

Single Market News

N°57 2010 - 1
ISSN 1830-5210



Interview with Commissioner Michel Barnier

- Breakthrough: Enhanced Patent System for Europe
- EU Public Procurement responds to new challenges

57



Contents



6

Breakthrough on enhanced patent system for Europe



8

Interview with Commissioner Michel Barnier



14

EU public procurement policy: responding to new challenges

- 3 Editorial
- 4 News in Brief
- 6 Breakthrough on enhanced patent system for Europe**
- 8 Interview with Commissioner Michel Barnier**
- 12 Record number of citizens using EU advice services
- 14 EU public procurement policy: responding to new challenges**
- 16 Stakeholder's corner
- 17 Stakeholder's corner: Roshan Di Puppò, Director of Social Platform
- 18 Key role of Single Market in Europe 2020 Strategy
- 20 Internal Market Scoreboard n°20: best-ever result but....
- 21 'Points of Single Contact' now a reality for business
- 22 For your diary
- 23 Infringements related to the Single Market

Editor

Panayotis Stamatopoulos
European Commission-Internal Market and Services DG
Unit A-4
B-1049 Brussels
Tel. +32 22961772
Fax +32 22954351

Deputy Editor

Jacqueline Tordoïr
Tel. +32 22985663
Fax +32 22954351

Subscriptions

Brona Meldrum - Internal Market and Services DG
SPA2 1/008
B-1049 Brussels
Fax +32 22954351
E-mail: Markt-smn@ec.europa.eu

Layout

Dati Bendo

Online

http://ec.europa.eu/internal_market/smn.htm

© European Union, [2010]
Reproduction is authorised provided the source is acknowledged.

For further information
http://ec.europa.eu/internal_market/index_en.htm

Your Europe
<http://ec.europa.eu/youreurope>

Photographs for this edition were supplied by:
Dati Bendo and the European Commission



Jörgen Holmquist Director General for Internal Market and Services, European Commission

In February of this year, Michel Barnier was sworn in as the new Commissioner for Internal Market and Services. At his Hearing before the European Parliament, Mr Barnier convinced Members that he is ready to face the challenges involved in a relaunch of the Single Market, one of the key areas of the Commission's recently launched 'EU 2020 strategy' (see page 18 on role of the Single Market in the EU 2020 strategy). In this issue of Single Market News, Commissioner Barnier explains what inspired him to follow his 'fil bleu' for Europe; how he hopes to bring the Single Market closer to citizens; how he will be visiting European capitals and regions and what priorities he sees as essential to reinstate citizens' trust in the Single Market. (p.8)

The 2009 SOLVIT and the Citizens Signpost Service (CSS) annual reports show that the Commission too is making progress in reaching out to more citizens and businesses. A growing number of Europeans are turning to the EU's advice and assistance services to find concrete answers and fast solutions to questions and problems they encounter in the Single Market. By offering fast and pragmatic solutions, SOLVIT has clearly established itself as an effective alternative to longer infringement procedures. (p.12)

The ripple effect of the economic and financial crisis forces the Commission to closely examine the effectiveness of policies. One of the areas under scrutiny is public procurement. For example, we are looking at the need to enhance methods of financing public infrastructures and services. We have seen a lot of interest in increasing financing through public-private partnerships. Now there is a need to clarify ways in which EU procurement disciplines can support these forms of delivering public services and infrastructure even more. (See p.14 for more background on public procurement)

I am happy to be able to report progress towards an enhanced patent system in Europe. An EU unified patent system would reduce considerably patenting costs, thus stimulating innovation, and supporting growth and employment in the EU. The reform will allow innovators to save billions of euros each year. (p.6)

You can read about DG MARKET's new stakeholder initiative in SMN's 'stakeholders' corner' (p.16). For its new 'Single Market Informal Dialogue Group', DG MARKET has invited both traditional and non-traditional stakeholders, including consumer groups, trade unions, business representatives (including SMEs), NGO representatives in social and environmental fields and regional representatives to discuss general Single Market Issues. At its second meeting at the end of March, the group met Professor Mario Monti for an exchange of ideas on the relaunch of the Single Market. Mr Monti has been commissioned by President Barroso to produce a report on this topic by the end of April 2010.

A handwritten signature in black ink, appearing to read 'J. Holmquist'. The signature is written in a cursive, slightly slanted style.



Commission strengthens its commitment to equality between men and women

Ahead of International Women's Day, the European Commission has signed a political declaration to build a gender perspective into all its policies for the next five years. The Women's Charter sets out key areas for action, including an equal labour market, equal pay and ending gender-based violence. The Commission also commits itself to promoting gender equality in its relations with non-EU countries. 'This Charter represents the commitment of the Commission to making gender equality a reality in the EU,' said Commission President Barroso. An EU-wide survey on gender equality shows that 62% of Europeans believe that gender inequality still exists in many areas of society. The survey also points out that Europeans' top two priorities for action in this field are tackling violence against women and closing the gender pay gap.

The weaknesses of the existing patent system

Currently the patent system in Europe provides two alternative options. Applicants may apply either for national patents granted by Member States' industrial property offices or for a European patent granted by the European Patent Office (EPO) in accordance with the European Patent Convention. When a patent is granted, the European patent splits it into a bundle of national patents, covered by national legislation. This system involves prohibitive cost, in particular for young innovative companies and SMEs and is prone to be subject to very expensive and risky multi-forum litigation. Patents in Europe are currently litigated in national courts. This leads to multiple litigation of the same patent in different Member States, often resulting in contradictory judgments. (See also p. 6)

Insurance: Commission to examine insurance against natural catastrophes

Michel Barnier, European Commissioner for Internal Market and Services, has announced that the Commission will carry out an in-depth examination of insurance schemes covering national catastrophes, in particular flooding. This initiative will involve a broad range of stakeholders. Dialogues will be held with Member States and insurance experts to exchange examples of best practice and to fix priorities at an appropriate level. The results of these dialogues will be the subject of a conference to be organised by the Commission during 2011. This announcement came in response to an oral question by Irish MEP, Seán Kelly, regarding the 'inability of the market to provide adequate cover' against flooding in certain Member States. Mr Kelly's question follows recent cases of very severe flooding in France, Ireland and the United Kingdom.



Commission set to launch debate on improving trade with developing countries

The European Commission has launched a wide consultation with stakeholders on how the EU's trade policy with developing countries can be improved. Focus of the consultation is the General System of Preferences (GSP) Scheme, under which the EU grants preferences to goods from 176 developing countries and territories. The outcome of the consultation will directly feed into a Commission proposal to the Council and European Parliament on updating the GPS regulation. The consultation can be found at: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=531>

Renewable energy: EU on track for 20% target

According to the latest figures of the Commission, the EU is to reach its target of 20% energy consumption coming from renewable energy by 2020 and might even surpass it. Citing national forecasts from the Member States, the EU is set to reach an overall share of 20.3% renewables in ten years. The forecasts show that five countries – Belgium, Denmark, Italy, Luxemburg and Malta – will be likely to have to buy renewable energy abroad in order to meet their national targets, while ten Member States are likely to exceed their national targets. Commissioner for Energy, Günther Oettinger called it an important milestone for the achievement of goals set in the Europe 2020 Strategy. 'Our task will be to help all Member States, not only to reach the 20 percent target but to go beyond,' he added.



