

# Smart Single Market Regulation in the Area of Professional Services

## KEY FINDINGS

- **Smart Single Market regulation is an approach to improving the effectiveness of Single Market regulation through better policy-making.** It is a concept that was introduced in a previous study for the Internal Market and Consumer Protection Committee (IMCO) of the European Parliament and builds on similar tools, including the European Commission's Better Regulation Guidelines.
- **In the Communication on reform recommendations [COM(2017)8290 final], the European Commission has shown how the regulation of professional services is a significant policy issue for the Single Market.** It also underlines the relevance of policy action in this area in the wider context of European labour markets and EU strategies and policies.
- **The policy objectives for the reform recommendations need to be articulated more clearly.** This includes being clear that Member States need to balance the costs and benefits of regulatory reform. The reform process is not just about reducing the cost of regulation, it also recognises the benefits of regulation and seeks to encourage better regulation.
- Experiences during the mutual evaluation suggest strongly that **Member States need guidance from the Commission on how to undertake the process of balancing costs and benefits** as they implement the reform recommendations. The **European Commission needs to review why Member States faced problems with this process and apply lessons learnt** in order to assist Member States with the implementation of the reform recommendations.
- The European Commission should draw on the lessons learnt from the review of Member State experiences to **assist Member States in implementing the reform recommendations** in a number of different ways, including through the use of a 'What Works' approach.
- The **European Commission should create an easily accessible central repository of analytical evidence and data sources** on the impacts of alternative approaches to reforming professional services regulations, providing assessments of the quality of that evidence. This should enable public web-based access and be continually updated in real time with information and evidence from a range of new and existing sources. The data sources linked to the central repository should include:

- changes to professional services regulation at the Member State level from the existing **regulated professions database**;
- **data on complaints** relating to barriers to the single market in professional services from a range of sources, including direct complaints to the European Commission and other Institutions, SOLVIT, Your Europe Advice, the IMI network and other single market governance tools;
- the **restrictiveness indicator**;
- **evaluation and other research information** commissioned by Member States and others on the impacts of reforms in individual Member States;
- research on the **impacts of reforms across countries**, such as analysis undertaken by Koumenta & Pagliero (2016);
- **systematic reviews of evidence** on reform impacts across the EU and by sector, commissioned by the European Commission;
- results from the **EU Survey of Regulated Occupations** and any other relevant survey evidence (e.g. from the Eurobarometers).
- This repository of evidence should also be linked to **regular networking events for policy-makers and researchers** – coordinated by the European Commission - that are aimed at encouraging and prioritising research on professional services regulation in areas where the biggest knowledge gaps exist.
- The European Commission should prepare **detailed plans for monitoring and evaluating the implementation and impact of reforms**, showing clearly which data will be used, how they will be collected and the relevant timescales. This plan should be subject to external scrutiny, including by the European Parliament.
- In order to contribute to a robust evidence base for monitoring reform implementation and impacts, there should be **annual repetition of the EU Survey of Regulated Occupations** (2015). Consideration should also be given to whether an approach, similar to the UK Labour Force Survey, based on quarterly waves that would provide longitudinal data for individuals would have net benefits.
- European institutions involved in the policy-making process should be constantly aware of the costs of delay. In order to reduce delays, whilst applying smart Single Market regulation, they should **plan activities more effectively, using clear timetables, whilst also making better use of a wider range of data sources**. Applying real time monitoring of implementation and impacts could also contribute to increasing the speed with which the policy cycle revolves.
- When legislating the **European Parliament** should ensure that the **European Commission** has the following tasks: publication of detailed **monitoring and evaluation plans**; annual repetition of the **EU Survey of Regulated Occupations**; **and the creation of a central repository for sharing evidence and data**.
- When legislating, the **European Parliament** should ensure that **Member States** are recommended to **follow the guidelines** on regulation of professional services issued by the European Commission and to **cooperate with each other and with the European Commission** in the development and sharing of evidence.

## 1. INTRODUCTION

Following commitments made in the Single Market Strategy, the European Commission launched the 'Services Package' in January 2017. This package included measures aimed at strengthening the single market in professional services, in particular: a proportionality test for national rules on professional services and guidance for national reforms in the regulation of professions.

