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General for Internal Market and
Services

Evaluation of SOLVIT

Final Report
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Centre for

**Strategy & Evaluation
Services**

P O Box 159
Sevenoaks
Kent TN14 5RJ
United Kingdom

Tel/fax: +44 (1959) 525122

Web site: www.cses.co.uk

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Executive Summary

SOLVIT and the context in which it operates

- SOLVIT was established to deal with cross border Internal Market problems by addressing specific issues arising from the engagement of EU citizens and businesses with national authorities without recourse to legal proceedings.
- SOLVIT is well recognised across various Commission departments, and in certain DGs, SOLVIT is used effectively and is integrated into current practices. However, in others it is less used, either because the individual DG deals with the issues internally or officials may not be aware of where SOLVIT could be most effective.
- The systems for EU Pilot (and CHAP) are not directly linked up with SOLVIT. Further cooperation within the Commission and at national levels could encourage better filtering and efficient management of complaints, transferring cases and exchange of information.
- Your Europe Advice is providing a supporting role for SOLVIT in terms of signposting cases and providing legal advice to fill current gaps. Further exchange of information and knowledge on the progress of cases (such as access to the database) would help to reinforce the relationship.
- On the whole, SOLVIT offers a unique service amongst dispute resolution bodies. However, in some countries there is a degree of overlap on certain policy areas between SOLVIT and ombudsmen.
- The depth of stakeholder relations varies between SOLVIT and ombudsman, business organisations and consumer centres across the Network. Relations operate with stakeholders predominantly on the basis of transferring cases and are regarded as being mutually beneficial.
- The scope of SOLVIT is already rather broad as it deals with all cross border problems related to the misapplication of Internal Market rules by public authorities. SOLVIT therefore addresses a wide range of policy areas given its broad interpretation of the terms 'cross border' and Internal Market'. There is also a system of checks and balances that is built into the current scope as SOLVIT Centres (SCs) from two Member States need to jointly cooperate when resolving cases. This being said, an extension of the scope could be taken forward to cover additional policy areas and issues. However at this stage given the current resources and demanding case load, it is currently not the right time to investigate this question further.
- The Internal Market is facilitating growth in migration for EU citizens as well as sustaining cross border business activity, which is likely to lead to greater demand for SOLVIT's services. Enhancing the capacity of SOLVIT would

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therefore improve the functioning of an increasingly dynamic Internal Market.

Management of SOLVIT

- SOLVIT Centres (SCs) are located in different parts of the public administration depending on the Member State. In certain countries, this offers the SC a degree of authority when engaging with national authorities. In addition, Ministries of Economy / Business tend to be more openly supportive towards SCs if they concentrate on generating business cases.
- Over half of the SCs are understaffed in relation to their current caseload. The issues of limited resources will need to be taken into account if SCs are expected to take on more cases and perform more tasks.
- Meetings and training organised by the Commission have been warmly received and are perceived as a key element of the functioning of the Network. These should be enhanced to help strengthen the capacity of the Network.
- The Annual Report is a useful tool to assess the evolution of SOLVIT. However, it could have greater impact if steps were taken to develop further layers of analysis.
- There are plans to upgrade the database in the near future. The views of SCs are taken into account in order to ensure that the upgrade satisfies the needs of its principal users.

Operation of SOLVIT

- SC's are generally speaking well organised and cooperative when jointly managing cases. However, a key weakness is when Home and Lead SCs disagree over the legal analysis of cases. Requests have therefore come forward to develop a stronger approach to resolving disagreements between SCs.
- Unresolved case may not be followed up automatically by SCs and it may be unclear who is responsible for them. This aspect needs to be firmed up so that unresolved cases are properly signposted and their progress tracked.
- Cooperation with national authorities tends to be positive and the informal mechanism for resolving issues is regarded as being effective. Yet for certain

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cases and with certain national bodies SOLVIT lacks authority. This should be addressed through strengthened systems and legal resources.

- The staff profiles and skill sets of SCs vary quite significantly. To help strengthen the legal resources of SCs, future selection of SC staff should include the requirement of them having appropriate legal qualifications.
- The informal advice provided by the Commission experts is appreciated. However, occasionally it fails to meet quite demanding SOLVIT deadlines and is sometimes not designed to compellingly address the circumstances surrounding a particular case.
- The user survey has demonstrated that SOLVIT cases are routed via internet searches or by signposting by other organisations or networks. Media / press campaigns have attracted only a small number of cases. Given the costs of public awareness activities, future approaches should concentrate on generating more internet traffic or through cooperation with stakeholders.
- On the whole, SCs have not carried out promotional activities for business to the extent envisaged by the Strategy Paper (2009). This may be because of a lack of resources.
- Businesses have mentioned that if they were aware of SOLVIT then they would if necessary request its services. At the same time, business may not be attracted to SOLVIT as informal approaches to addressing cross border cases may not change the position taken by a national authority.
- The user survey has illustrated highly diverging opinions on the performance of SOLVIT. Whilst overall SOLVIT is providing good and in certain cases excellent services, a significant minority of users are unsatisfied. In many cases, the reason for people's occasional dissatisfaction is because they are disappointed with the outcome of their case. They therefore hoped to get more out of EU law than they could. To address this issue, improving SC service delivery would help to further improve SOLVIT's image.

Costs and benefits

- The costs of the SOLVIT network in the year 2010 were approximately €5.3 million.
- Benefits are of course both monetary and non-monetary. Between a quarter and a third of citizens, and a third and a half of businesses made an estimate of monetary benefits when making a SOLVIT application;

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- Whilst some benefits are obviously overestimated (and have been excluded from calculations) in most cases applicants' seem to have made a reasonable estimate of benefits;
- Total quantifiable benefits in each of the years 2008 to 2010 were of the order of €30 million;
- Some SOLVIT cases result in changes to procedure or legislation. Whilst it is not possible to quantify the results precisely with any degree of reliability, the evidence suggests that the continuing benefit from SOLVIT each year will be several times greater than the benefits from new cases in that year.

SOLVIT Centre Performance Assessment

- The strongest SCs, in terms of staffing adequacy and in-house legal resources, have achieved better management performance results overall than their counterparts. There are though some exceptions as certain SCs that have low staff resources and / or in house legal expertise are still achieving a good level of performance. However, having an even policy across the board to strengthen resources would realise better results for the Network as a whole (this assessment has however not taken into account other factors, which were not possible to quantify in an equitable manner across the SOLVIT Network).
- The collection of management performance data needs to be monitored. High standards for accurate inputting of data needs to be maintained.

Introduction

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This document sets out the final report prepared by the Centre for Strategy & Evaluation Services (CSES) in respect of an “Evaluation of SOLVIT”. This section contains the introduction to the evaluation of SOLVIT and contains an overview of SOLVIT together with the legal background. It also sets out the evaluation objectives and the detailed structure of the report.

1.1 Introduction

This document sets out CSES’ final report for the evaluation of SOLVIT, the on-line problem solving network in which EU Member States work together to solve without legal proceedings problems caused by the misapplication of Internal Market law by public authorities.

1.2 Overview of SOLVIT

SOLVIT was established in 2002 with the specific remit of providing out of courts solutions (by informal means) to cross border complaints brought forward by consumers and businesses regarding the incorrect application of EU Internal Market Law by public authorities. Under the auspices of DG Internal Market and Services (DG MARKT), SOLVIT operates via a network of SOLVIT Centres (SCs) at national level which work together by agreement and without legal proceedings and without charge to the applicant. There is a SOLVIT centre run by national administrations in every EU Member State and the EEA/EFTA countries Norway, Iceland and Liechtenstein¹). The national SOLVIT centres are supported by DG MARKT which supplies support services including training, workshops, promotion materials and activities, a database of cases, informal legal advice and broader support to ensure the successful operation of the network.

SOLVIT only deals with cases which are not the subject of legal proceedings at national or Community level. An applicant remains free to launch such proceedings at any time.

1.3 Evaluation objectives

The objectives of the evaluation, as set out in the terms of reference, are to analyse the organisation of SOLVIT and its achievements to date, and to evaluate its relevance, efficiency and effectiveness. The results of this analysis will support the provision of a set of conclusions for the further reinforcement of SOLVIT. The key evaluation questions are set out in the terms of reference and address the following points:

- **Relevance** – whether SOLVIT network addresses a real and existing need and whether it is the best way of meeting this need. In this context, the specific mandate of SOLVIT and its relationship to other problem-solving tools is also considered;

¹ The EFTA / EEA countries were not included in the scope of this evaluation

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- **Effective operation and organisation of SOLVIT** – assessed both in quantitative and qualitative terms and the level of satisfaction of stakeholders (clients, SOLVIT centres, public authorities, Commission);
- **Efficiency/ organisation of SOLVIT** – the costs of SOLVIT against its outputs and results, and the relationship between SOLVIT and other problem-solving networks and organisations at EU level, and with the national ombudsmen, as well as relations with other consumer and business assistance centres.

1.4 Research methodology

The fieldwork for this evaluation was carried out between February 2011 and April 2011. It includes interviews of SOLVIT centres, Commission officials and external parties at national level. It also included an analysis of documentation, SOLVIT cases in the database and two on line surveys.

Details of the interviews are contained in Appendix A. An on line survey of SOLVIT users attracted 1834 responses (see Appendix B). An online survey of national government departments involved in a SOLVIT case has attracted 53 responses (see Appendix C).

1.5 Structure of the report

This report has the following structure

- Section 1 provides an overview of SOLVIT, its legal structure and the objectives of the report;
- Section 2 considers SOLVIT and the context in which it operates, including an intervention logic, SOLVIT's objectives and the relationship of SOLVIT with other systems of dispute resolution;
- Section 3 considers the management of SOLVIT;
- Section 4 deals with the operation of SOLVIT in dealing with cases;
- Section 5 deals with the costs of SOLVIT and benefits;
- Section 6 provides a performance assessment of individual SOLVIT centres;
- Section 7 analyses the performance of SOLVIT against the key evaluation questions;
- Section 8 contains conclusions.

There are appendices dealing with the surveys carried out, the interview programme and detailed appendices such as the rationale for SOLVIT. The detailed results of the surveys are shown in appendices F and G.

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In this section we describe SOLVIT's legal framework and objectives and put its operation in a broader context of EU and national related systems for dealing with cross border single market issues. Finally, the scope of SOLVIT and the potential growing demand for its services is discussed.

2.1 Legal framework

The SOLVIT network was established following a communication from the Commission² which proposed building on an existing network of Co-ordination Centres, one for each Member State, which had been established in 1997 to deal with internal market problem cases. SOLVIT has been set up to help citizens and businesses when they encounter a problem resulting from possible misapplication of Internal Market rules by public administrations in another Member State.

The communication indicated that the new network would improve the old network and that in particular the following weaknesses would be addressed:

- *Slowness on the part of other Member States to respond to inquiries;*
- *Lack of knowledge on whom to contact in the other Member State;*
- *Time-consuming and costly translation of documents;*
- *Lack of awareness amongst citizens and businesses;*
- *Limited resources devoted to problem solving.*

The Communication therefore proposed the following steps:

- *To set-up an EU-wide online database by June 2002 which is user-friendly, enhances transparency and by creating peer pressure should encourage Member States to achieve better results;*
- *To provide clear principles for Co-ordination Centres to follow when dealing with cases within the SOLVIT network. These principles will be set out in a Commission Recommendation to which the Council is invited to commit itself;*
- *To promote the SOLVIT network widely once it is established. Targeted information campaigns aimed at "European intermediaries" could complement national actions;*
- *To undertake preventive action by seeking to remove the causes of recurring problems.*

The Communication set out a more detailed rationale for SOLVIT (see Appendix D) and allocated resources of € 0.088 million on the 2003 budget.

² COM/2001/0702 final 27/11/2001

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Shortly afterwards, the Commission published a Recommendation³ for the detailed operation of SOLVIT, including the operation of co-ordination centres and the database. In addition to the Recommendation, SOLVIT centres adopted a set of common quality and performance standards in December 2004 to ensure a high quality of service throughout the network.⁴

Finally, in March 2002 the Council confirmed its commitment to the new network. The Council asked Member States to take *“appropriate measures to ensure that the existing Coordination Centres take active part in the SOLVIT Network, within available resources, with a view to rapid and effective problem solving, while noting that Member States may sometimes need to pursue cases beyond the recommended timeframe”*.

The legal framework for SOLVIT is therefore based in a Commission Recommendation which has been endorsed by the Council. The legal framework reflects the principal objective of rapid problem solving without recourse to legal proceedings.

2.2 SOLVIT objectives

The Commission’s communication setting up SOLVIT⁵ referred to in the previous section of this report states that *“The ultimate aim of the Communication is to simplify the life of Europe’s citizens and businesses by finding swift and informal solutions to their problems. All persons and companies engaging in cross-border activities are potential beneficiaries of the Communication, as a result both of the better functioning of the problem solving network between national administrations and of the actions designed to prevent problems from re-occurring”*.

The Communication set out some individual elements to be carried out as follows:

- Establishment of a database together with a limited-access telecommunications system to allow efficient communication within the network and provide access to information needed for the performance of its functions;
- Establishment of principles for handling cases within the network;
- Meetings of members of Co-ordination Centres providing them with training on the database and a forum for discussion of questions related to the functioning of the network;
- Developing of national information strategies to raise the target population’s awareness about the network complemented by promotion activities at European level;

³ 07.12.2001 C(2001)3901

⁴ http://ec.europa.eu/solvit/site/about/index_en.htm#standards

⁵ COM/2001/0702 final

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- Specific prevention actions targeted to all or some Member State(s) consisting of training seminars, short term visits, guidelines, etc;
- Establishment of criteria measuring the performance by the Co-ordination Centres.

More general objectives are set out in the Commission Staff Working paper on an Action plan on an integrated approach for providing Single Market Assistance Services to citizens and business⁶. It sets out objectives for Single Market Assistance Services to offer a streamlined service package to help citizens and businesses understand and exercise their EU rights in cross-border situations. The services participating in the project (which includes SOLVIT) will:

- Inform citizens, consumers or businesses about EU rights and about national procedures;
- Give individual, tailor-made advice on legal and procedural issues;
- Assist in solving problems that arise when EU rights are not respected by public authorities or by businesses;
- Ensure that requests and queries falling within any of the above three tasks are transferred quickly to the most appropriate service regardless of where or how they enter the system;
- Report back to Commission departments on frequent problems encountered by citizens and businesses in the context of cross-border activities and transactions.

Finally, SOLVIT has a set of operational standards agreed by the national SOLVIT centres.

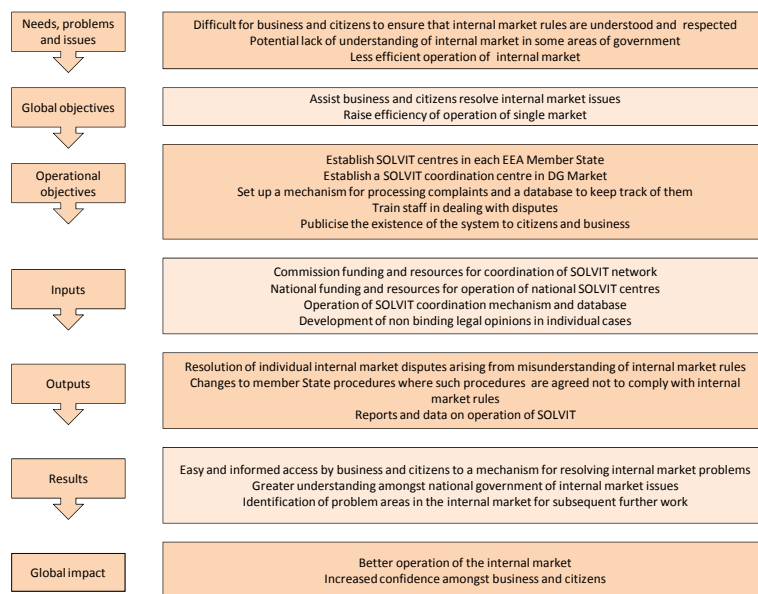
2.3 Intervention logic

The objectives and operation of SOLVIT have been set out below in an intervention logic diagram. This diagram sets out the needs and objectives of SOLVIT, its operational objectives and inputs and outputs and the results achieved by SOLVIT both in the shorter term and longer term.

⁶ SEC(2008) 1882

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Figure 2.1 – SOLVIT intervention logic



2.4 Relationship with other problem-solving systems set up by the Commission

SCs are part of the Member States' national administrations. Citizens and businesses facing cross-border problems can directly contact 'their' Home SC, which then seeks to solve the problem with the Lead SC of the Member State in which the problem has arisen. Whilst receiving support from the Commission, SOLVIT is not part of the Commission. Rather, cases handled by SOLVIT are dealt with between Member States with, in the great majority of cases, no substantial involvement from the Commission.

Having said this, SOLVIT is one of a set of initiatives taken by the EU institutions to secure the improved application of EU law. This section therefore considers how SOLVIT interacts with and is supported by other problem solving procedures and tools across various Directorate Generals of the Commission. Other procedures or tools include EU Pilot, the Administrative Commission for the Coordination of Social Security Schemes and Your Europe Advice.

2.4.1 SOLVIT and the Commission's complaint handling systems

Within the Commission's Directorate Generals there are specific officials who are responsible for managing complaints from EU citizens, businesses and other organisations. The case is sent on by the official to SOLVIT if the official believes it to

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be the most appropriate system to deal with the complaint and with the agreement of the complainant. Only a small number, approximately 1% of cases, were received by SOLVIT after a complaint was lodged directly with the Commission.

Complaints and comments addressed to the European Commission are registered into a system called CHAP. Some 4000 cases were logged into CHAP in 2010. Where CHAP cases concern individual problems of misapplication of Internal Market rules, ideally they should be considered for submission to SOLVIT. However, CHAP is not linked with SOLVIT and it is up to the Commission official handling the case to decide if it will be sent on to SOLVIT (subject to the complainant's approval) or rather dealt directly by the Commission or other option.