Europe still off the mark for Research and Development

According to the European Innovation Scoreboard published on 17 March, most EU Member States were steadily improving their performance in innovation in 2008. However, the financial crisis has severely hampered further progress to meet the overall 3% of GDP target for R&D investment. Although still maintaining a clear lead over Brazil, Russia, India and China, the EU still has difficulty in catching up with the US. Of all Member States, Denmark, Germany, Finland, Sweden and the United Kingdom were the best performers overall.



Justice and Home Affairs: Commission acts to ensure fair trials

The European Commission has put forward legislation that will help people exercise their 'fair trial rights' anywhere in the EU, when they cannot understand the language of the case. EU countries would be obliged to provide full interpretation and translation services to suspects. The proposal marks the first step in a series of measures to set common EU standards in criminal cases. 'Nobody in the EU should ever feel that their rights and their protection are weakened simply because they are not in their home countries,' said Vice-President Reding, responsible for Justice, Fundamental Rights and Citizenship. 'Without clear guarantees that all EU countries respect our citizens' fundamental rights, how can we build trust between the authorities who should be working together to keep us safe? Justice and security go hand in hand,' Reding stated. The proposal is now to be considered for adoption by the Council and the European Parliament.

Breakthrough on enhanced patent system for Europe



After having failed to agree for decades, on 4 December 2009, the Council of Ministers unanimously adopted conclusions on an enhanced patent system for Europe. Upon adoption, the Commission highlighted that the importance of this agreement cannot be underestimated. It will at last provide for a Single Market in patented technology and thus promote innovation, growth and employment in the EU. Once implemented, the reform will allow innovators to save billions of euros each year.

A Single Market for Patents

This political breakthrough comes at a moment when it is most needed and is considered as a very strong signal from the Council that the EU is committed to achieve a true Single Market for patents. However, a number of issues still remain to be resolved before a final package, ensuring the trust and confidence of all users can be established. The package agreed contains major elements that will bring about a single EU patent: it will establish a common patent court structure for hearings on patent infringements and invalidity cases, both for existing European patents and future EU patents. The package also provides for a number of flanking measures, such as on fee issues and partnership arrangements between patent offices. The reform intends to do away with the current fragmentation of the European patent system. It will also improve legal certainty by making litigation more accessible and predictable as well as provide for uniform patent protection at the EU's external borders.

The weaknesses of the existing patent system

Currently the patent system in Europe provides two alternative options. Applicants may apply either for national patents granted by Member States' industrial property offices or for a European patent granted by the European Patent Office (EPO) in accordance with the European Patent Convention. When a patent is granted, the European patent splits it into a bundle of national patents, covered by national legislation. This system involves prohibitive cost, in particular for young innovative companies and SMEs and is prone to be subject to very expensive and risky multi-forum litigation. Patents in Europe are currently litigated in national courts. This leads to multiple litigation of the same patent in different Member States, often resulting in contradictory judgments.

Enhanced patent system in Europe

Previous attempts aimed at the creation of a single patent as a third option and the setting-up of a common patent litigation system failed in inter-governmental debates in 1962, 1975, 1985, and 1989. EC legislation proposed in 2000 suffered a setback in 2003. These failures have commonly been attributed to flaws in translation and litigation arrangements, failing to meet patent users' needs. Contrary to previous reform attempts, the texts currently on the negotiating table involve a 'package deal approach' providing for a very carefully struck balance between Member States' and stakeholders' interests.

The Council agreement encompasses the main features of a future pan-European patent court. The court will involve a high level of specialisation and expertise. It will allow cases to be heard before judges with the highest level of legal and technical expertise in patents. A unified court will also mean that parties do not have to litigate in parallel in different countries incurring high costs. Such costs can be cut drastically by a unified court. Studies show that the proposed litigation system would allow for a saving of as much as € 289 million each year for European companies. The court will include local and central divisions under a common appeal court. In the initial stages, parties will be able to continue to use national courts for litigating existing European patents. This would allow confidence in the new system to build up gradually.

Ministers have also agreed on a global approach on an 'EU Patent Regulation'. The Regulation was originally proposed by the Commission in 2000 under the Lisbon strategy. After a Council Common Political Approach in 2003, a final agreement was not reached and negotiations stalled.

Advantages of a single EU patent

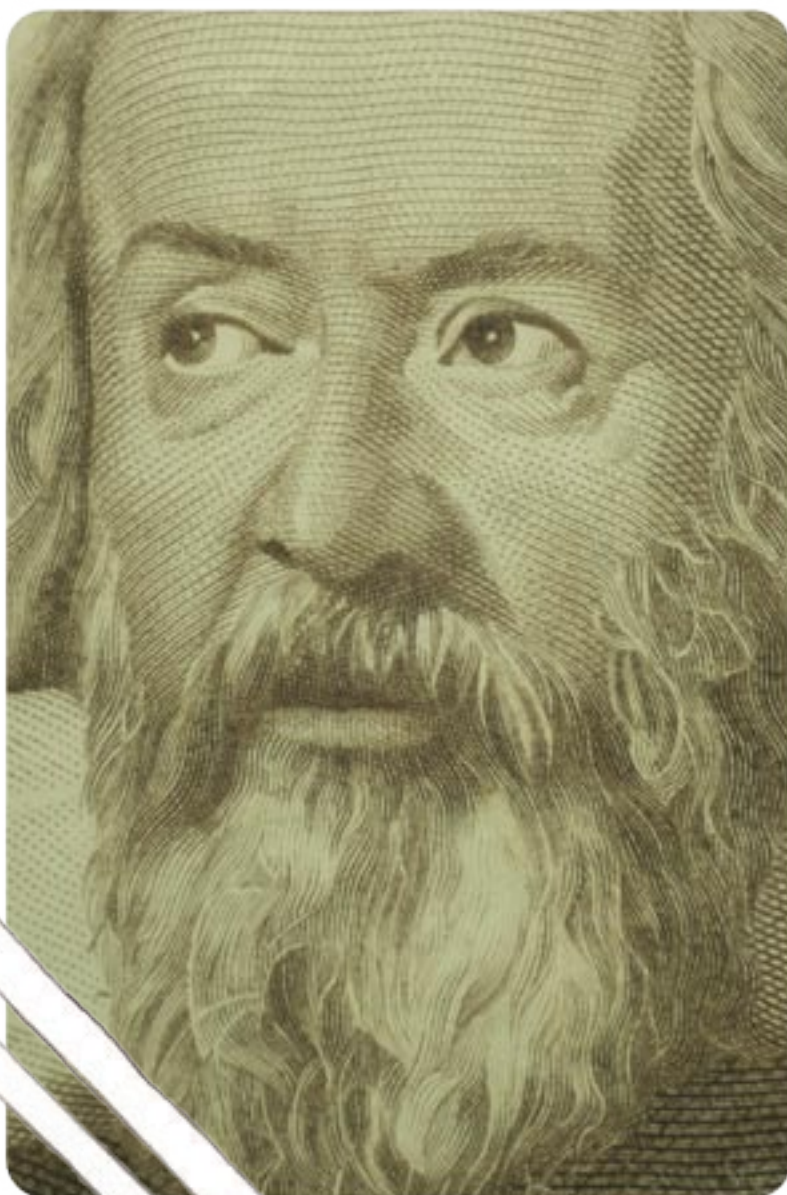
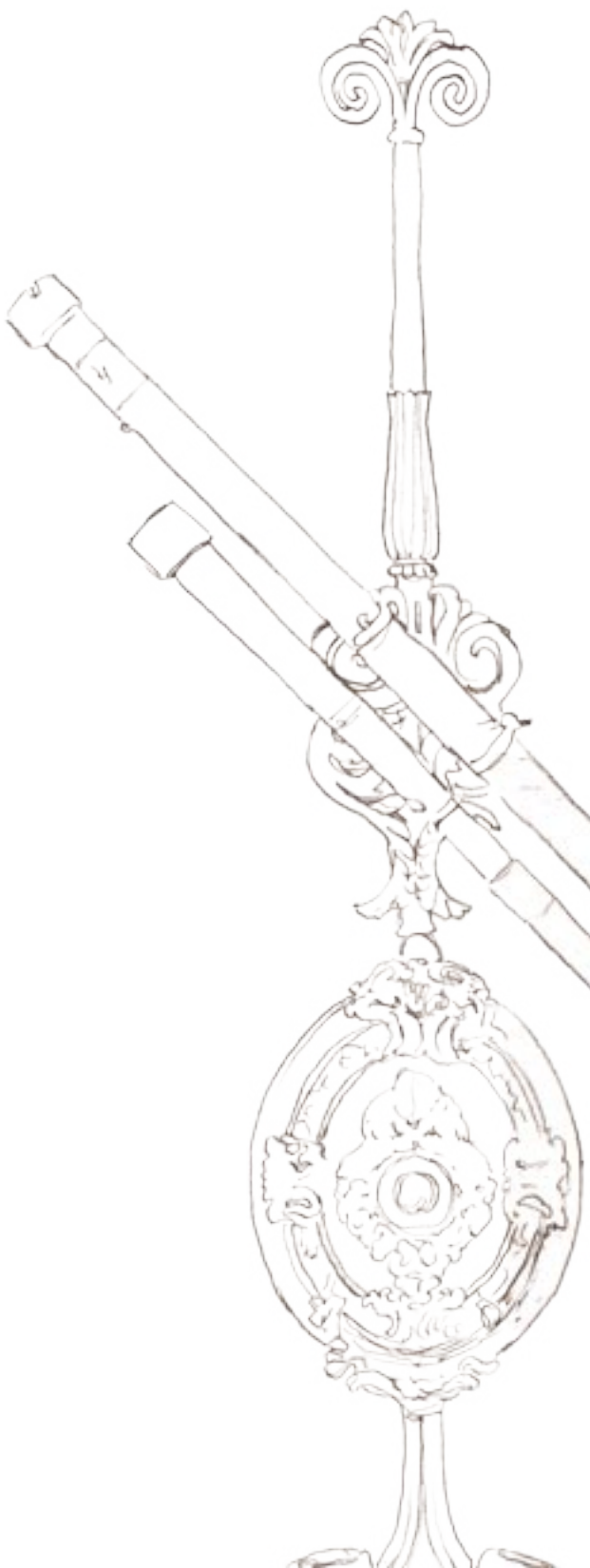
The creation of a single EU Patent would help to improve the current situation where a patent designating only 13 EU Member States is already 11 times more expensive than a US patent. The creation of such a single title would remove the need for validation with national offices and translations and thus reduce cost significantly.