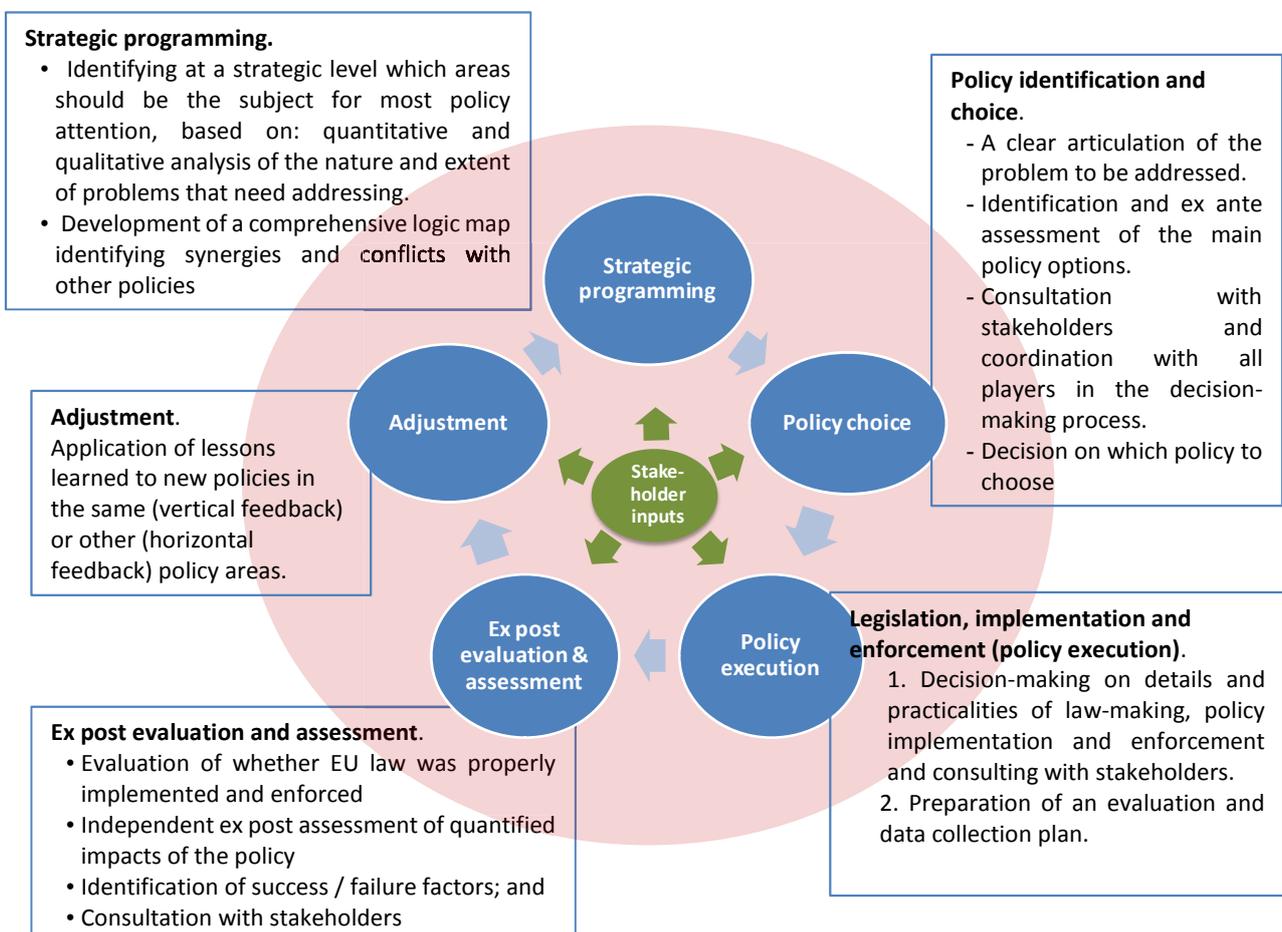
The Briefing uses the smart Single Market regulation concept – developed in earlier research for the Internal Market and Consumer Protection Committee (IMCO) of the European Parliament - to assess the development of policy for professional services regulation, specifically the European Commission Communication on reform recommendations for regulation in professional services [COM(2017)8290 final]<sup>1</sup> ('the Communication').<sup>2</sup>

## 2. SMART SINGLE MARKET REGULATION

Smart Single Market regulation is an approach to improving the effectiveness of Single Market regulation through providing a tool for effective consideration of policy options for achieving clear policy objectives. It is based on an enhanced performance-based policy cycle and is closely related to existing European Commission guidelines on impact assessment. The enhanced performance-based policy cycle places greater emphasis on a strategic programming phase to policy development and also places greater emphasis on the use of ICT and a wider range of data sources to assist on collecting and collating evidence.

