EUROPEAN COMMISSION

Brussels, 24.2.2012
SWD(2012) 26 final

COMMISSION STAFF WORKING DOCUMENT

**THE INTERNAL MARKET INFORMATION SYSTEM (IMI)
OPERATION AND DEVELOPMENT IN 2011**

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1. INTRODUCTION

1.1. About IMI

The Internal Market Information (IMI) system is an IT-based information network that enables national, regional and local authorities in the EU Member States (as well as in Norway, Iceland and Liechtenstein)[1] to communicate quickly and easily with their counterparts in other countries. It was developed by the European Commission's services in close cooperation with Member States.

IMI contains, most notably:

- a multilingual search function that helps competent authorities identify their counterparts in another country;

- pre-translated questions and answers for all cases where they are likely to require information from abroad; and

- a tracking mechanism that allows users to follow the progress of their information requests and that allows IMI coordinators at national or regional level to intervene in the event of problems.

At present, IMI is being used on an operational basis for administrative cooperation in the context of the Directive on the Recognition of Professional Qualifications[2] and of the Services Directive[3]. A pilot project about the use of IMI for administrative cooperation concerning posted workers[4] was launched in May 2011.

It is important to note that, as it stands, IMI cannot be used by consumers or businesses directly. It is a tool only for the use of authorities that have responsibilities in the specific policy areas which it supports.

1.2. Purpose of this document

This document provides detailed information on the functioning and further development of the IMI network in 2011, and it analyses IMI-related activity in the Member States. It is intended in particular as an information source for members of the network and their

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[1] In this document, the term "Member States" will be used as referring to the Member States of the European Economic Area, that is all EU Member States and Norway, Iceland and Liechtenstein.

[2] Directive 2005/36/EC of the European Parliament and of the Council of 7 September 2005 on the recognition of professional qualifications (OJ L255 of 30.9.2005, p. 22).

[3] Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (OJ L376 of 27.12.2006, p. 36).

[4] Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services (OJ L18 of 21.1.1997, p.1).

hierarchies, as well as for decision-makers at EU and national level and other stakeholders.

Recommendations at the end of the document indicate actions that the Commission services and Member States should take to ensure that IMI performs well and continues to develop its potential.

The document should be seen in the context of the publication "Making the Single Market Deliver – Annual Governance Check-Up 2011", a first integrated report about the functioning of major governance tools of the Single Market (the Internal Market Scoreboard[5], the Your Europe website[6], Your Europe Advice[7], SOLVIT[8], the Points of Single Contact[9] and IMI). The Governance Report is available on the IMI website.[10]

1.3. Highlights

2011 marked the start of a phase of deepening and widening the IMI network. A Commission communication published on 22 February 2011[11] concluded that IMI was ready for extension and set out a strategy how this extension could be achieved in practice (chapter 5). The main elements of the strategy are the gradual inclusion of additional policy areas in the IMI network, the development of additional functionality and the best possible use of synergies with other information systems.

A first new functionality that was added to IMI in 2011 was the directory of registers, which went live in March 2011 and already lists more than 1000 registers (chapter 3.1). The registers module is presented with a new "look and feel", a more user-friendly interface, which will soon be implemented in the most frequently used parts of the IMI system (chapter 3.3).

In May 2011, a pilot project for the use of IMI in the area of posting of workers was launched successfully. By the end of the year, 243 authorities had been registered for the pilot and 181 information exchanges had already taken place (chapter 2.6).

At the same time, stronger efforts have been made to improve the performance of the network, which by the end of 2011 included a total of 6802 authorities (more than 1000 authorities more than in December 2010). The Commission services and Member State coordinators worked together closely in systematically following up on information requests that remained unanswered for too long and on closing gaps in the IMI network of authorities. In most Member States, these efforts have had a considerable positive effect, although there are still countries in which IMI could be performing much better (chapter 2).

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[5]   http://ec.europa.eu/internal_market/score/index_en.htm.

[6]   http://ec.europa.eu/youreurope.

[7]   http://ec.europa.eu/citizensrights/front_end/index_en.htm.

[8]   http://ec.europa.eu/solvit.

[9]   http://ec.europa.eu/internal_market/eu-go.

[10]   http://ec.europa.eu/imi-net.

[11]   COM(2011) 75.

To support Member States in their training and promotion efforts, the Commission services have continued to offer training, including most recently in the form of "webinars", live interactive courses that users can follow from their own offices (chapter 4.1).

In order to be able to manage the network effectively and to facilitate expansion, taking into account in particular considerations of data protection and security, the Commission proposed a proper legal basis for IMI, in the form of a regulation[12] (chapter 5.3). The proposal was adopted on 29 August 2011, and is currently being discussed by the Council and the European Parliament.

1.4. The IMI network

The open and constructive atmosphere in the network of national IMI coordinators has continued to be a strong advantage of administrative cooperation through IMI. Requests that had caused problems were frequently settled very quickly once the two national coordinators concerned got involved (chapter 2.3).

The IMAC IMI working group (a sub-group of the Internal Market Advisory Committee) met three times in 2011 to discuss the functioning of the network, the expansion strategy, IT development priorities and other issues. At the request of national coordinators, the Commission services also organised a first forum for the exchange of best practices within the network, which took place on 13 October 2011.

A growing number of coordinators are facing the challenge of having to guarantee continuity in spite of staff changes and, more and more frequently, budget restrictions. In addition, a few of them have had to deal with a major restructuring of their national IMI networks, in particular France, Belgium and Ireland.

Figure 1: The IMI network

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[12]   COM(2011) 522 final.

2. USAGE OF IMI

2.1. More than 1000 new authorities joined IMI in 2011

At the end of the year 2011, a total of 6802 authorities were registered in IMI, 1065 more than at the end of 2010. As the number of authorities in the area of professional qualifications is stable, the rise is to a large extent due to the roll-out of IMI to more local authorities with competencies in the area of services in only a few Member States (chapter 2.5). Moreover, new authorities have been registered for the pilot project in the area of posting of workers (chapter 2.6).

Figure 2: Authorities registered in IMI per legislative area

Member State	Professional Qualifications	Services	Posting of Workers	Total number of authorities in IMI[13]
AT	13	54	12	68
BE	31	87	17	96
BG	8	54	2	58
CY	18	88	5	96
CZ	11	298	4	304
DE	369	1871	18	2064
DK	23	20	2	29
EE	8	21	3	25
ES	93	902	25	924
FI	5	14	2	18
FR	223	405	9	420
GR	74	221	4	289
HU	12	74	4	77
IE	20	58	3	71
IS	8	2	1	9
IT	29	31	96	127
LI	8	7	3	9
LT	7	77	2	78
LU	5	4	2	7
LV	11	42	6	52
MT	15	30	2	37
NL	8	539	2	545
NO	8	12	2	18
PL	147	408	2	484
PT	19	221	4	232
RO	17	90	2	101
SE	7	39	2	43
SI	8	15	4	18
SK	12	64	2	69
UK	22	415	1	434
Total	**1239**	**6163**	**243**	**6802**

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[13] This table shows the total number of authorities registered for each area. As an authority may be registered for more than one area, the total number of authorities in IMI is lower than the sum of authorities in all areas.

With three legislative areas covered in IMI, there is already a considerable degree of synergy for authorities that use IMI in more than one area. The 89 authorities with access to all areas include 72 national and regional IMI coordinators, who by definition have access to all areas, but also 17 authorities that have content-related tasks in all of these areas.

