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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN  
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL  
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

**Better governance of the Single Market through greater administrative cooperation:  
A strategy for expanding and developing  
the Internal Market Information System ('IMI')**

**Text with EEA relevance**

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## 1. INTRODUCTION

### 1.1. Single Market Act

European citizens and businesses benefit every day from the opportunities offered by the Single Market. To ensure that the market functions smoothly, Member State administrations need to work closely together by providing mutual assistance and exchanging information. The benefits of the single market will not materialise unless EU law is correctly applied and the rights it creates are upheld. Administrative cooperation between Member States is essential to create a truly borderless Single Market.

In its Communication "Towards a Single Market Act" which was adopted on 27 October 2010<sup>1</sup> the Commission announced, as one of 50 proposals, its ambition to achieve a 'face-to-face' electronic network for European administrations by setting out a strategy for extending the Internal Market Information (IMI) system. Developing IMI is one of the keys to promoting better governance of the Single Market since it facilitates efficient and day-to-day cross-border cooperation between national public authorities at all levels of government.

### 1.2. Empowering administrative cooperation in the Single Market

The 2004 EU enlargement introduced ten new Member States, nine new official languages and an exponential increase in the number of bilateral relationships to be managed. It became evident that administrative cooperation could only work if supported by a modern, multilingual information system.<sup>2</sup> The European Commission, in partnership with Member States, developed the Internal Market Information system to support administrations in fulfilling their mutual assistance obligations.

IMI was launched in February 2008 to support the revised Directive on the Recognition of Professional Qualifications (2005/36/EC) and since December 2009, Member States are legally obliged to use IMI to fulfil the information exchange obligations of the Services Directive (2006/123/EC) and Commission decision 2009/739/EC of 2 October 2009 setting out the practical arrangements for the exchange of information by electronic means between Member States under Chapter VI of the Services Directive. IMI currently has more than 5 700 registered competent authorities and 11 000 registered users.

IMI is a secure, reusable, multilingual, online electronic application developed by the Commission in partnership with the Member States. IMI allows national, regional and local authorities throughout the 30 EEA Member States to communicate quickly

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<sup>1</sup> Commission Communication – Towards a Single Market Act for a highly competitive social market economy – 50 proposals for improving our work, business and exchanges with one another. COM(2010)608, 27.10.2010.

<sup>2</sup> At the Internal Market Advisory Committee (IMAC) meeting of Member States Director-Generals on 18 November 2003, the following operational conclusion was adopted: *'The Chairman noted that it was agreed that there was a need to develop an information system to improve the exchange and management of internal market information, given that such a system is required to support the enhanced cooperation that will be necessary in an enlarged Single Market.'*

and easily with their counterparts across borders. IMI helps its users to (i) find the right authority to contact in another country, (ii) communicate with them using pre-translated sets of standard questions and answers and (iii) follow the progress of the information request through a tracking mechanism. IMI is designed as a flexible system that can easily be customised to support different areas of Single Market legislation which contain administrative cooperation provisions (see section I of accompanying Commission staff working document for further information).

The idea behind IMI is to replace the very high number of bilateral relationships linking EU Member States with a single interface, the IMI network.

One of the key advantages of IMI is to successfully overcome the main obstacles to cooperation, such as uncertainty about whom to contact, language barriers, different administrative and working cultures and a lack of established procedures for cooperation. Because of the involvement of Member States in devising the system, IMI offers uniform working methods agreed by every EU country.

IMI is also flexible with regard to its organisational set-up in each Member State. The decentralised structure of the IMI network requires each participating country to nominate a national IMI coordinator (NIMIC) to manage overall IMI project coordination. Member States are free to appoint further coordinators at regional level or for individual legislative areas within IMI.