As part of our interview work, we discussed with a small number of officials how they allocate CHAP cases to SOLVIT or elsewhere. It is interesting to note that the extent of allocation of cases to SOLVIT appears to vary depending on the DG, the policy area and the personal experience of individual officials in knowing where SOLVIT is most effective and how to engage with the system.

Certain officials fully appreciate the type of issues which SOLVIT can address and are effective in allocating cases from CHAP to SOLVIT. On the basis of this number of interviews⁷ it was apparent that DG Internal Market and Services and DG Justice were the most proficient and experienced at filtering cases and engaging with SOLVIT.

Other DGs / officials use SOLVIT less. In many cases, this seems to be caused by the fact that officials, whilst maybe having heard about SOLVIT, have a limited understanding of how in practice they could make use of it. This indicates the need for more awareness raising within the Commission about SOLVIT. In addition, in the Social Security area, the interviewed officials consider that cases may be very complex and there were doubts that they could be resolved in the SOLVIT timescale. At the same time, they were surprised to note that SCs handle many social security cases (when contacted directly by complainants) and managed to solve many problems.

The picture that emerges is that whilst certain DGs or officials make regular use of SOLVIT, other DGs or officials are not entirely sure where SOLVIT is most effective and are therefore not entirely engaged with the system. The SOLVIT Network, and the redress of EU citizen and business complaints, would therefore benefit from stronger raising of its profile within the Commission.

⁷ See Appendix A List of Sources.

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2.4.2 EU Pilot

Some complaints addressed to the Commission directly point at a possible violation of EU law. However, in order to state with certainty that this is the case, the Commission sometimes needs to contact the relevant Member State to obtain further information. This is also an opportunity for the Member State to eliminate such non-compliance with EU law, before the Commission possibly decides to open formal infringement procedures. In April 2008, the Commission launched an IT system facilitating this exchange of information with the Member States, called EU Pilot. Originally, 15 Member States voluntarily engaged in the initiative but now it has been extended to the majority of EU Member States.

Interviews with the Secretary General's Department of the European Commission (which is responsible for EU Pilot) have indicated that EU Pilot is currently generating a steady case load through its integration with the CHAP system (of the 4000 cases going through CHAP each year, some 16% are allocated to EU Pilot to resolve⁸). It is important to note that citizens and businesses do not submit cases directly or contact EU Pilot. Rather, they submit a formal complaint to the European Commission and then the Commission services decide if they use this IT tool (depending on the type of evidence collected) to contact the Member State in question.

Criteria have been formulated to decide whether cases should be referred by the Commission services to SOLVIT or to EU PILOT. Cross-border cases which do not involve non-conformity of national law with EU law, but rather individual problems caused by misapplication of EU law (and are not subject to legal proceedings) should be referred by the Commission services to SOLVIT. The criteria are reproduced below.

⁸ EU pilot cases may comprise both enquiries and complaints.

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Criteria for deciding which types of cases should be submitted to SOLVIT or the Pilot Mechanism

| SOLVIT | EU Pilot |
|---|--|
| GENERAL COVERAGE | GENERAL COVERAGE |
| Specific problems raised in a cross-border context in the internal market | Specific or general problems not raising cross-border issues in the internal market |
| | |
| MORE SPECIFIC ASPECTS OF COVERAGE | MORE SPECIFIC ASPECTS OF COVERAGE |
| Specific problems encountered by an individual or a business; | Specific or general problems reported by individuals, commercial operators or interested organisations; |
| Due to incorrect application of EC rules governing the functioning of the internal market within the meaning of Article 14(2) EC Treaty | Due to incorrect application of EC rules outside the functioning of the internal market within the meaning of article 14(2) of the Treaty or, exceptionally , which might merit further pursuit through EU PILOT having had some initial treatment in SOLVIT |
| By a Member State public authority | By a Member State public authority |
| Which raises a cross border issue | Which does not raise a cross-border issue, except where it is clear from the start that it involves an issue of non-conformity of national law |
| Is not already subject to national legal proceedings | May already be subject to legal proceedings |
| And is not due to late or bad transposition of EC law or other non-conformity of Member State law with Community law. | May be due to non-conformity of national legislation with Community law, including such issues arising in the context of the internal market within the meaning of Article 14(2) EC Treaty |

Whilst these above criteria provide general guidance on whether cases should be referred to EU PILOT or SOLVIT, in practice it may be difficult to decide the best route for an individual case before the details and context of the case have been understood and assessed. Ideally, this should be achieved through cooperation between both systems at the Commission level.

However, the response to the interviews with Commission officials suggests that at this stage, there isn't a particularly strong link between EU Pilot and SOLVIT at EU level⁹. It seems that within the same DG, officials responsible for EU PILOT and SOLVIT may not be cooperating sufficiently with one another.

⁹ The recognition that SOLVIT and EU Pilot was not well linked and that inefficiencies existed was also mentioned by business organisations and Ministries.

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Similarly, interviews with SCs suggested that there are insufficient links between the two systems. In fact, cases had been dealt with under the EU PILOT system which could have been addressed more effectively through SOLVIT. In addition, SCs found that the criteria above were in practice somewhat unclear and mentioned that there isn't a precise distinction between where the scope of SOLVIT ends and EU Pilot begins.

Also, SCs claimed that occasionally cases are being entered into both the SOLVIT and EU Pilot systems at the same time. It seems that there is no regular check by the Commission services before adding the case to EU Pilot as to whether SOLVIT is currently handling or has already handled such a case, and vice versa. However, it should be noted that the interviewed officials from the Secretariat General of the Commission mentioned that it had not been informed of any such cases.

There is also an issue regarding cases that have been handled by SOLVIT but could not be resolved. The SCs expressed a clear wish for cases that cannot be resolved through SOLVIT to be followed up by the Commission if appropriate. SCs may currently advise that the case should be submitted to the Commission for consideration for EU Pilot. However, SOLVIT would benefit from a formal mechanism being in place to facilitate this and to be able to subsequently track the progress of the case.

If an unresolved SOLVIT case does go to EU Pilot, then often it does not use the legal analysis and evidence already collected by SOLVIT. To avoid duplicating efforts, EU Pilot would benefit from having access to this information.

At national level, SCs are organised differently in terms of their cooperation with EU PILOT. Some SCs have no cooperation at all with EU PILOT and are not aware of any reasons why they should. Other SCs have tried to develop contacts with EU PILOT but have been declined on the basis that the two systems do not complement each other and require no cooperation.

However, other SCs have developed informal relations with their national EU PILOT counterparts or have arranged frequent meetings to exchange information. In such instances, this has led to fruitful sharing of information and improved case management.

There is a strong rationale for better links between EU Pilot and SOLVIT in terms of coordination, communication, filtering of cases and mechanisms to allocate cases from one system to another.

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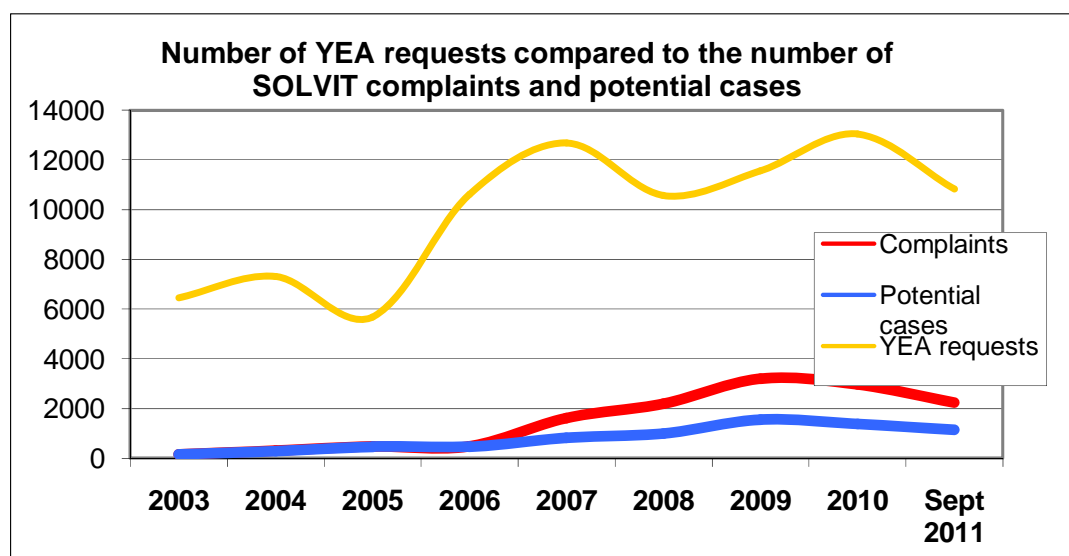
2.4.3 Your Europe Advice

Your Europe Advice (YEA) is an EU advice service for the public, currently provided by the legal experts from the European Citizen Action Service (ECAS) operating under a contract with the European Commission. It consists of a team of lawyers who cover all EU official languages and are familiar with national laws in all EU countries. YEA provides free and personalised advice within one week, clarifies the area of European law that applies to each case, and explains how citizens can exercise their EU rights. Citizens are therefore able to request responses to any type of legal question relevant to them in relation to their rights under the jurisdiction of one or more EU countries as well as under EU law.

YEA and SOLVIT already cooperate closely. YEA performs an important role in signposting enquiries to SOLVIT. It is estimated that this equates to three to four thousand enquiries per year (or roughly 30% of all YEA enquiries) which has remained stable over the previous three years. However these are not all eligible SOLVIT cases. Whilst the signposting service is useful for directing cases, closer cooperation and communication between the two services would prevent any misallocation of cases to SOLVIT.

The graph below shows that recently coordination between SOLVIT and YEA through the use of a Common Intake Form has helped to lower the number of incorrectly directed cases to SOLVIT. The CIF was introduced in 2008 and although the number of YEA cases continued to increase from this point forward, there was a decrease in the overall number of complaints which SOLVIT dealt with prior to determining whether the cases fell within scope.

Graph 2.1. Number of YEA requests compared to the actual number of complaints and potential cases dealt with by SOLVIT 2003 – 2010



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YEA is also a provider of informal legal advice to SCs in order to help them resolve SOLVIT cases if disagreements on the interpretation of the case emerge between Home and Lead Centres¹⁰. This equates to 10 requests per month for such support (this rate has remained stable since the opening up of this possibility). YEA also motioned it would be useful to have access to the SOLVIT database so that they might be able to follow-up the cases that they have signposted.

2.4.4 Administrative Commission for the Coordination of Social Security Schemes

The Administrative Commission for the Coordination of Social Security Schemes (Admin Comm) is a specialised body composed of Member State representatives. Its core aim is to clarify EU regulations and administrative practices relating to social security issues. As well as clarifying questions of interpretation, it also supports coordination of social security systems, fosters dialogue, promotes reconciliation, exchanges best practices, collects statistics and reviews coordination provisions.

A key issue that has been noted by SCs is that often social security cases are complex and that developing legal advice in this area is sometimes challenging. Complex cases may arise if the area of EU law is more open to interpretation and if the details surrounding a case have not been provided in sufficient depth.

During the interview with Admin Comm, it was noted that the quality of information provided by SCs varied across the Network. It was recommended therefore that SCs should ensure that a clear picture of the case is developed and should coordinate with their national Admin Comm representative to support the development of legal answers.

In some cases, because of the complexities involved, legal advice from Admin Comm fails to meet SOLVIT deadlines. Admin Comm representatives recognised that SOLVIT deadlines had been onerous in the past, but that improvements had been made in relation to time management.

2.5 Relationship with national systems

At national level, SOLVIT is operating within the context of a broad range of national dispute resolution or other organisations. These may be national bodies such as the national ombudsman or chambers of commerce or organisations which are part of EU sponsored networks such as the European Consumer Centre Network and European Enterprise Network. This section will explain how SOLVIT fits into and cooperates with these groups.

¹⁰ The chapter on the Operation of SOLVIT discusses the informal legal support from YEA in more detail.

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SOLVIT has developed relations with a range of different organisations with the purpose of jointly sharing information and attracting cases. The varying organisations that were interviewed were relatively positive about the cooperation with SOLVIT to date and were generally interested in deepening relations.

Cooperation between SOLVIT and other organisations predominantly takes the form of signposting cases from one organisation to the other (in a minority of countries this is not occurring). If a case is appropriately transferred, then the follow up of the case or further exchange of information tends not to take place.

However, in a number of countries cooperation goes beyond signposting. This is the result of DG MARKT efforts to encourage SCs to build strategic relations with national stakeholders in recent years. Collaboration may therefore take the form of presentations of organisational objectives or may have evolved further into exchanges of views and opinions on cases and regular meetings to foster greater coherency. For example, the French SC holds monthly meetings with the Mediateur on how to enhance cooperation and the Spanish SC has close relations with the NARIC Network¹¹ regarding recognition of professional qualifications issues.

Furthermore, during the interviews with SCs, it was made clear that SOLVIT's scope covers a specific niche within the market i.e. providing informal dispute resolution services between citizens and government regarding cross border Internal Market issues. From discussions with other stakeholders, it was also apparent that no other organisation is providing the same breadth and depth of services within this particular field. SCs also tended to be confident that there is a decent level of awareness between the different dispute resolution services of their different objectives.

2.5.1 Ombudsmen

On the whole, cooperation with national ombudsmen is in the early stage of development although there are some examples where relations are deepening or are already mature. Specific examples include close cooperation with the ombudsman in Spain (in the migration and equal rights field), the Slovakian SC has recently provided training to the ombudsman regarding SOLVIT, and the Finnish SC exchanges views with the ombudsman on EU legislation in order to clarify remits. Where cooperation exists, it tends to result in a small number (1 to 6) cases being signposted to SOLVIT each year.

¹¹ All EU Member States have a designated National Academic Recognition Information Centre (NARIC), which provides a way to compare academic qualifications

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What is also significant to note is that the scope of the ombudsman varies across the EU and in some countries ombudsman may deal with cases that are relevant to SOLVIT. Yet it should be made clear that in the majority of cases the scope of the ombudsman is not as broad or as deep in the Internal Market area as SOLVIT.

Table 2.1 Varying scope of national ombudsman in the Internal Market area

| Ombudsman | Scope | Relationship with SOLVIT |
|-----------|--|--|
| Type 1 | <ul style="list-style-type: none"> Does not deal with Internal Market / cross border issues | <ul style="list-style-type: none"> Signposts cases to SOLVIT Or may not be currently cooperating with SOLVIT |
| Type 2 | <ul style="list-style-type: none"> Does cover Internal Market / cross border issues but not if a foreign organisation is involved | <ul style="list-style-type: none"> Will signpost cases to SOLVIT if a foreign organisation is involved Or may not be currently cooperating with SOLVIT |
| Type 3 | <ul style="list-style-type: none"> Deals with Internal Market /cross border issues generally speaking Or deals with Internal Market / cross border issues in specific policy areas | <ul style="list-style-type: none"> Will cooperate with SOLVIT to jointly solve the case Or may not be currently cooperating with SOLVIT |

In most Member States, there appears to be greater awareness of the national ombudsman than SOLVIT. Therefore it was felt that citizens may be prone to contact ombudsman for support as oppose to taking their case to SOLVIT.

In sum, the mature relations with ombudsman in certain countries suggest that deepening cooperation across all Member States would foster reciprocal benefits in terms of signposting and to explore potential complementarities. By identifying such areas, closer cooperation can seek to pinpoint recurrent problems or exchange expertise on how best to mutually resolve cases.

2.5.2 European Consumers Centre Network

The European Consumers Centre Network is similar to SOLVIT in that it has a centre in each Member State, as well as in Norway and Iceland, but has a specific focus on resolving cross border complaints relating to consumer-to-business shopping problems. The ECCN also operates informally by providing advice, liaising with the business in question in order to resolve a consumer query or signposting to formal consumer dispute resolution services.

As a result of diverging remits, cooperation between the ECCN and SOLVIT hasn't developed much further than signposting and following up on cases rarely takes

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place. Some ECCN bodies do conduct annual or frequent meeting with SCs whilst others do not.

For purposes of comparison, it is interesting to note that the ECCN addresses 71,000 cases per year (2010). Its ability to deal with a higher volume of cases than SOLVIT is the result of it having greater staffing levels. The ECCN is also widely known to European consumers given its delivery of effective and targeted national level public awareness campaigns.

2.5.3 European Enterprise Network and Chambers of Commerce

In order to enhance the number of business cases, SCs have been encouraged to develop relations with business organisations such as the European Enterprise Network and Chambers of Commerce¹². Efforts have been made by SCs to build relations but the extent of those relations is not evenly deep or appropriately developed across the entire SOLVIT Network. For those EEN bodies and Chambers of Commerce which are cooperating with SOLVIT, the relations tend to hinge on three different levels but mainly the relations tend to be at the stage of Type 2 below.

Table 2.2 Varying relations across the SOLVIT Network with business organisations

| Type | Relationship | Signposting |
|--------|---|--|
| Type 1 | <ul style="list-style-type: none"> The SC has provided promotional materials The SC may provide articles to be included in business organisation materials | <ul style="list-style-type: none"> Signposting cases to SOLVIT may not be occurring or to a limited extent (1 to 6 times per year) |
| Type 2 | <ul style="list-style-type: none"> The SC has provided promotional materials The SC may provide articles to be included in business organisation materials Meetings / presentations occasionally occur to explore how to strengthen relations or at events | <ul style="list-style-type: none"> Signposting cases to SOLVIT may not be occurring or to a limited extent (1 to 6 times per year) |
| Type 3 | <ul style="list-style-type: none"> The SC has provided promotional materials The SC may provide articles to be included in business organisation materials Meetings / presentations frequently occur to the extent of forming a strategic partnership | <ul style="list-style-type: none"> Signposting cases to SOLVIT is occurring to a limited extent (1 to 6 times per year) The business organisation supports the SME to prepare its case prior to submission to SOLVIT |

¹² In 2009 a SOLVIT Business Strategy paper was produced to encourage cooperation with business organisations.