Figure 3: Number of authorities registered in IMI for more than one policy area
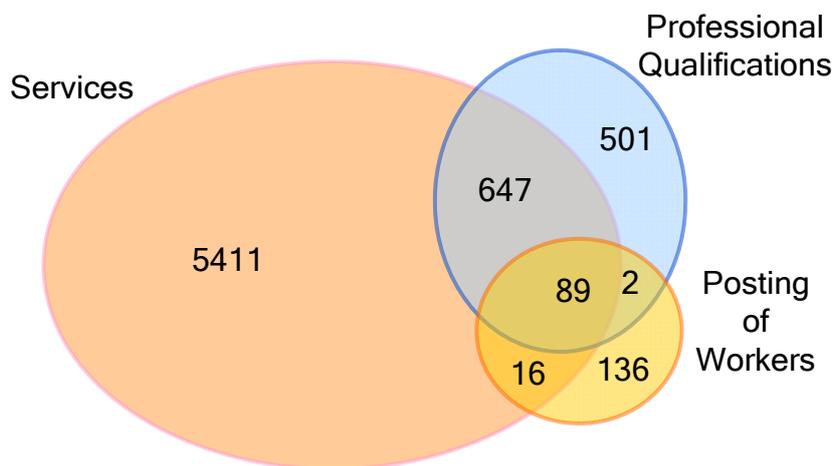
Less encouraging is the fact that a number of authorities registered in IMI have still not activated their registration. This means that, although they are listed in the IMI database of authorities, no user from these authorities has ever logged in to IMI. Therefore, if an information request reaches them, it is likely that they will not be able to deal with it speedily because the necessary structures are not in place. National coordinators are regularly provided with lists of these authorities without active users in their country and are asked to contact them in order to make sure that they are aware of their obligations in using IMI.

Austria, Cyprus, Finland, Ireland, Liechtenstein, Luxembourg, Malta and Slovenia do not have any authorities without active users and are therefore not represented in figure 4.

Figure 4: Percentage of authorities without active users per Member State
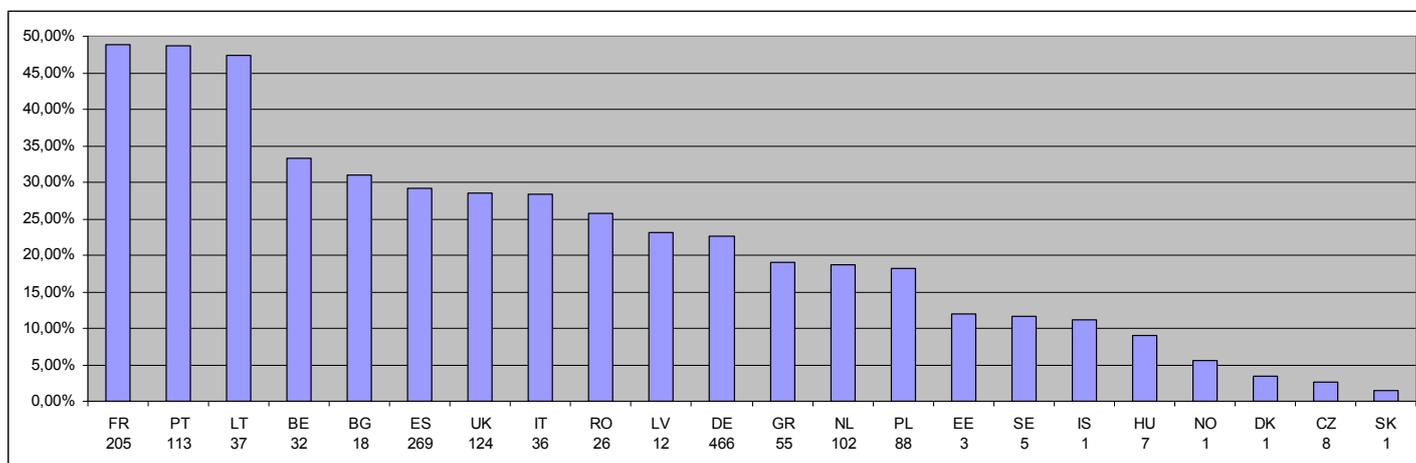
2.2. More information exchanges about professional qualifications – still few requests about services

The number of requests sent through IMI in the area of professional qualifications has continued to rise steadily. However, in spite of a much higher number of authorities registered for the area of services, the number of requests in this area is still low (see chapter 2.5 for possible causes). Since the beginning of the pilot project for posting of workers, authorities have already sent 181 requests in this area.

Figure 5: Total number of information exchanges in IMI per legislative area

	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4
☐ Posting of workers														13	45	123
■ Services						6	23	19	42	33	49	57	101	84	87	80
■ Professional qualifications	21	65	117	171	302	375	379	348	406	449	509	472	458	533	517	658
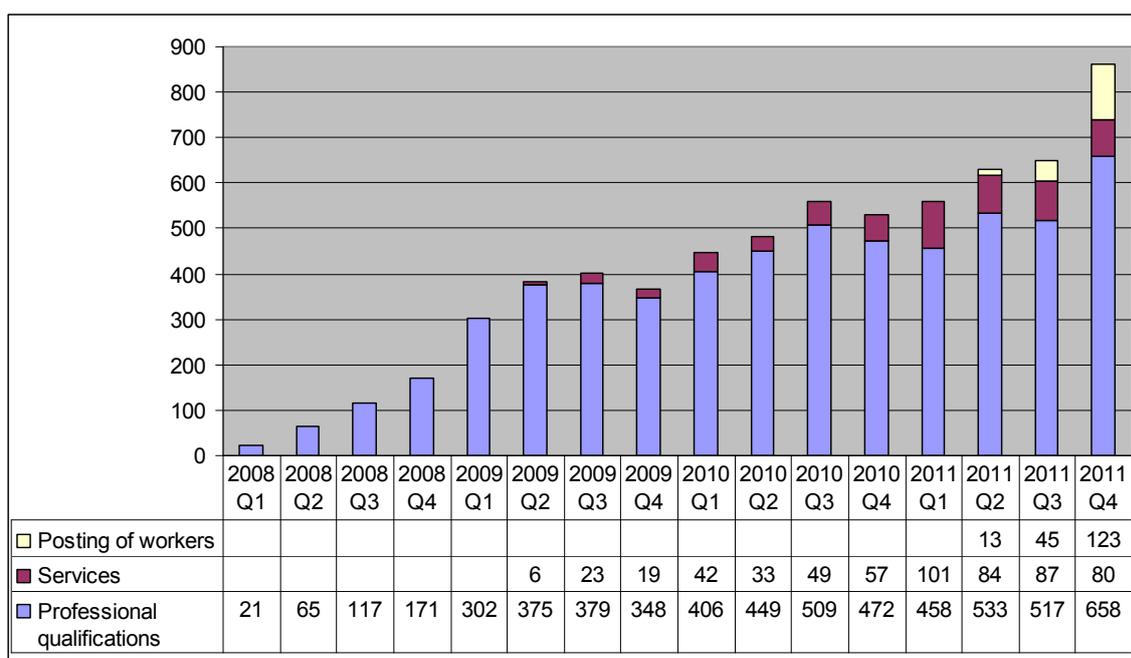
The Chamber of Crafts in Dortmund (Germany) asked us whether an entrepreneur had a Czech trade licence for a particular activity. We quickly provided the information requested. We found the cooperation via the IMI system very useful and effective. We will not hesitate to use IMI again.

Trade Licencing Office, Czech Republic

2.3. Speed of reply remains high

Although there is no fixed deadline for responding to requests in IMI, information exchanges are normally treated very quickly. 54% of all requests in the areas of professional qualifications and services were replied to within two weeks. However, this percentage is slightly lower than last year's (59%).

Figure 6: Time taken to reply to requests about professional qualifications and services[14]
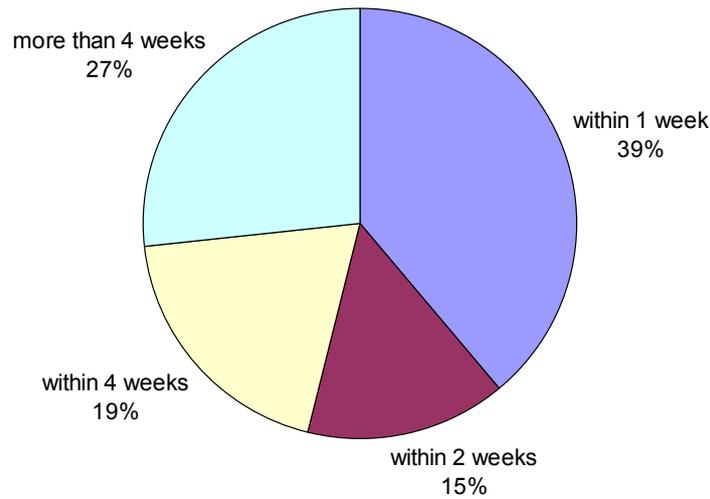
Authorities in some Member States are consistently very fast in answering requests, including Cyprus, Sweden and the UK, the latter in spite of its considerable workload of 185 requests. On the other hand, some of the main recipients of requests including Poland and Romania need to improve their request-handling times. In France, only 19 out of 70 requests were replied to within two weeks.

