Professional Services
"It's the Economy!"

47 million professionals, accounting for 22% of EU total employment

Potential job creation: +700,000

4% to 19% extra costs to consumers and a loss of between 3-9% of jobs
Labour productivity growth in major economic sectors

Source: Eurostat, Commission analysis
Policy Context

1. European Council 2012: "[a] rigorous peer review of national restrictions and swift action to remove unjustified barriers".

European Parliament 2012: "identify areas where Member States are disproportionately blocking” access

Competitiveness Council 2016: "REEMPHASISES the need to ensure more consistent proportionality assessment of regulatory requirements and restrictions applicable to services markets"

2. Article 59 PQD
'...by 18 January 2017 submit its final findings ...accompanied where appropriate by proposals for further initiatives.'

3. SMS October 2015

4. Consultation Summer 2016 – approaches and attitudes
Proportionality test – Why?

_Mutual Evaluation:_

*The extent of regulated professions* (over 5600 professions, 333 professions regulated in less than 5 MS (103 in only 1))

*The variety in intensity / approaches taken*

*The analysis provided as to proportionality* - (1/3 proportionality assessments missing / many superficial)
Existing proportionality assessments

61% of 3500 analysed identified no sensible risk: sharp blades/ cooks, business reliability/ clothes launderer, fraud/interior designer, psychological risk/ hairdresser, wrist injury / watchmaker ...

84% did not evaluate effects. Those that were given were poor: gives a competitive advantage / mechanical engineer, preventative so difficult to measure / private detective, since 1968 road safety has improved / Driving instructor, 'not applicable' / numerous occasions/ no penalties have been imposed, numerous occasions ...
Consultation results

Do you think such guidance should be mandatory for public authorities to use?

- 74% No
- 16% Yes
- 10% Don't know
Consultation results

49 public authorities responded:

21 unaware of national and/or EU level proportionality criteria;

16 review regulations on 'a case by case basis'; 8 operate without any methodology and 14 do not know if one is in place.

30 consult only the profession / 3 do not consult at all
Proportionality test – What's in it?

Criteria – clarity and common approach case law

Preventative – sunrise rather than sunset

Periodic review/modernisation

Information exchange – best practice

Understanding risks and effects

Transparency

Evidence led

Cumulative approach

What's in it?