The EPO would grant and administer EU patents. It would also provide an automatic machine translation system in all official EU languages. A common understanding has also been reached on renewal fees. Such fees will be set at a level that will help foster European innovation and competitiveness. Furthermore, the EU patent will involve partnerships between patent offices in Europe to allow synergies to be created. This will also bring about a more rapid delivery of patents and increase the access speed to markets for innovative products and services.

New legislative procedures

Following the general approach adopted on 4 December 2009, the EU Patent Regulation will now pass to the ordinary legislative procedure of the European Parliament as co-legislator, following the entry into force of the Lisbon Treaty. The EU patent no longer requires unanimous adoption¹, but is now subject to qualified majority voting in the Council. However, the creation of the EU patent will depend on a solution to be found to the translation arrangements which will be subject of a separate Regulation, which in turn will have to be proposed by the Commission in due course. This separate Regulation would have to be adopted under the special legislative procedure, which requires unanimity in the Council after consultation of the European Parliament.

In conclusion, the EU patent reform package meets with broad consensus among Member States and the business community, all eagerly awaiting its final implementation in times of economic downturn.



Galileo Galilei, first astronomer to construct and use a telescope to observe the heavens. The first attempt to patent the telescope was made in The Netherlands in 1608.

¹ Pursuant to Article 118 (1) TFEU

Info

Markt-D2@ec.europa.eu

http://ec.europa.eu/internal_market/company/business_registers/index_en.htm

Interview with Commissioner Michel Barnier



Michel Barnier, the new European Commissioner for Internal Market and Services has lived and breathed politics his entire life. He has served his native France in three senior ministerial posts: as Minister for the Environment in the early 1990s, subsequently as Minister for Foreign Affairs and more recently as Minister for Agriculture. European affairs are not new to Mr. Barnier. He was France's deputy Minister for European Affairs from 1995 to 1997 and European Commissioner for Regional Policy from 1999 to 2004. In this interview, Commissioner Barnier tells Single Market News how a handshake between General De Gaulle and German Chancellor Adenauer moved him to engage in Europe at the age of 14. He recalled how it marked the start of a 'fil bleu', his commitment to Europe, that weaves through his life and career. Meet Commissioner Michel Barnier, a man who believes that 'Europe is not an option, but a necessity'.



In your Hearing with the European Parliament, you stated that you wanted to: 'place at the heart of the Internal Market, those who make use of the Internal Market'. Could you elaborate on this?

The Internal Market, the Single Market, is what we, Europeans in all Member States, have in common for many aspects of our economic and social lives. It is not a bureaucratic invention. The idea is that as European citizens, we share an economy and we share our values for its social aspects. However, citizens, consumers, producers have lost this connection and have begun to view the Internal Market as a constraint rather than as an opportunity to improve their lives together. Therefore, I see it as my mission to prove why this big European market is full of opportunities for us all. We can now live in any European country, we can get our professional qualifications recognised and we have bank cards that work across the continent. I want to tell people about these opportunities, little things that are important to their everyday lives, such as having the euro.

Do you think the EU is out of touch with its people?

This is what I feel. This is why I want us to prove again why Europe is important, by highlighting how Europe makes a tangible difference to people's lives. To give you an example, in my first couple of weeks as Commissioner, the European Parliament voted in favour of a text, which will really makes things easier for small businesses, for example by making their accounting standards simpler. There are several million businesses, meaning several million jobs. We have to get to the point where we can show people that Europe is useful to them, that it facilitates their lives, by facilitating their jobs.

Did the French 'No' vote against the constitution affect you?

Yes, it was a tough time for me. And it forced me to take a step back and re-think what Europe was all about, and what it meant to people. It demonstrated how big the distance had grown between Europe and its people. On the very day of the 'No' vote, I promised myself I would devote myself to ensuring that Europe would re-engage with

'My message was and remains: Europe is not an option, it is a necessity.'

its citizens. My message was and remains: Europe is not an option, it is a necessity. Things can get complicated in Brussels, because we have embarked on a unique project: a cooperation between nations, not a melting together of nations. I want a united Europe, but not a uniform Europe. There is no one European nation, there cannot be one super state. We are a community of nations, and we should be proud of and respect our differences, our languages, our culture, our traditions. But it also makes sense for us to be together, and pool together some aspects of sovereignty – so we can really count on the world stage, so we can travel, trade and live more easily. And that's why we started by joining up our markets....

What do you plan to do in the area of financial services during your mandate?

The answer is: a lot. The crisis has made one thing clear: we must do things differently, we must reform financial markets.

My road map is the G-20 road map and the de Larosière report.

On the latter, we need to build a supervisory system for the financial sector at European level. I want to make Europe the first region in the world to benefit from such an integrated approach. The Commission made ambitious proposals – we now need to reach agreement with Member States and European parliamentarians as quickly as possible so that these new authorities are up and running next year.