Figure 7: Time taken to reply to requests in the areas of professional qualifications and services by Member State[15]
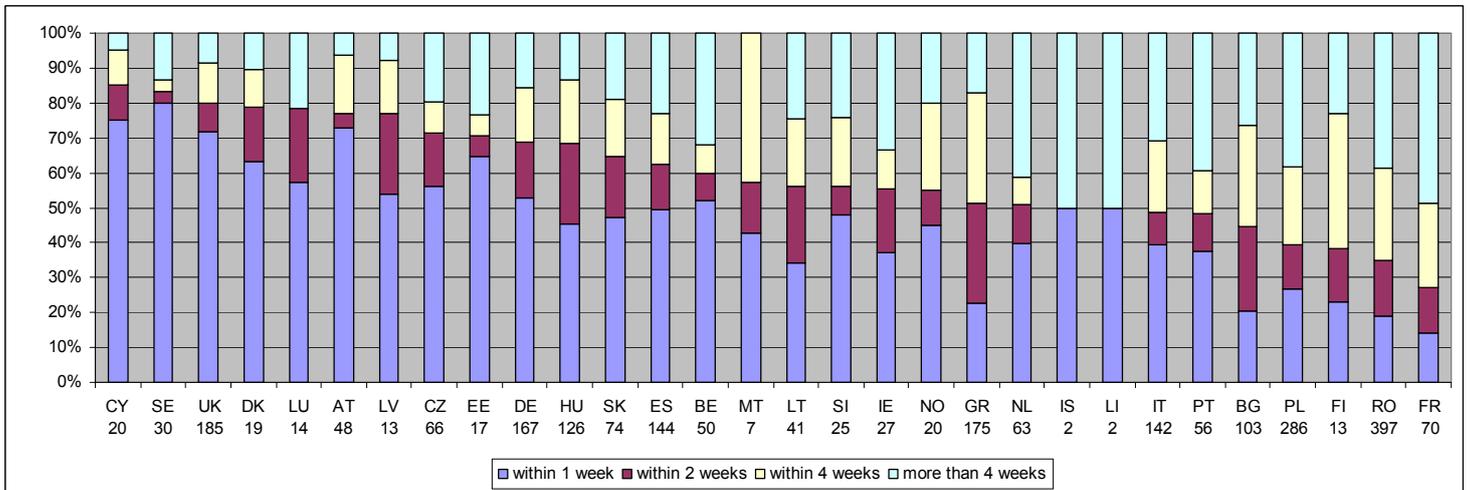
In order to systematically address the fact that 27% of all requests remain unanswered for more than four weeks, the Commission services followed up on a quarterly basis with national IMI coordinators on such requests. Coordinators were provided with the list of unanswered requests for their country and were asked to contact the relevant authorities in order to see to it that replies would be provided as quickly as possible. Thanks to this

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[14]   From status "request sent" to status "request answered".

[15]   Sorted by the percentage of requests answered within two weeks.

follow-up and some bilateral contacts with competent authorities concerned, the number of unanswered requests has decreased throughout the year.

However, there are still a number of countries in which the number of requests that stay unanswered for a long time remains an issue: This is true in particular for Greece, France, Italy, the Netherlands, Portugal, Slovakia, the UK and Iceland. Therefore, the Commission services strongly encourage coordinators particularly in these countries to take decisive action in order to clear the backlog and prevent new delays. On the other hand, it is encouraging to note that, on 31 December 2011, 16 Member States did not have any requests that had been pending for more than a month.[16]

2.4. Professional qualifications

2.4.1. Authorities use IMI more and more

A total of 35 professions are currently covered in the professional qualifications module of IMI, including the most mobile professions of doctor, secondary school teacher and architect.

While the number of registered authorities is stable, the number of information exchanges has continued to increase, by around 25% in comparison to 2010. It is a positive sign that all Member States have by now been involved in information exchanges in this area.

Figure 8: Number of requests under the Professional Qualifications Directive from 2008 to 2011
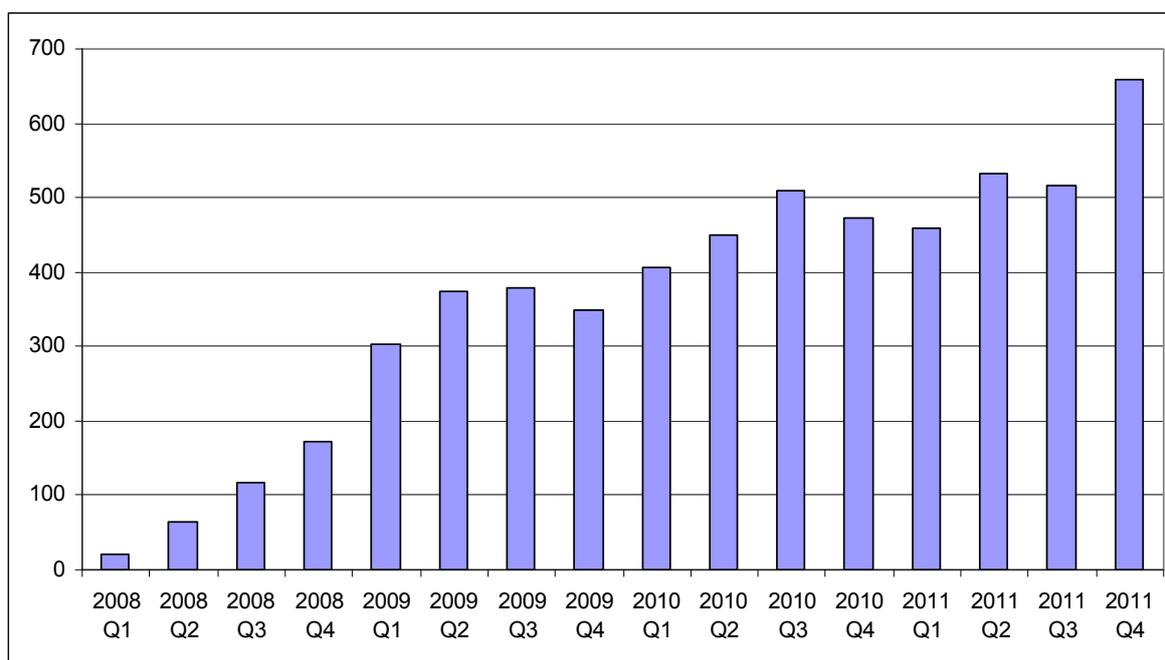
Most requests concerned doctors, secondary school teachers and nurses, with no major changes in distribution in comparison to 2010.

Figure 9: Number of requests in 2011 by profession

Professions	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Total
Doctor	145	144	183	254	726
Secondary school teacher	124	195	139	172	630
Nurse	43	61	41	61	206
Dentist	39	30	47	36	152
Architect	24	13	14	10	61
Pharmacist	22	9	16	21	68
Physiotherapist	7	18	21	11	57
Electrical equipment / appliances / contractor / repairer / installer	10	10	16	26	62
Veterinary surgeon	14	14	14	14	56
Accountant	9	8	8	8	33
Midwife	3	10	3	5	21
Hairdresser / Barber / Wig-maker	8	2	2	4	16
Other	10	19	13	36	78
Total	**458**	**522**	**517**	**658**	**2166**

Figure 10: The five most frequently asked questions in IMI requests in the area of professional qualifications in 2011[17]

Question	Frequency	Percentage
Does X, holder of the diploma Y for the profession of Z, have the right to pursue the relevant professional activities throughout your territory?	695	32%
What profession is X entitled to pursue in your territory?	601	28%
Which subjects can be taught by X?	537	25%
Which age range can be taught by X?	537	25%
What is the professional qualification delivered in your territory to X?	400	18%

2.4.2. Slight increase in response times

Response times in the professional qualifications module have increased slightly. Whereas in 2010, 58% of requests in this area received a reply within two weeks, this percentage has gone down to 53%. The number of requests that took more than four weeks to be answered rose from 24 to 27%.

