



# THE SINGLE MARKET THROUGH THE LENS OF THE PEOPLE:

A snapshot of citizens' and businesses'

# 20

main concerns



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# Listing 20 main concerns to fuel debate

The Single Market is one of the EU's main achievements. 50 years after its inception, it has not only fuelled economic growth but has also become a part of the everyday life of Europeans. However, the Single Market is still not fully living up to its promise.

In October 2010, the Commission issued the Single Market Act<sup>i</sup> together with the first EU Citizenship Report<sup>ii</sup>. Both highlighted the gap between the EU legal framework, and people's everyday experiences with the Single Market. To promote a culture of dialogue and learning from experiences on the ground, the Commission has undertaken to publish a list of people's main concerns about the Single Market – areas where progress is required to close the gap between what they expect from the Single Market, and what they experience in practice.

This document presents a list of the 20 main concerns about the Single Market as it stands now. It represents a snapshot of difficulties encountered by people (understood in a broad sense: citizens, businesses, consumers, workers, students and pensioners) when attempting to exercise their EU rights, on the basis of their practical experiences. It will inform discussions at the first Single Market Forum, to be held in Krakow on 3 and 4 October 2011, gathering civil society, businesses, social partners, and public authorities at all levels.

The Commission intends to repeat this exercise periodically, to reflect how people's experiences change over time, as actions currently being undertaken start to produce results. The discussions and debates at the first Single Market Forum will also enable the Commission services to refine the methodology for future snapshots of the Single Market through the eyes of its end-users.

This will help all stakeholders and policy makers – at European but also at national level – to assess the effects of policy actions already undertaken, and to define the need for further actions.

*As this paper is a working document of the services of the Commission, it does not represent or prejudice any position the European Commission may have taken or will take in the future, on any of the issues covered.*

# Sources and method

In order to compile the list, an analysis was made of **queries and complaints handled by the Commission and assistance services** such as SOLVIT, Your Europe Advice, the European Consumer Centres, the European Employment Service and the Enterprise Europe Network.<sup>iii</sup>

These data provide evidence of obstacles encountered by those that want to make use of the rights and opportunities created by the single market in their daily lives.

To verify the relevance and importance of these obstacles against people's overall experiences, these data have been matched with **statistically representative data from recent Eurobarometer surveys**.

Finally, findings have been further refined through **focus group discussions and surveys** with targeted citizens and business audiences. Together, these data offer a robust snapshot of the Single Market as seen and experienced 'on the ground'.

More details on the methodology followed can be found on:

[http://ec.europa.eu/internal\\_market/strategy/index\\_en.htm#20mainconcerns](http://ec.europa.eu/internal_market/strategy/index_en.htm#20mainconcerns).

<sup>i</sup> *Communication from the Commission: Single Market Act - Twelve levers to boost growth and strengthen confidence "Working together to create new growth"; Brussels, 13.04.2011 (COM/2011/0206 final).*

<sup>ii</sup> *EU Citizenship Report 2010: Dismantling the obstacles to EU citizens' rights; Brussels, 27.10.2010 (COM (2010) 603 final).*

<sup>iii</sup> *More details on the mandate of the relevant assistance services can be found at the back of this document.*

# Roadmap for the 20 main concerns

This paper focuses on the gap between what people expect from the Single Market and what they experience in practice. It does not consider other obstacles such as geographic, cultural and language barriers.

As a general point, it confirms that the divide between expectations and reality stems from three inter-related gaps:



▶ An *information gap*: People often do not sufficiently know or understand their rights and do not know where to look for information or help. Likewise, local authorities often fail to sufficiently understand the rules and how to apply them in practice;



▶ An *implementation gap*: In many areas, a gap can be noted between the EU legal framework and the way it is implemented and applied in practice. This may be due to incorrect or incomplete transposition and application of EU rules, inconsistencies between EU and national laws, a lack of co-operation between relevant administrations operating in a cross-border context or difficulties in resolving problems and obtaining redress where things go wrong;



▶ A *legislative gap*: In some areas, the EU legal framework itself does not match citizens' and businesses' expectations. Sometimes, this is due to the fact that the EU has no or only limited powers to legislate. In other areas where the EU does have such powers, there may be no legal tools yet to bridge the gap between what Europeans expect from the Single Market, and what they can obtain in reality.