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- | | | |
|--|--|--|
| | <ul style="list-style-type: none"> • The business organisation uses the SC as a legal resource for other organisational issues in the Internal Market area • Based on experience, the business organisation has developed a sound knowledge of alternative dispute resolution procedures and can advise SMEs accordingly | |
|--|--|--|

In all instances, the overall view of SOLVIT was positive. SOLVIT was thought as providing an important service. However, it was generally recognised that the level of business demand at this time is not increasing greatly. A range of answers was given for this. One response by the German Chamber of Commerce was that a cross border working group operates in the region (between regional and local bodies in the border areas of Germany, Belgium, Luxembourg and France) that helps to resolve Internal Market problems for businesses. This tends to limit the emergence of bottlenecks and is perceived as bringing about more lasting changes.

The Czech EEN thought that the main reason for low level of business cases in SOLVIT was the negative perception SMEs had about government generally speaking and were therefore not instinctively inclined to use SOLVIT. Whereas the Czech Chamber of Commerce thought that the low level of promotion and awareness was the main issue. In addition, conflicting answers were given with regard to future demand. Some thought that a few cases a year would remain constant, whilst others were more bullish about the future cross border activities of SMEs and that SOLVIT should work hard to target this market.

The Austrian EEN was able to comment further and mentioned the limited integration between SOLVIT and Commission infringement procedures. In such instances where infringement proceedings were being encouraged, a concern was that the information that had been previously generated from the unresolved SOLVIT case was not being investigated. Moreover, EEN bodies have mentioned that the European Commission could place more emphasis on encouraging the EEN Network to promote SOLVIT as well as providing more seminars to exchange ideas between the two groups.

2.6 Scope of SOLVIT

During the interviews, the SCs were asked about the current scope of SOLVIT and whether or not it was appropriate to extend the scope to cover other types of cases.

The majority of remarks made clear that SOLVIT's current scope is already rather broad since it deals with all cross-border problems related to a misapplication of internal market rules. Both the notions 'cross-border' and 'internal market' are

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understood rather widely and already touch upon a large number of policy areas. Given the wide mandate, the prevailing view is that the SCs do not see the need for a further extension of the scope of SOLVIT and would prefer that SOLVIT is limited to its provision of current services. In this respect it is also important to note that the current scope provides for the necessary checks and balances between the two SOLVIT centres involved (the home centre guards the interests of the complainant and will thus not accept a solution which is not in conformity of EU law).

However, a minority of SCs mentioned that the scope could be made even broader with the examples given of supporting importers or nationals from third countries or to non cross border cases or disputes between private parties. From looking at the user survey, a small number of comments suggested that the scope of SOLVIT should be extended. Comments often related to cases where EU law had been misapplied but there was a party or organisation other than two national governmental organisations involved. Some examples of the comments¹³ are as follows:

Examples of comments requesting an extension in the scope of SOLVIT

An EU telecoms company is the only national option for telephones lines and service, yet they are a private company. The complainant wasn't happy that SOLVIT was unable to challenge any complaints in the area of telecommunications.

A complainant mentioned that an association was in breach of EU Law. Yet as it was not a governmental body, the issue was out of scope for SOLVIT.

A Swiss General Practitioner wanted to be recognised under an EU Directive in a Member State but was denied by an authority. SOLVIT commented that supporting third country nationals was outside of their scope.

The view from SCs is that consolidation and strengthening of the current system, rather than a widening of the scope is preferable. This would include improved systems and coordination between the Commission and SOLVIT, improvement in the provision of informal legal advice, improved streamlining with EU web sites and tools (such as Product Contact Point) strengthening of SOLVIT centre staff, a clear definition of competencies between SOLVIT centres when handling cases and annual meetings with the Member States to jointly discuss how to improve the management of SOLVIT cases with national authorities.

However, an appropriately functioning and resourced SOLVIT could begin to look at aspects beyond its current scope. There is some demand for additional services and resolved cases would bring additional benefits to the Internal Market. In particular, non- governmental organisations or third country nationals or businesses that require redress should form a potential area for discussion.

¹³ The comments have been translated or edited.

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2.7 Relevance and potential growing demand for SOLVIT's services

The relevance of its services as well as the potential for growing demand is apparent. There is evidence (see below) to show that EU citizens are increasingly migrating to other European countries to seek new opportunities. In addition, the Internal Market has sustained and enabled growth in cross border business activities. These trends appear to be responsible for driving the increased demand for SOLVIT as indicated in the Annual Reports. Although it is difficult to gauge the exact scale of the market of those requiring SOLVIT's support, the abovementioned trends suggest that enhancing the capacity of SOLVIT would help to address gaps and improve the functioning of an increasingly dynamic Internal Market.

The opportunities presented by the Internal Market are increasingly being realised by EU citizens. For example, Eurostat data shows that many EU citizens are choosing to work and live in another EU Member State. Today, this equates to roughly 12.3 million people¹⁴. Looking at migration growth trends, the number of EU citizens migrating to another EU Member State is increasing by 10% per year¹⁵. In addition, 40% of all recorded migrants within the EU are EU citizens from another Member State.

These trends have resulted in a number of interesting outcomes. There are currently six Member States where the number of migrants from other Member States exceeds the number of third country nationals (Belgium, Cyprus, Hungary, Ireland, Luxembourg and Slovakia). In 2006, the largest migrant group were Polish and amounted to roughly 290,000. They mainly settled in Britain and Germany. The large populations of Britain, France, Germany and Italy have resulted in some 50,000 to 100,000 citizens from each of these countries migrating to another Member State. Nearly half of all British migrants have moved to Spain, while there are multiple countries of choice for the French, Germans and Italians.

At the same time, the Internal Market is sustaining the potential for European business activities. A recent study which reviewed the performance of the Internal Market looked at microeconomic cross border behaviour. It was found that, although cross border activities were slowing down, and that its potential had not been fully exploited, it was continuing to make significant contributions to overall European economic performance. For example, the internal market still accounts of over 50% of EU FDI and trade in services¹⁶. Similarly, although performance was becoming more questionable, the Internal Market was encouraging an increase in the share of cross border mergers and acquisitions from 34% to 42%¹⁷. It was also

¹⁴ Eurostat (2011) Statistics in focus 34/2011

¹⁵ Eurostat (2008) Statistics in focus 98/2008

¹⁶ Catalin Ploae (2010) The revitalisation of the EU's Single Market.

¹⁷ Ilzkovitz, F. (2007) Steps towards a deeper economic integration. The Internal Market in the 21st Century.

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noted in 2006 that from a sample of EU SME retailers, 29% were engaged in cross border sales¹⁸.

Moreover, recent comments have been made that although the Internal Market is an engine for growth, SME cross border activity is not as prominent as it could be. It was identified that part of this problem was attributable to poor enforcement of single market rules. Amongst the recommendations to resolve this issue, it was recognised that SOLVIT should be strengthened in order to help SMEs to quickly and effectively overcome market barriers. It was also recommended that through the evidence gathered by SOLVIT, the Commission should work more closely with Member States to target policy efforts towards resolving problem areas for SMEs.¹⁹

Whilst it is difficult to discern the exact size of the cross border dispute resolution market, the growing number of cases identified by the SOLVIT Annual Reports can be clearly accounted for by the growing or sustained propensity for cross border activity. It is inevitable that Member States will take time to adjust to their augmenting responsibilities towards the cross border choices of EU citizens and business, and would benefit from SOLVIT's support. Member States also need to do more to ensure that poor enforcement of EU market rules do not remain a barrier for cross border business activities. An enhanced version of SOLVIT can therefore play a critical role in this process.

2.8 Summary

The main findings of this section are:

- SOLVIT was established to deal with cross border Internal Market problems by addressing specific issues arising from the engagement of EU citizens and businesses with national authorities without recourse to legal proceedings.
- SOLVIT is well recognised across various Commission departments, and in certain DGs, SOLVIT is used effectively and is integrated into current practices. However, in others it is less used, either because the individual DG deals with the issues internally or officials may not be aware of where SOLVIT could be most effective.
- The systems for EU Pilot (and CHAP) are not directly linked up with SOLVIT. Further cooperation within the Commission and at national levels could encourage better filtering and efficient management of complaints, transferring cases and exchange of information.

¹⁸ Eurobarometer (2006) Business attitudes to cross border sales and consumer protection.

¹⁹ Department for Business Innovation and Skills (2011) UK Government Response: European Commission Consultation on the Single Market Act.

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- Your Europe Advice is providing a supporting role for SOLVIT in terms of signposting cases and providing legal advice to fill current gaps. Further exchange of information and knowledge on the progress of cases (such as access to the database) would help to reinforce the relationship.
- On the whole, SOLVIT offers a unique service amongst dispute resolution bodies. However, in some countries there is a degree of overlap on certain policy areas between SOLVIT and ombudsmen.
- The depth of stakeholder relations varies between SOLVIT and ombudsman, business organisations and consumer centres across the Network. Relations operate with stakeholders predominantly on the basis of transferring cases and are regarded as being mutually beneficial.
- The scope of SOLVIT is already rather broad as it deals with all cross border problems related to the misapplication of Internal Market rules by public authorities. SOLVIT therefore addresses a wide range of policy areas given its broad interpretation of the terms ‘cross border’ and Internal Market’. There is also a system of checks and balances that is built into the current scope as SOLVIT Centres (SCs) from two Member States need to jointly cooperate when resolving cases. . This being said, an extension of the scope could be taken forward to cover additional policy areas and issues. However at this stage given the current resources and demanding case load, it is currently not the right time to investigate this question further.
- The Internal Market is facilitating growth in migration for EU citizens as well as sustaining cross border business activity, which is likely to lead to greater demand for SOLVIT’s services. Enhancing the capacity of SOLVIT would therefore improve the functioning of an increasingly dynamic Internal Market.

Management of SOLVIT

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This section reviews the management of SOLVIT. It explains the composition of the SOLVIT Network as well as how SOLVIT Centres are positioned within Member States. It then goes on to explain and assess how and what types of resources are used to for each SOLVIT Centre and the meetings, training and reporting activities of the SOLVIT Network as a whole. Finally, the section examines how the SOLVIT database can be improved.

3.1 SOLVIT Centres

In response to the 2001 Commission Recommendation on principles for using SOLVIT²⁰, the Member States established (based on previous Internal Market Coordination Centres) SOLVIT Centres within the national administration. In total, there are currently 30 SOLVIT Centres which belong to the SOLVIT Network; this includes one within each of the 27 EU Member States and three within the EFTA / EEA countries (Iceland, Lichtenstein and Norway).

3.2 Positioning of the SOLVIT Centres

The Ministry in which the SOLVIT Centres are positioned varies across the Member States. In some cases, the location of the SC can change the emphasis given to attract particular cases which are of interest to its host Ministry. If the SOLVIT Centre is located within the Ministry of Economy/Business, then supporting business cases tended to be encouraged by the immediate hierarchy more so than non-business cases. The reverse is sometimes true if the SC is not located in the Ministry of Economy/Business. In addition, SCs that were located in relatively strong bodies such as Executive Offices mentioned that they commanded authority when resolving cases in cooperation with other parts of the administration.

Table 3.1 Positioning of SCs within national public administrations

| Member State | Ministry | N ^o |
|--|---|----------------|
| AT, CY, CZ, DE, DK, EE, EL, FI, IR, LT, LU, LV, MT, NL, PL, SE*,SL, UK | Ministry of Economy / Business / Commerce | 18 |
| BE, ES, HU, PT, | Ministry of Foreign Affairs | 4 |
| BG, FR, IT, SK | Executive Offices / Councils / Secretariats | 4 |
| RO | Ministry of European Affairs | 1 |

*Located in the agency responsible for trade

²⁰ European Commission (2001) Commission Recommendation – on principles for using ‘SOLVIT’ – the Internal Market Problem Solving Network.

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3.3 Staff resources in relation to caseload

The 2001 Commission Recommendation makes clear that Member States should ensure that adequate human and financial resources are available so that SOLVIT can deal with its caseload and provide a high quality service to users. With this in mind, the level of resources provided by each Member State to appropriately address their caseload varies across the Network. According to the 2010 Annual SOLVIT Report, the level of staffing in relation to caseload is adequate within 14 Member States and inadequate within 13 Member States (it should be noted that this calculation is based on the current caseload and not on the potential increase in caseload if more resources were to be dedicated to promotion). In addition, two of the countries which have been earmarked as having adequate staffing, have mentioned during the interviews that they are stretched and would like more resources dedicated to SOLVIT.

Table 3.2 Staffing levels in SOLVIT centres from 1.11.2009 to 31.10.2010

| Adequate Staffing Resources | Inadequate Staffing Resources |
|-----------------------------|-------------------------------|
| Austria | Belgium |
| Bulgaria | Cyprus |
| Czech Republic | Denmark |
| Estonia | Finland |
| Italy | France |
| Lithuania | Germany ²² |
| Malta | Greece |
| Poland | Hungary |
| Portugal | Ireland |
| Romania | Latvia |
| Slovakia | Luxembourg |
| Slovenia ²¹ | Netherlands |
| Sweden | Spain |
| United Kingdom | |

The picture that emerges is that the link between caseload (which appears to be increasing) and staffing seems to be missing across a large proportion of countries. This ultimately raises the point that if SOLVIT is expected to improve its quality of service delivery and respond to an increasing caseload then the issue of the current limited resources should be addressed²³.

²¹ Staffing has been adequate since 1st September 2010.

²² Germany does not provide official data on staffing. However, the database names one contact person, who is assisted by one or more trainees most of the year. The same person also has responsibilities other than SOLVIT. Taking into account the high case-load and the further potential in Germany, this staffing cannot be considered adequate.

²³ An analysis of the relationship between staffing levels and SC management performance is outlined in Chapter 6.

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3.4 Meetings and Training

Each year, two or three SOLVIT Workshops are attended by representatives from each SC and from the Commission team (to date 27 SOLVIT workshops have been organised). They offer an opportunity for the various SOLVIT centres for training, to exchange information on key problems and legal areas, to discuss the future of the network and to comment on potential common approaches.

During 2010, three workshops were held (two hosted by the European Commission and one by SOLVIT Belgium, under the Belgium Presidency). Overall, the workshops have been regarded as a necessary and positive element of the Commission's support to the SOLVIT Network and have also provided opportunities to build relations with other networks such as YEA and Ombudsman. The meetings provide opportunities to develop informal contacts and build relations between SCs which is a critical element for the functioning of the network.

The Commission has initiated in 2009 'newcomers' staff training events which again have been welcomed by SCs. Some requests have come through to develop further the level of training in difficult fields such as the coordination of social security, recognition of professional qualifications, taxes etc.

The meetings and trainings are critical elements for supporting the development of the Network and should be further enhanced.

3.5 Reporting

The Commission produces an Annual Report which provides an assessment on the performance of the SOLVIT Network. The Report outlines the operation of SOLVIT as whole as well as issues pertaining to particular countries.

The SCs and stakeholders have regarded the Annual Report as a useful overview tool to provide insights into the general performance of the Network. But interviews suggested that the report could be developed further. In particular, more layers of analysis could be developed about the exact circumstances of particular cases, the methods used to resolve particular cases, their outcomes and identifiable bottlenecks. Much of the necessary information is already stored in the database. Furthermore, to better target businesses, the Annual Report could be supplemented by a booklet which concentrates on business case performance only.

As an example of good practice, SOLVIT Belgium in 2010 produced its own Annual Report which was used for the purpose of promotion amongst national authorities and stakeholders.

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3.6 Database

The SOLVIT Database currently enables SCs to register cases under certain categories and provide a description of the circumstances relating to each case. In the near future, the database will be upgraded which has been welcomed by SCs given the perception that it has reached its technical limits and its capacity needs to be increased.

A number of suggestions have therefore emerged on how to improve the database which should accordingly be taken into account:

- An option to export data in order to make use of it within project management software;
- The development or utilisation of statistical tools could help to provide greater analysis of the database for the identification of bottlenecks; functioning of the internal market and for policy development purposes;
- Detailed selection criteria to link cases to particular types of problems and circumstances;
- Appropriate follow-up alerts at appropriate stages of the case which need to be answered;
- If unresolved, updates to show on-going efforts which have been made to follow up the case;
- A more user friendly system which is clear for users, straight forward to operate and is fit for purpose;
- A search function to identify which SOLVIT case handler is responsible for each case;
- A notification email to the SOLVIT case handler (rather than the SOLVIT Centre's general email) after a solution has been accepted and adopted by the authority;
- The process for submitting the application forms for informal legal advice from the EC experts needs to be improved as some SCs have accidentally sent the same request several times;
- It should be made easier to search for cases registered by other SCs;
- Information to request citizens to provide appropriate information and documents should be added to the online form;
- There should be links between the SOLVIT and EU Pilot Database;
- Clearer guidance should be issued to reduce the number of submitted online forms which do not fall within the scope of SOLVIT.

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3.7 Summary

The main findings of this section are:

- SCs are located in different parts of the public administration depending on the Member State. In certain countries, this offers the SC a degree of authority when engaging with national authorities. In addition, Ministries of Economy / Business tend to be more openly supportive towards SCs if they concentrate on generating business cases.
- Over half of the SCs are understaffed in relation to their current caseload. The issues of limited resources will need to be taken into account if SCs are expected to take on more cases and perform more tasks.
- Meetings and training organised by the Commission have been warmly received and are perceived as a key element of the functioning of the Network. These should be enhanced to help strengthen the capacity of the Network.
- The Annual Report is a useful tool to assess the evolution of SOLVIT. However, it could have greater impact if steps were taken to develop further layers of analysis.
- There are plans to upgrade the database in the near future. The views of SCs are taken into account in order to ensure that the upgrade satisfies the needs of its principal users.