### **1.3. Unlocking the full potential of IMI**

There is still considerable potential to be exploited in the two areas covered by IMI (Services and Professional Qualifications). More information about the ongoing effort in this field of activity can be found in the IMI Annual Report<sup>3</sup>. This Communication focuses on how IMI can help transform cross-border administrative cooperation in the internal market in a decisive manner and bring it up to speed with the requirements of the 21st century and expectations of EU citizens and businesses. In particular, this potential lies in the possibility to (1) add new policy areas to IMI, (2) develop new functions, (3) link IMI with other IT systems and (4) use existing IMI functions for new purposes. In this way, IMI can become a flexible toolkit at the service of administrative cooperation, contributing to the improved governance of the Internal Market. Where, in a particular legislative area, no information system exists to support administrative cooperation, reusing IMI instead of developing a new purpose-built system has a number of advantages:

#### **(a) More cost efficient**

Greater efficiency in delivering public services is a key priority as pressure grows to reduce public expenditure and fiscal deficits. Customising a reusable system is clearly less expensive than developing an electronic information exchange tool from scratch (see section II of accompanying Commission staff working document for further information). A single network also delivers economies of scale through shared maintenance, user support, training and promotion.

#### **(b) More user friendly**

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<sup>3</sup> (see IMI Annual Report at <http://ec.europa.eu/imi-net>)

Reusing IMI also generates many advantages for competent authorities. Authorities that have competence in several internal market policy areas are not presented with a proliferation of information systems. They have to learn to use only one new IT tool, they need to keep their contact details updated in only one place, and they can track and monitor all of their information exchanges with authorities abroad through a single portal. The more of their daily work that can be handled through IMI, the more useful IMI becomes to them, as infrequent use of any system means forgotten usernames and passwords and uncertainty about how exactly it should be used.

#### **(c) Faster, more predictable solutions**

Developing a bespoke information system in response to an administrative cooperation need is generally a lengthy and unpredictable process. Delays and unexpected setbacks are quite common in IT development. Reusing an existing system will provide a speedier solution with more predictability because it is based on tried and tested technology.

#### **(d) Safer ground**

IMI offers an online environment whose security and data protection safeguards, including purpose limitation and access controls, have proven reliable in practice. Valuable practical experience has also been gathered in organising the roll-out of modules to the end user, including organisational set-up, registration, training and user support, both by the Commission and by Member States.

#### **(e) Low threshold for pilot projects**

A final and important advantage of a ready-made system is that it provides the possibility to test the operational feasibility of a proposed solution without needing to invest time and resources in a prototype which may later be discarded. Even in areas where stakeholders agree on the need for an IT tool, the threshold for launching a 'proof of concept' pilot is relatively low. A pilot could be set up without IT development costs, reusing existing functionality within the system.

## **2. A STRATEGY FOR FURTHER EXPANSION**

While the benefits of expanding IMI to further policy areas are evident, it is essential that any future growth should take place in a controlled and sustainable manner. It is timely therefore to review the strategic objectives of IMI and to examine the actions needed to achieve these aims.

### **2.1. Basic principles of IMI**

The following key principles of IMI should be taken into account before the system is further developed.

#### **(a) Reusability**

The aim of IMI is to help Member States meet their mutual assistance obligations in an efficient and effective manner at minimum resource cost and without building a separate information system to support each individual legal instrument. Where the

same authorities are responsible for multiple areas of internal market legislation, they should not be presented with a proliferation of different administrative cooperation IT systems.

#### **(b) Organisational flexibility**

IMI is designed to be easy to adapt to an existing organisation. It provides the flexibility to adapt to the diverse administrative structures and cultures in Europe. Users do not require any prior knowledge of the administrative hierarchies in other Member States in order to exchange information.

#### **(c) Simple agreed procedures**

IMI reduces the administrative burden and makes it possible to implement policies that would otherwise be suffocated by the complexity of different national administrative procedures. This is achieved by agreeing simple standard workflows for cooperation.

#### **(d) Multilingualism**

Multilingualism is an essential element of the IMI service which is provided in 22 official EU languages. In addition to the pre-translated question/answer sets, which are derived from legislative provisions, users can provide additional free text information, comments and attached documents. To help users understand this information, IMI provides an online link to the Commission's machine translation tool, ECMT<sup>4</sup>. The replacement of ECMT, currently under development, will expand the language pairs available today. IMI is involved in its development from the early stages as a test user service.

#### **(e) User friendliness**

IMI is designed to be user-friendly, intuitive and easy to use with minimal training (following the approach of airline reservation and online shopping systems). Current IT development aims to improve user friendliness based on user feedback.

#### **(f) Data protection**

IMI follows the 'privacy by design' approach, whereby privacy and data protection compliance are designed into the system right from the start rather than bolted on as an afterthought. As a result, IMI guarantees a high level of technical and procedural data protection.