The problems identified affect three categories of people:



- ▶ EU nationals (and sometimes their families) using their EU rights in cross-border situations.



- ▶ Consumers shopping across EU borders or within their own country.



- ▶ EU companies trying to do business in other EU countries.

The **areas identified below are grouped thematically, without establishing any order of importance.** For each concern, the Commission services have identified one or more possible root causes (whether the problem is one of information, implementation or legislation) based on the practical experiences examined. **The examples reflect real-life complaints and cases handled by the European Commission or its assistance services.**<sup>iv</sup>

<sup>iv</sup> Names of the persons and/or countries used in examples may have been changed.

# 1

## Cumbersome social security procedures discourage citizens' mobility

Many people moving from one EU country to another find it difficult to understand and make use of their social security rights (e.g. family allowances, unemployment benefits, social security). They often expect to have the same rights everywhere and may be disappointed when this expectation is not met. In addition, they often face complex administrative procedures when trying to obtain social security rights, and may still be confronted with discriminatory rules and practices.

**TRUE STORY:** *Valentino works in Italy, but lives across the border in Austria. He commutes across the national border to get into work every day. His social security rights are linked to his place of work. Valentino has three children and applies for a family allowance from the provincial authority of the province he works in, but is denied it on the basis that it is only granted to residents of that province.*

### WHO IS CONCERNED?

People moving within the EU.



### WHAT ARE POSSIBLE ROOT CAUSES?

Complex EU rules, which coordinate (rather than harmonise) national social security systems, and leave it to the Member States to determine the details of their own systems. As a result of this complexity, people often fail to understand their rights, and national, regional and local administrations encounter difficulties in applying the rules.

*2011 quantitative Eurobarometer survey on the Internal Market: 40% of EU citizens having experienced a transfer of their social security rights to/from another EU country consider this as particularly difficult.*



# 2

## Citizens receiving healthcare abroad are often frustrated when receiving the bill



People often believe their European Health Insurance Card gives them the same rights to healthcare and health insurance throughout Europe as they enjoy at home. In reality, however, the European Health Insurance Card gives the right to be treated as a local resident for unplanned and necessary healthcare during a temporary stay abroad. Many citizens moving around Europe are therefore surprised when they are asked to pay upfront for treatment abroad, if they do not have to do so at home.

There is also confusion about the right to receive planned medical treatment abroad, which requires prior authorisation from the home healthcare system.

Finally, citizens may also encounter difficulties when claiming reimbursements for treatment received abroad, e.g. facing administrative delays and practices that run counter to EU law.

**TRUE STORY:** *Angeles, a Spanish national, went to Paris as a tourist, and unfortunately fell sick whilst there. She used her European Health Insurance Card at a hospital in Paris, but did not understand why, after returning to Spain, she received bills from the French hospital: she thought the treatment was free, as it is in Spain. She also had difficulty finding out from her national health authority how the costs incurred could be reimbursed.*

### WHO IS CONCERNED?

Travellers, students and people with medical conditions.



### WHAT ARE POSSIBLE ROOT CAUSES?

Citizens are not sufficiently aware of their rights, and social security institutions often fail to inform people or misapply the rules.

# 3

## Obtaining a residence card in another Member State for non-EU family members is too complex

When EU citizens move to another Member State, many are frustrated by the sometimes complex, burdensome or arbitrary administrative procedures that can be required to obtain residence cards for accompanying family members who are not EU nationals.

**TRUE STORY:** *Felipe, Portuguese, married Palmira, a Brazilian national, in Brazil. They then moved to the Czech Republic, where Palmira applied for a residence card as the wife of an EU national. The Czech authorities rejected the application because Felipe and Palmira had been married in Brazil and had not registered their marriage in the Czech Republic. They were told they had to apply to have their marriage registered in the Czech Republic, which would take a long time, during which Palmira would not be able to live there legally.*

### WHO IS CONCERNED?

EU nationals and their family members.



### WHAT ARE POSSIBLE ROOT CAUSES?

Cumbersome national procedures, unjustified administrative delays and incorrect application of EU residence rules by the authorities of some Member States.

