacles? (1/2)

- Some important services sectors are still showing very low levels of cross-border activity across Member States
- This is the case for business services (in particular sectors such as architectural, engineering and accounting services) and construction services
- These sectors are characterized by low levels of cross-border trade and low levels of cross-border investment
- Why given that these are tradable services?

Very few SMEs in these sectors are able to expand their activities across the EU. Need to make better use of the Single Market for growth.

In which services sectors might there be a need for addressing regulatory obstacles? (2/2)

- Need for more mutual recognition and/or targeted harmonisation in business services and construction?
- Focus for business services might be on requirements for shareholding structures, restrictions on legal forms, rules on management and restrictions on multidisciplinary activities
- Focus for construction might be on organisational requirements, rules on professional and technical capacity and requirements regarding certifications of quality management systems

More integrated services markets? – Access to insurance

- It is often not easy for SMEs to obtain insurance cover for cross-border activities
- What could be done to allow for better access to insurance?
 - Should the difficulties be addressed at EU level?
 - Should minimum conditions of access to insurance be harmonised?
 - Should insurers offer insurance products adapted to cross-border service activities?

Public consultation

- Runs until 26 July
- Aimed at service providers, customers, insurers, public authorities but open for everybody to reply
- Main areas covered include:
 - **Administrative and regulatory barriers** (including insurance) faced by service providers when going cross-border
 - Questions for **service recipients** (satisfaction with quality and price of currently available offer on their market)
 - Questions for **insurers** (what is their approach to cross-border service providers?)
 - Need for **EU level action**? Which action should be taken?
 - Questions for **national authorities** (is there a need to facilitate information exchange between Member States?)
 - General question on **scope** - which services sectors should be covered?