#### **(g) No IT costs for users**

Working with IMI should only require a PC with internet access. There is no need to install specific software or hardware.

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<sup>4</sup> Following the judgment of the General Court of the European Union in case number T-19/07 on 16 December 2010, the use of ECMT has been suspended.

## **2.2. Criteria for expansion**

The outcome of the ongoing public debate regarding the Single Market Act in conjunction with the Europe 2020 strategy goals, and the conclusion of the European semester based on the Annual Growth Survey<sup>5</sup>, will help to determine the priority areas for expansion.

From a technical point of view, there is no limit to the number of new areas that can be added to IMI, new functions that can be developed and links added to existing IT tools. However, there are organisational constraints to expansion. Further development has to be planned and the conceptual coherence of the system needs to be preserved. Therefore, the following criteria could serve to select and prioritise expansion areas:

- (1) The new user group should preferably be linked to or partly overlap with existing user groups so that expansion contributes to offering a multi-purpose tool for part of the user community;
- (2) Priority should be given to adding areas that can use existing functions and that do not require any additional IT development;
- (3) If adding a new legal area or supporting new tasks within existing areas requires the development of new functions, this should be done in a generic way so that the new module can be adapted easily for other user groups (no single-purpose developments);
- (4) The costs of any further development needed should be justified by the expected added value of using IMI for the new or existing user groups and for the implementation of EU law and the benefits to citizens and businesses;
- (5) New areas and functions or links to other tools should not increase the complexity of the system for its users.

If there is a demand for using IMI for policy areas and purposes that are not compatible with these criteria and where no synergies with existing user communities can be expected, the option to make the software available to be developed separately from IMI should be examined.

## **2.3. Potential new functions**

IMI provides a range of different functions for its users, namely:

- (1) a one-to-one workflow for secure communication between two competent authorities on individual cases that may include personal data;
- (2) an alert mechanism that allows competent authorities to warn other Member States of a serious risk caused by an economic operator to the proper and secure functioning of the Single Market;

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<sup>5</sup> COM(2011)11 of 12 January 2011

- (3) an authority management module that enables Member States to register competent authorities as IMI users, assign roles to them in a manner compatible with their national administrative structures and update authority data;
- (4) a searchable multilingual directory of national registers with information maintained by Member States on content, access conditions and contact details and providing direct links to those available online (as of February 2011).

Further examination of a wide range of other legal areas with administrative cooperation needs has shown that, in order to offer a comprehensive package of services within IMI, there will be a need for:

- (1) A generic workflow to support notification procedures (examples include Services, Intellectual property rights (IPR) enforcement; Electronic commerce, UCITS<sup>6</sup>;
- (2) A searchable database of information exchanged that does not include confidential or personal data;
- (3) A technical means<sup>7</sup> which, when necessary, can be used by existing networks for administrative cooperation between Member States, to allow citizens, enterprises and organisations to interact with the competent authorities in order to supply information and retrieve data;
- (4) A content syndication system that enables multiple use of part of the data, such as the contact details of competent authorities, by other systems and websites (for example, Your Europe).

For more information please refer to section III of the Commission staff working document which accompanies this Communication.

#### **2.4. Potential new policy areas**

The Commission services have recently examined a number of policy areas where IMI appears to be a viable solution for improving the implementation of internal market legislation. Member States have also proposed a list of policy areas which they believe could benefit from the use of IMI as an information exchange tool (see section IV of the accompanying Commission Staff Working document). This list is indicative and provisional, further examination being needed to determine whether and how IMI could help improve cross-border cooperation in these areas.

#### **2.5. Synergies with existing IT tools/systems**

Another avenue to be explored is the potential of IMI to complement the functionality offered by existing IT systems and vice versa. A useful first step would

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<sup>6</sup> Undertakings for Collective Investment in Transferable Securities

<sup>7</sup> Such a means of interaction will avoid duplication with existing e-Government portals such as the Points of Single Contact of the Services Directive (PSCs), and e-government projects such as SPOCS (Simple Procedures Online for Cross-border Services), PEPPOL (Pan-European Public Procurement Online), instead seeking to reuse existing tools and establish synergies where possible.

be to work towards a common authentication system for a wide range of tools currently being used by public administrations across the EU. This would greatly facilitate life for IMI users as they could access different Commission systems with the same username and password. The European Commission Authentication System (ECAS) is one such tool and is already used by a growing number of IT services including the European e-Justice portal and CIRCABC<sup>8</sup>

On a different level, synergies can be achieved by linking up with existing systems that are used by the same user groups, for instance the Regulated Professions Database in which Member States include lists of professions that are regulated at national level and contact details of competent authorities. This creates a partial overlap with IMI and duplication of work, for which a solution should be found.