We also need to continue to act on our other G-20 commitments, for example to regulate alternative investment funds and to put in place appropriate and effective rules for them. Again, our proposal is on the table and with a bit of good will on all sides, I believe a final agreement is possible before the summer. We need to close the

regulatory loopholes and pursue our determined action against non-cooperative jurisdictions. We need to promote the standardisation of derivatives, central clearing of derivatives and reporting to trade repositories. This also implies putting in place a prudential framework for central clearing parties. More transparency and security in derivatives markets are essential to create financial stability. In this context, we will also need to revise MiFID (the Markets in Financial Instruments Directive) where more transparency is needed, in particular for alternative platforms. We will also review the Market Abuse Directive in order to extend its scope of application.

The G-20 showed a shared commitment to reform together and to ensure convergence of accounting standards at an international level. Therefore we need to continue work on finding the right balance between a faithful representation of a company's financial situation and wider financial stability.

I will also ensure the follow-up of international decisions aimed at strengthening the solidity of financial institutions and in particular their own funds in the framework of the Capital Requirements Directive. And we will take the opportunity to put in place rules on forward-looking provisioning in order to be better prepared for the crises of tomorrow.



You have stated that for you the real issue is: 'how to put financial markets at the service of the real economy and not the other way around'. Could you elaborate on this point?

Citizens and companies have moved away from the Single Market. Whereas the Single Market is our best protection in times of crisis, they don't always see its tangible benefits. Like I said to you earlier,

I believe that financial regulation is also about improving the daily lives of European citizens. I am thinking in particular about the conclusion of the Single Euro Payments Area (SEPA) project and the Packaged Retail Investment Products (PRIIPS) initiative, which will simplify the daily lives of citizens and bring them the transparency and security they expect from Europe.

'Financial markets need to be at the service of people driving the real economy.'

The crisis is not over and it will have long-term effects on growth. It is essential that we clean up the financial sector with intelligent and effective regulation that does not stifle innovation. We need to act effectively – without forgetting the principles of better regulation: we do not want to add useless burdens when access to finance is essential for recovery. That is what I mean, financial markets need to be at the service of people driving the real economy.

You have pictures of Monnet and Schuman on your wall. How do these two men inspire you in your role as Commissioner for the Internal Market?

These two French politicians played an extraordinary role after the Second World War forging reconciliation. But they weren't the only ones. There were Italians, Germans, Belgians, Dutch and Luxembourgers and other politicians who shared the same vision and the same audacity. Together, they agreed that the two strategic raw materials which represented economic and military power at that time, coal and steel, needed to be European. That was the start of the European adventure and the European Economic Area.

The political idea behind the economic project was about wanting to be together for peace; to make sure there would not be another war. It was all about the wish to have stability, peace and democracy between countries on a voluntary basis. But it was not enough to want this, there also had to be a common interest. People had to 'need the peace'. The coal and steel market put into practice the wish to support, to consolidate, to be together through a common interest. And then, step by step, the 'common market' of 1957 followed, and many years later the Single Market.

This is why I have a photo of Monnet and Schuman on my wall: they inspire me, they were extraordinarily brave and visionary.

In your previous role as Commissioner for Regional policy, crisis prevention and insuring against risk was the order of the day. What approach should Europe take in dealing with the present financial crisis and what should it do to prevent future ones?

Crisis prevention is something I've always cared about. Many years ago, I even published a world atlas detailing all the big possible natural disasters.

And although financial crises are of course very different, the same principles apply. I believe that in all areas, it's better to be safe than sorry.

We need to create a culture of 'prévoyance' – it's a French concept I really like and I think best translated as 'foresight', as we cannot afford another crisis such as the one we're still only slowly coming out of. We need to learn all the lessons of the crisis – and pursue the work started at the G-20.

In your view, what other aspects of the various policies under your responsibility will require the most action over the next five years?

There are many, but here are some which really matter to me: I want to support the growth of electronic commerce. There are still far too many barriers: why is it still often impossible to buy and get delivered items from shops in other European countries? We need to tackle such barriers. And many still don't feel confident about buying online because they're worried it's not safe: I want to ensure we have the right framework in place that gives consumers all the necessary guarantees when they buy goods and services over the internet.

Another issue which matters to me is the recognition of professional qualifications. All of Europe's citizens should be able to enjoy the right to work and live in another country. Member States should have transposed the relevant Directive in 2005, but still today, 20 % of the problems referred to SOLVIT are about this. So more needs to be done to ensure good on-the-ground implementation of this Directive.

I also want to make sure the Services Directive really frees up the potential for our businesses, especially for the small and medium ones. That's what the Services Directive can do – we now need to ensure it's properly implemented.

'You can't be a good Commissioner if you stay at your desk all the time...'

I also want to prioritise adapting our copyright framework. This is a sensitive area but we need to find the right balance between making more works easily accessible online, including orphan works, and making sure that the works of European creative artists are properly protected.

'...so I have decided to go local, to see people, the grassroots.'

Our patent system is both too costly and too complicated. Did you know it costs nearly ten times more to patent an invention in Europe than in the United States? How can we be competitive in that context? I am pleased about the progress recently made by Member States, and we now need to finish off negotiations so that creativity and innovation are rewarded, not blocked.

There are many other areas that I will prioritise – our work on counterfeiting for instance – but I can't name them all here. But expect an ambitious and fulfilling five years!

You have announced you will visit all EU capitals. How is this going? Who do you target during these visits, what do you hope to achieve?

You can't be a good Commissioner if you stay at your desk all the time. You need to get input from those on the ground – businesses who work with EU rules; civil servants who need to apply the rules; citizens who want to exercise their rights. So I have decided to go local, to see people, the grassroots. Not only leaders, the elite, but everyone: people. That's why I have started my tour around European capital cities to meet as many different people as possible. I started with a visit to London; then a second one to Madrid; I'm just back from Frankfurt and I will continue doing such trips as often as possible.



One particular area I am interested in is how the Services Directive is being implemented. Our estimates suggest that if well implemented, it could add more than one percent to economic growth. That's enormous. So I want to meet all those on the ground in charge of making this Directive happen– to see what challenges they are facing and how we can overcome them, so we take advantage of all the opportunities this Directive offers.

'My commitment to Europe dates back to the moment when General De Gaulle and the German Chancellor Adenauer shook hands'

I also want to take time to meet young people, and I'll try and meet groups every week, of students for example or young people who want to start their own business. For me, it really matters to talk to a new generation, to listen to their views and to explain what we're doing. I know that the day I can't communicate with young people, I'll be out of touch! Young people keep my feet on the ground.

I strongly believe that Europe is stronger when we're together. But not everyone shares that conviction. And I'm worried by the rise in protectionist and populist sentiment across Europe. So it really matters to me that I take the time to talk to people, and try and convince them that together, we're stronger than when we stand alone.

Twenty years ago you were in charge of organising the Winter Olympics in France. Now you are European Commissioner for the Internal Market. Could you have thought then that you'd be here now? Is there a 'fil rouge' in your career?

There is a 'fil bleu' which is my commitment to Europe, but this dates back to well before the Olympic Games. It dates back to the moment when General De Gaulle and the German Chancellor Adenauer shook hands, when I was 14. This was a big moment – it symbolised deep reconciliation between France and Germany. That day, I became a European Gaullist, so this is where my 'fil bleu' began. A framed picture of this event has travelled with me to all my offices since. It means a lot to me.