In most countries, the IMI network in the area of professional qualifications is seen as fully functional. However, it is important to avoid complacency, as some time without any exposure to IMI and in particular staff changes in the competent authorities may lower their readiness for requests. Coordinators are therefore encouraged to make use of

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[17] The percentages do not add up to 100% because requests may contain several questions.

newsletters and other reminders in order to maintain the momentum that has characterised this part of the network from the beginning.

Figure 11: Time taken to reply to requests under the Professional Qualifications Directive in 2011[18]
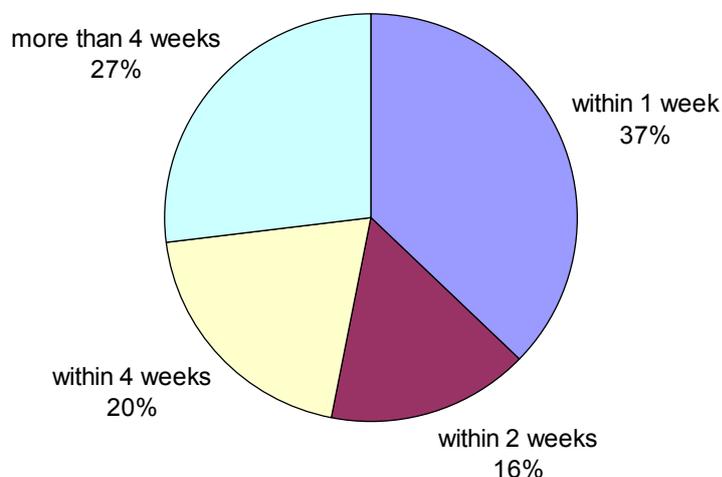
2.4.3. Gradual extension to all regulated professions

On 7 December 2010, the Committee for the Recognition of Professional Qualifications agreed to the objective to gradually include all remaining regulated professions in IMI by the end of 2012.

In order to facilitate information exchanges about all regulated professions without making IMI too cumbersome to use (e.g. with drop-down lists of all professions), the professions are being sorted into groups. At the end of 2011, 280 professions that had been grouped into 15 sectors were added to IMI.

Registrations of new competent authorities started at the end of 2011 and will continue throughout 2012. In the first quarter of 2012, revised question sets will be made available to support the information exchanges regarding the additional professions. Once these changes have been implemented, Member State competent authorities will already be able to send requests in relation to any regulated profession.

By the end of 2012, some 315 individual professions will have been added to IMI. In addition, it will be possible to identify other professions by searching for them in free text fields, which will be linked to machine translation.

A Romanian citizen with permanent residence in Cyprus applied to us for permission to work as a physiotherapist in Cyprus. We were not sure about his qualifications, so we applied, through IMI, to the competent authority in Romania for further information. After a few weeks the Romanian authority answered that he was not a physiotherapist but a teacher of physical education. Based on this information, we did not give him permission to work as a physiotherapist as he was not qualified.

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[18]   From status "request sent" to status "request answered".

2.4.4.   Revision of the Directive

A proposal for a directive amending the Professional Qualifications Directive was submitted to the Council and the European Parliament on 19 December 2011[19]. As regards IMI, it most notably makes the use of IMI for administrative cooperation mandatory (as is already the case for professions covered by the Services Directive).

Moreover, the proposal introduces an alert mechanism, which is considered useful in particular for health professions: There is strong demand from Member State authorities to be able to warn each other of professionals who have lost their right to practice and who might try to gain admission to the labour market of other EU countries. If adopted, the alert mechanism will be realised in IMI in a manner that provides the necessary safeguards to comply with data protection requirements.

Thirdly, the proposal provides for the development of a European Professional Card (EPC), to be linked to IMI, for example by taking the form of an eCertificate that could be generated in the system (chapter 5). The Commission services will ensure that such a professional card would be implemented with the necessary technical standards and measures that will guarantee the integrity, authenticity and confidentiality of the data stored and will avoid unlawful and unauthorised access to information contained in it.

2.5. Services

2.5.1.   Still few requests in spite of a growing network of authorities

Although most Member States had already reached their registration targets for the area of services in 2010, the number of registered authorities is still growing. By the end of the year, 6163 authorities had been registered in IMI for this area (compared to 5249 at the end of 2010). This rise is mainly due to the registration of additional authorities, in particular at municipal level, in a few countries, namely Germany, France, Romania and Slovakia. Italy had only registered two authorities for services in 2010, but has now started to involve its regions, with many more registrations to be expected in 2012.

> We had great success at the recent tattoo convention in Klagenfurt. Participants came from all over Europe and it was unclear if they all had the necessary documentation. In Austria, tattooists need special hygiene certificates, but we did not know if such certificates exist in other countries as well and where the tattooists could have obtained them. Thanks to rapid responses from the authorities abroad through IMI, we were able to advise the participants accordingly. For example, it turned out that there are no similar certificates in Germany.
>
> *Regional government of Carinthia, Austria*

The number of information exchanges about services on the other hand is still limited. In order to assess the reasons for this and the possible need for additional measures, the Commission services carried out a large feedback exercise in the first half of the year, involving national IMI coordinators, who in turn collected input from competent

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[19]   COM(2011) 883 final.

authorities, for example in the form of focus groups. The issue was also discussed in depth during the conference "The IMI network and the Services Directive – Releasing the full potential" on 27 January 2011 in Brussels (chapter 4.2).

Results suggest that

- there is a lack of awareness within competent authorities of their obligations under the Services Directive and a tendency to continue to apply familiar procedures, putting the administrative burden on service providers instead of solving issues between authorities;

- the Services Directive mostly covers procedures of a national/local character (and not European ones such as the recognition of qualifications), for which there were no established practices of cooperation between countries previously;

- in some countries, not all relevant authorities may have been registered; or an authority may not have involved the right people as users;

- authorities may be difficult to find in IMI if the data stored about them in the system is incomplete;

- the decentralised nature of procedures covered by the Services Directive makes it more challenging to identify authorities in other EU countries;

- some authorities have little exposure to foreign service providers, especially outside border regions; and

- the Services Directive abolished a large number of procedures, making certain checks with other countries unnecessary.

Figure 12: Number of IMI requests in the area of services since 2010
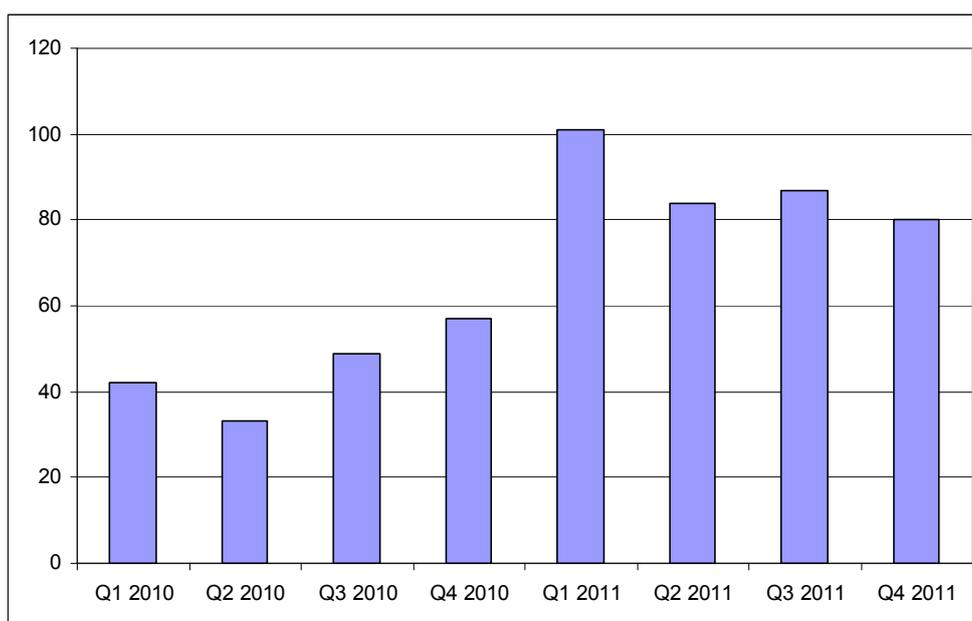
In order to address the problems identified, the Commission services and national IMI coordinators agreed on an action plan that lists measures to be taken by each side. The

Commission services committed, most importantly, to introducing some technical improvements in the system (such as a more user-friendly presentation of question sets and more online help) and to supporting coordinators in their awareness-raising and training efforts, in particular by providing a template newsletter and by organising targeted training ("cluster training" and webinars, see chapter 4.1) and forums for the exchange of experience. Most national coordinators committed to a number of actions, such as involving frequent users of IMI as "IMI ambassadors" in awareness-raising activities, distributing guidelines to competent authorities and sending regular newsletters.