An example of an area where complementary solutions should be considered is company law, where methods for improved cooperation between business registers in Europe have to be developed, based on existing work already done in the context of the European Business Register and BRITE<sup>9</sup> projects. Similarly, there would seem to be scope for a link between IMI and the e-Certis<sup>10</sup> database, which includes templates of national certificates that are used for cross-border public procurement.

The possibility to complement IMI with the Trusted Exchange Platform project (eTrustExchange initiative from the ISA Work Programme) is another area which should be investigated. IMI currently supports the exchange of data and information between end-users. In addition to these features, eTrustExchange could provide Member States with the possibility to exchange information securely between existing systems and IMI.

## **2.6. Using existing functions for new purposes**

Listening to public authorities at all levels regarding their experiences in implementing EU law could be an important source of feedback for improving the ease of implementing EU law. The current list of more than 5 700 competent authorities in IMI and their e-mail addresses, in combination with the IPM<sup>11</sup> on-line survey generator could be used as a tool to obtain input to impact assessments and policy evaluation, in agreement and close cooperation with the Member States.

IMI users have expressed interest in conducting a general exchange of information which would not be based on a particular legislative instrument, but would contain questions of a general or horizontal nature; for example regarding administrative procedures in another Member State.

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<sup>8</sup> CIRCABC ('Communication and Information Resource Centre for Administrations, Businesses and Citizens') is used to create collaborative workspaces where communities of users can work together over the web and share information and resources.

<sup>9</sup> Business Register Interoperability Throughout Europe

<sup>10</sup> eCERTIS is a European Commission information system that helps users to identify the different certificates and attestations frequently requested in procurement procedures across the EEA

<sup>11</sup> IPM (Interactive Policy Making) allows both Member State administrations and EU institutions to better understand the needs of citizens and enterprises. This system was put in place to facilitate the stakeholders' consultation process by the use of easy-to-use and straightforward online questionnaires, making it easier both for respondents to participate and for policy makers to analyse the results.

The information exchange capabilities of IMI were developed for cross-border communication but are also used for communication between national public authorities as part of a wider cross-border exchange. There are no technical obstacles to using IMI for communication between national authorities and some Member States have expressed an interest in using IMI for this purpose on a wider scale. Purely national use of IMI would have to be addressed in a legal instrument as the different roles and responsibilities of the Commission and the Member States need to be clear and transparent.

### **3. CHALLENGES OF EXPANSION**

#### **3.1. Guaranteeing personal data protection**

IMI is the first EU project that aims to create a general reusable framework for exchanging information between national administrations by means of an IT system. Much of the information currently exchanged includes personal data. IMI follows a 'privacy by design' approach whereby privacy and data protection compliance are designed into the system from the outset, including a strict application of the purpose limitation principle and appropriate access controls. Data protection considerations are also part of the daily use of the system and are included in the training materials. As a result, IMI guarantees a high level of technical and procedural data protection and IMI users are well acquainted with general data protection principles. The IMI website has a section dedicated to Data Protection where all relevant information is made available to readers.

Beyond practical data protection measures, there is a remaining concern about the legal basis for the operation of IMI, as expressed by the European Data Protection Supervisor (EDPS). Within the current approach, the purpose and the scope of information to be exchanged between authorities are set out in the Professional Qualifications and Services Directives and the specific rules to ensure full compliance with EU data protection law are included in two Commission decisions and a recommendation<sup>12</sup>. To avoid any obstacles to expanding IMI caused by data protection concerns, the Commission intends to submit a proposal for a European Parliament and Council Regulation in the first half of 2011. This horizontal legal instrument, to be adopted by Council and the European Parliament, will create a comprehensive data protection framework, providing a higher level of legal certainty especially in view of further expansion, in line with the suggestions of the EDPS.<sup>13</sup>