Problems can sometimes be exacerbated by the fact that civil status certificates (birth, adoption, marriage, and divorce certificates) and other official documents relating to people's personal and family situations are often not recognised abroad. As the recognition of these documents is not regulated at EU level, it is difficult to obtain redress in such situations.

*2011 quantitative Eurobarometer survey on the Internal Market: 37% of EU citizens having tried to obtain a residence card from another EU country consider this as particularly difficult.*

# 4

## Professionals have difficulties getting their qualifications recognised in another Member State



Professionals moving abroad expect that their qualifications will be easily accepted anywhere in the EU. This is not always the case: national rules make access to many professions conditional upon the possession of a specific professional qualification. For many professions, foreign qualifications are not automatically recognised under national rules. In such cases, professionals with foreign qualifications must go through a national recognition procedure, which can be a very lengthy and burdensome process.

Countries may also choose whether qualifications obtained outside the EU are regulated in their territory in the same way as those obtained in the EU or under a different set of national rules.

**TRUE STORY:** *Kosta, a Bulgarian national, wanted to practise as a physiotherapist in France. Because the profession is regulated there, the French authorities required a certificate from the competent Bulgarian authorities. However, the authorities could not provide this certificate because the profession is not regulated in Bulgaria.*

### WHO IS CONCERNED?

Workers and self-employed professionals attempting to find work in another EU country, and businesses who want to hire staff trained in another EU country.



### WHAT ARE POSSIBLE ROOT CAUSES?

EU rules do not always meet people's expectations and are not always well understood and applied in practice; some authorities find it difficult to co-operate across borders.

# 5

## Workers can be victims of discriminatory employment practices in another Member State

In many cases, workers still face some form of discrimination regarding access to jobs and working conditions when they seek work in other EU countries. This can be true in the private sector as well as the public sector.

**TRUE STORY:** *Mary, a qualified teacher in Ireland, moved to Italy with her husband Antonio. Once there she sought a job in the public education sector. Although her teaching diploma was recognised as such, she found that Italian authorities awarded additional points to diplomas obtained in Italy and not to those obtained in other Member States for the ranking in the reserve lists of teachers.*

### WHO IS CONCERNED?

EU citizens who work in a different EU country than their country of origin, as well as non-EU nationals who have the right to move to another Member State to look for work.



### WHAT ARE POSSIBLE ROOT CAUSES?

Lack of information, lack of adequate redress tools, discriminatory national rules and poor application of rights by some national administrations or private employers in some Member States.

*2011 quantitative Eurobarometer survey on the Internal Market: almost three in ten Europeans (28%) say they would consider working in another EU country, but currently only one in ten (10%) say they have done so.*

# 6

## Tax barriers for cross-border workers and employers



Cross-border workers who have to deal with the tax authorities of more than one country may find it hard to obtain comprehensive information on their tax status and tax liabilities. They also have difficulties getting tax benefits, such as allowances, relief and deductions that they would obtain if they worked and lived in the same country. Some may even be taxed twice.

Likewise, companies frequently point at tax barriers hindering the recruitment of employees who travel across borders to work.

**TRUE STORY:** *Jarek is a Slovak truck driver. He works with a Dutch company travelling from the Netherlands to France, Luxembourg and Belgium. He spends more than 8 months a year in these countries. He pays taxes in the Netherlands, but was asked by the Slovak tax authorities to report his taxes in Slovakia. The Belgian and Luxembourg tax authorities also requested him to report how much time he spent in those countries.*

### WHO IS CONCERNED?

Workers who live in one EU country but work in another and companies that hire them.



### WHAT ARE POSSIBLE ROOT CAUSES?

Differences between national tax rules, lack of information for taxpayers, delays by tax administrations in processing applications for tax relief, lack of adequate cooperation between Member States' tax authorities in eliminating double taxation, and remaining differences in tax treatment of cross-border versus local situations (such differences are prohibited by EU rules but may still exist).

# 7

## Opening a bank account abroad remains too difficult

Many people moving abroad may experience problems when opening a bank account in their new host country, since this is often subject to conditions of residence and/or employment.