Most requests in the area of services concerned the construction and tourism sectors. A third of them contained the question whether a service provider was entitled to pursue his activity in his home country.

Figure 13: Sectors concerned by requests in the area of services

Services sector	Number of requests	%
Construction	80	23%
Tourism	66	19%
Retail trade	36	10%
Catering	23	7%
Real estate	12	3%
Others	135	38%

Figure 14: Most frequently asked questions in the area of services[20]

Question	Frequency	Percentage
Is the service provider entitled to exercise the activity of X in your Member State?	168	32%
Is Y the correct business name of the service provider?	125	23%
Does the address Z of the service provider correspond to the one that has been registered/is held by public authorities in your Member State?	99	19%
Does the service provider, to your knowledge, exercise his activities in a lawful manner?	99	19%
Is this service provider lawfully established in your Member State?	96	18%

2.5.2. *Slight increase in response times*

In the area of services, as in the area of professional qualifications, the average speed of reply has decreased slightly. Whereas in 2010, 66% of services requests were answered within two weeks, this was the case for 60% in 2011. The percentage of requests that remained unanswered for more than four weeks went up from 21 to 24%.

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[20] The percentages do not add up to 100% because requests may contain several questions.

Figure 15: Time taken to reply to requests under the Services Directive in 2011[21]
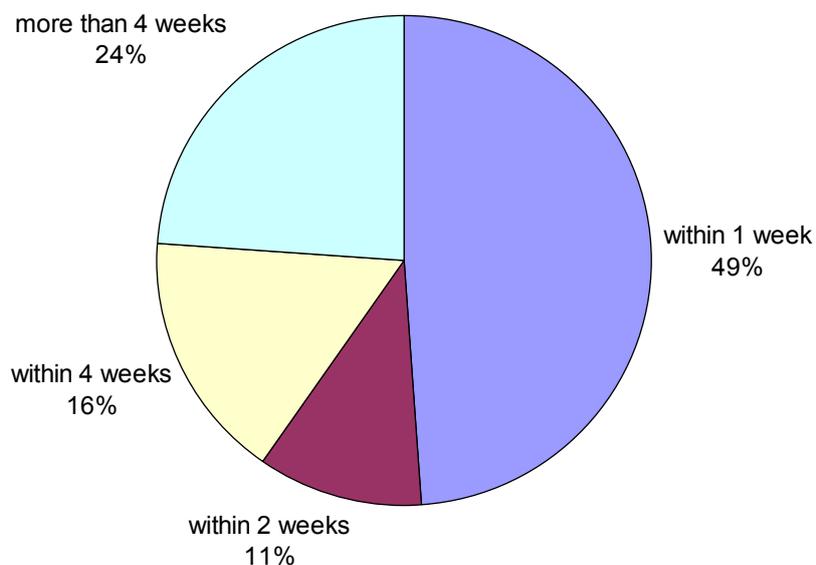
2.5.3. Alert mechanism has been used only twice so far

In addition to the standard information exchange, Articles 29(3) and 32(1) of the Services Directive require Member States to inform other Member States and the Commission about any service activities that might cause serious damage to the health or safety of people or to the environment. IMI is being used for the practical implementation of this "alert mechanism".

Although it has been operational since December 2009, the IMI alert mechanism has so far only been used twice. A first alert was sent by Sweden in October 2010. It concerned dangerous adventure sports activities. The alert was closed in September 2011. A second alert was sent by Cyprus in November 2011 and closed in December 2011. This alert concerned the use of potentially dangerous fairground equipment.

One of the major reasons for the low number of alerts is probably the series of strict criteria that need to be fulfilled before launching an alert: (1) the conduct, specific acts or circumstances must be due to the service activity in question, (2) there must be a currently existing risk of serious damage to the health and safety of people or the environment (i.e. the circumstances must be such that remedial action has not already been taken; and (3) there must be a cross-border element involved. These strict criteria mean that cases warranting an alert have been rare. However, IMI users can rely on the security and accuracy of the mechanism when cases do arise.

In the context of the revision of the Professional Qualifications Directive, the Commission has proposed to apply an IMI alert mechanism also to regulated professions, especially in the health sector (see chapter 2.4).

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[21] From status "request sent" to status "request answered".

2.6. Successful start of pilot project for posting of workers

On 7 March 2011, the Council gave the green light[22] for a pilot project about the use of IMI for the purposes of administrative cooperation under the Posting of Workers Directive[23]. From 16 May 2011 onwards, authorities in charge of supervising posted workers have been able to exchange information through IMI. By the end of 2011, 243 authorities had been registered and a total of 181 information exchanges had taken place. Following a slow start, activity in the system picked up considerably in September and continued at a high level until the end of the year.

Recently, we checked Italian workers on a construction site. The workers claimed that they had been working for an Italian company for some time, but not all of them were able to produce a certain document. Through an IMI request, we found out that not all workers were employed by the company. The big advantage of IMI is that it overcomes the language barrier. By using IMI, we can ensure that workers' rights are upheld and that employers are being held accountable.

Tax office Kirchdorf Perg Steyr, Austria

Figure 16: Number of information exchanges in the area of posting of workers

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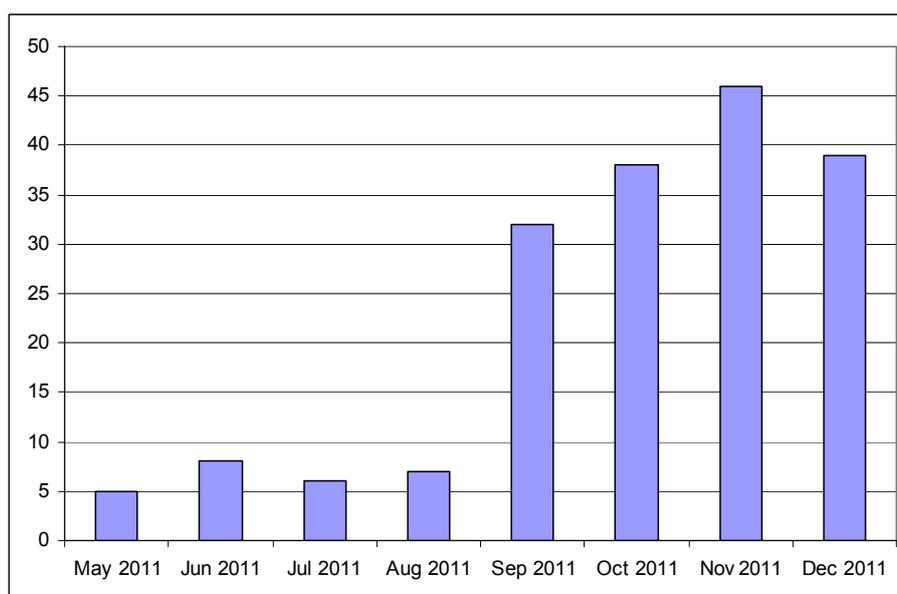
22   http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/lsa/119621.pdf.

23   Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services (OJ L18 of 21.1.1997, p.1).

Figure 17: Most frequently asked questions during the pilot project on posting of workers[24]

Question	Frequency	Percentage
Is the posting company lawfully established in your Member State?	92	51%
What types of activities is the posting company engaged in?	90	50%
Does the given address correspond to the business address, the seat or an establishment of the company?	88	49%
In which sector is the posting company active in your Member State?	77	43%
Is the company carrying out habitually economic activity or activities in your Member State?	64	35%

Feedback from participants in the pilot project has been very positive so far, with many users pointing out that information exchanges take much less time through IMI than they did without it and that support from coordinators has been very valuable.