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<sup>12</sup> European Commission Decision of 12.12.2007 concerning the implementation of IMI as regards the protection of personal data. Decision N°2008/49/EC, OJ L 13, 16.01.2008, p. 18. Commission Recommendation on data protection guidelines for the Internal Market Information System (IMI), Recommendation n°C (2009) 2041, 26.3.2009. European Commission Decision of 2.10.2009 setting out practical arrangements for the exchange of information by electronic means between Member States under Chapter VI of Directive 2006/123/EC of the European Parliament and of the Council on services in the internal market, Decision N° C(2009) 7493 (OJ L 263, 7.10.2009, p. 32)

<sup>13</sup> Most recently in a letter of 27.07.2010 in response to the Commission report on the situation of data protection in the IMI system (COM(2010)170) (see data protection section at <http://ec.europa.eu/imi-net> for both texts)

### **3.2. Facilitating flexible expansion**

The Commission has examined how IMI could be used to improve the implementation of existing Internal Market legislation. While many directives would certainly benefit from reinforced administrative cooperation, the absence of a sufficiently specific legal basis for exchanging information between Member States in existing legislation is a considerable potential barrier to the use of IMI. Opening up directives just to include a reference to the use of IMI for their implementation is not an option.

The horizontal legal instrument mentioned above should address this problem by creating a general legal basis for using IMI for administrative cooperation to implement EU internal market legislation. All general aspects should be covered by the main body of the legal instrument, while the details concerning the specific legal areas to be included could be set out in annexes.

### **3.3. Securing adequate resources**

#### **(a) Financing**

Expenditure for IMI covers development and improvement of the system, hosting IMI in the Commission Data Centre, maintenance, system administration, second-line support, training, communication and awareness raising (see section II of the accompanying Commission staff working document for further information)

The initial development cost of IMI was funded by the IDABC (Interoperable Delivery of Pan-European e-Government Services to Public Administrations, Business and Citizens) programme, until it came to an end in 2009. Until July 2010, the Commission bore the costs associated with maintenance, second-line support, system administration, hosting, training, communication and awareness raising.

In July 2010, the ISA (Interoperability Solutions for European Public Administrations) programme (2010-2015)<sup>14</sup> agreed to finance IMI, funding the operation and improvement of the application in 2010. It is anticipated that the ISA programme will continue to provide funding for IMI until 2012, however this is subject to annual review of the overall programme priorities and available budget. The Commission continues to bear the cost of hosting, training, communication and awareness raising.

In view of the fact that use of the system is obligatory for the Services Directive, financing aspects will need to be clarified, in full compliance with the current financial programming and the forthcoming proposal for the next multiannual financial framework.

#### **(b) Commission resources**

The Commission has established a dedicated team responsible for overseeing the development and support of the IMI network. The services provided include a helpdesk for National IMI Coordinators, maintenance of the IMI database of

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<sup>14</sup> Decision No 922/2009/EC, OJ L 260; 3.10.2009, p.20.

question sets, translation management, provision of electronic self-training material for IMI end-users, management of the IMI website, organisation of training, awareness and networking events, production of promotional material, liaison with the units responsible for operational implementation of legislation and managing the legal and data protection aspects of IMI.

In addition, the Commission provides human resources for hosting, maintaining and developing IMI. The provision and maintenance of a fully multilingual information system also has resource implications for the Commission's translation services.

### **(c) National resources**

The principal responsibility for the implementation and smooth running of IMI lies with the Member States, who need to invest in ensuring that the network functions effectively.

Expanding IMI should take place gradually to avoid overloading Member State administrations. In planning the approach to expansion, the following factors should be considered:

- Expansion should take place in a carefully planned, step-by-step manner so that Member States have adequate time to ensure that all required steps have been identified and the necessary resources are in place to achieve the aims;
- Member States should review their current national IMI organisation to ensure that it is fit for purpose in an expanded IMI network with a substantial and diverse pool of end-users;
- The role of National IMI Coordinator (NIMIC) becomes more vital as IMI expands to support further policy areas and should be seen as fundamental to the smooth running of the internal market at national level. Feedback from IMI coordinators suggests that the role of NIMIC is not seen as critical in all Member States, with reported problems including inadequate resourcing, high turnover of personnel and insufficient political support for the role and its responsibilities. The horizontal legal instrument described above should look at strengthening the role of the National IMI Coordinator.