The 1992 Albertville Olympic Games are another story. I spent ten years of my life on this project – five years on the bid and five years preparing the Olympics themselves. When you come from a mountain region like me, there can be no greater challenge and honour. These ten years had a big impact on me: they changed my views on many things, as the Olympic Games go well beyond regions, beyond anyone's personal interest, beyond political sensibilities. Everyone who contributed – there were 8000 volunteers – had a feeling of personal achievement through having achieved something big collectively. Likewise, I would like each European citizen to have a sense of personal achievement, because of Europe's success.

'I would like each European citizen to have a sense of personal achievement, because of Europe's success.'

Record number of citizens using EU advice services



The 2009 SOLVIT and the Citizens Signpost Service (CSS) annual reports show that a growing number of Europeans are turning to the EU's advice and assistance services to find concrete answers and fast solutions to questions and problems they encounter in the Internal Market. The two systems have successfully developed into complementary empowering tools enabling European citizens and businesses to claim their place at the heart of the Internal Market. By offering fast and pragmatic solutions, SOLVIT has clearly established itself as an effective alternative to longer infringement procedures.

The reports were published on 1 March 2010 and presented by the Internal Market Commissioner Michel Barnier to the Competitiveness Council the same day.

In 2009, SOLVIT helped a record number of 1,500 citizens and businesses who ran into difficulties getting their Internal Market rights recognised by national public administrations, a 54% increase compared to the previous year. The CSS provided free and practical legal advice within three working days to approximately 12,000 citizens in 2009, an increase of 8.5% compared to the previous year. By helping citizens and businesses make the most of their rights, SOLVIT and CSS are clearly contributing to the better functioning of the Internal Market. In fact, for the past three years, the number of SOLVIT cases has been higher than the number of formal complaints and infringement cases in the Internal Market area, showing that the service has developed into a very effective alternative to longer and heavier infringement procedures.

Building on the successes of SOLVIT and CSS, the Commission will continue to strengthen its information, guidance and problem solving services through better integration of the different tools available to Europeans. The new 'Your Europe' webportal (www.europa.eu/youreurope), designed as a 'one-stop-shop' offering detailed and practical information as well as easy access to specialized assistance services, is the next step in this process.

The 2009 SOLVIT and CSS reports are available on: <http://ec.europa.eu/solvit/> and <http://ec.europa.eu/citizensrights/>

The common form for asking either a question to CSS or making a complaint to SOLVIT is available on: http://ec.europa.eu/citizensrights/front_end/css_solvit_en.cfm

SOLVIT helps Tunisian citizen get UK residence permit

A Tunisian living with his Polish wife in the UK had to wait longer than the 6-month period imposed by EU law to be issued a UK residence permit. SOLVIT's intervention speeded up the process and the permit was issued soon after.

Solved within 10 weeks



Hungarian wood gets a coat of Austrian wood preservative

An Austrian company was prevented from marketing wood preservative in Hungary because the local authorities insisted that having a representative in the country was a requirement. SOLVIT told the Hungarian authorities that all that was needed was an office in the European Union, and the imports were allowed through.

Solved within 2 days

Info

MARKT-B-TF1@ec.europa.eu
<http://ec.europa.eu/solvit/>
<http://ec.europa.eu/citizensrights/>

German pensioner has medical check-ups in Spain



www.ec.europa.eu/solvit



ENTERPRISE & INDUSTRY MAGAZINE

The Enterprise & Industry online magazine (http://ec.europa.eu/enterprise/e_i/index_en.htm) covers issues related to SMEs, innovation, entrepreneurship, the Single Market for goods, competitiveness and environmental protection, industrial policies across a wide range of sectors, and more.

The printed edition of the magazine is published three times a year. You can subscribe online to receive it – in English, French or German – free of charge by post.

http://ec.europa.eu/enterprise/e_i/subscription_en.htm

EU public procurement policy: responding to new challenges



EU procurement legislation has helped to embed a culture of professional and value-driven procurement across Europe. It has brought transparency to markets for public contracts. Over 150,000 contracts were advertised EU-wide in 2009, for an amount equal to 3.11% of EU GDP. It has fostered more competition for government contracts: on average, five bidders competed for every publicly tendered contract. Contracting authorities believe that this has delivered average savings of 5-8% on expected costs. The wider public recognise the importance of effective procurement disciplines in combating corruption and favouritism.¹

Why EU public procurement matters

In the years to come, the disciplines imposed by EU public procurement policy will be increasingly relevant:

- As a result of the financial crisis, EU Member States are faced with yawning fiscal deficits (which will average 7.5% of GDP in 2010) and a mountain of public debt (amounting to 80% of GDP). Efforts to consolidate public finances will become the order of the day. In this context, public authorities will be expected to do more with less. Efficient procurement processes can contribute to this goal.
- National and regional authorities are reorganising their procurement systems in ways that increase the relevance of EU procurement rules. There is increased centralisation of procurement in the hands of specialised purchasing agencies. Contracting authorities are starting to make use of electronic procurement platforms for some purchases. These trends help to make public procurement more transparent and contestable. Rules designed to deliver effective access to these markets will therefore become even more powerful.

New demands and expectations

However, EU procurement policy is also faced with new demands and expectations resulting from the changing policy and market environment. A number of these issues are currently being discussed in the context of a European Parliament 'own initiative report', notably:

- The need to cater for new methods of financing or delivering public infrastructures and services. In the past 15 years, over 200bn€ of investment was financed through public-private partnerships. Cooperation between local authorities is also becoming more commonplace. There is a need to clarify the extent to, and ways in which EU procurement disciplines can usefully apply to these forms of delivering public services and infrastructure.
- Pressure, particularly from local and regional administrations, to facilitate contracting authorities in procurement transactions by providing more flexibility in procedures, speeding up contract award, and reducing the risk of legal

challenges afterwards. In 2004, the menu of procedures available to authorities was expanded. In the context of the crisis, the Commission has endorsed greater recourse to accelerated procurement procedures to accelerate public spending. In responding to concerns about administrative complexity and cost, care must be taken, however, to preserve the benefits of a transparent and contestable procurement. (We must not throw the baby out with the bath-water).

- Growing interest in using public procurement expenditure to pursue other policy objectives – notably to promote the take-up of environmentally friendly solutions and to provide market outlets for innovative technologies. Such policies can be implemented in a way that is compatible with sound and objective procurement. The key is to frame desired procurement outcomes in clear and objective specifications which do not implicitly favour particular suppliers. Too much scope for subjective appreciation or arbitrary decisions could weaken sound procurement disciplines and complicate the task of contracting authorities.
- The new challenges posed by the transition to electronic procurement: the technology to support e-procurement is now in place. National and regional e-procurement platforms are developing and thereby delivering tangible benefits to contracting authorities and suppliers. At European level, the challenge is two-fold: first, to ensure that the legal and policy environment keeps pace with this change; secondly, to avoid the emergence of a new generation of barriers to cross-border procurement which have their origin in different e-procurement models, information technology systems and applications.

The Commission's response

The Commission is exploring ways in which EU procurement policy can respond to these challenges. In the short-term, it is preparing initiatives in the area of concessions and is looking closely at the issue of the application of procurement legislation to cases where local or other purchasing bodies cooperate in procurement.

In response to demands from the European Parliament, the Commission will come forward with comprehensive guidance to

¹ Eurobarometer survey (2009).

help Member States and authorities to use procurement policies to support other societal objectives, such as green procurement and fostering innovation.

It is also finalising an analysis of the take-up of e-procurement in which it will assess the existence of barriers to cross-border participation in electronic procurement marketplaces.