**TRUE STORY:** *Lotte moved from Denmark to study in Sweden. She found an apartment she wanted to rent and needed to open a bank account in which to place the deposit. The bank she went to refused to let her open a bank account unless she had proof of residence at a fixed address, leaving Lotte with a difficult situation to resolve.*

### WHO IS CONCERNED?

People moving to another EU country or wanting to carry out cross-border transactions.



### WHAT ARE POSSIBLE ROOT CAUSES?

Cumbersome and discriminatory requirements imposed by certain banks; lack of proper application of EU rules in some Member States.

*2011 quantitative Eurobarometer survey on the Internal Market - around 26% of respondents consider opening bank accounts in another EU country as particularly difficult.*

# 8

## Students facing discrimination regarding recognition of diplomas, fees, and financial support



EU students wishing to study abroad can still be confronted with discriminatory admissions practices, higher fees, and restrictions in financial support from their host and home countries.

Once their studies are over, students may find it difficult to have their foreign diplomas and study results recognised: recognition is sometimes refused outright, or can be subject to lengthy and cumbersome national procedures.

**TRUE STORY:** *Ivo, a Bulgarian national, wished to study architecture in Germany. His Bulgarian high school diploma gives him access to all universities in Bulgaria. As he studied some subjects in the field of art in addition to the general curriculum, his diploma mentioned an Arts specialisation. His application to Architecture faculties was rejected, as the German body that deals with the conversion of foreign diplomas judged that his diploma only gave him access to humanities studies.*

### WHO IS CONCERNED?

Students - both during and after their studies.



### WHAT ARE POSSIBLE ROOT CAUSES?

The great diversity of national rules relating to student support, financing, education and recognition of diplomas means that there is still much potential for indirect discrimination. EU law prohibits discrimination on the ground of nationality, but does not allow for the harmonisation of the applicable rules.

*2011 quantitative Eurobarometer survey on the Internal Market: around 38% of EU citizens having tried to obtain the recognition of their academic diplomas from another EU country consider this as particularly difficult.*

# 9

## Retiring abroad and inheriting across borders leads to complex taxation issues

Many pensioners who retire in another EU country may see their pensions subject to tax in two countries, or to a higher tax rate than they would be subject to at home. Likewise, Europeans transferring pension capital to pension funds in another EU country may be taxed on these transfers, even if they would be tax-exempt if the transfers took place within national borders. Finally, citizens inheriting property across borders are often subject to higher succession duties or double taxation and may face complex legal situations.

**TRUE STORY:** *A British citizen residing in Poland inherited property from relatives resident in the United Kingdom. Her UK inheritance was subject to inheritance taxes in the UK. As she is resident in Poland, she was also required to pay another 12% inheritance tax in Poland. As there is no comprehensive remedy against double taxation she ended up having to pay both sets of taxes.*

### WHO IS CONCERNED?

Pensioners, people transferring pension capital/contributions across borders and those that inherit assets from other countries.

### WHAT ARE POSSIBLE ROOT CAUSES?

Inconsistencies between Member States' tax regimes and insufficient cooperation between Member States on these matters.





# 10

## Taking a car to another Member State is costly and burdensome



Europeans moving to another Member State often experience difficulties when taking their car with them. They can face complex and burdensome registration procedures, demands in the host country for paperwork which was not delivered in the home country, and requests for payment of additional taxes and duties.

Citizens purchasing a car in another country and taking it back with them to the country where they reside face the same problems regarding registration procedures.

**TRUE STORY:** *Toms lives in Latvia and works in Lithuania for a Lithuanian company. He drives a company car - registered in Lithuania - which he also uses privately in Latvia. He was once stopped by the Latvian police and fined for not having registered the car in Latvia. Toms explained that cross-border workers are entitled to use their company cars for private purposes in their home country, but the police were unaware of that right and issued the fine anyway.*

### WHO IS CONCERNED?

Car buyers and car owners moving to another Member State.



### WHAT ARE POSSIBLE ROOT CAUSES?

Lack of harmonisation of car registration procedures and of car registration taxes within the EU lead to inconsistencies between national systems.

# 11

## Passengers find it difficult to defend their rights

Passengers, whether travelling by plane, ship, bus or train, are in a very uncomfortable position when confronted with travel or luggage problems. Despite EU efforts to inform passengers about their rights and to monitor enforcement, passengers' rights are often not well respected.

