

# Citizens' summary

## Progress on improving the EU's single market for services

### WHAT'S THE ISSUE?

- Services such as those provided by supermarkets, building contractors, architects, lawyers, real estate agents, consultants, etc. represent more than **2/3 of jobs** in Europe and **2/3 of the EU's gross domestic product (GDP)**.
- In recent years, the services sector has been the source of virtually all new jobs created in Europe.
- Despite this, **legal and administrative barriers** can still make it difficult for businesses and consumers to **buy and sell services** in and from other EU countries. They also make it difficult for small businesses and self-employed persons to start new activities or to expand their activities at home or abroad.
- To improve this situation, an EU law – the [Services Directive](#) – was adopted in 2006 and had to be implemented in all member countries by 2009. The EU has now issued a Communication explaining what **progress** has been made since and what **further improvements** could make the Single Market for services function better.

### WHY DOES ACTION HAVE TO BE TAKEN BY THE EU?

- The EU's [Single Market](#) is all about bringing down barriers and simplifying rules so that citizens and businesses can make the most of the opportunities offered to them by having direct access to 27 countries and 480 million people.
- Services are a **key part of our daily lives** when we work, shop or invest and the main driver of the EU economy. For their full potential to be realised, services must be able to "move" between the EU's 27 countries as freely as they can within a single national market.

### WHAT IS IN THE COMMUNICATION?

- The EU and its member countries went through a 'mutual evaluation process' in 2010 to determine how implementation of the Services Directive has advanced the Single Market for services – the Communication presents the results.
- It also contains **proposals** to further improve the practical functioning of the Single Market for services – in particular, a 'Single Market performance test' to **assess the impact of EU legislation** on a number of important service sectors.

### WHO WOULD BENEFIT AND HOW?

- **Citizens** will benefit from:
  - **easier shopping** for services across borders
  - **more choice**
  - **better value** for money when buying locally, thanks to increased competition.
- **Small businesses** in particular (which represent 95% of the service sector) will find it easier to:
  - **start** new service businesses at home or abroad
  - **sell services** in other EU countries.

- **buy services** from other countries

**WHEN IS THE PROPOSAL LIKELY TO COME INTO EFFECT?**

- The actions proposed are expected to be implemented gradually in **2011-2012**.