In view of initial positive experiences, some Member States, in particular Italy, Austria and France, have decided to involve decentralised bodies already in the pilot phase. In Italy, more than 100 users from territorial and regional authorities had been registered by the end of the year.

The pilot project will be evaluated starting in March 2012, in order to reach a decision on the operational use of IMI in this area.

IMI helped us to deter a fictitious and illegally operating temporary work agency that seriously underpaid recruited workers and had already been convicted of fraudulent activity. The valuable information received from our partner authority helped us to start simultaneous enquiries all over Belgium. IMI is a step forward in the mutual assistance between authorities.

Labour Inspection Authority, Belgium

3. IT DEVELOPMENT AND FUNDING

3.1. Directory of registers with more than 1000 entries

In March 2011, IMI version 3.0 was released, its most important new feature being a directory of registers. The directory was initially motivated by Article 28(7) of the Services Directive, which obliges Member States to provide access to registers containing information about service providers to competent authorities in other Member States under the same conditions as to competent authorities in their own country. The IMI directory contains structured information translated into all languages about the nature, content and access conditions of registers, as well as links to the registers that are

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[24] The percentages do not add up to 100% because requests may contain several questions.

available online. A search facility allows users to identify the register they need to consult.

As part of the launch of the directory, the Commission services populated it with information about more than 900 registers, which had been gathered by Member States when the Services Directive was first implemented. However, the directory is not limited to the scope of the Services Directive. Authorities are free to add information about any registers that may be useful for administrative cooperation. By the end of the year, the directory comprised more than 1000 registers.

Version 3.0 also offered better management of user data for coordinators and made the display of question sets (the list of pre-translated questions available for information requests) more user-friendly.[25]

3.2. More flexibility in handling requests

IMI version 4.0, released in August 2011, delivered new features and improvements to the information request workflow and authority search:

- Competent authorities can now split a received request and forward selected questions to other authorities. This is useful when an authority is only competent to answer some of the questions contained in a request.

- A copy request feature makes it possible to create a new request based on elements selected from an existing request, thus avoiding the need to duplicate input for similar requests.

- The various forms of searches for authorities have been harmonised and simplified.[26]

3.3. Development of 'new look' IMI

Further development which is at an advanced stage will deliver: (1) reports of requests in PDF format with an optional digital signature; (2) a 'new look' IMI, with a new homepage and new navigation structure which will allow the user to activate more than one menu item at a time; (3) improvements to the information request workflow including the ability to attach documents at any point in the lifecycle of the request, and harmonised request searches and lists.

3.4. New machine translation tool is being tested

Since a court ruling in December 2010, the machine translation tool ECMT that had been in use for free text translation in IMI from its inception has been suspended. Consequently and regrettably, throughout 2011 no machine translation was available in IMI. User feedback showed that this tool was missed by many. Although pre-translated questions and answers for all IMI policy areas exist in all EU languages, users who

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[25] For more detailed information, see the release notes for Version 3.0 at http://ec.europa.eu/internal_market/imi-net/docs/imi_release_notes3.0_en.pdf.

[26] See http://ec.europa.eu/internal_market/imi-net/docs/imi_release_notes4.pdf.

wished to complement their requests or replies with free text needed to write in a language understood in the other authority or use machine translation available outside IMI (taking care to remove personal data before submitting it for translation).

The Commission's translation department is now developing a new machine translation service called MT@EC which is scheduled to be operational in mid-2013. IMI is the first application to benefit from the testing of an early version of the new software, which the Commission's IMI team received in November 2011. It will be made available to users for further testing in early 2012. The new translation engines perform translations between all EU languages and English. Further language combinations are to follow soon.

3.5. Future development

In 2012, development will focus on extending IMI's toolkit to include a generic notification workflow and information repository, designed to support a wider range of administrative cooperation activities so that IMI can be expanded as outlined in chapter 5.1.

In the third quarter of 2012, IMI will switch to ECAS, the Commission's authentication service. This will mean that users will be able to reset their passwords themselves (chapter 5). In addition, users with access to other Commission applications using ECAS will have just one username and password, and will need to log in only once to have access to a number of services provided by the Commission.

3.6. Funding

Since July 2010, development and maintenance of IMI has been funded by the ISA (Interoperability Solutions for European Public Administrations) programme[27], the successor to the IDABC programme which funded the original development of IMI.

In July 2010, the ISA committee approved funding of 1,000,000€ for further development and ongoing maintenance of IMI, of which 500,000€ was in respect of 2011. In April 2011, a further 1,000,000€ was approved for the period April 2011 to March 2012.

Figure 18: Breakdown of the IMI budget for 2011

Source	Amount	Objective
ISA	1,125,000	Development, maintenance and 2nd line support
MARKT	237,000	Hosting
MARKT	200,000	Promotion and training
Total	**1,562,000**	

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[27] http://ec.europa.eu/isa.

An Austrian plumber applied for an authorisation to establish himself in Liechtenstein. To prove his professional competence, he stated that he had been established in Austria for a certain period of time. Since it was unclear from the information he provided how long he had actually been established in Austria, we asked the competent Austrian authority about this through IMI. Within a few hours, we received the answer and were able to grant the authorisation to the plumber.

A competent authority, Liechtenstein

4. TRAINING, PROMOTION AND USER SUPPORT

4.1. Training activities

4.1.1. New forms of training

In March 2011, the Commission services provided a one-day training course to participants of the pilot project for posting of workers from all Member States. They also supported national coordinators who offered similar training in their home countries.

In October 2011, a "NIMIC forum" was organised for the first time, during which 25 coordinators and representatives of national IMI helpdesks made use of the opportunity to discuss common problems and to learn from each other's experiences.

In addition, four "cluster training" sessions for IMI end-users were organised in 2011. This new format of training was introduced in 2010 and brings together users from a group of Member States who work in the same sector and are thus likely to be involved in information exchanges with each other. One session was held in Brussels in March, one in Innsbruck in June, one in Rome in September and one in Lisbon in November. On each of these occasions, participants pointed out that the event had been extremely useful for their daily work, particularly because it allowed them to learn about rules and procedures applied by their counterparts. Cluster training sessions have also proven useful for the Commission services, as participants gave feedback on the usability of the system and made suggestions for further improvements.

In order to be able to offer more training across borders without incurring high costs, the Commission services introduced so-called "webinars". Webinars are live and interactive online seminars that participants can follow from their own computers. Following a trial webinar in September, a first webinar for national coordinators is being organised in January 2012. The Commission services and IMI coordinators will explore how to make best use of the webinar software throughout 2012.

In addition, the Commission services are working on ensuring that training materials, in particular the IMI eLearning modules, are kept up to date with ongoing developments in the system and are made easily accessible from within the IMI application.

It is essential that IMI users are not only trained in the technical functioning of the system, but also in the extent of their obligations in the framework of different legislative

areas, including obligations concerning data protection. Therefore, the Commission services addressed these obligations in their training activities directed towards IMI end-users. The Commission services remind coordinators to include such issues in their national training activities as well.

4.1.2. *National training efforts vary greatly between Member States*

Member State efforts in providing training to IMI users have varied greatly in 2011. Some Member States, including Italy, Romania and a number of German regions, provided training on a large scale, focusing in particular on users of the services module. Many others, who had already systematically provided training in 2009 and 2010 including Spain, Poland and Hungary, adopted a demand-led approach addressing in particular authorities in which staff had changed.

However, there are still a few countries that have not made any systematic training efforts, which is especially worrying in cases where a lack of information about IMI in competent authorities may lead to a high number of inactive authorities and long response times (see chapter 2). The Commission services are following this up bilaterally with the relevant national coordinators.

As the number of authorities registered for the posting of workers pilot project was initially very small for most Member States, their training needs were either met by the training provided by the Commission services or by individual contacts with national coordinators. However, as Italy had chosen to register a large number of authorities already at this stage, it provided training to 80 representatives of authorities who are now starting to use IMI in the area of posting of workers.