The core aim of this and other approaches to impact assessment is to find ways to collate relevant evidence in a systematic and transparent way and to provide policy makers with a consistent approach to using that evidence for the assessment of the societal benefits and costs of alternative approaches to achieving policy goals.

**Figure 1 : The enhanced policy-based performance cycle**



This aim of structuring evidence in a useful and transparent way to support policies that improve outcomes for society does not preclude different views about what policy objectives should be or about what the impacts of policy options are. It is a tool to assist the policy process rather than a mechanism for determining policy choices. In different circumstances, the use of this tool could be consistent with:

- measures to increase Single Market regulation;
- measures to reduce Single Market regulation;
- measures to change Single Market regulation; and
- decisions to keep existing regulation unchanged.

The principle aim is to improve the **quality** of regulation.

The five main phases of the enhanced performance-based policy are illustrated in Figure 1, which also illustrates the importance of the evidence base and the need for stakeholder inputs as a key part of the evidence base.

The illustrated policy cycle can be considered both in a short term context and in a long term context. In this case, it would be possible to think of it as a long term cycle beginning with the professional services directive in 2005, and then the current position might be characterised as being a part of the adjustment phase as the legislation is adjusted to reflect lessons from recent activities such as the mutual evaluation. For the purposes of this Briefing we think it is most useful to think of this as a short term policy cycle, where **the Communication on reform recommendations is the policy that has been chosen for implementation** and so it is addressed here in those terms.<sup>3</sup>

This Briefing focusses on a number of specific issues: **strategic programming; policy objectives; using a 'What Works' approach** to assist Member States; a plan for **data collection, monitoring and evaluation; and the costs of delay.**

### 3. APPLICATION TO PROFESSIONAL SERVICES

#### Strategic programming

The key elements of the strategic programming phase of the enhanced performance-based policy cycle are: the identification at a strategic level of those areas that should be the subject for most policy attention; and the development of comprehensive logic map that identifies synergies and conflicts with other policies.

**The Communication, and the accompanying Staff Working Document,<sup>4</sup> provides clear evidence that the Commission have considered the wider importance of professional services regulation.** Some examples of this evidence include:<sup>5</sup>

- There are **47 million people** working in regulated professional services across the EU. This is **22% of the EU labour** force.
- Commission research showed significant economic impacts from the barriers to entry in four specific professions. The research suggested that, depending on the profession, **employment could increase in the range 3% to 9%** if regulatory access requirements were reduced.
- The Commission's quantitative analysis using the restrictiveness indicator showed a **statistical relationship between high regulatory restrictions and poorer economic outcomes.**

Separately, we also note that in a survey of SMEs initiated by the European Commission in 2012, the regulation of professional services was regarded as being amongst the **top ten most burdensome EU laws** (ranked 4<sup>th</sup>).<sup>6</sup> Tax compliance – an issue of direct relevance to one of the professions chosen for analysis in the Communication – was ranked 2<sup>nd</sup>.

Whilst the recommended comprehensive logic map - that identifies synergies and conflicts with other policies - is not visible in published documents, the Communication does also explain the links that this policy has with the wider activities and strategies of the EU including:

- the Single Market Strategy;<sup>7</sup>
- European Council conclusions;<sup>8</sup>
- European Parliament recommendations;<sup>9</sup>
- the Annual Growth Survey; and
- the European Semester.

## Policy objectives

A key element of the 'policy identification and choice' phase of the performance-based policy cycle is the clear articulation of the problem to be addressed and identification of policy objectives. This is crucial for an effective and transparent assessment of policy options.