Operation of SOLVIT

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This section reviews the operation of SOLVIT, how cases are handled and dealt with by SOLVIT Centres and how they cooperate with national administration. The important issue of legal expertise and advice is discussed. The sources of SOLVIT cases are assessed along with promotional activities and business cases. Finally, the views of users are analysed through an assessment of the user survey.

4.1 Case handling

When handling cases as Home Centre, for the most part the SOLVIT Network provided methodical responses to describe how they managed their incoming workload. Although of course each SC expressed their approach in different terms, overall the SOLVIT Network articulated a conscientious method of placing their individual cases within a structured management system which included liaising with the Lead Centre (and vice versa).

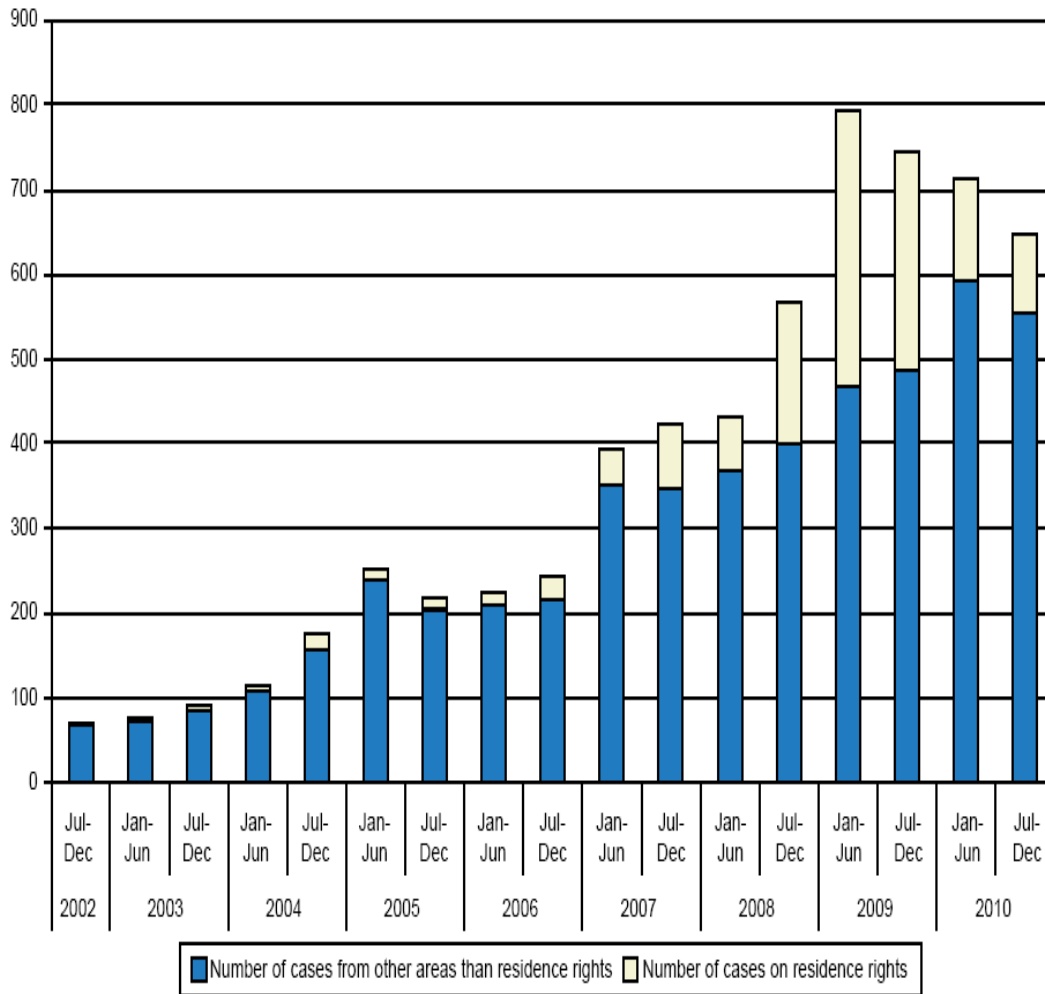
After the submission of an individual case by citizens or businesses, the SCs assess the information provided which is then followed up by further question and examination. It has been noted that if citizens or businesses do choose to complete the online form then they often require further support to complete it fully as there are normally information gaps. A minority of comments have been made that currently the online system is not a time saving mechanism for this reason, and requires further detail to encourage users to be more forthcoming with the provision of information or documentary evidence.

For the most part, Solvit Centres are noting a steady increase in the number of SOLVIT cases. A number of SCs believe that this is attributable to improved citizen internet searches and better streamlining between networks (this includes Your Europe, Your Europe Advice, the Products Contact Point and the Service Directive Points of Single Contact etc).

Graph 4.1 Case flow 2002 to 2010: Cases within SOLVIT's remit opened in the given period (figures are based on full year periods January to December)

Operation of SOLVIT

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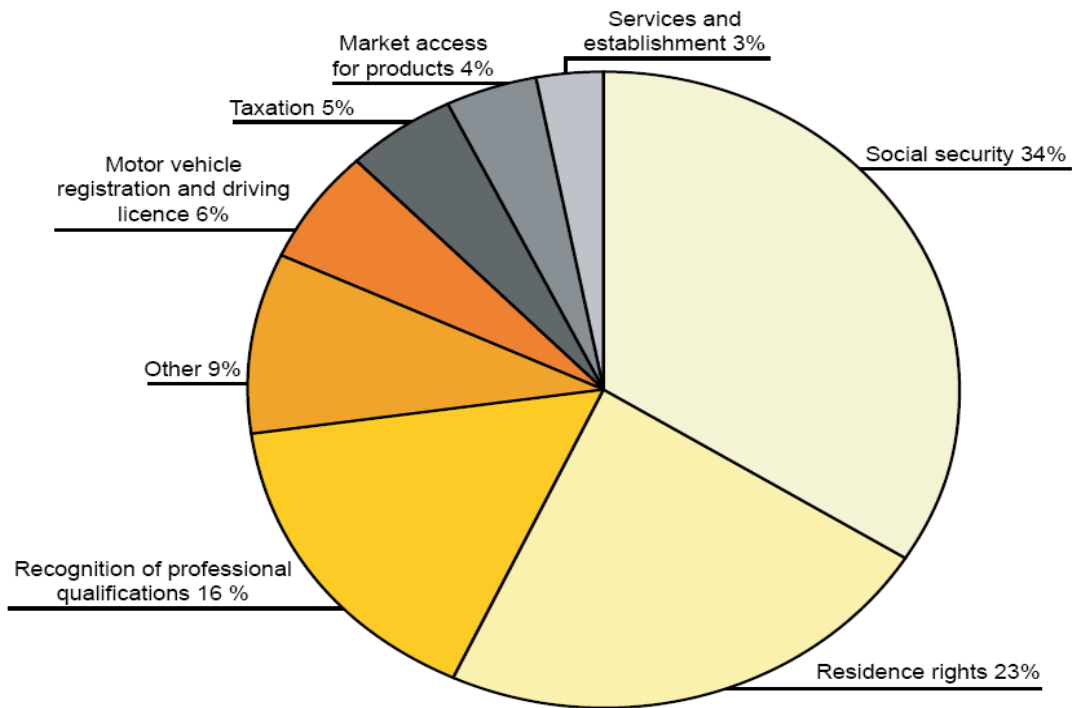
*The residence rights cases refer to a particular bottleneck which has now been resolved.

The types of cases which SCs are dealing with are outlined in the diagram below. Social security cases make up the largest proportion at 34% of the caseload (which have a 95% resolution rate), whilst residence rights cases are the second largest at 23% (and have a 91% resolution rate). Business cases are less prominent and tend to be covered under the areas of services and establishment (3%), market access to products (4%) and taxation (5%).

Pie Chart 4.1 Cases handled by problem area 2010

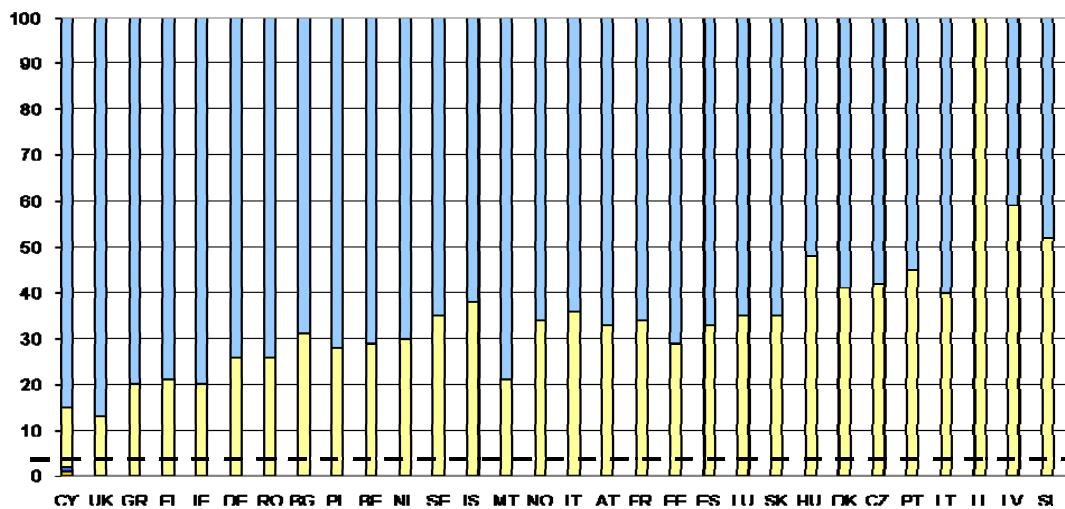
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After assessment of the submitted case, the SCs determine whether the case falls within the SOLVIT remit or not. If not, which tends to be the case, the citizen is provided with a signposting service to the appropriate dispute resolution body or service. The below graph shows the scale of the issue relating to the share of non-solvit cases by country which the SCs have to deal with as part of the work.

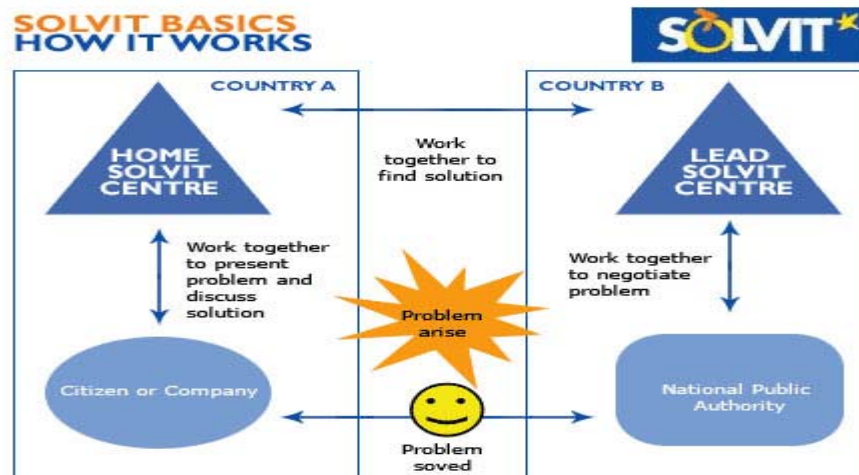
Graph 4.2 the share of 2010 cases received which have been determined as within the competence of SOLVIT (yellow) or outside (blue)



Operation of SOLVIT

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If the case does fall within the scope of SOLVIT, a more detailed examination of the case takes place to examine the legal basis (i.e. the violation of the transposed EU legislation into national law). After translation of the case into English, the quality of which has been questioned by some, dialogue then take place between the Home and Lead centres, with the Lead Centre conducting their own legal assessment, to formulate initial views and to determine a route forward.



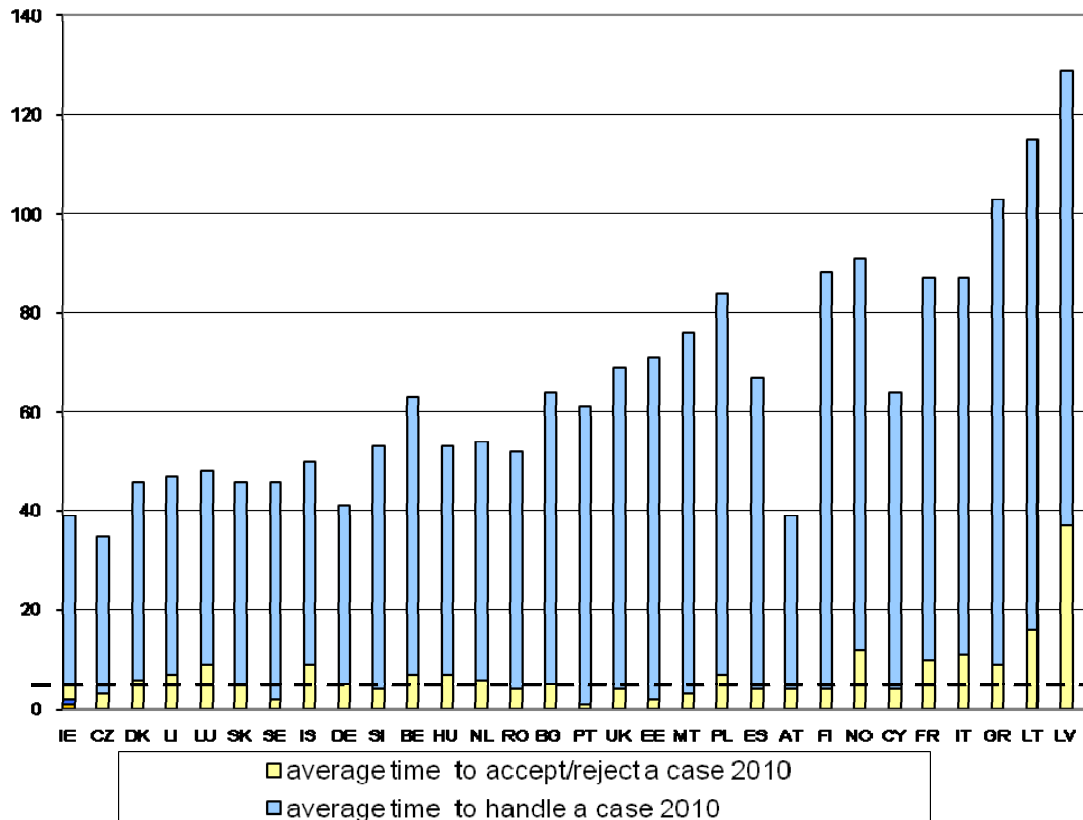
The 2010 Annual SOLVIT Report indicates that resolution rate within the SOLVIT Network increased to 91% (from 86% in 2009). Therefore the overwhelming majority of cases were supplied with a response with regard to their request for support. In addition, during the same year most cases were handled within the 10 week deadline that SOLVIT sets for itself (the average time was 66 days). It's therefore apparent that based on the overall performance of SOLVIT in 2010, the Network as a whole is operating effectively and efficiently.

The below graph shows the average number of days taken by country to accept or reject a case and the number of days to then handle the accepted case. The diagram shows that the countries from Ireland to UK (17 countries) appear to be able to manage their caseload within the 70 days or less. However, the countries from Estonia to Latvia (13 countries) appear to have average caseload handling time above the 70 day deadline.

Graph 4.3 the average number of days taken to accept / reject a case and the number of days to handle a case by country (2010).

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Generally speaking, the interviews pointed out that SCs successfully cooperate with one another to resolve cases. After discussions between Lead and Home Centres, case resolution normally hinges upon the Lead Centre informally engaging and discussing the violation with the authorities in question in order to reach an appropriate solution.

Yet although the level of cooperation between SCs is generally perceived to be good, one of the key problems mentioned by the SCs is that for certain types of cases, or when cooperating with certain SCs, more difficulties are encountered which inhibit the emergence a mutually agreeable outcome. This may be as a result of diverging legal interpretations, or it may also reflect different views of national SCs. As pointed out by YEA, it may sometimes be the case that SCs are following the national government’s perception towards an area of EU law rather than taking a strictly objective position.

In such instances, cooperation between SCs is less fruitful and it has been raised during the interviews as an area which requires further discussion amongst the SOLVIT Network. The outcome of this may be the development of more stringent guidelines to help resolve disagreements or stronger Commission interventions to resolve problems as required.

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In some circumstances, cases for which no solution has been determined are registered as unresolved. Often SCs did not keep track of these cases or knew who exactly was responsible for their follow up for additional support. It therefore needs to be reaffirmed that it is the role of the SC to signpost the unresolved complaint (for example to submit a formal complaint to the Commission or to start national judicial proceedings etc) and it would be wise to implement a tracking procedure for unresolved cases.

4.2 Cooperation with National Authorities

The success of resolving SOLVIT cases hinges upon cooperation and building relations with national authorities. To assess this important aspect, the SCs were asked a range of questions to determine the strength of their links with national administrations.

For the most part, SCs were confident in explaining how they have established and maintained contacts with various governmental bodies with whom they engage on an ad hoc or regular basis. SCs were generally satisfied with their relations with national authorities, and were keen to further develop these. They also mentioned that the national authorities tended to take the same view.

In terms of organising cooperation with national bodies, each country presented slightly varying pictures but these can be generally expressed by two types of formations. Examples are provided from Belgium and Romania below.

| Types of SC formations for engaging with National Administration | |
|--|--|
| BELGIUM | |
| <ul style="list-style-type: none"> • Cases are presented to Ministerial experts known as Eurocoordinators who have the responsibility for overseeing, transposing and implementing EU legislation into Belgian law; • There is a Eurocoordinator within each Federal Public Service; • The Solvit Centre requests legal advice from the Eurocoordinators as the SC does not have in house legal experts; • SOLVIT Belgium has placed great emphasis on working closely with Eurocoordinators in order to respect deadlines and to produce sound legal advice; • Bi-monthly meetings take place to discuss case progress | |
| ROMANIA | |
| <ul style="list-style-type: none"> • SOLVIT has deep relations with national authorities which have been formed over a long period of time. • Rather than having fixed contact points, the Romanian SC contacts specific persons within Ministries that will jointly cooperate to resolve the case. The selection of the relevant official depends on the nature of the case and based on previous experiences. | |

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- Organisation of frequent meetings are therefore not formally arranged but rather engagement is made with varying individuals as issues arise.
- Given that the Romanian SC has in-house lawyers, often external expertise from national authorities is often not called upon.