4.1.3. *A multi-annual training programme?*

The 2010 annual report on IMI announced that the need for a multi-annual programme for exchanges of officials and training, which was made possible by Article 34(3) of the Services Directive, would be reassessed in this document. A report published in April 2010[28] had concluded that such a programme would be premature, at a point in time when cooperation under the Services Directive had only just become operational.

In 2011, the Commission services diversified and adapted their training and awareness-raising efforts in consultation with national coordinators. The new formulas (in particular cluster training and webinars) have been welcomed by national coordinators. Moreover, experience has shown that training and promotion efforts need to be adapted carefully to the specific situation in each country, for example as regards the way the directives supported by IMI have been implemented into national legislation.

On the basis of the above, the current training offer seems to be adequate. The Commission services will continue their flexible approach in supporting national coordinators in their training efforts and in following up individually with countries in which training efforts are unsatisfactory.

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[28] COM(2010) 134 final.

4.2. Promotion

4.2.1. Conference on IMI and the Services Directive

On 27 January 2011, the Commission services organised a conference in Brussels entitled "The IMI network and the Services Directive – Releasing the full potential". Nearly 400 representatives of competent authorities from all Member States attended the conference. In his welcome address, Michel Barnier, Commissioner for the Internal Market and Services, stressed the importance of cooperation in the bigger picture of governance of the internal market and reminded participants to develop an "IMI reflex" in their daily work. The day was divided into plenary sessions, including a panel discussion, and smaller workshops in which participants exchanged experiences and discussed solutions to common problems.

To further implement the "IMI reflex" in the minds of IMI users and in order to remind them to keep their information in IMI up-to-date, each user received an IMI mug in spring 2011, accompanied by an explanatory email.

The Commission services also presented IMI at a number of internal and external conferences and other events, such as a seminar for civil servants at the European Institute for Public Administration in Maastricht and the Single Market Forum on 2-4 October 2011 in Krakow.

4.2.2. Many Member States are promoting IMI actively

Promotion efforts at European level can only have a limited impact, as they only reach a fraction of the IMI target audience. In order to make sure that all potential users of IMI are made aware of its purpose and functioning, targeted efforts at national and regional level are needed. However, as with national training efforts, the scale of national promotional activities has varied greatly between Member States in 2011. In a number of Member States, including Bulgaria, Denmark and Romania, IMI was discussed at large scale conferences. Other examples of good promotional practice include presenting IMI at expert meetings, e.g. for trade professions (Austria), encouraging municipalities to flag that they are users of IMI by putting information about it onto their websites (the Netherlands), publishing a chapter about IMI in a book on the Services Directive that was distributed free of charge to municipalities (Spain) and organising study visits for competent authorities to other countries (Romania).

In order to remind authorities already registered in IMI to use IMI whenever necessary, the majority of national coordinators are sending out newsletters or emails to users at regular intervals. The Commission services encourage this practice and have started to send out targeted newsletters on specific issues (such as a newsletter on progress in the pilot on posting of workers to all authorities involved in the pilot).

More and more coordinators report a lack of resources (mainly staff shortages, funding being less of a problem), which affects their ability to organise and carry out promotion activities. However, some of them manage to overcome such problems by making use of synergies with other projects and by making effective use of Commission support. For example, the national IMI coordinators in Italy and Latvia are starting to get involved in joint events with their SOLVIT centres, and Sweden has started to convene forums of public authorities to discuss different themes in relation to the Services Directive, including IMI.

4.3. IMI helpdesks: Making best use of national helpdesks

In 2011, the Commission's IMI helpdesk dealt with more than 500 requests for assistance (not only technical issues, but also organisational questions and requests for statistics). Although this helpdesk is intended only for problems that cannot be solved by IMI coordinators in the Member States, many requests came directly from end-users and concerned simple issues like login problems.

Whilst all Member States have set up a national helpdesk, ten of them reported less than five inquiries from users per month. At the other end of the scale, four countries report more than 40 such inquiries per month. This suggests that awareness needs to be increased among IMI users in some countries about where to turn when they need help.

The Commission services will ensure that the message that users need to contact the helpdesk in their own country is transmitted even more clearly in its training material, on its website and within the IMI system itself. IMI coordinators need to ensure as well that they inform their users accordingly during training sessions and in newsletters.

A Slovenian tourist guide informed the Italian authorities about his intention to accompany Slovenian tourists to Italy. The Italian Department for the development of tourism wanted to know in its request through IMI if he was a licensed tourist guide and if the documents he presented were authentic. The scanned documents were attached to the request. We were able to confirm both facts the same day.

Tourism and Hospitality Chamber, Slovenia

5. LEGAL AND POLICY ISSUES

5.1. Expansion of IMI

On 22 February 2011, the Commission adopted a communication on "Better governance of the Single Market through greater administrative cooperation: A strategy for expanding and developing the Internal Market Information System ('IMI')"[29]. It explored the following possibilities in particular:

- Adding new legislative areas to IMI;

- Adding new functionality to meet user needs in existing or new areas of administrative cooperation; and

- Exploiting the potential of IMI to complement the functionality of existing IT systems and vice versa. In particular, reference was made to possible synergies that could be reached by linking up IMI with systems with the same user groups.

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[29] COM(2011)75 and accompanying staff working document SEC(2011)206 final.

5.1.1. Two new areas

A pilot phase of using IMI for the purposes of the Posting of Workers Directive was launched in May (see chapter 2.6).

A reference to IMI has also been included in the Directive on Patient's Rights in Cross-Border Healthcare[30], which entered into force on 24 April 2011. The Directive aims at facilitating the access to cross-border healthcare and promoting cooperation on healthcare between Member States. It stipulates that IMI is to be used for information exchanges about the right to practice of health professionals, with a view to enabling patients to make use of their rights in relation to cross-border healthcare. The technical and procedural details to put this new provision into practice still need to be worked out by the Member States and the Commission services. Discussions have started in the relevant implementing committee.

5.1.2. Potential other sectors

Discussions are also ongoing between Commission departments and in Member State expert groups as regards other policy areas:

- Cross-border transport of euro cash

  The Regulation on the professional cross-border transport of euro cash by road between euro-area Member States[31] adopted on 28 October 2011 charges the Commission with setting up a central secured database to register licences that have been issued, suspended or withdrawn. Discussions with Member State representatives are planned in order to explore how this requirement can be implemented with IMI.

- Public procurement

  Modernising the public procurement framework – one of the priority actions of the Single Market Act (chapter 5.2) – is the objective of two proposals for directives that were adopted by the Commission on 20 December 2011[32]: one directive is intended for public procurers and the other for utilities operators (water, energy, transport and postal services sectors) that have their own specific procurement regime. Both proposals refer to IMI as a tool to facilitate the exchange of information between competent authorities on, amongst others: candidates or tenderers, documents submitted in a tender, technical contract specifications, environmental and quality assurance standards and abnormally low tenders.

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[30] Directive 2011/24/EC of the European Parliament and of the Council of 9 March 2011 on the application of patients' rights in cross-border healthcare (OJ L 88/45, 4.04.2011, p. 45).

[31] Regulation 1214/2011 of the European Parliament and of the Council of 16 November 2011 on the professional cross-border transport of euro cash by road between euro-area Member States (OJ L316 of 29.11.2011, p. 1).

[32] COM(2011) 895 final and COM(2011) 896 final.

- The European Professional Card

  In the framework of the modernisation of the Professional Qualifications Directive (chapter 2.4), the Commission proposed to introduce a European Professional Card (EPC), closely linked to IMI. The EPC would be available as an option to interested professions, and professionals. It would be associated to an optimised and faster recognition procedure based on a stronger involvement of the competent authority in the home Member State that will be carried out within IMI. The EPC would take the form of an electronic certificate, allowing the professional to provide services or become established in another Member State.

- An alert mechanism in the area of professional qualifications

  The Commission's proposal on the modernisation of the Professional Qualifications Directive also provides for the introduction of an IMI alert mechanism that would allow competent authorities to warn each other of professionals who have lost their right to practice (chapter 2.4.4).

