POLITICS, POLICY AND PEOPLE MAGAZINE***

follow us on witter @Parlimag



EU-China relations

Wu Hailong, Joseph Daul, Crescenzio Rivellini, Graham Watson, Nirj Deva, Iliana Ivanova, Willy Fautré, Jian Chang, Li Junru

Plus: One billion rising campaign, neonicotinoid ban, world cancer day and the MFF



Money laundering

Monica Luisa Macovei, Daniel Ticău and Timothy Kirkhope

Inside: Sandrine Bélier on the Nagoya protocol, Jelko Kacin on Serbia and Anna Maria Corazza Bildt on the internal market for services directive





Services included?

The internal market for services must function properly to avoid neglecting sources of growth in this time of crisis, writes **Anna Maria Corazza Bildt**

hen you mention the implementation of the services directive, some will sigh "not again..." and others will urge "let's get on with it". It's a piece of legislation that has been on everyone's lips for the past six years and, to a certain extent, there is now a risk of 'services directive fatigue'. Except that, in a time of crisis, we cannot afford to neglect potential sources of growth. It is time to shake up the member states and face the facts. How many jobs are we losing on a daily basis because the internal market for services is not fully functioning?

Our internal market is the highway out of the crisis. With the services sector accounting for nearly 70 per cent of EU gross domestic product (GDP) and total employment, it is a pillar of our economy. Still, there is a huge potential for job creation without spending taxpayers' money. It is our responsibility to highlight barriers and remove unjustified restrictions that hamper free movement of services.

Is it normal that nationality requirements and regional authorisations are still in place in some parts of the EU? Is it proportionate to impose a change of business model when, for instance, an architecture company wants to establish itself in another member state? Is it acceptable in our common market to impose higher prices on non-nationals, for example in rescue services or travel packages? My answer to all these questions is no.

The commission has done great in identifying breaches and loopholes and I welcome in particular internal market commissioner Michel Barnier's direct commitment to zero tolerance. Effective governance of the single market is not about reinventing the wheel, it is about getting the wheel rolling. It starts with full and correct enforcement of existing rules. In this respect, I welcome that the commission

is now taking action with infringement procedures against clear-cut violations.

At the same time, I see constructive dialogue with member states as the way ahead and I have called on the Irish presidency to take the lead in the competitiveness council. In some cases, member states might have been implementing the directive inadequately in good faith. But there has to be an understanding that by doing so, they are depriving





European citizens of jobs. The removal of discriminatory barriers does not cost, it is an effective way of creating growth in the short term. Therefore, I look forward to finding ways to address, in particular, the grey zones, where hidden fragmentation and uncertainty of rules create confusion and delays for services providers.

A key tool to help service providers to trade cross-border is the points of single contact (PSCs). Not only should they provide guidance to businesses about procedures, but they can also facilitate informed choices by services recipients. However, in order to bring added-value and be true "onestop shops", the PSCs must become even more user-friendly, multilingual and accessible across the EU. We must bring all PSCs up to speed, upgrade to electronic completion, simplify procedures and, of course, make them known.

Let's not forget that over time the nature of services has

also evolved and modernised. We have to take into account new digital services and mixed forms, where goods and services are sold as a package. Keeping up with innovation

and interpreting the services directive without changing its content at this stage are also challenges for the way ahead.

Above all, it is time to be pragmatic and ambitious. The commission's latest figures speak for themselves: the EU could gain an average of 2.6 per cent GDP over the next five years, if the services directive were to be properly enforced. Are we to stand idly by and wait for this economic gain to be brought to us on a silver plate? That will not happen. It is time to lift off for mission growth. The ball is in the member states' court. *

Anna Maria Corazza Bildt is parliament's rapporteur on internal market

for services: state of play and next

Source: European commission

18 February 2013 PARLIAMENTMAGAZINE 15

steps

2009, as set out in the services directive. EU countries are not le-

gally obliged to make available tax and social security procedures

through the PSCs. However, a large number of EU countries already

provide for this possibility, and all others are encouraged to do so.