In this case, however, the **policy objectives are not articulated clearly enough**. Whilst it is clear about the problems that need addressing, the Communication reads almost as if the policy objectives are too obvious to be stated in detail. It states:

*"The recommendations aim at supporting Member States in creating a regulatory environment that is conducive to growth, innovation and the creation of jobs."*

It does not clarify however what this regulatory environment might be and how its effects might be linked to growth, innovation and the creation of jobs. Some might interpret this as meaning that all barriers to the Single Market need to be removed or reduced. The policy objectives for the reform recommendations need to be articulated more clearly. This includes being clear that **Member States need to balance the costs and benefits of regulatory reform**. The reform process is not just about reducing the cost of regulation, it also recognises the benefits of regulation and seeks to encourage **better regulation**.

**Regulation of professional services can be beneficial** when it ensures that professionals have high levels of skills and competences in cases where this is particularly **important to avoid risks for consumers**. Examples include the levels of skills necessary for doctors to provide safe healthcare and the competences required for civil engineers to ensure that major civil structures are safe.

Whilst the evidence on benefits from this type of regulation is mixed, the benefits from regulation of professional services are the basis of the general interest objectives that justify regulation and the introduction of potential barriers to the Single Market by Member States in this area.

Regulation sometimes goes much further than it needs to in order to achieve these important benefits. It is clear that **in many cases there are economic costs to entry barriers in professional services**:

- the Commission case studies show that the **removal of barriers can lead to increased entry into professional services markets**, leading to benefits for providers and consumers, for example in the cases of the pharmacy sector in Italy and the craft professions in Germany; and
- in research for the European Commission, Koumenta and Pagliero (2016) estimate that **700,000 jobs could be created by relaxing regulatory requirements** in professional services.<sup>10</sup>

When introducing reforms to professional services regulation, **Member States need to assess these trade-offs between costs and benefits**. EU policy in this area needs to recognise this in a way that is clear to Member States and other stakeholders and **the European Commission needs to assist Member States in making those trade-offs within a consistent framework**.

The issue of **balancing benefits and costs**, though hardly discussed in the Communication on Reform Recommendations, is extensively and expertly discussed in the proposal for the proportionality test – where this balance of costs and benefits is central.

Whilst the proportionality test is not the focus of this Briefing, **relevant lessons can be drawn for the reform recommendations**. For example, it would have been more transparent - and more helpful for stakeholders - to include at least elements of this debate in the Impact Assessment for the reform recommendations too, as well as to have made the point more clearly in the Communication.<sup>11</sup>

It is important to note here that **the proposal for a proportionality test focusses mainly on ensuring proportionality for new professional services regulations**. In relation to existing regulations it is limited to requiring that they are monitored for proportionality. The Communication, however, does include the **reform of existing regulations** - the process of balancing the costs and benefits of potential reforms also needs to apply here.

The Impact Assessment for the Proportionality Test makes it clear that the mutual evaluation process included the collection of information relating to proportionality from Member States. It emphasises the difficulty Member States had in providing information about coherent approaches to determining the proportionality of existing regulations. This is illustrated by the fact that **39% of proportionality assessments are yet to be submitted**.<sup>12</sup>

The fact that Member States have been having difficulty in undertaking proportionality assessments has two key implications for the process of **balancing costs and benefits for the reform recommendations**.

- First, that **Member States need assistance** with this process, which is essentially an **Impact Assessment**; and
- Second, that the **Commission needs to undertake an investigation** of why this is problematic as part of the monitoring and evaluation process.

The methods for providing further assistance to Member States need to be determined following investigation of the difficulties that Member States face in implementation options for the reform recommendations. According to the study on Smart Single Market regulation, different approaches might include:

- Written guidance, including case studies;
- Staff training;
- Expert networks;
- Conferences/seminars/workshops;
- A 'What works' approach.

Guidance documents, case studies and workshops have all been used by the Commission already as a part of the policy development process (e.g. during the mutual evaluation exercise). Since the 'What works' approach is less familiar, we outline in the next section what this is and how it might be a tool that the Commission could use to assist Member States.

### **Using a 'What Works' approach to assist Member States**

Alongside other methods, a 'What Works' approach can assist Member States to draw on the experiences - positive and negative – of other Member States as they reform the regulation of professional services.

**'What Works' is a systematic approach to collating, assessing and disseminating research evidence for use as an input to policy development, so that policy-makers can understand 'what works'.**

These systematic approaches have been championed by organisations such as the Cochrane Collaboration, which focuses mainly on healthcare policy. The reviews are disseminated via a searchable database on the Cochrane library website, but also through other means such as social media and blogs.

