



DECISION

The German Bundestag, at its 152nd sitting, held on 28 January 2016,
acting on the basis of Bundestag printed paper 18/7395
on the

**Communication from the Commission to the European Parliament, the Council,
the European Economic and Social Committee and the Committee of the Regions
Upgrading the Single Market: more opportunities for people and business
COM(2015) 550 final; Council document No 13370/15**

here: Political dialogue with EU institutions

decided,

in awareness of the notification set out in printed paper 18/6855, item A.5, to adopt the following
Resolution:

In an ever more globally active market, preservation of international competitiveness is an essential task. The established leading role of Europe, and Germany in particular, which is based on high quality of goods and services, safeguards our prosperity. It is therefore right to continue developing functioning systems and to focus more sharply in the European framework on the subjects of transparency and competitiveness. There is no need, however, to standardise procedures, operating methods and rules for all Member States. This is underlined, for example, in the motion entitled *Transparenzinitiative der Europäischen Kommission mitgestalten – Bewährte Standards im Handwerk und in den Freien Berufen erhalten* ('Helping shape the European Commission's transparency initiative – preserving tried and tested standards in the crafts and liberal professions' – printed paper 18/5217), which stresses the right of each Member State to determine, on its own responsibility, the content of its action plans. There is also a need to consider the practicability of all proposed measures in order to prevent the creation of additional red tape. Only if we manage to preserve tried and tested structures and so maintain the strengths of each Member State shall we continue to succeed together in Europe.

I. The Bundestag notes:

1. If the high business start-up rate in the independent professions that is being registered in Germany is to be perpetuated, these professions must retain their appeal. Professional codes of conduct and fee regulations make a major contribution to the achievement of this aim.



They help to ensure that service provision is focused on the public good, thereby protecting consumers. Moreover, they ensure that price competition does not prevail at the expense of quality. Similarly, the rules governing vocational training and the practice of manual trades safeguard quality in the craft sector.

2. On 28 October 2015, the European Commission presented a Communication entitled *Upgrading the Single Market: more opportunities for people and business*. The Communication contains a road map for the implementation of the single-market strategy. Some of the measures it proposes relate to independent professions and craft trades.
3. Independent professions and craft trades are particularly affected by the following mooted measures:
 - identification of the reform needs of specific Member States in the realm of regulated professions; in the view of the Commission, reform priorities should be addressed in the context of the European Semester process; moreover, the Communication envisages an analytical framework for Member States to use when reviewing existing regulations or proposing additional ones, the purpose being to assess whether professions are proportionately regulated; the intention is that Member States be required to demonstrate why the public interest is best served by the retention of access restrictions or codes of conduct for particular occupational activities;
 - a legislative proposal designed to reduce specific regulatory barriers to the provision of key business services and construction work; according to the Commission, such barriers include, for example, diverging legal form, shareholding requirements and multidisciplinary restrictions for providers of key business services and, in some cases, requirements for construction companies;
 - a legislative initiative targeting the introduction of a 'services passport' for key industries such as construction and business services; in accordance with the 'once only' principle, the services passport is intended to eliminate the need to make multiple requests to the home Member State for information and documentation that have already been provided; in addition, it is proposed that the authorities of the home Member State create a common electronic repository of documents at the request of a service provider;
 - a legislative measure designed to prevent discriminatory treatment of consumers on the basis of nationality and place of residence; to this end, the Commission intends to develop concrete rules against discrimination based on the nationality or place of residence of market participants where such discrimination is not founded on objective and verifiable factors and to make it easier for consumers and consumer associations, for example through the use of transparency tools, to know whether and how discrimination is being practised; to ensure the enforcement of this measure, the Commission is planning a reform of the Consumer Protection Cooperation Regulation.



4. By the end of 2017, the Commission intends to review progress on the implementation of the planned measures and, on the basis of a comprehensive economic analysis, to determine whether additional action is needed to meet its objective of a deeper and fairer EU Single Market.
- II. The Bundestag welcomes the Commission's intention to further consolidate the Single Market and will actively follow the continuing debate. However, the tried and tested rules governing independent professions and craft trades that apply in Germany must be retained. Accordingly, the Bundestag calls on the Commission:
1. when identifying the need for reform of the regulated professions in the Member States, to remain open-minded as to the outcome and to consider the legitimate protective purposes, particularly consumer protection and quality assurance, that are served by rules governing access to an occupation and its practice; this also applies to the fee regulations and the provisions on capital commitment that apply to some independent professions in Germany; the competence of the Member States to regulate trades and professions must not be jeopardised either;
 2. to refrain from presenting any legislative proposal that entails the introduction of the country-of-origin principle; rules based on the country-of-origin principle would enable service providers to offer their services in all EU Member States merely by meeting the requirements that apply in their country of origin without any further stipulations; this principle was not embraced in the Services Directive (Directive 2006/123/EC); on the contrary, the Services Directive allows Member States to preserve certain warranted requirements;
 3. to design the planned services passport in such a way that it results in the reduction of bureaucratic formalities for cross-border activities; the services passport, on the other hand, must not lead to the host Member State no longer being able to make justified demands of the service provider; furthermore, the instruments of protection and oversight for employees seconded to other Member States in the framework of service provision must be fully preserved;
 4. to design the planned legislative measure for the prevention of discrimination against consumers on grounds of nationality or place of residence in such a way that small and medium-sized enterprises (SMEs) are not placed under a service obligation; SMEs in particular must retain the right to limit their sales to a region or regions whenever this seems necessary for economic reasons.
- III. The Bundestag reserves the right to comment on other aspects of the Communication in a separate statement.
- IV. The Bundestag requests its President to forward this decision to the Federal Government, the European Commission, the European Parliament and the Parliaments of the Member States.