One of the key strengths of SOLVIT cooperation with national bodies is that it operates on the basis of informally finding solutions when addressing the incorrect application of EU law by national authorities. This provides a number of advantages over and above formal redress procedures:

- Informal contacts are maintained by emails, telephone, unofficial meetings, and often hinge around long-term relationships;
- SOLVIT is perceived as efficient in terms of the time taken to resolve cases and that issues can be dealt with at an early stage of their occurrence;
- SOLVIT is perceived by stakeholders as being pragmatic and approachable;
- Outcomes can be achieved at overall lower costs compared to formal legal routes. This includes the costs for the provision of informal legal advice and the costs for the national administration concerned;
- SOLVIT is also effective at building strategic relations with national bodies in order to enhance their understanding of EU Law who without engaging with SOLVIT would be none the wiser;
- On the whole SOLVIT is perceived as having the necessary authority to successfully perform its tasks and normally national bodies are openly receptive to collaborating with SOLVIT.

Conversely, a key stumbling block, as pointed out in the interviews with the SOLVIT Network, is that in a minority of cases it lacks authority when dealing with national authorities. In fact, SOLVIT may even lack authority when the SC strongly believes that the national authority is clearly misapplying EU Law. This can occur if:

- The informal legal advice provided is insufficient to convince the Ministry to change its current practices.
- The Ministry / body concerned may cooperate with SOLVIT on certain issues but on other types of issues the informal legal advice is not accepted;
- The Ministry / body concerned as a matter of principle does not accept the informal legal advice provided by SOLVIT in any policy area or type of case;

This outcome may occur because the informal legal advice formulated by SCs or EU officials can be discounted by government bodies in the knowledge that further

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interventions cannot be enacted by SOLVIT. This point has been previously documented by SCs as the key bottleneck of the Network²⁴.

Consequently, a number of requests from SCs have emerged to enhance the level of SOLVIT's authority. Some SCs have suggested strengthening SOLVIT's legal position when dealing with national authorities. Others have suggested formalising the legal advice provided by EU officials.

At the same time, the importance of retaining the informality of the Network has also been emphasised by several SCs. This is to ensure that SOLVIT retains its key advantages over and above formalised routes.

The evaluators recommend that the informal standing of SOLVIT as well as the informal advice provided by the EU should be retained. It is acknowledged that this does not directly address SOLVIT's main weakness. However, trying to alter its current legal positioning within Member States and at the same time using extensively EU resources to produce formalised legal positions would only serve to dilute its unique position and key strength.

Rather, the current SOLVIT system and resources need to be reinforced along with better linking with EU Pilot at EU and national levels particular for filtering and escalating (potentially) unresolved cases.

In terms of the interviews with national authorities that cooperate with SOLVIT, they have confirmed that relations are satisfactory and that SOLVIT is in the main regarded as a useful tool to resolve cross border issues. This is in terms of settling cases and changing administrative practices. It has also been mentioned that jointly developing solutions through informal means has certain advantages over formal routes and can positively assist in improving the performance and obligations of the authority.

4.2.1 Feedback from national Authorities

A number of points have been raised directly by national authorities as areas of concern or interest for the evaluation:

- There is a lack of coordination between SOLVIT and EU Pilot;
- Citizens need to be aware that not all cases will lead to a positive outcome (this should be better communicated);

²⁴ See the 2010 Annual Report and the Belgium presidency survey of the SOLVIT Network.

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- The level of public awareness by citizens is relatively low;
- Ministries feel that they are spending more time on an increasing number of cases (which is problematic for some);
- The volume of the EU legislation is increasing which takes time to adjust to;
- In certain cases, some SCs could be more efficient;
- Meeting the SOLVIT deadlines can prove to be difficult and there is sometimes an issue of solving cases within a reasonable timeframe;
- There are sometimes issues with the information provided by SCs and further information subsequently needs to be collected from the citizen (one authority mentioned that a standardised method to present the case information may help);
- The extent of SOLVIT's authority varies amongst national bodies.

As requested by the evaluators, a national administration survey was sent out by a majority of the SCs. 53 responses were received in total from national bodies located in 15 different Member States. The responding authorities consist of a broad range of governmental bodies that have cooperated with SOLVIT.

Table 4.1 - Functions of Ministries responding to the survey

What are the main functions of your Ministry/Department?

| Main function | Nº | % |
|---------------------------------------|----|-------|
| Agriculture / Fisheries / Food | 1 | 1.9 |
| Business / Industry | 2 | 3.8 |
| Education / Youth / Culture | 6 | 11.3 |
| Employment / Social Affairs /Pensions | 11 | 20.8 |
| Energy / Natural Resources | 0 | 0.0 |
| Environment | 0 | 0.0 |
| Finance / Tax | 6 | 11.3 |
| Foreign Affairs | 1 | 1.9 |
| Health/ Consumer | 4 | 7.5 |
| Home Affairs | 3 | 5.7 |
| Justice / Citizens' Rights | 0 | 0.0 |
| Regional Development | 0 | 0.0 |
| Science / Technology | 1 | 1.9 |
| Transport | 8 | 15.1 |
| Other | 10 | 18.9 |
| Total | 53 | 100.0 |

Source: National Administration Survey

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The most common respondents dealt with employment, education, finance and transport. We also asked Ministries to indicate the types of cases which were more difficult to resolve.

Table 4.2 – Types of cases which are difficult to resolve

‘Which type of cases are difficult to resolve?’

| Options | Nº | % |
|---|----|------|
| Recognition of professional qualification | 11 | 20.8 |
| Access to education | 1 | 1.9 |
| Residence permit | 2 | 3.8 |
| Voting rights | 0 | 0.0 |
| Social security | 9 | 17.0 |
| Employment rights | 4 | 7.5 |
| Driving licences | 0 | 0.0 |
| Motor vehicle registration | 9 | 17.0 |
| Border control | 1 | 1.9 |
| Visa issues | 2 | 3.8 |
| Market access for products | 5 | 9.4 |
| Market access for services | 3 | 5.7 |
| Establishment as self-employed | 2 | 3.8 |
| Public procurement | 1 | 1.9 |
| Taxation | 3 | 5.7 |
| Free movement of capital/payments | 0 | 0.0 |
| Other | 4 | 7.5 |

Source: National Administration Survey

Here the types of cases which are noted as being difficult to resolve relate to issues that the Ministries who responded to the survey would be expected to deal with. This includes motor vehicle registration, social security and recognition of professional qualifications.

The survey also asked Ministries for their opinions on their perceptions of the effectiveness of SOLVIT. A total of 67.9% said that SOLVIT was very effective or quite effective. In only one case did a Ministry consider SOLVIT ineffective. When asked a similar question about the collaboration with the network, a generally positive response was also provided.

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Table 4.3 – Collaboration with the SOLVIT network

‘How would you rate your collaboration with the SOLVIT Network?’)

| Options | Nº | % |
|-----------------------------|----|-------|
| Very effective | 13 | 24.5 |
| Quite effective | 23 | 43.4 |
| Neutral | 5 | 9.4 |
| Not very effective | 0 | 0.0 |
| Not effective at all | 1 | 1.9 |
| Not applicable/ no response | 11 | 20.8 |
| Total | 53 | 100.0 |

Source: National Administration Survey

In summary, the vast majority of Ministries that have cooperated with SOLVIT, overall see it as a sound collaborator and an effective body.

Going beyond the national administration survey, a recent study²⁵ has interviewed a sample of locally elected representatives and executive staff of local national authorities which included discussions on SOLVIT.

From the selected sample, only a minority knew of SOLVIT and fewer still were able to explain how SOLVIT works in practice. Some of those who were less informed about the Network offered some speculative negative views relating to whether such an organisation could be effective and if the benefits could actually be realised.

On the contrary, those who had some experience of cooperation with SOLVIT only provided positive perceptions and saw it as a useful means to ensure that administrative practices were in line with EU Law.

The same study also shed light on how to make SOLVIT more effective. This included a number of comments regarding general advertising and promotion, and one respondent thought that the Bulgarian example of advertising SOLVIT through social networking sites was useful. In addition, better analysis of the SOLVIT cases was mentioned to prevent repeat cases, improving the quality of the informal legal responses and providing enough resources in the SCs to deal with an increasing workload.

²⁵ Eurobarometer (2011) Local authorities and the governance of the Single Market.

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4.3 Legal Expertise

The ability of SCs to have access to legal expertise and provide rigorous informal legal advice is instrumental for appropriately supporting the successful resolution of cases. However, all SCs in one way or another have referred to this as a problematic issue and an area which requires further examination and development.

One aspect of this is that the profiles and skill sets of SC staff vary. This results in SCs being staffed with different types of professionals. Currently, 9 SCs are staffed by a team of lawyers, 8 SCs by a combination of lawyers and non-legal professionals and 10 SCs by non-legal professionals only.

Table 4.4 Educational Profiles of SCs

| Lawyers | Lawyers and Non-Legal Professionals | Non-Legal Professionals |
|----------------|-------------------------------------|-------------------------|
| Czech Republic | Austria | Belgium |
| Denmark | Bulgaria | Cyprus |
| France | Greece | Estonia |
| Germany | Hungary | Finland |
| Latvia | Lithuania | Ireland |
| Netherlands | Poland | Italy |
| Romania | Slovenia | Luxembourg |
| Slovakia | Spain | Malta |
| Sweden | | Portugal |
| | | United Kingdom |

Some of the interview feedback from SOLVIT lawyers has suggested that on occasions the legal analysis provided by SCs that did not have access to in-house lawyers was below the desired standard. They also mentioned that these SCs were not as adept or independent when engaging with national administrations when they take on the role of Lead Centre.

At the same time, some SCs which are managed by non-lawyers have described how they access expertise from various Ministries or elsewhere and have made significant efforts to address such technical gaps (or were proficient officials in their own right).

Despite this, relying on national authority networks had created issues such as the length of time required to receive information in order to meet tight deadlines. In addition, a number of SCs have mentioned that the complexity of cases is increasing or possibly increasing variation in the types of cases which may be the result of new EU legislation.

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To help fill current gaps relating to knowledge of EU legislation, YEA currently provides informal legal advice to SCs when they are resolving SOLVIT cases. For the most part, the SCs without in-house legal expertise contact YEA. Occasionally, SCs with in-house lawyers request similar support. However, YEA support has also been useful when disagreements between Home and Lead SCs have occurred and an external opinion is perceived as useful to help resolve a particular issue.

Table 4.5 – SCs that access support from YEA

| Member State | Reason for contacting YEA | N ^o |
|----------------------------|---|----------------|
| BE, CY, IR, IT, MT, EE, LU | The SC does not have in-house lawyers expertise and requires frequent or occasional support | 7 |
| FR, CZ, DK, | The SC has in-house lawyers but requires support on an occasional basis | 3 |
| CZ, DK, FR, LV, PL, RO, SL | Resolving legal disagreements between Home and Lead centres in relation to difficult cases | 7 |

The SCs have appreciated the support they have received from YEA. Overall, YEA has the impression that SOLVIT is performing well. Yet YEA is cautious about providing an exact answer as they don't have complete access to information regarding the outcome of SOLVIT cases. They have also tentatively noted that the performance of individual SCs varies depending on the availability of resources and staff attributes etc.

It appears that an area to be addressed is access to sound in-house legal advice. This should be made available as SCs need to be able to act independently and express in legal terms why a particular authority is not aligning itself correctly with EU Law. Improving the quality informal in-house legal advice will also strengthen level of the SCs authority and enhance service delivery.

The evaluators have therefore concluded that the future staff that join the Network should be qualified legal professionals²⁶.

Furthermore, for certain types of cases, the SCs will contact Commission officials for support²⁷ particularly regarding complex issues. The SCs often appreciated such support but noted two key issues:

²⁶ An analysis of the relationship between education profiles and SC management performance is outlined in Chapter 6

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- The informal legal advice sometimes misses the 10 week SOLVIT deadline and a number of examples were provided that advice was provided months after the initial request²⁸;
- Occasionally the informal legal advice does not specifically address the issues surrounding a case. It is therefore said to be 'generic' or 'abstract' and can be easily ignored or is open to interpretation by national authorities and the Lead SC. The outcome being disagreement between Home and Lead SCs and an increased likelihood of an unresolved case.

If an outcome like the above mentioned occurs, it may indicate that the case was too complex to handle for an informal dispute resolution system supported by the informal legal advice from a Commission official. More than likely, it could have been better handled directly by the Commission or EU Pilot.

The below graph shows the share of requests for informal legal advice from SCs that have been accepted by Commission officials and those that have not been accepted. The requests may not be accepted if the area of EU law is disputed or highly contentious and the Commission official considers that providing informal legal advice is not appropriate. For 2009 and 2010, 5-6% of the requests for informal legal advice have not been accepted.

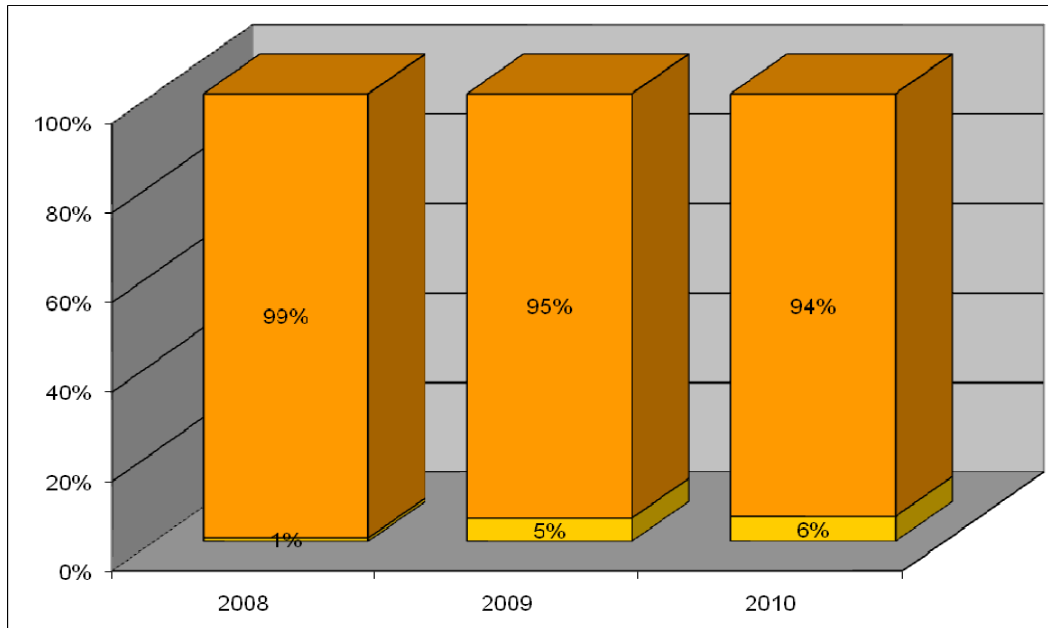
Graph 4.4 – The share of requests for informal legal advice from Commission officials that have been accepted (orange) and those not accepted (yellow)

²⁷ This is provided voluntary and reflects the informal legal opinion of the EU official and the NOT the Commission

²⁸ 72 requests for advice were addressed to the Commission experts in 2010. The average time to provide advice was 26 days (22 requests took less than 2 week, and 4 requests more than 2 months).

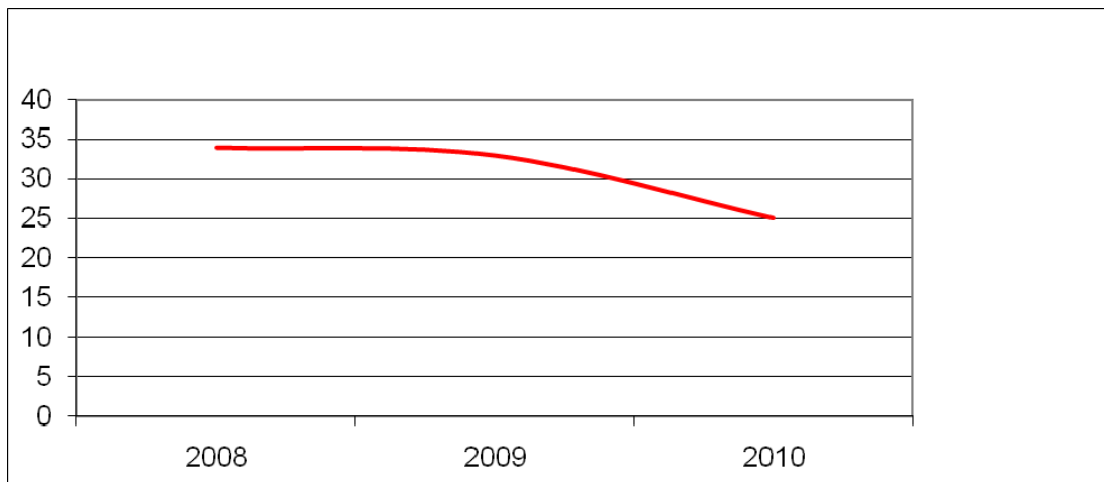
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When looking at the average time taken for Commission officials to provide informal legal advice, it's clear that they have become more efficient. The below graph shows that the average number of days has decreased from 34 in 2008 to 25 in 2010.