In parallel, the Commission is embarking on a comprehensive evaluation of EU procurement legislation. This evaluation, to be completed in spring 2011, will examine the effectiveness of EU rules in promoting open, contestable and sound procurement. The findings will be used to inform reflection on the need for a modernisation

of EU procurement rules. Any such modernisation will be driven by the objective of enabling contracting authorities to undertake procurement in a timely and effective manner so as to accomplish the public missions entrusted to them. It could also clarify how contracting authorities can take account of environmental, social or other policy considerations when awarding contracts. Any eventual adjustments should not come at the expense of transparent and contestable procurement markets. These principles have served us well so far and should remain the cornerstones of EU procurement policy.

What is public procurement?

Public procurement is the process whereby the public sector (i.e. national, regional and local government and certain utilities) awards contracts to companies for the supply of goods or services, including building and construction works. For contracts with an expected value above certain thresholds, the procurement procedure is regulated by EU legislation. This legislation aims to promote transparency and competition in public tender procedures, thereby avoiding discriminatory or preferential purchasing and encouraging purchasing bodies to make the best use of public resources. Given the amount of public money at stake, and the number of public purchasers and suppliers involved, the way in which public procurement is regulated and administered has an immediate and significant influence on the business environment.



[Info](http://ec.europa.eu/internal_market/publicprocurement/e-procurement_en.htm)

http://ec.europa.eu/internal_market/publicprocurement/e-procurement_en.htm



'shareholders in policy'

Stakeholders are gaining more and more importance in policy making. The definition of the word stakeholders used to be: 'A person holding the stakes of people placing bets,' with the responsibility of delivering the pot to the winner of the bet¹. The meaning of stakeholders has evolved; we now refer to a stakeholder when we talk about a person or organization with a legitimate interest in a given situation, action or enterprise. This change in the meaning of the word 'stakeholder' reflects its growing importance in policy making on national and European levels. Stakeholders have become like 'shareholders' in policy making. Likewise, there are many constituencies who have a 'stake' in Single Market policy – those who benefit from the opportunities of the Single Market, just as much as those who have some concerns. To encourage a wider stakeholder input, DG MARKT has developed its new multi-stakeholder initiative, while continuing its tradition of consulting specific groups of stakeholders for specific policy areas.

DG MARKT's new stakeholder group: the Single Market Informal Dialogue Group

DG MARKT has recently launched a new Stakeholder initiative. Prompted and inspired by the Single Market Review² and President Barroso's Political Guidelines³, in which more transparency was identified as a key-element for furthering the completion of the Single Market, DG MARKT has invited both traditional and non traditional stakeholders, including consumer groups, trade unions, business representatives (including SMEs), NGO representatives in social and environmental fields, and regional representatives to discuss general Single Market Issues. With this new initiative, the DG is building on a strong tradition of consulting stakeholder groups on specific policy areas.

The group is to meet approximately four times a year; its first meeting took place in January of this year. Participants agreed to focus on the process of how DG MARKT engages stakeholders in consultations. Many represent large organisations with capillary structures all over Europe, who when informed in time, could give valuable feedback on consultations for policy initiatives. Being briefed on processes at regular intervals also complies with the wish of many organisations to be involved earlier on in the policy cycle, so that views can be taken into account at the design stage of policy formation processes.

But not only processes will be discussed; broad themes of substance related to the Single Market will also be put on the agenda. A first brainstorming on possible fields of interest yielded subjects such as the relaunch of the Single Market, public procurement, services of general interest and access to (financial) services.



DG MARKT's Single Market Informal Dialogue Group meets Professor Mario Monti

¹ Wikipedia

² The Single Market Review (2007) called for better and earlier involvement of a wider range of stakeholders.

³ 3 September 2009



Stakeholder's corner

Roshan Di Puppo, Director of Social Platform

'The social dimension of the internal market: an NGO perspective'

As part of DG MARKT's rounds of seminars with stakeholders, on 11 March, Roshan Di Puppo, Director of Social Platform addressed MARKT staff on the subject of: 'The social dimension of the internal market: an NGO perspective'.

Social Platform groups 42 pan-European networks of NGOs, whose common mission is to fight for social justice and participatory democracy in Europe.

Social Platform members follow the Internal Market with a strong focus on its social aspects. Di Puppo explained that public procurement is one of the areas her members are interested in; through lobbying for criteria that reach beyond cost efficiency, they hope to shift the focus to quality concerns. As their voices are not often heard in public debates, Social Platform's aim is to represent disadvantaged groups such as the disabled and the elderly, among others; to analyse the possible impact of policies on them and determine how these policies could be adjusted to take account of their specific needs.

Social Platform also follows Services of General Interest, Public Finance and the financial crisis. While national organisations (i.e. members of Social Platform members) deal with the impact of the financial crisis on the ground with an increasing number of people falling below the poverty line, Social Platform representatives in Brussels question who is responsible for the crisis and whether people can be held to account – as was done with bankers and financial regulators in the Netherlands.

Recently, after having completed a mapping exercise on Services of General Interest, Social Platform concluded that there is no centralised responsibility for this area within the Commission, and that the terminology used across the different Directorates General is very diverse. Social Platform members claim that although social clauses have been taken up in the legislation, no-one checks that they are enforced. Their central question 'what has the Internal Market delivered for Services of General Interest?' has not yet been answered.



Roshan Di Puppo, Director of Social platform

Ms Di Puppo welcomed DG MARKT's initiative to establish a Single Market Informal Dialogue Group for a wide group of stakeholders. She noted that the initiative was important to represent her members in discussions on the Single Market, and would also help Social Platform and other organisations to interact with EU legislation processes, which for 'outsiders to the Institutions can be very hard to follow'⁴.

'The central question: 'what has the Internal Market delivered for Services of General Interest?' has not yet been answered.'

⁴ http://cms.horus.be/files/99907/MediaArchive/Policies/Participatory_democracy/SocialPlatform_EffectiveCivilDialogue.pdf

Key role of Single Market in Europe 2020 Strategy



In March, the Commission presented its proposal for a European strategy for economic growth and jobs in the coming decade. The 'Europe 2020 Strategy' advocates a focus on structural reform measures to turn the EU into a smart, sustainable and inclusive economy, delivering high levels of employment, productivity and social cohesion. With this Strategy, the Commission seeks to take the economic crisis as an opportunity to advance much-needed reforms to improve the competitiveness of the EU economy. An improved functioning of the Single Market will play a key role in making this strategy a success.

Smart, sustainable and inclusive growth

The Europe 2020 Strategy sets out a vision for Europe's social market economy over the next decade with a focus on three priority themes:

- Smart growth: developing an economy based on knowledge and innovation;
- Sustainable growth: promoting a low-carbon, resource-efficient and competitive economy;
- Inclusive growth: fostering a high-employment economy delivering social and territorial cohesion.

The Strategy is the Commission's response to structural weaknesses that have been exposed by the economic crisis, including low structural economic growth, low employment levels and demographic ageing. In the words of Commission President Barroso: 'Europe 2020 is about what we need to do today and tomorrow to get the EU economy back on track. The crisis has exposed fundamental issues and unsustainable trends that we can not ignore any longer. Europe has a growth deficit which is putting our future at risk.'