Other organisations have built on this approach in other policy areas. One important example is the 'What Works Network' in the United Kingdom. This is a network of research centres which aim to make the best evidence of 'what works' across public services, in policy areas such as: crime; education, local economic growth, health and social care.

**Table 1 : Examples of existing 'what works' networks**

Name	Country	Policy areas	Website
What works clearing house	USA	Education	<a href="http://ies.ed.gov/ncee/wwc">http://ies.ed.gov/ncee/wwc</a>
J-PAL, MIT	USA International	International development	<a href="http://www.povertyactionlab.org">http://www.povertyactionlab.org</a>
What works network	UK	Health , Education, Policing, Wellbeing, Ageing, Local economic growth, Scotland, Wales	<a href="https://www.gov.uk/guidance/what-works-network">https://www.gov.uk/guidance/what-works-network</a>
Cochrane (collaboration)	UK International	Healthcare	<a href="http://www.cochrane.org">http://www.cochrane.org</a>
Campbell collaboration	Norway International	Crime & justice Education International development Social welfare	<a href="http://www.campbellcollaboration.org">http://www.campbellcollaboration.org</a>

The main functions of the 'What Works' centres in the UK are:

- **collecting existing evidence** on the effectiveness of effective policy programmes and practices;
- **producing high quality synthesis reports** and systematic reviews in areas where they do not currently exist;
- **assessing how effective policies and practices are** against an agreed set of outcomes
- **sharing findings** in an accessible way; and
- **encouraging** practitioners, commissioners and policy-makers to use these findings to inform their decisions.

### 'What works' in the EU context

The London Economics study for IMCO on the performance-based policy cycle recommended that there should be more systematic dissemination of lessons learned from ex post policy performance assessments, suggesting in particular that:

- a **central repository** be created at the EC which contains all the ex post assessments undertaken by the various DGs along the lines of the repository of the IAs;
- every IA from the EC accompanying a policy proposal contain an obligatory special section presenting the findings of all relevant ex post assessments (ex post assessments by DGs and ex post performance assessments undertaken by the ECA); and,
- the IA unit of the EP prepare for the relevant EP committees on a regular basis (quarterly or semi-annually) **summaries of the key findings and lessons** of all ex post assessments published during the EC and the ECA during the preceding period.

The study on Smart Single Market Regulation also made the following recommendations:

- **Explore alternative methods for disseminating information and best practice** about impact assessment, such as expert networks and conferences. This should seek to confirm whether or not Single Market regulation could benefit from improved dissemination practices and, if so, which dissemination practices would be most beneficial.

- **Develop a 'What Works' approach to Single Market regulation**, drawing on experiences of the UK 'What Works Network' the use of systematic evidence reviews in policy development elsewhere.

Some similar networks and policy databases that already exist are illustrated in the Box below.

**Box 1 : Existing EU policy evaluation networks and databases - examples<sup>13</sup>**

**Expert networks**

- The **EC DG Regio 'Evaluation Network'** comprises representatives of Member States who are responsible for evaluation of cohesion policy. It meets two or three times each year and is chaired by the Evaluation Unit of DG Regional Policy.
- **IQ-Net** is a network of partners across the EU, which seeks to improve the quality of Structural Funds programme management through the exchange of experiences. The network is managed by the European Policies Research Centre (EPRC) at the University of Strathclyde in Glasgow.
- The **European RTD Evaluation Network (EUevalnet)** is a platform for sharing information and best practice on issues related to evaluation methodology, use of research indicators and measurement of research impact.

**Policy databases**

- The **European Commission's regional policy website** includes a web-based searchable policy database which it describes as "primarily for project promoters, policy makers and other practitioners to promote policy learning, and contains case studies, ex post assessment reports and other project summaries";
- The **Single Market scoreboard** website includes a 'best practice' section which provides case studies of best practice in relation to the Single Market governance tools.

**'What works' for the regulation of professional services**

The European Commission could lead a 'What Works' approach for professional services regulation across the EU in order to assist policy-makers in the Member States by:

- making it easier to find evidence;
- judging the quality of evidence;
- highlighting the evidence gaps.