**TRUE STORY:** *Sonia's flight from Toulouse to Madrid was cancelled without explanation or help from the airline, and she had to buy a new ticket from another carrier. She later found out that, under EU rules, she should have received refreshments and accommodation, and that she could be entitled to financial compensation. The airline did eventually reimburse the ticket she had bought from them, but refused any other kind of compensation.*

### WHO IS CONCERNED?

Passengers.



### WHAT ARE POSSIBLE ROOT CAUSES?

Insufficient information about EU rules, lack of proper application of these rules in some Member States and insufficient or complex means of redress.

*2011 quantitative Eurobarometer survey on the Internal Market: almost half of EU citizens having tried to obtain redress after a problem travelling by plane, bus or train consider this as particularly difficult.*

*ECC-net 2010 annual report: the most troublesome area is transport. In 2010, a third of complaints processed by the ECCs (33.2%) concerned passenger rights.*

# 12

## Consumers do not easily find their way in banking and financial services markets



Many consumers tend to refrain from switching banks, since bank offers are difficult to compare and bank fees tend to be opaque. Consumers can also struggle to make sound decisions about increasingly complex retail financial products.

**TRUE STORY:** *In three years' time, Didier wants his children to go to a good university. He therefore wants to put part of his salary into a savings account so that he can pay the university fees. But currently the interest rates that banks pay in Didier's home country are rather low. Didier therefore wants to invest his money in one of the special investment products that his bank offers, because these seem to offer bigger possible rewards over time. But looking at the website, he finds the presentation of the various investment products rather confusing. He also is not sure whether he will get his money back if the investment turns sour.*

### WHO IS CONCERNED?

Consumers.



### WHAT ARE POSSIBLE ROOT CAUSES?

Poor comparability of banking and investment products and lack of access to simple information and reliable advice.

*Flash Eurobarometer 282 on cross-border sales and consumer protection: bank fees need to be transparent: 29% of EU consumers have difficulties in comparing offers in relation to their current accounts and so they are not in a position to choose the best account for their needs.*

*Fourth Consumer Markets Scoreboard (2010): the three retail financial services markets (credits and mortgages, current accounts, investment and pensions) are among the worst out of fifty consumer markets based on consumers opinions in terms of comparability, trust, problems complaints, ease of switching and overall satisfaction.*

# 13

## Europeans do not feel comfortable shopping on-line in other Member States

Many Europeans still do not feel comfortable shopping online, in particular when the seller is based in another country. They are worried about delivery, fraud and scams, and about what to do when problems arise. Likewise, some sellers still refrain from selling to customers in other countries because they fear regulatory differences, amongst other reasons.

Those who do shop on-line mostly have positive experiences. However, too many consumers face delivery problems and pricing differences, cannot use the means of payment they wish to, and where problems do occur, they do not find it easy to obtain redress.

**TRUE STORY:** *Astrid in Belgium wants to buy a home recycling system of a kind which is not locally available. She finds some being sold on-line from UK-based on-line sellers, but they refuse to sell to customers outside the UK. She cannot find information on whether this constitutes discrimination under EU law.*

### WHO IS CONCERNED?

Consumers.

### WHAT ARE POSSIBLE ROOT CAUSES?

Lack of information about EU consumer rights, lack of proper application of the relevant rules, difficulties in obtaining redress for cross-border purchases, and differences in consumer protection rules between Member States.



*ECC-net 2010 annual report: in 2010 online purchases accounted for the biggest share of complaints (56% of the processed complaints).*

# 14

## In spite of an increased choice, many Europeans are frustrated by their energy bills



Many EU consumers would like to have clearer electricity supply offers. They feel poorly informed and have trouble understanding or changing their current supply contracts. They are put off from switching suppliers because of the difficulties in comparing offers, and obstacles to ending their existing contracts.

### WHO IS CONCERNED?

Consumers.



### WHAT ARE POSSIBLE ROOT CAUSES?

Incorrect application of EU law in some Member States, lack of comparable information and complex offers.