Key role for the Single Market

A stronger, deeper and extended Single Market is seen as one of the key instruments to achieve the Europe 2020 triple objective of smart, sustainable and inclusive growth. The Strategy therefore calls for a renewed political commitment to re-launch the Single Market, and includes the following elements:

- > Tuning public procurement policies more towards promoting green and innovative goods and services, while ensuring open and competitive procurement markets.
- > Improving framework conditions for businesses to innovate, including the effective and efficient protection of intellectual property rights through the introduction of the single EU patent and a specialised Patent Court (see page 14, for article on patents).
- > Creating an open Single Market for services on the basis of the Services Directive, while at the same time ensuring access to quality services for all consumers.
- > Stepping up the process of adapting Single Market policies and legislation to the digital era, including creating a true Single Market for online content and services and empowering consumers to buy online.



- > Improving SMEs' access to the Single Market, e.g. by further simplifying company law and improving access to finance.
- > Putting into place a new strategy to promote corporate social responsibility.
- > Reforming the financial system to ensure a solid, stable and healthy financial sector supporting the real economy. Implementing supervisory reforms, filling regulatory gaps and strengthening prudential, accounting and consumer protection rules will all be important elements. Strengthening the governance of financial institutions and designing policies to prevent and better manage possible future financial crises also form part of the new strategy proposed.

Making it work

Special attention will be given to improving the application of Single Market measures across policy areas and their enforcement in Member States. Equally important, the Commission will press ahead with its smart regulation agenda, including market monitoring, ex-post evaluations of the effects of EU legislation, administrative simplification and enhanced cooperation between national administrations.

As with the preceding Lisbon Strategy, the success of the Europe 2020 Strategy will depend on Member States' support, as many of the required reforms must be undertaken at national level. The Strategy therefore calls for a renewed political commitment by Member States to the required reforms and includes governance elements designed to support and to monitor these reforms.

Info

Henning Ehrenstein, MARKT- B.1 (Policy Development and Coordination of the Internal Market)
henning.ehrenstein@ec.europa.eu

Subscribe to European Economy News, the quarterly magazine of the Directorate-General for Economic and Financial Affairs (DG ECFIN), and keep up-to-date with developments relating to economics and finance in the EU.

The forthcoming issue (April 2010) features an interview with new Commissioner Olli Rehn and an article on Europe 2020. Other topics covered include surveillance of intra-euro-area imbalances, new innovative financing instruments, and how Commission's programme of business and consumer surveys.

European Economy News is available free of charge at:

http://ec.europa.eu/economy_finance/een



603110017ENP

Magazine of the Directorate-General for Economic and Financial Affairs
www.ec.europa.eu/economy_finance/een



Internal Market Scoreboard n°20: best-ever result but....

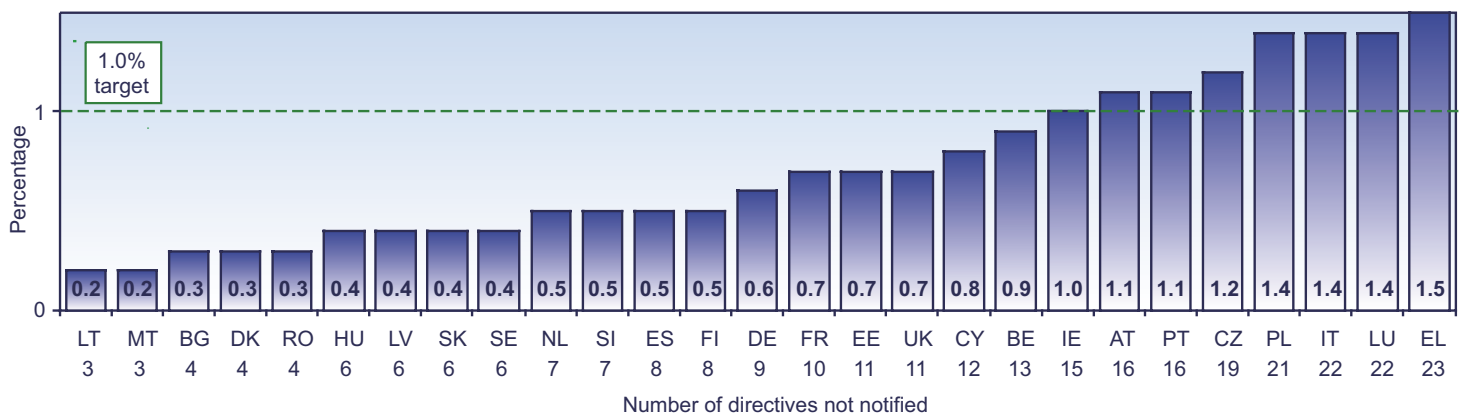


.... action needed on application on the ground

'Member States have never performed better in writing agreed Internal Market rules into national law on time, but they need to improve the way those rules are applied in practice'. That was the message Internal Market Commissioner Barnier gave Member States at the March 2010 Competitiveness Council following the publication of the Internal Market Scoreboard.

The Internal Market Scoreboard is the European Commission's tool for monitoring where Member States stand in terms of implementing agreed Internal Market rules at national level. It publicly compares and ranks their individual progress, while also looking at the quality and application of the rules.

On average 0.7% of Internal Market Directives for which the implementation deadline has passed are not currently written into national law, down from 1.0% in July 2009. This means that Member States are well below the 1.0% target agreed by Heads of State, which was to be achieved by 2009 at the latest.



The transposition deficit shows the percentage of Internal Market directives not yet communicated to the Commission, in relation to the total number of directives which should have been communicated by the deadline.

Twenty Member States are either at or below the target, while Lithuania and Malta were overall the best performers, being three Directives away from a perfect score. Sixteen Member States achieved or have equalled their best result so far. However, seven Member States – Austria, Portugal, the Czech Republic, Poland, Italy, Luxembourg and Greece – are still above the target and hindering further reduction of the deficit. Greece and Luxembourg are the worst offenders in this respect.

As regards application of EU law, there has been a slight reduction in the number of infringement cases, but the duration of the proceedings remains too long and Member States take on average 18 months to comply with Court of Justice rulings despite the legal obligation to take immediate action. Here, Austria and Spain account for the longest delay, taking on average approximately 25 months to comply with rulings. (See also p. 22 on infringements)

'Points of Single Contact' now a reality for business

The transposition deadline of the Services Directive expired end 2009. By that date all EU countries had to have set up so-called 'Points of Single Contact' (PSC). PSC are e-government portals designed to facilitate doing business at home or abroad. By clicking on a Member State's PSC, businesses can obtain all relevant information and complete administrative formalities online without having to contact a whole series of authorities, as was previously the case.

Points of Single Contact linked by EU Webgate

Since the beginning of January, a 'first generation' of PSC has been operational in a majority of Member States. To make it easier for businesses to identify the PSC in all Member States, the Commission has set up a central EU webgate containing links to all European PSCs (accessible at: http://ec.europa.eu/internal_market/eu-go/)

Conference

On 4 February 2010 the Permanent Representation of the Czech Republic to the EU hosted a conference on the PSC in Brussels. The aim of the event was to raise awareness of the PSC and to have a first exchange of experience regarding their practical functioning. High-level representatives from the Czech Republic, the UK, France, Germany and the Netherlands presented the PSC solutions they set up in their countries.

Huge reduction of administrative burden

All speakers agreed that the setting-up of the PSC has raised considerable technical and organisational challenges, but that these efforts will pay off for European SMEs. 'The PSC will significantly simplify life for SMEs and stimulate the creation of new businesses. We expect an average usage of 15,000 visitors per day on our PSC website', said Philippe Léglise-Costa, deputy Permanent Representative of France. Marc Hameleers, project manager of the Dutch Services Directive implementation team, emphasised that the Services Directive and the PSC 'have the potential to reduce administrative burden in our country by more than 60 million euro per year'.