Graph 4.5 – The average time (number of days) for Commission officials to provide SCs with informal legal advice (2008 to September 2011)



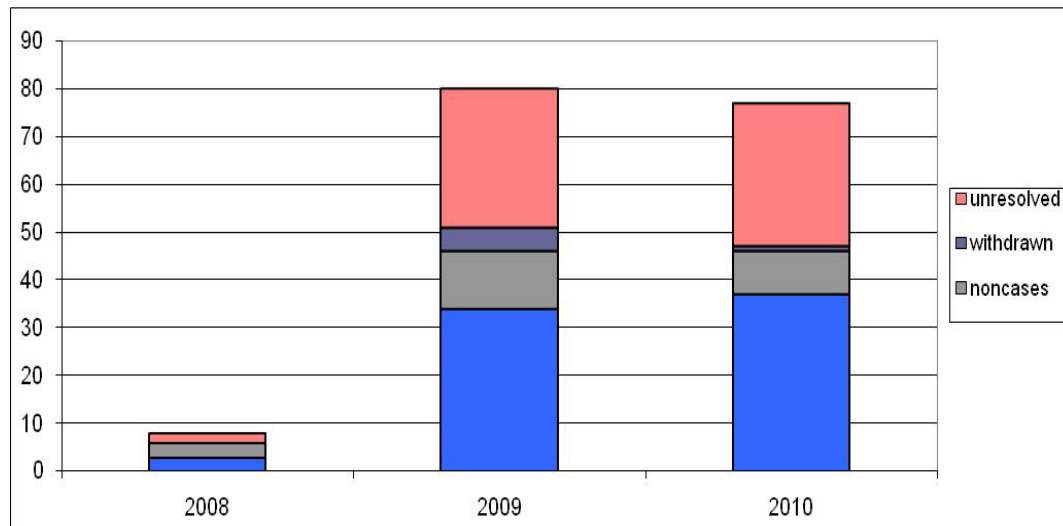
The below graph shows the results of cases that were provided with informal legal advice from Commission officials. When looking at the share of unresolved cases, which is higher than the overall average for SOLVIT cases, it's important to keep in mind that often these normally deal with difficult or disputed issues. Often, the Home and Lead SCs have disagreed with one another's legal interpretation of the case and they have turned to the Commission official for an additional opinion or

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support. However, there's no guarantee that this will resolve the disagreement and in such instances there continues to be a higher chance of these cases to emerge as unresolved.

Graph 4.6 – The number of cases that were provided with informal legal advice and their outcome (2008 to 2010)



The interviewed Commission officials also provided comments on their engagement with SCs when providing informal legal advice. This mainly relates to requests for SCs to improve the presentation and analysis of their cases and on the complexities of EU Law which sometimes makes analysis of cases difficult:

- Sometimes, the SC case assessment is not presented in a detailed enough way to provide a clean-cut piece of informal legal advice;
- SCs should therefore coordinate more closely with officials and be prepared to provide additional information such as advice on national legislation;
- The quality of the legal analysis provided by SCs varies across the Network;
- EU law is increasingly enabling Member States to have broader interpretations of how to implement legislation which adds complexities when providing informal legal advice.

4.4 Sources of SOLVIT cases and awareness raising

The interviews with SOLVIT Centres have indicated that the SOLVIT cases are generated through two key sources. Notably, the majority of SCs mentioned that internet searches by citizens are generating a strong case load. Furthermore, although no exact order could be discerned, cases are also generated through

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signposting by other partner networks (Your Europe Advice and to a lesser extent European Consumer Centre Network, ombudsman, chambers of commerce,) or government authorities or word of mouth particular among migrant or professional communities.

The information gathered by the user survey reflects these impressions. When asked the question 'how did you find out about the SOLVIT Network' roughly 50% indicated that they used internet searches and roughly 40% came to SOLVIT through other Networks. Interestingly, only 4.3% said that press or media sources enabled them to locate SOLVIT.

Table 4.6 – Source of SOLVIT queries (User Survey Question 1 'How did you find about the SOLVIT Network?')

| Options | Nº | % |
|---|-----|------|
| The press / media | 78 | 4.3 |
| Internet search | 926 | 50.5 |
| Recommendation from friends or family | 222 | 12.1 |
| Recommendation from business contacts/ colleagues | 89 | 4.9 |
| A business or personal adviser (eg. lawyer, accountant, tax adviser, etc...) | 44 | 2.4 |
| Through a local/national authority | 181 | 9.9 |
| Through another assistance service/network (eg. Enterprise Europe Network, European Consumer Centres, Your Europe, , national Ombudsman) | 200 | 10.9 |
| Other | 184 | 10.0 |

Source: User Survey

When asked the question 'were you aware of SOLVIT before your problem arose' 83% of users said that they were NOT aware. These two sets of answers appear to suggest that a clear majority of users were able to identify the appropriate dispute resolution mechanism or find support to do so in order to address their problems as they arose (a total of 80.2% of survey responses indicated that it was either quite or very easy to get in contact with SOLVIT).

A combined total of 66.1% of responses to the survey responding to a question on the level of publicity thought that SOLVIT was not well publicised. Yet, the survey shows that media or press sources brings in a low number of cases and is also an expensive option. Caution should therefore be adopted if this route is considered for promoting SOLVIT in the future. Rather, targeting networks or generating Internet traffic should be focused upon.

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With regard to future strengthening of internet traffic, the strategy should put significant efforts on directing those requiring relevant services to SOLVIT. Although the user survey has indicated that many have been able to find SOLVIT through the internet, numerous comments have been made that this is not the case for other potential users. The focus therefore should be on targeting the areas where it is expected that users would undertake initial searches as their problems arose. Obvious starting points would be to strengthen and streamline Commission, national authority and stakeholder websites.

Varies types of public awareness activities such as information campaigns and cooperation with government and other stakeholders were frequently mentioned during the SC interviews. Examples include:

- The Danish SC had noted that the level of citizen awareness had begun to improve as a result of general media efforts as well as presenting SOLVIT at partner events or conferences;
- The SC in France is in the process of developing a national communication plan targeting specific entities such as newly arrived foreigners or bodies representing French citizens abroad;
- The SC in Romania had delivered promotional work through radio and TV, had developed relationships with a number of key national and European bodies and had positioned the SOLVIT link on the Ministry website.

The SCs noted that awareness raising had been noted as being useful for building relationships with certain groups and for bringing in a steady workload.

However, many SCs have noted that obstacles persisted in conducting promotional activities to the extent that they would significantly increase the current caseload. The main reason for this is that SCs are constrained by the level of national funding as well as the time available to carry out appropriate planning and implementation of promotional activities²⁹. Moreover, it can be noted that SCs varied with regard to the stage and depth of development of their promotional activities with some SCs running a myriad of activities and others less so.

However, it needs to be taken into account that signposting of non-SOLVIT cases is an issue. Just over 30% of SCs noted that dealing with too many non-SOLVIT cases as being one of the main bottlenecks given the amount of time spent on this activity³⁰. With this in mind, measures should be taken to help to reduce the number of non-SOLVIT cases from escalating as a result of future promotional activities.

²⁹ It is useful to note that one SC (Italy) has a member of staff dedicated full time to promotional activities

³⁰ See 2010 Annual Report.

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Building relationships with stakeholders and strengthening the direction of Internet traffic therefore appear as the best options.

Overall stakeholders believe that the SOLVIT literature is clear and informative. A number of comments were made including by business organisations that the SOLVIT case studies and illustrations work well in terms of demonstrating the usefulness and operation of SOLVIT. However, YEA had mentioned that a number of citizens thought that the message from the SOLVIT literature may have raised expectations on what SOLVIT can actually deliver.

As an interesting case, SOLVIT Italy is currently supporting a pilot project named 'SOLVIT in the Commune' in cooperation with the National Association of Italian Municipalities and High Level School of Local Public Administration. The aim is to raise public awareness at a local level across the country and also seeks to avoid the opening of further formal infringement proceedings against Italy. Moreover, the project aims to establish a supportive territorial network to assist the daily work of the SC.

4.5 Business Cases

Attracting business cases remains a key priority for the SOLVIT Network, as the number of business cases have remained relatively stable and low in comparison to the increasing number of citizen cases³¹.

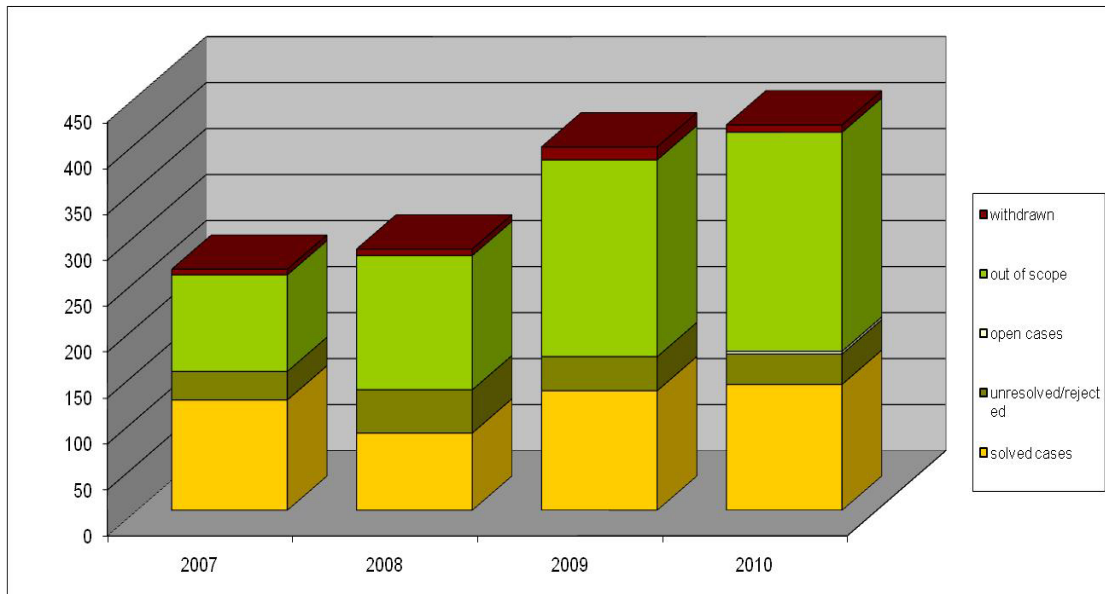
The below graph shows the number of businesses requesting support from SOLVIT (2007-2010) which is broken down by categories e.g. solved cases, withdrawn etc. It is interesting to note that there is a large proportion of business cases that are currently considered as being out of scope of SOLVIT's current remit.

Graph 4.7 – Number of business requesting support from SOLVIT 2007 to 2010

³¹ 167 business cases were recorded in 2010 out of a total number of 1363 cases.

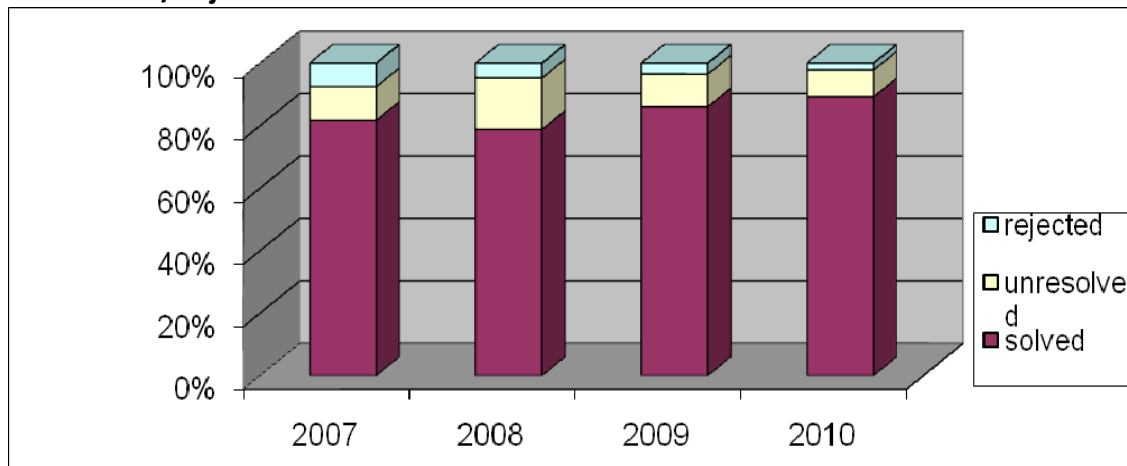
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From the business cases that were selected as being within SOLVIT’s scope, the overwhelming majority resulted in an appropriate answer being provided to the firm. This proves the valuable services which SOLVIT can offer to the European business community.

Graph 4.8 – Percentage of business cases 2007 to 2010 that were solved / unresolved / rejected

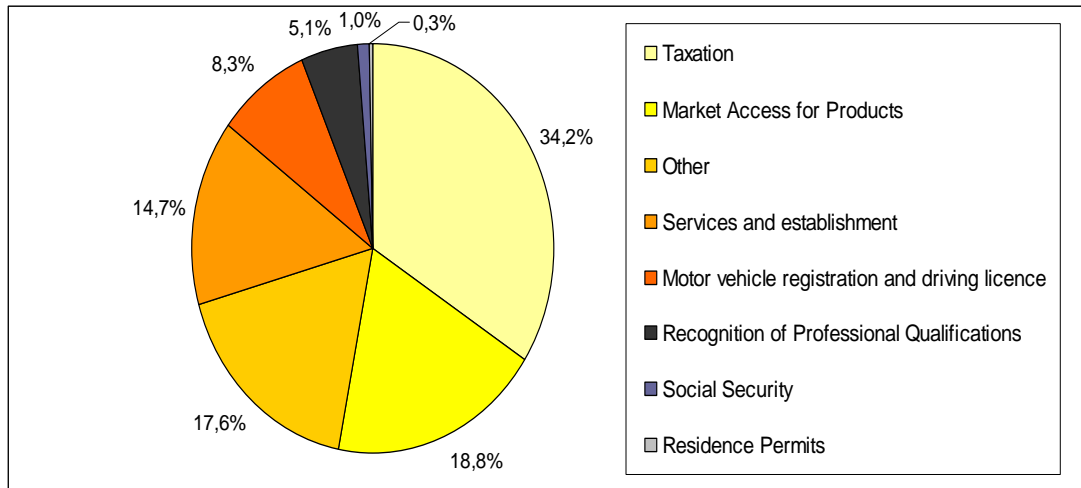


The below graph shows the type of business cases by sector categories. It’s interesting to note that taxation issues, market access for products and services and establishment issues make-up 67.7% of the overall share of cases submitted by businesses. These clearly remain as key issues when doing cross-border business within the Internal Market and have required alternative dispute resolution services in order for them to be addressed.

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Pie chart 4.3 – Business cases by sector category



As a result of the low number of business cases, in 2009, the European Commission produced a Strategy Paper to guide SCs on how they could develop activities in a coherent way to increase the awareness of businesses about SOLVIT³². The Strategy Paper builds on the European Business Test Panel finding that 80% of businesses which had not heard of SOLVIT previously would be willing to use it if they required such services. Within the document, a comprehensive approach to delivering awareness raising activities is outlined and includes developing a more effective web presence, developing partnerships with umbrella business organisations, cooperating with institutional partners and delivering quick and effective services for business.

As noted above, the SCs are engaged in various forms of promotion activities and with regard to attracting business cases specific activities have been and are currently being delivered. Examples includes:

- Advertisements in business newspapers (Germany);
- Developing relations with chambers of commerce (Poland);
- Public transport advertisement campaigns (Czech Republic).

One country (Sweden) has been notably successful in targeting advertising at business through various means including website links, awareness booklets with examples of successful SOLVIT outcomes and delivering seminars with stakeholders.

³² European Commission (2009) Strategy Paper: Increasing awareness about SOLVIT among business users

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However, although a number of good examples of targeting awareness activities towards businesses exist, the SCs on the whole have not fully mainstreamed an approach to the extent envisaged by the Strategy Paper. As such, a number of SCs have correctly suggested what needs to be done but have not yet comprehensively taken a suitable approach forward. Some SCs considered that delivering public awareness activities for business posed a number of problems. This may be due to a lack of resources to firstly develop an appropriate strategy and implement activities and then to deal with the potential increase in case load. Another reason was that public awareness campaigns tend to bring in non-solvit business cases, and rather quality and speed of service should be focused upon to encourage word of mouth promotion.

Some SCs emphasised a range of issues which highlighted the difficulties of SOLVIT dealing with business cases:

- Given that sums of money or compensation are often sought by companies, they often prefer to use their own lawyers that use formal channels that offer more leverage;
- Business cases were often seen as complex (such as harmonisation issues or market access) and consequently offered national administrations scope to successfully dispute them through informal channels;
- National administration may choose to ignore informal legal advice which is off-putting for businesses.

A number of business organisations also commented on ways to attract new business cases. The Czech Chamber of Commerce simply felt it was an issue of extending the level of promotion and advertising to develop awareness from SMEs. A number of comments were made that strengthening relations with the European Enterprise Network would help to attract more cases. However the German Chamber of Commerce pointed out that a number of business intermediaries currently do not have access to the EEN. Broadening business intermediary access to the EEN would therefore improve the awareness of SOLVIT.

The Austrian Chamber of Commerce mentioned that they were unsure why the number of requests from business for SOLVIT's services varies each year. However, because the quality of service delivery varies across the Network, they felt that to improve the image of SOLVIT, high standards must be evenly attained.

The survey of national administrations also contained a question regarding the low percentage of business cases. Whilst the lack of awareness was a key issue, a similar weighting was also given to business preferring to use their own advisers, and a slightly lower response was given to business having a poor perception of SOLVIT being able to deliver a positive result. The perception from government bodies is that whilst the extent of public awareness is an issue at the same time the fit

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between SOLVIT as it currently stands and the needs of some businesses may not be perfectly congruent.