This would not only assist Member States, but would also provide the EU institutions with a stronger evidence base to support future work in the area of professional services regulation. It could also be an exemplar for action in other areas of the Single Market. The European Commission could play a greater role in coordinating the generation and dissemination of high quality evidence about what works in removing barriers in professional services. This would avoid duplication at the national level and it would encourage policy-learning across borders.

The European Commission should create an **easily accessible central repository of analytical evidence and data sources** on the impacts of alternative approaches to reforming professional services regulations, providing assessments of the quality of that evidence. This should enable public web-based access and be **continually updated in real time** with information and evidence from a range of sources including:

- changes to professional services regulation at the Member State level from the existing **regulated professions database**;

- data on **complaints relating to barriers to the single market in professional services** from a range of sources, including **direct complaints** to the European Commission and other institutions, **SOLVIT**, **Your Europe Advice**, the **IMI network** and other **single market governance tools**;
- the **restrictiveness indicator**;
- evaluation and other research information commissioned by Member States and others on the **impacts of reforms in individual Member States**;
- research on the **impacts of reforms across countries**, such as analysis undertaken by Koumenta & Pagliero (2016);
- **systematic reviews** of evidence on reform impacts across the EU and by sector, commissioned by the European Commission;
- results from the **EU Survey of Regulated Occupations** and any other relevant survey evidence (e.g. from the Eurobarometers).

This repository of evidence should also be linked to **regular networking events for policy-makers and researchers** – coordinated by the European Commission – that are aimed at **encouraging and prioritising research** on professional services regulation in areas where the biggest knowledge gaps exist.

The restrictiveness indicator varies considerably across Member States, suggesting that **some have very restrictive regulation and others have regulation that is much less restrictive**. Evidence that is collected and collated through a ‘what works’ approach can be used to identify which levels of regulation and deregulation could work best in the different situations in which Member States find themselves.

### **Plan for collection of evidence, monitoring and evaluation**

An important element of the policy execution phase of the policy cycle is the preparation of an **evaluation and data collection plan**. This plan contributes to the continuous learning process that the policy cycle implies. As the policy is implemented, data on implementation, outcomes and impacts is collected and used in the evaluation in line with the evaluation plan.

This evaluation then becomes a **part of the evidence base that feeds into the next policy cycle** – in a vertical feedback process – as further reforms are made. It can influence both the policy objectives and implementation methods of future reforms. It also allows scope for horizontal feedback – providing lessons in other related policy areas.

The European Commission’s ‘Better Regulation Guidelines’ refer to monitoring as: “*a necessary and integral part of Better Regulation*”;<sup>14</sup> and they describe evaluation as:

*“an essential step to manage and revise the existing body of EU legislation and policy.....The Commission is committed to evaluate in a proportionate way all EU spending and non-spending activities intended to have an impact on society or the economy.”*<sup>15</sup>

They also state that:

*“The monitoring (and evaluation) arrangements should first be outlined in the impact assessment and revised, if necessary, following adoption of the intervention by the Co-legislator. This will allow more efficient evidence gathering to be integrated into the intervention and permit the maximum exploitation of existing sources thereby minimising costs for those involved in providing, collecting, storing and disseminating evidence.”*<sup>16</sup>

Whilst there may not be a formal requirement to apply the Better Regulation Guidelines to a measure such as a Communication, the importance of professional service regulation as a barrier to the Single Market suggests strongly that in this case **high quality monitoring and evaluation arrangements should be planned and be made transparent**.

The ‘**maximum exploitation of existing resources**’ is a key requirement and the Smart Single Market Regulation study also noted the need to make fuller use of existing data from the Single Market governance tools. In order to monitor the reform of professional services

regulation it is necessary to draw on the wide range of existing data sources in a coherent and systematic way. This can be based on the **central repository of analytical evidence and data sources** that is outlined above in the discussion of 'what works'.

The Communication states that **the Commission will monitor implementation** of the reform recommendations and propose measures to address remaining barriers, if necessary. **The restrictiveness indicator will also assist in monitoring** overall levels of regulatory restrictions. Nevertheless the restrictiveness indicator is limited: it includes only seven professions – although these are the professions included in the Communication; and it does not reflect the potential benefits of regulations.

**Whilst this is the start of a monitoring and evaluation plan, it is not sufficient** to provide reassurance that adequate evaluation will take place in a timely fashion and that lessons will be learnt from the failures and successes of the proposed policy approach.