5.1.3. Exploring needs for new functionality in IMI

In addition to its reuse in other areas of Single Market law, IMI is intended to become a comprehensive toolkit for any type of administrative cooperation, thus providing public authorities with a single system for day-to-day cooperation rather than a proliferation of different systems to support different pieces of EU legislation.

Therefore, new functionality may be needed to complement the workflows currently offered in IMI. In particular the following functions have been identified:

- A generic tool for notification procedures

  A new workflow for notification procedures may help to support the implementation of:

  – Member States' obligation to notify to the Commission national administrative and judicial decisions (Article 19) or measures taken to restrict the provision of a particular service from another Member State, as provided for in the e-Commerce Directive[33] (Article 3(4));

  – Articles 15(7) and 39(5) of the Services Directive[34], concerning the obligation of Member States to notify to the Commission and to the other Member States any new requirement they impose on the establishment of service providers and on the cross-border provision of services;

- A searchable repository of information exchanged in IMI, as requested for example for the Euro Cash Transport Regulation and the European Professional Card project; and

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[33] Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (OJ L 178, 17.7.2000, p.1).

[34] Directive 2006/123/EC.

- A technical means by which, where necessary, citizens, enterprises and organisations could be enabled to interact with competent authorities that are members of an existing network for administrative cooperation in order to supply information and retrieve data.[35]

5.1.4. First synergies are being implemented

The Strategy Communication identified considerable scope for synergies with other existing systems. Three projects are already in the process of being implemented:

- Use of the European Commission Authentication Service (ECAS)

  IMI will in future benefit from the Commission's authentication mechanism ECAS, which will offer IMI users enhanced security and functionality in comparison to the existing authentication mechanism, such as the possibility to reset their own passwords. Moreover, it will allow users of several Commission applications to access all of them with a single login. The integration is expected to be operational in the third quarter of 2012 (chapter 3.5).

- Technical integration of SOLVIT

  Development of the technical integration of SOLVIT in IMI is at an advanced stage. This integration will not affect the established informal working methods of SOLVIT, but only its technical operation. It will allow users of SOLVIT, who also have responsibilities in other areas for which IMI is used, to log in to a single system for their work. It will also add certain functionality to SOLVIT that was not available previously, such as the possibility to consult the IMI database of authorities and improvements to user management. Moreover, the integration will reduce maintenance and hosting costs.

- Content sharing with Your Europe

  Synergies with the Your Europe Portal[36], offering information and advice to citizens and businesses, can be achieved by feeding public information stored in IMI, in particular the contact details of competent authorities, into the Your Europe website. This will allow Your Europe to provide, alongside information for job seekers on country-specific requirements (e.g. documents to be submitted, procedures), the up-to-date contact details of the competent authority responsible for assessing recognition applications. A first version of such information is being made available on Your Europe in January 2012, concerning authorities dealing with physiotherapists.

We were contacted by an Italian authority with the question whether an Italian citizen was properly qualified as a nurse. Attached to the IMI request was the copy of a certificate issued in Bavaria, which the person in question had submitted in Italy. It turned out very quickly that this certificate had been very clumsily forged (the German

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[35] Such a technical means would be implemented in a secure way in order to ensure that external actors would not have access to data stored in IMI.

[36] http://ec.europa.eu/youreurope.

5.2.   IMI in the Single Market Act

On 13 April 2011, the Commission published the "Single Market Act"[37], a communication identifying 12 levers to boost growth and strengthen confidence in the internal market. The issues covered range from worker mobility to financing for small and medium-sized enterprises (SMEs) and consumer protection.

The Single Market Act stresses the strengthening and deepening of partnerships between participants in the Single Market, in particular involving territorial authorities, as one of the key conditions for its success. In this context, it recommends that preferential use should be made of IMI as a partnership tool in future Commission proposals. It announces that the legal certainty concerning information exchanges in IMI would be increased.

5.3.   A sound legal basis for IMI

With the many procedural and technical privacy-enhancing features that have been built into the system following the "privacy-by-design" principle, IMI guarantees a high level of technical and procedural data protection. In addition, data protection considerations are addressed in the training material and training sessions for IMI users. However, from a legal point of view, IMI has so far operated on the basis of a Commission decision, a "comitology" decision, and a Commission recommendation[38]. The lack of a comprehensive legal instrument establishing IMI and regulating its functioning, adopted by the European Parliament and the Council, came to be seen as an obstacle to further expansion of IMI.

The Commission honoured its commitment to close this legal gap and followed the announcement made in the Single Market Act: On 29 August 2011, it adopted a proposal[39] for a Regulation of the European Parliament and of the Council on administrative cooperation through the Internal Market Information System ('the IMI Regulation'), The objectives of this proposal are to:

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[37]   http://ec.europa.eu/internal_market/smact/docs/20110413-communication_en.pdf.

[38]   Commission Decision 2008/49/EC of 12 December 2007 concerning the implementation of the Internal Market Information System (IMI) as regards the protection of personal data (OJ L 13, 16.1.2008, p. 18), Commission Decision 2009/739/EC of 2 October 2009 setting out the practical arrangements for the exchange of information by electronic means between Member States under Chapter VI of Directive 2006/123/EC of the European Parliament and of the Council on services in the internal market (OJ L 263, 7.10.2009, p. 32), Commission Recommendation of 26 March 2009 on data protection guidelines for the Internal Market Information System (IMI) (OJ L 100, 18.4.2009, p. 12).

[39]   COM(2011) 522 final.

- Establish a sound legal framework for IMI and a set of common rules to ensure that it functions efficiently;

- Provide a comprehensive and solid data protection framework by setting out the rules for the processing of personal data in IMI;

- Facilitate possible future expansion of IMI to new areas of EU law; and

- Clarify the roles of the different actors involved in IMI.

To become law, the proposal will now have to be approved by the European Parliament and the Council. The European Data Protection Supervisor (EDPS) issued his formal opinion on 22 November 2011.[40] The European Economic and Social Committee will also issue an opinion.

5.4. Work on the IMI security plan

In addition, work continued in 2011 to ensure that IMI is in full compliance with the data security standards applicable to IT systems managed by the European Commission. Among other things, the Commission services have agreed with the EDPS that the IMI Security Plan and the related risk assessment should be reviewed, and if necessary updated, in light of the latest applicable Commission rules and guidelines on data security. The results of this update exercise will be communicated to the EDPS.

6. CONCLUSIONS AND RECOMMENDATIONS

In the Single Market Act, the Commission stressed that the actions it had identified constituted an essential contribution to the efforts being made to make the European economy more competitive and that they should therefore be given the very highest priority. It called for the "full involvement and support of all European Institutions, Member States and stakeholders"[41]. In order to ensure that IMI performs well and continues to develop its full potential, Member States need to ensure lasting commitment and appropriate resources for IMI coordinators to fulfil their crucial role in the IMI network. In addition, the following actions need to be taken by Member States and the Commission services:

Member States/IMI coordinators

- Support the establishment of a structure of authorities within the national IMI network that allows for speedy handling of requests and clear assignment of responsibilities;

- Bring down the number of authorities that have been registered but in which no-one has ever logged in to IMI to a maximum of 10% by the end

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[40] http://www.edps.europa.eu/EDPSWEB/webdav/site/mySite/shared/Documents/Consultation/Opinions/2011/11-11-22_IMI_Opinion_EN.pdf

[41] http://ec.europa.eu/internal_market/smact/docs/20110413-communication_en.pdf, page 22.

of 2012: Ask the person nominated as first user to log in, to complete the data stored in IMI about their authority and to register a second user as back-up;

- Follow up on requests that remain unanswered for too long, aiming at a maximum reply period of two weeks and ensuring that no more than 1% of requests remain unanswered for more than four weeks;

- Assess and address training needs, in particular in new legislative areas covered by IMI and in case of staff changes;

- Where such efforts have been low so far, step up promotional activity to ensure that all potential users of IMI are aware of its purpose and functioning.

Commission services

- Ensure that the new EC@MT machine translation tool is made available in IMI as soon as possible;

- Continue to improve the user-friendliness of IMI;

- Continue to provide flexible support to coordinators in their training and awareness-raising efforts, in particular by using economical means like webinars and by further integrating support material into the IMI application itself.