Table 4.5– Why Ministries think there may be a low proportion of business cases

(National Administration Survey Question 5

‘If the percentage of business cases is low, why do you think that is?’)

| Options | Nº | % |
|--|----|-------|
| Ministry's functions do not concern business | 16 | 30.2 |
| Lack of awareness of SOLVIT | 12 | 22.6 |
| Lack of expectations of achieving a result | 3 | 5.7 |
| Use of own advisers for resolving problems | 8 | 15.1 |
| Fear of repercussions if criticising authorities | 1 | 1.9 |
| Other | 7 | 13.2 |
| Not applicable/ no response | 6 | 11.3 |
| Total | 53 | 100.0 |

Source: National Administration Survey

When asked about the low level of business cases, YEA mentioned that this may be due to SOLVIT being a governmental organisation, and businesses may wrongly believe that it is not an independent Network. . This may lead to some companies feeling uncomfortable with approaching SOLVIT if they require support in areas such as taxation.

4.6 Views of users

A user survey was undertaken to gather data on the perception of the SOLVIT Network. In total, 1834 previous users of SOLVIT’s services responded to the survey³³.

Citizens made up 78.9% of the total number of responses, businesses 9.9%, self-employed 8.8%, and others 2.4%. In terms of the location where the cases were submitted (Home Centre) the top three scoring EU Member States included UK (11.3%), France (10.5%) and Germany (9.0%) whilst the smallest Member States provided the lowest number of responses to the user survey. In terms of the country where the problem occurred (Lead Centre) the top three scoring EU Member States included the UK (15.2%) France (13.7%) and Spain (11.9%) whilst the three lowest scoring were again small Member States.

³³ For several questions the total number is less than this as some questions were unanswered.

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The most common problem areas were professional qualifications (22.2%), social security (14.9%), residence permits (14.2%), visa issues (9.9%) and motor vehicle registration (7.7%).

Table 4.6– Types of cases included in survey responses

‘Please indicate the nature of your case’.

| Options | Nº | % |
|---|-----|------|
| Recognition of professional qualification | 408 | 22.2 |
| Access to education | 36 | 2.0 |
| Residence permit | 260 | 14.2 |
| Voting rights | 4 | 0.2 |
| Social security | 274 | 14.9 |
| Employment rights | 115 | 6.3 |
| Driving licences | 44 | 2.4 |
| Motor vehicle registration | 141 | 7.7 |
| Border control | 54 | 2.9 |
| Visa issues | 181 | 9.9 |
| Market access for products | 56 | 3.1 |
| Market access for services | 54 | 2.9 |
| Establishment as self-employed | 23 | 1.3 |
| Public procurement | 10 | 0.5 |
| Taxation | 90 | 4.9 |
| Free movement of capital/payments | 24 | 1.3 |
| Other | 454 | 24.8 |

Source: User Survey

To understand the viewpoint of the users towards SOLVIT through the information provided by the user survey, it is useful to take into account the below table which illustrates case outcomes. Slightly over 40% of responses indicate that the ‘problem was solved’ where the remaining 60% identified a range of other types of outcomes or ongoing issues for their particular case.

Table 4.7– Outcome of complaint

(User Survey Question 5 ‘What was the outcome of the complaint?’)

| Options | Nº | % |
|---|-----|------|
| The problem got solved | 751 | 40.9 |
| The case is still being treated with by the SOLVIT Centres | 124 | 6.8 |
| The 10 week deadline has expired and the problem remains unsolved | 285 | 15.5 |
| There was a clarification of the legal situation without changing | 195 | 10.6 |

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| | | |
|---|------|-------|
| the outcome of the decision | | |
| The case was transferred for resolution by another assistance service | 95 | 5.2 |
| Other outcome | 384 | 20.9 |
| Total | 1834 | 100.0 |

Source: User Survey

With this in mind, 44.3% mentioned they were either quite satisfied or very satisfied. 43.3% of responses expressed that they were either not very satisfied or not satisfied at all with the outcome of their case.

Table 4.8– Level of satisfaction regarding the outcome

(User survey Question 6 ‘How satisfied are you with the outcome?’)

| Options | Nº | % |
|----------------------|------|-------|
| Very satisfied | 583 | 31.8 |
| Quite satisfied | 229 | 12.5 |
| Neutral | 182 | 9.9 |
| Not very satisfied | 191 | 10.4 |
| Not satisfied at all | 603 | 32.9 |
| No response | 46 | 2.5 |
| Total | 1834 | 100.0 |

Source: User Survey

When asked for overall views of SOLVIT, 52.7% of users were either quite satisfied or very satisfied with the overall services provided by SOLVIT. Conversely, a total of 28.2% were either not very satisfied or not satisfied at all.

Table 4.8– User overall satisfaction

(User Survey Question 17 ‘How satisfied were you overall with services provided by SOLVIT?’)

| Options | Nº | % |
|----------------------|------|-------|
| Very satisfied | 623 | 34.0 |
| Quite satisfied | 344 | 18.8 |
| Neutral | 209 | 11.4 |
| Not very satisfied | 190 | 10.4 |
| Not satisfied at all | 327 | 17.8 |
| No response | 141 | 7.7 |
| Total | 1834 | 100.0 |

Source: User Survey

The below table illustrates the user perception towards effectiveness of case handling. In total, 51.4% thought that SOLVIT was either very effective or quite

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effective at handling their case. On the other hand, a total of 29.5% thought that SOLVIT was either not very effective or not effective at all in this respect.

Table 4.9 – Case handling effectiveness

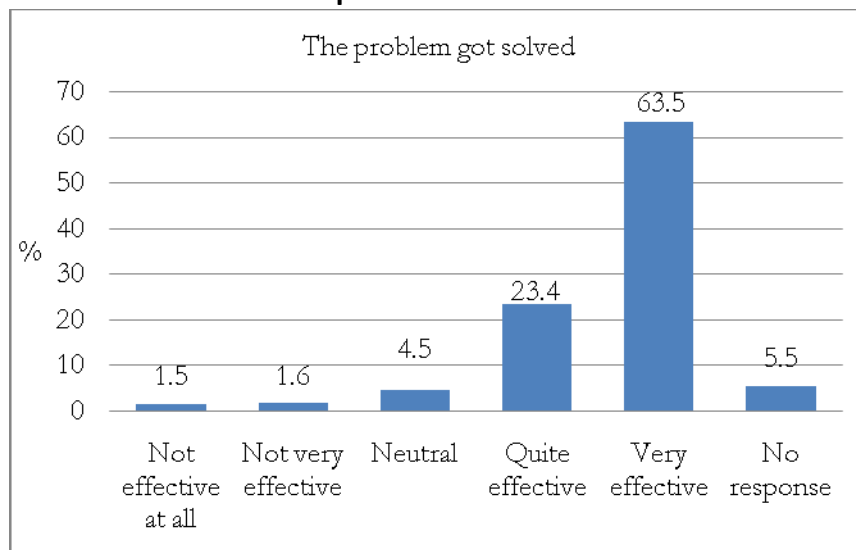
(User survey Question 16 How effective was the SOLVIT Centre in handling your case?)

| Options | Nº | % |
|----------------------|------|-------|
| Very effective | 579 | 31.6 |
| Quite effective | 363 | 19.8 |
| Neutral | 214 | 11.7 |
| Not very effective | 203 | 11.1 |
| Not effective at all | 338 | 18.4 |
| No response | 137 | 7.5 |
| Total | 1834 | 100.0 |

Source: User Survey

A cross analysis of these answer confirms a number of anticipated trends in relation to the outcome of the complaint and case handling effectiveness. For those whose case was solved (40.9% of the user survey), 86.9% of this group thought that their case was handled very effectively or quite effectively. Only 3.1% of this group thought that SOLVIT was either not very effective or not effective at all.

Graph 1.0 – Cases solved in comparison to effectiveness

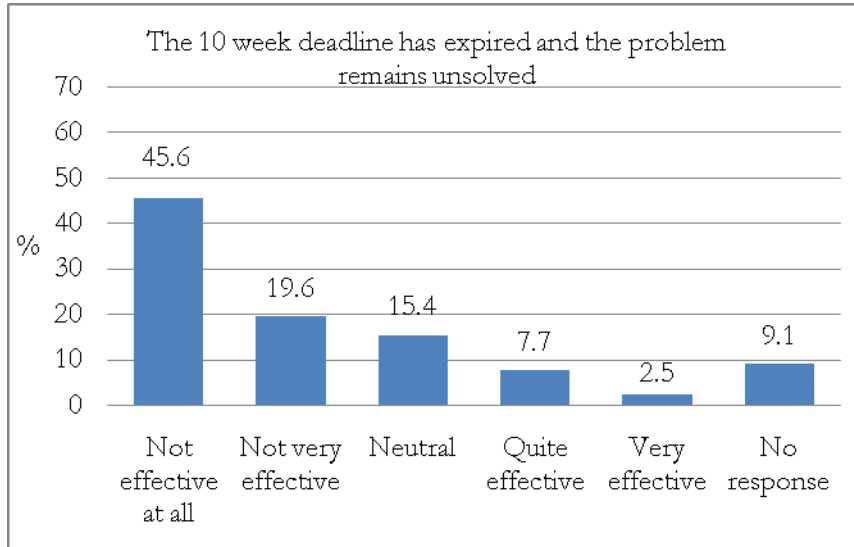


For those who commented that the 10 week deadline had expired and the case remained unsolved (15.5% of the user survey), a total of 65.2% thought that SOLVIT was not very effective or not effective at all. Conversely, a total of 10.2% thought that SOLVIT was either quite effective or very effective.

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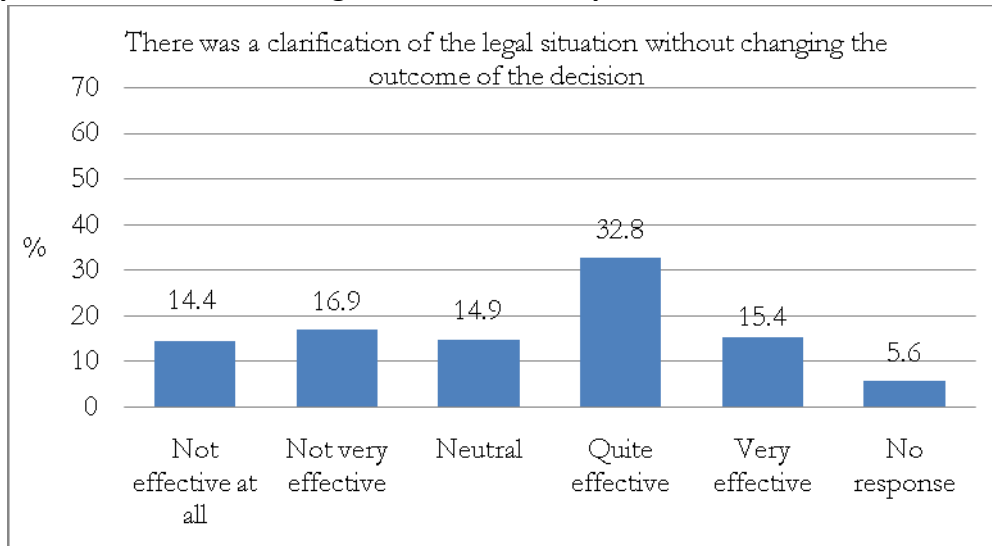
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Graph 4.1 – 10 week deadline has expired in comparison to effectiveness



The group that commented that there was a clarification of the legal situation without changing the outcome of the decision (10.6% of the user survey), 48.2% thought that SOLVIT was either quite or very effective. However, -31.3% thought that SOLVIT was not very effective or not effective at all.

Graph 4.2 –Clarification of legal situation in comparison to effectiveness

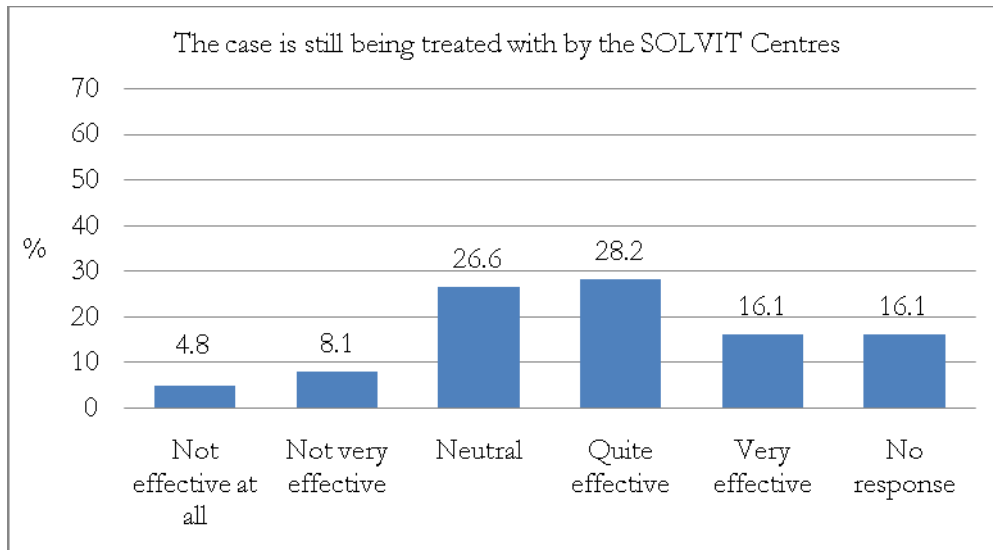


In terms of those whose case is still being dealt with by SOLVIT (6.8% of the user survey), 44.3% thought that SOLVIT was either very or quite effective. Only 12.9% thought that SOLVIT was either not very effective or not effective at all.

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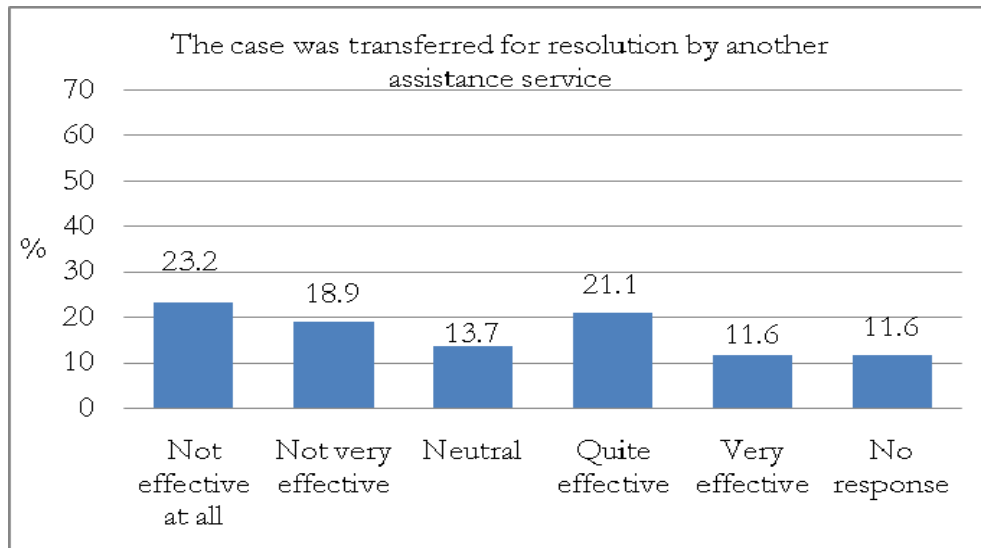
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Graph 4.3 – The case is still being treated with by the SC in comparison to effectiveness



For those whose case was transferred to another service (5.2% of the user survey), 32.7% though that SOLVIT was either quite or very effective. However, 42.1% of this group though that SOLVIT was either not very effective or not effective at all.

Graph 4.4 – The case was transferred to another service in comparison to effectiveness

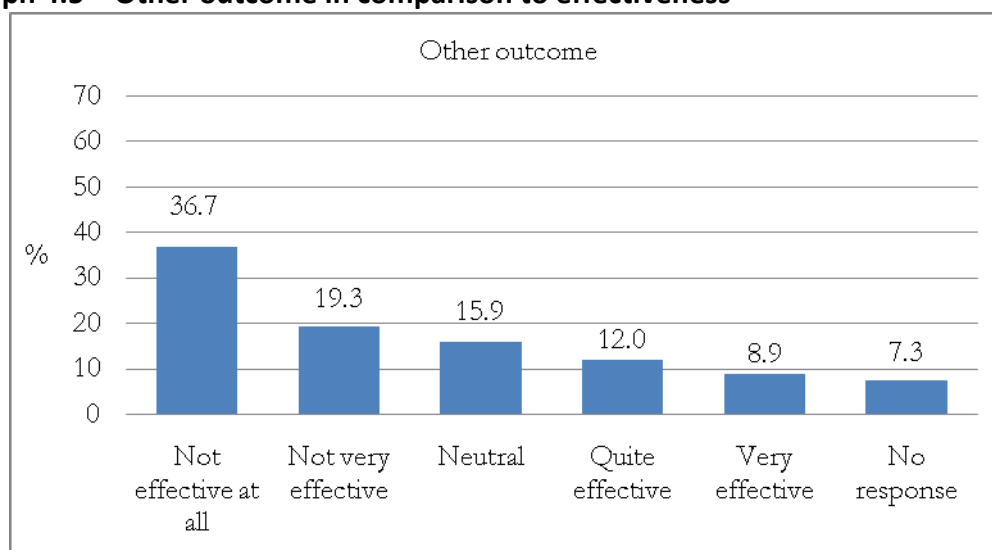


Finally, a large proportion of users confirmed that an ‘other’ outcome for their case had occurred (this was the second largest group at 20.9%). The majority of this group 55.9% thought that SOLVIT was either not very effective or not effective at all. Just over one fifth of this group (20.9%) thought that SOLVIT was either quite effective or very effective.

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Graph 4.5 – Other outcome in comparison to effectiveness



Further cross analysis was under taken to uncover the relationship between perceptions of effectiveness against perceptions of level of satisfaction³⁴. As expected, there are strong correlations between those who perceived SOLVIT to be effective and those who are satisfied with the overall level of SOLVIT's performance and vice versa.