*Fourth Consumer Market Scoreboard (2010) found the retail electricity market to be among the worst performing markets for consumers. With better price comparability, 62% of consumers could switch to a cheaper tariff than their current one, potentially representing an average annual saving of 100 Euros per customer, amounting to 13 billion Euros EU-wide.*

*2011 quantitative Eurobarometer survey on the Internal Market - around 25% of EU citizens having switched providers for gas, electricity or phone consider this as particularly difficult.*

# 15

## Internet and telephone services could be better and cheaper

Many consumers experience problems with the provision of internet services as well as fixed and mobile telephony. Overall, consumers find it difficult to switch providers of such services, because offers may be difficult to compare, and switching procedures may be cumbersome, lengthy and expensive. At the same time, the prices of internet access vary significantly across EU countries in ways which are not well explained by the differences in consumption patterns.

**TRUE STORY:** *Anna is a student and likes TV shows. As she is rarely at home, she subscribes to several Internet websites that allow her to stream her favourite shows at any time. But when she starts watching them, she discovers that her Internet connection is very slow, although she chose it because it was advertised as the fastest on the market. To get a discount on the monthly fee, she has also signed a contract for one year. Now she would like to withdraw from the contract and switch to another Internet service provider offering the speed that she needs, but the process is very complicated and expensive.*

### WHO IS CONCERNED?

Consumers.

### WHAT ARE POSSIBLE ROOT CAUSES?

Diverging national rules and inconsistent enforcement thereof, lack of information, practices tying people to contracts and poor quality of service.



*Fourth Consumer Markets Scoreboard (2010) – Internet services provision is the market with which the largest number of consumers have experienced problems (26% of consumers surveyed reported problems).*

# 16

## Businesses are discouraged from participating in foreign public tenders



Many companies still find it difficult to participate in public tenders opened by foreign public authorities, both as a contractor and as a subcontractor. Participation often requires country-specific documents, which may deter potential applicants from other Member States submitting offers.

For public tenders falling outside the scope of EU rules, companies may also struggle to find information about the tenders.

**TRUE STORY:** *A German construction company wanted to participate in a public procurement procedure in Poland for road construction works. The company collected all the documents required in the invitation to tender and translated them all into Polish. Once the tender process was over, the German firm decided not to respond to public tenders abroad again, as the entire process was more expensive for them than it would have been in Germany, and also more cumbersome as they had to deal with unfamiliar administrative and technical requirements.*

### WHO IS CONCERNED?

Businesses.



### WHAT ARE POSSIBLE ROOT CAUSES?

Differences in national procurement practices and cumbersome administrative requirements in some Member States.

*Tenders Electronic Daily database - until now, procurement indicators to measure cross-border activity have indicated limited direct cross-border procurement activity (between 1.2-1.5% of the number of awards).*

# 17

## Access to finance and support measures is too challenging

Access to finance (both capital and debt finance) is a challenge for many enterprises, in particular SMEs.

In addition, many companies experience difficulties when trying to obtain access to support measures granted by other Member States, such as innovation support and guarantee schemes. They feel they are not on an equal footing with local companies when applying for such support schemes.

### WHO IS CONCERNED?

Businesses.

### WHAT ARE POSSIBLE ROOT CAUSES?

Fragmentation and underperformance of (venture) capital markets or discriminatory practices in access to finance in some Member States.





# 18

## Burdensome rules and procedures prevent entrepreneurs and investors from doing business in another country



Many entrepreneurs who want to establish a business in another country, and investors who would like to participate in cross-border ventures are confronted with burdensome rules and procedures and administrative challenges. National authorities often require extensive documentation or have set up lengthy administrative processes for accepting the business on the national market.

Likewise, importing goods and providing services abroad is often subject to excessive and sometimes discriminatory controls, requirements and authorisations.

**TRUE STORY:** *A UK company wanted to have a food stand at a flea market in Spain. They applied for a licence at the local town hall. However, the licence was only granted a year and half later, and the UK company had to take many steps to obtain it.*

### WHO IS CONCERNED?

Businesses, investors.



### WHAT ARE POSSIBLE ROOT CAUSES?

Incorrect application of EU law in some Member States; legislative or administrative and procedural barriers which foreigners have greater difficulty dealing with. Progress has been marked since the entry into force of the Services Directive but there is still much room for improvement.