**Detailed and specific plans for monitoring and evaluation, together with timetables, should be published by the European Commission and subject to external scrutiny, including by the European Parliament.**

**Box 2 : Questions to be addressed by the Monitoring and Data Collection Plan**

- **How will implementation of the reforms be monitored?**
  - Will it rely on checking changes to the Regulated Professions Database submitted by the Member States to see if proposed reforms have been implemented?
  - If so, how often will those checks be made, and by whom?
  - Should there be alternative methods for monitoring implementation?
  - What is the process, if monitoring suggests that reform recommendations are not being implemented by Member States? Or if it suggests that reform recommendations are being implemented in a way that is unlikely to achieve the objectives of reform?
- **How will the impact of the reforms be monitored?**
  - Will the restrictiveness indicator be the main monitoring indicator?
  - How often will the restrictiveness indicator be recalculated and published in order to be able to capture the changing impacts of reform?
  - Should the impact of regulatory changes in professions not covered by the restrictiveness indicator (but included in the Regulated Professions Database) be monitored in order to enable assessment of whether Member States have learnt lessons from this process that are application across a wider range of professions, not just those assessed in detail through the reform recommendations?
  - How will the central repository of analytical evidence and data sources be developed? Which other potential indicators for the impact of reforms could be used in addition to those listed above? Potential indicators could include:
    - Analysis of numbers of professionals moving abroad statistics from Regulated Professions Database.
    - Annual repetition of the EU Survey of Regulated Occupations (2015).

**Box 3 : Questions to be addressed by the Evaluation Plan**

- **Which impacts will be evaluated?**
  - Will it be impacts on national markets for professional services?
  - Impacts on the cross-border movement of professionals and the Single Market?
  - Impacts on national general interest objectives?
- **What will be the method for evaluation?**
  - This question is closely linked to the nature of the impacts to be evaluated and the nature of the monitoring data that is being collected?
  - If the with the EU Survey of Regulated Occupations is repeated regularly, would repeats of the Koumenta & Pagliero (2016) analysis be the most appropriate method?
- **What is the timetable for evaluation?**
  - Should the timetable be fixed in the evaluation plan, or should evaluation be triggered by specific monitoring events, e.g. if when more than half of Member States have taken action to meet at least some of the reform recommendations?
  - Should there be interim and final evaluations?
- **Who will be responsible for the evaluation?**
  - What will be the relative roles of the European Commission and Member States?
  - Who will fund evaluation activities?

**Costs of delay**

**Delays to reform lead to greater costs from poor regulation**, because they allow a longer time over which the costs accumulate. This problem has been referred to as '**the cost of slow Europe**'.<sup>17</sup>

As noted earlier in this Briefing, 700,000 jobs could be created by relaxing regulatory requirements in professional services. The current Services Directive dates from 2006 and the Commission notes that the package of measures announced in January 2017, including the Communication, is – eleven years later - aimed at facilitating the application of some of the provisions of the 2006 Directive.<sup>18</sup> **All of the time that regulatory reforms are not being implemented is time in which those 700,000 jobs are not being created.**

However, the **processes underlying smart Single Market regulation can take time to implement** e.g. high quality stakeholder consultation, high quality impact assessment etc. To some extent there is a **trade-off** here between faster policy processes and higher quality policy processes. However, that trade off may not be as strong as it first seems. Many of the delays to policy development and implementation are unlikely to be a direct result of higher quality regulatory processes. They may, for example, derive from other factors such as poor planning, limited political will, other priorities etc.

In addition, **improvements to regulatory processes may sometimes increase the speed of policy development and implementation.** For example, better planning with clear timetables can help to ensure implementation activities do occur and within a reasonable timescale. The proposals in this Briefing relating to monitoring and evaluation planning are an example of this. Making better use of a wider range of data sources and real time monitoring of implementation and impacts could also contribute to the speed with which the policy cycle revolves.