The business perspective was presented by Giovanni Campi of Eurochambers and Carlos Almaraz of BusinessEurope. 'The PSC are the 'face' of the Services Directive and they are the key tool through which businesses can make use of their rights', said Campi, emphasising that 'it is now crucial that those Member States who are late, rapidly increase their efforts and deliver fully operational PSC'. Almaraz urged Member States to make information available in more than one language, in particular in English, stressing that 'the PSC will only make a difference if they are user-friendly and easily understandable for all businesses. Many Member States are still only providing information in their own language'.

More exchanges to come

'the Services Directive and the PSC 'have the potential to reduce administrative burden in our country by more than 60 million euro per year'.'

(Dutch government official)

Discussions showed that there is strong interest from national administrations and businesses to continue work and enhance the functioning of the PSC in the coming years. In particular, the idea to maintain close cooperation and exchange of best practice between Member States was widely supported. Jana Reinisova, deputy Permanent Representative of the Czech Republic, concluded the conference by announcing that a follow-up event will be organised in autumn this year.



For your diary



23 April: Hearing on Collective Rights Management (Brussels)

The hearing on Collective Rights Management in Europe will analyse the relationship between the owners of copyright, the collective rights managers and the commercial users of copyright products. The aim of the conference is to assess whether governance issues regarding the relationships between these parties have evolved favourably or whether additional measures are needed to improve matters.

More information: http://ec.europa.eu/internal_market/index_en.htm

26 April: High-level conference on industrial competitiveness (Brussels)

The role of policy and markets in difficult times is the central theme of this year's industrial competitiveness conference. In a frank exchange of views, policy-makers, business representatives and academics will discuss Europe 2020, the EU's strategy for recovery and competitiveness. Speakers will include José Manuel Barroso, Antonio Tajani, Mario Monti, Nick Reilly and Wolfgang Münchau.

More information: http://ec.europa.eu/enterprise/policies/industrial-competitiveness/economic-crisis/2nd_high_level_conference_en.htm

28 – 29 April: European Patent forum (Madrid)

Organised by the European Patent Office in co-operation with the Spanish EU Presidency, the European Commission and the Spanish Patent and Trademark Office, the two-day conference will try to tackle important questions, such as: Does Europe have the technologies to meet its ambitious renewable energy targets? Are the right conditions in place to facilitate technology transfers? Can Europe profit from the economic opportunities that arise?

More information: <http://www.epo.org/about-us/events/inventor-forum.html>

29-30 April: High-level conference on postal services (Valencia)

In cooperation with the Spanish Presidency, the European Commission is to hold a high-level conference focusing on the creation of a well functioning internal postal market bringing together stakeholders, policy makers and regulators.

More information: <http://www.eu2010.es/en/agenda/seminarioscongresosyconf/evento614fomentobis.html>

G20 in 2010

23 April:

G20 Meeting for Finance Ministers and Central Bank Governors in Washington, USA.

26-27 June:

4th G20 Summit for Heads of State in Toronto, Canada.

11-12 November:

5th G20 Summit for Heads of State in Seoul, Korea.

4 May: Public hearing on Solvency II (Brussels)

The Commission is to hold a public hearing with relevant stakeholders to exchange views about the implementing measures for the recently adopted Solvency II package. The main focus is on the draft technical specifications for its fifth Quantitative Impact Study.

More information: http://ec.europa.eu/internal_market/index_en.htm

26 May: Conference on the European Company Statute (Brussels)

The conference complements the recently launched Commission consultation on the operation and impact of the European Company (SE) Statute. Interested parties are invited to discuss the external study by Ernst & Young and test possible amendments to the SE Statute.

More information: http://ec.europa.eu/internal_market/index_en.htm

Info

To find out more on these and other EU-events, please consult the EU calendar on <http://europa.eu/eucalendar/>

Infringements related to the Single Market



About infringement procedures

The European Commission has powers to take legal action – known as infringement procedures – against a Member State that is not respecting its obligations under EU law. These procedures consist of three steps. The first is that the Member State receives a 'letter of formal notice' and has two months to respond. In case the Member State does not entirely comply with EU legislation, the Commission can send a 'reasoned opinion'. Again the Member State has two months to reply. If there is no satisfactory reply, the Commission can refer the matter to the Court of Justice in Luxembourg. It can also request that the Court impose a fine on the country concerned if it does not comply with the Court's ruling.

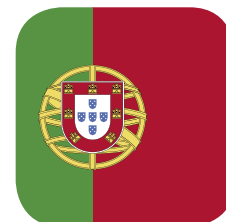


School bus services: Spain – reasoned opinion

In 2008, the Spanish autonomous community of Castilla-La Mancha awarded a number of contracts for the provision of school bus services in a way that was not compatible with EU public procurement rules. In particular, the contracts were not published in the EU Official Journal – meaning that bus service providers from all over the EU may have been denied the opportunity to bid. Also, the deadline for submission of tenders was only eight days – whereas under EU rules the required period is ordinarily 52 days. In addition, Spain has given preference to certain providers of regular bus services, against the principle of equal treatment.

Patent agents: Portugal – referral to Court of Justice

Portugal still has restrictive rules on patent agents, despite its stated intention to reform this area. Patent agents obtain and enforce intellectual property rights on behalf of either individual inventors or organisations. In particular, Portugal requires any patent agent established in another Member State, who wishes to be represented before the Portuguese trademarks and patent office as a temporary service provider, to be registered in advance with the Portuguese authorities. Also, registration is subject to a prior check on professional qualifications. These requirements breach EU rules on the freedom to provide services and the recognition of professional qualifications.

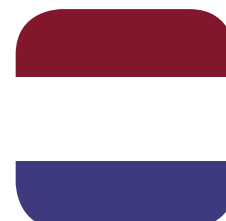


Temporary employment agencies: Belgium – referral to Court of Justice

According to EU principles, any company providing a service legally in a Member State has the right to provide the same service without restrictions in all other Member States. However, Belgium imposes a number of requirements on temporary employment agencies established in other Member States that wish to provide their services in Belgium. In particular, their scope is limited to activities related to human resources and they have to take on a specific legal form. These requirements have the effect of limiting competition in this field. This situation is also likely to disadvantage employers and Belgian workers who use the services of these companies.

Posting of workers: Netherlands – reasoned opinion

Under Dutch rules, businesses must obtain work permits for certain staff members before they can be temporarily posted to the Netherlands to perform services. This applies to staff members from Bulgaria and Romania, as well as to staff members from non-EU countries who live and work legally in the Member State of their employer. This work permit requirement breaches EU rules on the freedom to provide services. Its practical effect is that businesses established in other Member States can find it difficult to provide services in the Netherlands, while businesses established in the Netherlands are not free to choose between the various service providers on the European market and to obtain the best prices accordingly.



More information on infringement proceedings relating to the Single Market is available at:
http://ec.europa.eu/internal_market/infringements/index_en.htm
The latest information on infringement proceedings concerning all Member States is available at:
http://ec.europa.eu/community_law/index_en.htm

Single Market News is published in English, French and German.

To subscribe, visit this web address.

http://ec.europa.eu/internal_market/smn.htm

An electronic version (PDF) is also available.

Subscriptions:

Brona Meldrum

European Commission

DG Internal Market and Services

Unit A4

SPA2 1/008

B-1049 Brussels

Fax +32 22954351

E-mail: Markt-smn@ec.europa.eu

Single
Market
News

N°57 2009 - 1

KM-AB-10-057-EN-C



Publications Office