# 19

## Reclaiming VAT paid in another Member State is cumbersome

Many businesses experience ineffective and slow procedures for reclaiming VAT paid in another Member State. Although a new electronic procedure has replaced the old and cumbersome paper procedure, many businesses claim that it does seem not work well in practice.

**TRUE STORY:** *A Finnish architecture firm subcontracted to an Estonian architecture business as part of a larger contract in Estonia. For these and other services in connection with the contract, the architect initially paid the Estonian VAT. Later on, he applied for a refund. Four applications, six months and several letters later, the Estonian authority still had not reacted to his application for a VAT refund in any way.*

### WHO IS CONCERNED?

Businesses.

### WHAT ARE POSSIBLE ROOT CAUSES?

Divergent national rules and procedures or lack of implementing regulations.



*2011 quantitative Eurobarometer survey on the Internal Market - around 37% of respondents (both individuals and businesses) having reclaimed VAT from another EU country consider this as particularly difficult.*

# 20

## Fighting for your intellectual property rights in a cross-border context remains very difficult



Businesses may encounter many difficulties when trying to shield off their innovations against competitors and rogue traders. Getting patent and copyright protection across the EU is too expensive and cumbersome, in particular for SMEs. And businesses experience many difficulties when trying to take action against piracy or counterfeiting of their products in another EU country.

**TRUE STORY:** *A small enterprise working in ceramics design exhibited their new line at a trade fair. Later they were dismayed to find that cheap copies of their designs were flooding the market in the EU and even in their own home country. However, as a small business, they lacked the know-how to effectively have their rights enforced, and did not feel that they would have the financial means to fight the counterfeit manufacturer and get redress through legal channels.*

### WHO IS CONCERNED?

Businesses.



### WHAT ARE POSSIBLE ROOT CAUSES?

Differences between complex national legal systems.

*2011 quantitative Eurobarometer survey on the Internal Market – in 15 EU countries, at least half of respondents believe that counterfeit products discourage companies from inventing new products and introducing them to the market.*



## Who are the assistance services offering data for this report?

When a professional has a problem finding a job abroad or obtaining recognition of his qualifications, a consumer has a problem getting a faulty product replaced, or a pensioner has a question about the possibility to obtain his benefits in other EU country, there are fast, free services that they can turn to for help and information.

These services are at the frontline, dealing directly with those who use their EU rights. Every question they receive, every problem they solve, reveals the real concerns and needs of Europe's citizens and businesses. The on-line one-stop shop for information and help, on <http://ec.europa.eu/youreurope>, or the EU-wide free phone number 00800 6 7 8 9 10 11 offer a direct access to these services.

- ▶ **SOLVIT** – a network created in 2002 to solve cross-border problems encountered by citizens and businesses due to incorrect application of EU rules by national public authorities, without formal procedures and within ten weeks. In 2010 SOLVIT handled almost 3 800 cases, of which 1 363 fell within its remit;
- ▶ **Your Europe Advice (YEA)** – a network of experienced multilingual lawyers from all EU Member States who provide answers to European citizens' legal questions regarding the exercise of their EU rights in cross-border mobility situations. In 2010, YEA experts handled more than 12 000 queries;
- ▶ **Enterprise Europe Network (EEN)** – a network created to provide European businesses with transnational business cooperation, to benefit from the Single Market and to provide their feedback to legislation (SME panels). The network is made up of 600 support service organisations involving more than 3 000 staff in 50 countries;
- ▶ **European Consumer Centres (ECCs)** – a network created to provide consumers with information and help in dispute resolution, to enable them to take full advantage of the Single Market, in particular with regard to cross-border issues. The European Consumer Centres network handles over 70 000 cases every year;
- ▶ **Europe Direct Contact Centre (EDCC)** – the European Commission's multilingual central information service, accessible by free-phone, email or web-chat, which provides answers to questions from the public concerning general information on the European Union's activities and policies, and guides citizens to the sources of information and advice that best meet their needs. Out of 100 000 enquiries handled overall in 2010, about 30 000 were related to cross-border issues and 5 200 were transferred to the legal experts of Your Europe Advice for further assistance;
- ▶ **European Employment Service (EURES)** – a network of more than 850 employment advisors who help match jobs to jobseekers across Europe.



European Commission

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