## **3.4. Keeping it simple**

Experience with IMI development so far has shown that there is always a risk of over-complicating IT solutions in a bid to satisfy the combined requirements, real or imagined, of all stakeholders. This does not necessarily lead to a user-friendly tool. It is better to start with a relatively simple application and adapt it if necessary once sufficient experience is gained.

Moreover, one of the strengths of IMI is that it breaks the process of cooperation down into simple, manageable, transparent steps in a workflow. Expanding IMI to new areas, adding new functions or creating links with other tools should not increase the complexity for users. Navigation should remain simple and intuitive.

Before encoding procedures into software, the procedures should be examined to ensure that they are as streamlined as possible. The process should seek to uncover

and eliminate bottlenecks and to increase efficiency wherever possible to avoid ending up with overly complicated IT modules that can only be used for a single purpose.

For administrative cooperation to work smoothly, it is necessary to tackle, at an early stage in the legislative process, the practical implications for national regional and local authorities in implementing new legislation. Requirements for administrative cooperation should be sufficiently clear and operational and the need for an IT tool to support the process should be analysed. This process could also serve to share lessons learnt through practical experience of administrative cooperation and avoid repeating mistakes. The Commission will examine how a systematic ‘administrative cooperation check’ can best be included in its internal procedures.

### **3.5. Involving all stakeholders**

The IMI project has many stakeholders and with the potential expansion to new policy areas, it will become more complex to manage. It is essential that the project has a transparent and effective governance structure and that all stakeholders understand the procedures and forums involved in reaching agreement on various aspects of the project.

#### **(a) Daily management of the system**

From a project governance perspective, the Commission is the ‘system owner’ of IMI, initiating, procuring, developing, operating, maintaining and supervising the budget for IMI, as well as ensuring that the needs of all stakeholders are adequately met.

#### **(b) Policy decisions**

The IMI Steering committee includes representatives of all stakeholders in the IMI project (system owner, system supplier, Internal Market Advisory Committee (IMAC) and IMI users).

The Steering Committee is responsible for:

- setting the strategic direction and priorities for the project, taking into consideration the priorities for improvement set by the IMAC IMI Working Group;
- high-level monitoring and control;
- representing the interests of the end users and ensuring that all stakeholders are involved in the planning process.

End users of IMI are represented in the Steering Committee by the Commission policy units responsible for the individual legislative areas supported by IMI (currently regulated professions and services).

The Internal Market Advisory committee is represented on the IMI Steering Committee by the head of the Policy Development and Single Market Coordination Unit in DG MARKT.

### **(c) Advice and guidance from expert stakeholders**

Member State stakeholders are involved in the IMI project through various advisory committees and expert groups which provide advice and guidance to the Commission on IMI development.

#### **(1) General technical, management and policy input**

The IMAC IMI Working Group was set up as a sub-group of the Internal Market Advisory Committee (IMAC) to advise the Commission on horizontal issues relating to IMI development.

Because IMI has been designed as a generic and reusable system encompassing potentially many diverse policy areas, it is important to retain a horizontal perspective when considering future development and expansion of the network. Ensuring that it retains a strong coordination structure is equally important. The IMAC IMI Working Group fulfils this role, representing national users of IMI across policy areas.

In general, all National IMI Coordinators are represented in this working group and act on behalf of all of IMI users in their Member State. The group's responsibilities include:

- agreeing simplified procedures for administrative cooperation which form the basis of the IMI software development;
- monitoring progress, reporting on stakeholder commitment and results achieved;
- providing feedback from the user community along with requests to improve the IMI application;
- prioritising requests to improve the IMI software.

#### **(2) Sector specific input**

Currently three sector-specific expert groups have been involved in legal issues relating to the use of IMI in their area, to define the content of the exchange of information and the competent authorities to be involved in it. These groups are the Professional Qualifications coordinators committee, the expert group on the implementation of the Services Directive and a subgroup of the Expert Committee on Posting of Workers which was set up to examine possible options for a specific information exchange system to reinforce and enhance administrative cooperation under the Posting of Workers Directive.