- <sup>1</sup> European Commission (2017). 'Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on reform recommendations for regulation in professional services, COM(2016)8290 final, Brussels, 10.1.2017.
- <sup>2</sup> This briefing also benefits from discussions at a European Parliament (IMCO) Workshop on 'Reforming Professional Services' held in Brussels on 11 July 2017. For further details see: <http://www.europarl.europa.eu/committees/en/imco/events-workshops.html?id=20170607WKS00601>
- <sup>3</sup> In reality, of course, it is both a short term cycle and one or more nested long term cycles.
- <sup>4</sup> European Commission (2017). 'Commission Staff Working Document: Accompanying the document - Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on reform recommendations for regulation in professional services', SWD(2016)436 final, Brussels, 10.1.2017.
- <sup>5</sup> European Commission (2017). 'Commission Staff Working Document: Accompanying the document - Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on reform recommendations for regulation in professional services', SWD(2016)436 final, Brussels, 10.1.2017.
- <sup>6</sup> Press release "Commission wants to simplify life for SMEs by easing the top 10 most burdensome EU laws", 07 March 2013. Available at: [http://europa.eu/rapid/press-release\\_IP-13-188\\_en.htm](http://europa.eu/rapid/press-release_IP-13-188_en.htm) [accessed 11 August 2017].
- <sup>7</sup> European Commission (2015). 'Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the regions, Upgrading the Single Market: more opportunities for people and business', COM(2015) 550 final.
- <sup>8</sup> European Council (2016). Conclusions of the European Council of 28 June 2016 and 20-21 October 2016.
- <sup>9</sup> European Parliament (2015). 2015/2354(INI).
- <sup>10</sup> Koumenta and Pagliero (2016). 'Measuring prevalence and labour market impacts of occupational regulation in the EU', Report for DG MARKT.
- <sup>11</sup> European Commission (2017). 'Proposal for a Directive of the European Parliament and of the Council on a proportionality test before adoption of new regulation of professions', COM(2016)822 final, Brussels, 10.1.2017; and European Commission Staff Working Document (2017). 'Impact Assessment accompanying the document: Proposal for a Directive of the European Parliament and of the Council on a proportionality test before adoption of new regulation of professions', SWD(2016)463 final, Brussels, 10.1.2017.
- <sup>12</sup> As at January 2017.
- <sup>13</sup> Further information on these examples is available as follows.  
DG Regio Evaluation Network: [http://ec.europa.eu/regional\\_policy/en/policy/evaluations/network/](http://ec.europa.eu/regional_policy/en/policy/evaluations/network/).  
IQ-Net: <http://www.eprc.strath.ac.uk/iqnet/default.php>.  
EUevalnet: [http://ec.europa.eu/research/evaluations/index\\_en.cfm?pg=network](http://ec.europa.eu/research/evaluations/index_en.cfm?pg=network).  
Regional policy best practice: [http://ec.europa.eu/regional\\_policy/en/projects/best-practices/](http://ec.europa.eu/regional_policy/en/projects/best-practices/).  
Single Market scoreboard: [http://ec.europa.eu/internal\\_market/scoreboard/feedback/best\\_practices/index\\_en.htm#maincontentSec5](http://ec.europa.eu/internal_market/scoreboard/feedback/best_practices/index_en.htm#maincontentSec5)  
[all accessed 11 August 2017]
- <sup>14</sup> See: [http://ec.europa.eu/smart-regulation/guidelines/ug\\_chap5\\_en.htm](http://ec.europa.eu/smart-regulation/guidelines/ug_chap5_en.htm) [accessed 11 August 2017]
- <sup>15</sup> See: [http://ec.europa.eu/smart-regulation/guidelines/ug\\_chap6\\_en.htm](http://ec.europa.eu/smart-regulation/guidelines/ug_chap6_en.htm) [accessed 11 August 2017]
- <sup>16</sup> See: [http://ec.europa.eu/smart-regulation/guidelines/ug\\_chap5\\_en.htm](http://ec.europa.eu/smart-regulation/guidelines/ug_chap5_en.htm) [accessed 11 August 2017]
- <sup>17</sup> London Economics (2016). 'Reducing Costs and Barriers for Businesses in the Single Market', Study for the IMCO Committee, Policy Department A, European Parliament.
- <sup>18</sup> European Commission (2017). 'Factsheet: A services economy that works for Europeans: Questions and Answers', Brussels, 10.1.2017. Available at : [http://europa.eu/rapid/press-release\\_MEMO-17-11\\_en.htm](http://europa.eu/rapid/press-release_MEMO-17-11_en.htm) [accessed 11 August 2017]

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