### **(d) Developing the governance structure**

The structure as described has served the purposes of IMI very well until now and seems flexible enough to allow for further expansion. As IMI is expanded to include further policy areas, representatives of these user groups will be invited to join the IMI Steering Committee.

New advisory committees and expert groups representing these policy areas will also become involved in the project and their input will feed into the work undertaken by the IMAC IMI Working Group.

As IMI grows and the number of end users increases, it becomes even more important to ensure that the real end users of IMI have the opportunity to provide feedback and input on the user-friendliness and further development of the system. As well as obtaining indirect user feedback via the National IMI Coordinators, the Commission employs various methods to engage directly with IMI users. These currently include surveys, training sessions, conferences and networking forums. Teleconferences and ‘webinars’ may also be useful in increasing the involvement of end users in the ongoing development of IMI.

### **3.6. Ensuring a high level of system performance and security**

#### **(a) Performance**

As the number of users and volume of data in IMI grows, it is crucial to ensure that the performance of the system (e.g. response times) remains satisfactory. IMI has been designed to be a scalable system with up to 100 000 potential users at maturity, however the following precautions are being taken to mitigate the potential risk of an adverse impact on performance:

- IMI is hosted on a dedicated server in the Commission Data Centre;
- Performance of IMI is monitored on a regular basis and performance load tests are carried out before new system functionality is introduced;
- A technical audit of IMI will take place in 2011. It will address the system’s technical capability to support the number of competent authorities and users (and consequent data volumes) planned for the full maturity of the system at an acceptable level of performance and reliability.

#### **(b) Security**

Security is a major aspect of the design, maintenance and daily operation of the IMI system. IMI stores and processes personal data and other data that is not intended to be publicly available.

A comprehensive Security Plan for IMI, drawn up in accordance with European and international security standards, defines the security requirements for the system and how they should be met. This plan will be reviewed annually to ensure that security levels are upheld as IMI expands.

## **4. CONCLUSIONS / NEXT STEPS**

### **4.1. Administrative cooperation check**

A more systematic approach is needed for better governance of the Internal Market via improved administrative cooperation. For this purpose, the practicalities of implementing new legislation by national, regional and local public authorities need

to be considered at a sufficiently early stage in the legislative process. Requirements for administrative cooperation should be clear and practical and the need for an IT tool to support the process should be considered from the outset. If an IT tool is needed, preference should be given to using or adapting an existing tool, such as IMI if appropriate or one of the existing administrative cooperation systems (see section V of the accompanying Commission staff working document for further information) instead of developing a new single purpose tool from scratch.

**The Commission will examine how a systematic administrative cooperation check can best be included in its internal procedures by December 2011.**

#### **4.2. Proposal for a legislative instrument for IMI**

As referred to in the Commission Communication "Towards a Single Market Act" of 27 October 2010, a general legal basis is needed to provide a comprehensive data protection framework consolidating the specific rules and procedures regarding the processing of personal data in IMI, establish a framework for flexible and transparent expansion of IMI to other legal areas and reinforce the role of the national IMI coordinator.

**The Commission will submit a proposal for a European Parliament and Council Regulation to create a general legal basis for IMI during the first semester of 2011.**

#### **4.3. Scope and timetable of planned expansion**

In parallel, the Commission will further explore, together with the Member States, which other policy areas may benefit from IMI (including under existing legislation) and which additional functions will need to be developed. The goal will be to establish a list of policy areas for which IMI is the appropriate technical solution. This should also include, in due course, an option to explore synergies and possible redundancies between existing IT tools in place at EU level for administrative cooperation in general.

**The Member States and the Commission will establish a timetable and roadmap for further development through the existing governance structure, based on the criteria for expansion as set out in this Communication and the priorities to be determined in the Single Market Act. A progress report will be included in the IMI annual report in February 2012.**

#### **4.4. Further IT development**

Further IT development will be based on the perspectives for expansion and will focus on developing functions that can be of use to a wide range of user groups. Where possible, existing IT tools will be reused to extend the functionality of IMI. The annual software development plans, to be discussed and agreed by the IMI steering committee, will be based on the long-term view of developing a generic administrative cooperation toolkit (see section III of the accompanying Commission staff working document for further information).

**The Commission will carry out a detailed technical analysis to determine the most appropriate architecture, including all elements of the generic administrative cooperation toolkit. A report will be published in December 2011.**