Table 5.10 – Case handling effectiveness in comparison to level of overall satisfaction

| Options | Not effective | | Neutral | | Effective | |
|---------------|---------------|--------------|------------|--------------|------------|--------------|
| | Nº | % | Nº | % | Nº | % |
| Satisfied | 24 | 4.4 | 56 | 26.2 | 880 | 93.4 |
| Neutral | 56 | 10.4 | 119 | 55.6 | 34 | 3.6 |
| Not satisfied | 458 | 84.7 | 35 | 16.4 | 21 | 2.2 |
| No response | 3 | 0.6 | 4 | 1.9 | 7 | 0.7 |
| Total | 541 | 100.0 | 214 | 100.0 | 942 | 100.0 |

The views of users were also expressed in more detail through open ended questions. One of the questions requested users to consider the main factors contributing to SOLVIT's success or failure in handling their case. In terms of success, the responses can be grouped into five categories:

³⁴ The total figure is minus those who did not provide a response for perceptions of effectiveness

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- SOLVIT is adept in dealing with national administrations (a number of users also added that because SOLVIT is an EU sponsored organisation it raises its level of authority);
- Specialist expertise in EU Law which is over and above national authorities
- Promptness and quality of service;
- The fact that a service like SOLVIT is available;
- Effective cooperation within the SOLVIT Network.

In terms of failure, three types of answer were typically given:

- SOLVIT has limited authority and national authorities can easily ignore SOLVIT and EU Law;
- Poor quality of service was frequently mentioned including lack of SC responsiveness and urgency, lack of willingness to deal with difficult cases, poor communication and absence of following up cases (it was also noted that quality of service differences existed between national SCs).
- Insufficient legal expertise within the SC to address the case. Comments were made that this included poor legal research and inconsistent advice.

Additionally, users were asked to provide any further comments on their experience of using SOLVIT. Some of the positive answers extolled the performance of SOLVIT in terms of its efficiency, effectiveness, polite service, good communication, invaluable, clear signposting to other services, and the fact that it outperformed other types of dispute resolution services. However, the negative comments tended to reiterate some of the abovementioned points such as poor service in terms of lack of persistence with national authorities, poor legal research, poor organisation, lack of willingness and authority to deal with certain national authorities, lack of neutrality when dealing with the state, and that the scope of SOLVIT is not broad enough.

To conclude, SOLVIT is having a positive impact particularly on those whose cases have been solved. The cross analysis has shown that there is a strong correlation between individuals who have had a positive outcome for their case and levels of perceived effectiveness and satisfaction ratings. Moreover, a positive result emerges when users were asked the question if they would use SOLVIT again; 66% confirmed 'yes', 13.9% 'no' and 19.4% said that they didn't know or gave no response.

However, this correlation weakens when one looks at various other case outcomes. In particular, those whose case was not positively resolved, a significant majority thought that SOLVIT was not effective. This suggests that negative views on SOLVIT are often rooted in dissatisfaction with the outcome of an individual case. In many cases, people expect to be in a better legal position than they really are. Perhaps one could say that in some cases disappointment with SOLVIT is often linked to a disappointment with the state of EU law.

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As mentioned by SCs and YEA, amongst this group are those individuals who may have had false expectations in thinking that SOLVIT was the right type of organisation to facilitate a positive outcome for their case. For this reason, it should be expected that SOLVIT will not be able to produce 100% approval ratings. At the same time, the open ended questions suggest that improving aspects of SOLVIT's service delivery and legal expertise would help to further improve the image of SOLVIT.

4.7 Summary

The main findings of this section are:

- SC's are generally speaking well organised and cooperative when jointly managing cases. However, a key weakness is when Home and Lead SCs disagree over the legal analysis of cases. Requests have therefore come forward to develop a stronger approach to resolving disagreements between SCs.
- Unresolved case may not be followed up automatically by SCs and it may be unclear who is responsible for them. This aspect needs to be firmed up so that unresolved cases are properly signposted and their progress tracked.
- Cooperation with national authorities tends to be positive and the informal mechanism for resolving issues is regarded as being effective. Yet for certain cases and with certain national bodies SOLVIT lacks authority. This should be addressed through strengthened systems and legal resources.
- The staff profiles and skill sets of SCs vary quite significantly. To help strengthen the legal resources of SCs, future selection of SC staff should include the requirement of them having appropriate legal qualifications.
- The informal advice provided by the Commission experts is appreciated. However, occasionally it fails to meet quite demanding SOLVIT deadlines and is sometimes not designed to compellingly address the circumstances surrounding a particular case.
- The user survey has demonstrated that SOLVIT cases are routed via internet searches or by signposting by other organisations or networks. Media / press campaigns have attracted only a small number of cases. Given the costs of public awareness activities, future approaches should concentrate on generating more internet traffic or through cooperation with stakeholders.

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- On the whole, SCs have not carried out promotional activities for business to the extent envisaged by the Strategy Paper (2009). This may be because of a lack of resources.
- Businesses have mentioned that if they were aware of SOLVIT then they would if necessary request its services. At the same time, business may not be attracted to SOLVIT as informal approaches to addressing cross border cases may not change the position taken by a national authority.
- The user survey has illustrated highly diverging opinions on the performance of SOLVIT. Whilst overall SOLVIT is providing good and in certain cases excellent services, a significant minority of users are unsatisfied. In many cases, the reason for people's occasional dissatisfaction is because they are disappointed with the outcome of their case. They therefore hoped to get more out of EU law than they could. To address this issue, improving SC service delivery would help to further improve SOLVIT's image.

Costs and Benefits

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This section considers the costs and benefits of SOLVIT. In this section we estimate the operational costs of SOLVIT and then the level of benefits, both quantifiable and non quantifiable, which applicants obtain. We consider both short term benefits, and longer term benefits arising from changes in legislation or practice

5.1 Costs

We estimated the overall quantifiable costs of SOLVIT by estimating the costs of the SOLVIT Network and the SOLVIT central unit, as follows:

- Costs of the SOLVIT central unit at DG MARKT. These costs include both staff costs and other budgeted expenditure, such as the costs of the database, meetings and publicity
- Costs of national SOLVIT centres. Again these include both staff costs and other costs such as publicity. As described below, it has been necessary to estimate some of these costs

There are other costs that could have been included, in particular the costs of time spent in national administrations in responding to cases raised through SOLVIT. These costs are widely spread and will often be incurred in the Government department being complained about. It has not been possible to quantify these costs. It is also arguable that it would be inappropriate to include the costs of responding to complaints as part of SOLVIT because the costs would be incurred anyway if the complaint had been dealt with through another mechanism.

It is of course an obligation of national administrations to implement and apply EU law correctly and to provide their citizens and businesses with the means for redress if rules are not correctly applied. Before SOLVIT was introduced, this obligation was carried out on a bilateral basis between administrations. Whilst it is difficult to quantify the original bilateral costs of dealing with complaints, it is clear that by centralising expertise and providing an agreed framework, SOLVIT has been able to provide a cost effective and more efficient mechanism for dealing with these obligatory issues.

As far as we are aware there is currently no accessible collection or monitoring of data on the costs of cases being dealt with by national courts, cases handled by national civil servants individually and informal and formal proceedings by the European Commission.

Taking this into account, a summary of the quantifiable costs of SOLVIT, including national SOLVIT centres and the SOLVIT central unit is shown in the table below.

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Table 5.1 – Estimated costs of SOLVIT in 2010

| Cost type | | €thousand |
|--------------------|-------------------------|-----------|
| Staff costs | National SOLVIT centres | 4083 |
| | Commission | 390 |
| Other costs | National SOLVIT centres | 400 |
| | Promotion and training | 153 |
| | Meetings and travel | 117 |
| | IT development | 177 |
| TOTAL | | 5320 |

Source: CSES analysis based on Commission data

A detailed calculation of staff costs is contained in Appendix E. Staff costs at SOLVIT centres are estimated using the total number of man months needed for the size of the relevant national SOLVIT centre. Cost rates are based on Eurostat data at a national level, since national unit labour costs vary very substantially. An allowance of 10% of staff costs has been added for national disbursements and disbursements at a Commission level are based on the 2010 budget figures. In total the estimated costs of running SOLVIT for 2010 are €5.32 million.

The cost per case of SOLVIT could be estimated using either the number of cases accepted by SOLVIT, or the higher number of cases originally entered in the database. As shown in the section below, the benefits are significantly greater than the costs. In addition as noted above, it is in any case an obligation of Member States to address situations which are not in conformity with EU law.

5.2 Direct benefits

These benefits from a successful SOLVIT complaint will include both the immediate benefits to the applicant and also wider longer term benefits from changing procedures or rules that prevent similar problems in the future. In estimating benefits, we first estimated the benefits arising from individual cases using data from the SOLVIT database, and then consider the long term position using survey data.

5.2.1 Benefits to complainants

Businesses or citizens who make a SOLVIT complaint are asked to estimate the monetary benefit to them over the next 12 months from a successful resolution of the issue they have raised. It will be appreciated that the estimate of monetary benefits is the complainants own estimate and is not checked by SOLVIT centres. It is recorded for analysis purposes only.

Some complainants clearly put in a large and inappropriate monetary estimate where they think a case is important to them. There are cases where complainants

Costs and Benefits

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put in estimates of many tens of millions of euros. In other cases, it is not possible to quantify monetary benefits. A good example is a case involving the alleged incorrect registration of a name of a child. The case may be highly significant to the parents – but the benefits could not be quantified in money terms. In fact in this case the parents put in a very high monetary benefit which was clearly inappropriate.

But in most cases the estimate seems reasonable – the evaluators read a number of cases on the database and saw no reason to doubt that the estimate of benefits was reasonable. We excluded the small minority of cases with very high unreasonable benefits.

As part of our evaluation work, we analysed the benefits shown on the SOLVIT database. In the years 2008 to 2010, we analysed cases that had been closed with an accepted solution. These cases included cases that had been closed both within and beyond the SOLVIT deadline. We carried out a separate analysis for business and citizen cases. The table below shows the total number of cases closed each year, with an accepted solution, and the number of those where benefits had been quantified.

The following table shows the number of cases that reported monetary benefits, analysed by citizen and business cases. Between about 200 and 400 cases a year report monetary benefits. We also show the total number of cases closed in the years concerned.

Table 5.2 – Numbers of cases closed with accepted solutions and numbers showing monetary benefits

| | All cases (number of cases) | | |
|------|------------------------------|---------|----------|
| | All | Citizen | Business |
| 2010 | 1174 | 1033 | 131 |
| 2009 | 1308 | 1188 | 120 |
| 2008 | 768 | 680 | 88 |
| | Cases with monetary benefits | | |
| | All | Citizen | Business |
| 2010 | 387 | 327 | 60 |
| 2009 | 406 | 354 | 52 |
| 2008 | 193 | 164 | 29 |

Source: analysis of SOLVIT database

Costs and Benefits

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Table 5.3 – % of cases closed with accepted solutions and numbers showing monetary benefits

| | % cases with monetary benefits | | |
|------|--------------------------------|---------|----------|
| | All | Citizen | Business |
| 2010 | 33 | 32 | 46 |
| 2009 | 31 | 30 | 43 |
| 2008 | 25 | 24 | 33 |

Source: analysis of SOLVIT database

It will be seen that only between a quarter and a third of cases show monetary benefits. The proportion showing monetary benefits is consistently higher for business cases (almost half in 2010) and lower for citizen cases.

5.2.2 Level of immediate benefits

For the years 2008 to 2010, the numbers of closed cases for which benefit amounts were available, and the amount of benefits is as follows:

Table 5.4 – Total quantified benefits, citizen and business cases

| | All | | Citizen | | Business | |
|------|-------|----------------------|---------|----------------------|----------|----------------------|
| | Cases | Benefit € million | Cases | Benefit € million | Cases | Benefit € million |
| 2010 | 387 | 29.17 | 327 | 5.17 | 60 | 24.00 |
| 2009 | 406 | 30.90 | 354 | 14.30 | 52 | 16.60 |
| 2008 | 193 | 29.64 | 164 | 14.45 | 29 | 15.19 |

Source: analysis of SOLVIT database

The total level of reported benefit has been relatively consistent from year to year at about thirty million euros although there have been quite substantial variations between benefits to business and to citizens.

5.3 Longer term benefits

5.3.1 The 'SOLVIT+' effect

Longer term benefits arise where a SOLVIT case has changed the attitude of a certain part of the administration or even the individual attitude of a civil servant, a national practice or legislation, resulting in a change in the way that all future cases are dealt with. Our discussions with SOLVIT centres suggested that it was not unusual for there to be a run of similar cases, followed by a change in practice.

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When this change is visible, for example when guidelines were changed, the SOLVIT cases are marked as '+' in order to highlight the extra efforts put in by SOLVIT centres to handle these cases, and to compensate for the fact that many of these cases have to be closed as 'unresolved' because a reasonable deadline could not be met, even though in the longer run the problem has been or will be resolved by SOLVIT.

5.3.2 Estimates of longer term benefits

The benefits described in section 5.2 above refer to individual cases, and are calculated using the numbers of cases that go through the SOLVIT system. This section now seeks to estimate the longer term benefits.

It will be appreciated that it is not readily possible to estimate the future number of cases that may benefit from a system change brought about by SOLVIT – because such data is likely to be available only on a case by case basis from different departments or authorities in Member States across the EU. But we asked government departments whether successful SOLVIT complaints resulted in changes to procedures or practices or changes to legislation.

The chart below shows the percentage of successful SOLVIT complaints resulting in permanent changes to legislation or practices. We asked "How often does a resolved case lead to a long-term solution?" and asked Departments to indicate whether the solution was by a change to administrative practices or legislation. The results are shown in the table below. For example, a third of government departments said that 80% to 100% of SOLVIT cases resulted in changes to administrative practices.

Table 5.5 - % of SOLVIT cases resulting in changes to practices or legislation

| Options | Changes to administrative practices | | Changes to legislation | |
|-----------------------------|-------------------------------------|-------|------------------------|-------|
| | Nº | % | Nº | % |
| <20% of cases | 11 | 24.4 | 12 | 26.7 |
| 20-40% of cases | 3 | 6.7 | 2 | 4.4 |
| 40-60% of cases | 6 | 13.3 | 12 | 26.7 |
| 60-80% of cases | 4 | 8.9 | 5 | 11.1 |
| 80-100% of cases | 15 | 33.3 | 1 | 2.2 |
| Not applicable/ no response | 6 | 13.3 | 13 | 28.9 |
| Total | 45 | 100.0 | 45 | 100.0 |

Source: CSES survey of government departments

The responses to this question require careful interpretation. There will be an element of double counting - for example if there are ten similar cases, there may be

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only one change in practice or legislation. Nevertheless, it is clear that many SOLVIT cases result in *long term benefits*. Whilst it is not possible to quantify the results precisely with any degree of reliability, the evidence suggests that the *continuing benefit* from resolved SOLVIT cases each year will be several times greater than the benefits from new cases in that year.

5.4 Summary – costs and benefits

The main findings of this section are:

- The costs of the SOLVIT network in the year 2010 were approximately €5.3 million.
- Benefits are of course both monetary and non-monetary. Between a quarter and a third of citizens, and a third and a half of businesses made an estimate of monetary benefits when making a SOLVIT application;
- Whilst some benefits are obviously overestimated (and have been excluded from calculations) in most cases applicants' seem to have made a reasonable estimate of benefits;
- Total quantifiable benefits in each of the years 2008 to 2010 were of the order of €30 million;
- Some SOLVIT cases result in changes to procedure or legislation. Whilst it is not possible to quantify the results precisely with any degree of reliability, the evidence suggests that the continuing benefit from SOLVIT each year will be several times greater than the benefits from new cases in that year.
- Member States do have the obligation to implement EU law correctly and ensure that it is correctly applied. They also have the obligation to deal with complaints when problems occur. SOLVIT is an efficient and transparent way to deal with these complaints.

SC Performance Assessment

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This section provides a performance assessment of the individual SCs. In particular, we consider the effects of the various levels of staffing and the provision or non-provision of in-house lawyers across the Network against management performance data collected from the SOLVIT database.

6.1 The influence of staffing adequacy and legal training on SC performance

The relative performance of the SCs can be traced to a number of key factors. Some of the most important factors include:

- The level of staffing in relation to caseload;
- The presence of in-house lawyers;
- SC leadership and management skills;
- Extent of performance and service orientated culture;
- Perception and cooperativeness of national administrations towards SOLVIT;
- The extent of misapplied EU Laws within a Member State;
- The type and legal complexity of cases within a Member State.

This section will provide an analysis of the first two of these factors - *staffing and the presence of in-house lawyers* - against management performance data that has been systematically collected by DG MARKT over a number of years. They have been chosen, besides being of course relevant factors, as they are quantifiable (it should be noted that although the other factors could have a significant impact, the lack of available data prevents us from precisely quantifying these).

In particular, an assessment will be made to see if there is a link between staffing adequacy and the extent of in-house legal expertise in relation to the overall proportion of cases that are successfully managed. The assessment will show that the SCs with adequate staffing and the highest level of legal resources have achieved the best management performance results in 2010. It is therefore recommended that enhancing SOLVIT's staffing and legal resources across the board would improve the overall performance of the Network.

However, it should be noted also that there are some exceptions to the above statement. In fact, some centres with low staffing resources and/or in-house legal expertise, do have better management results than the group with high staffing resources and in-house legal expertise. Nevertheless, the number of exceptions are limited, and if the above recommendation is fully adopted, it is anticipated that the overall performance of SOLVIT would be of a more even standard.

The evaluation has uncovered that the SCs are resourced to different degrees. Some SCs are adequately staffed in relation to their caseload whilst others have insufficient

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staffing. In addition, some SCs are managed by lawyers whilst others are composed of professionals without legal training or a mixture of the two. Across the Network, various combinations of these elements can be detected to varying extents³⁵.

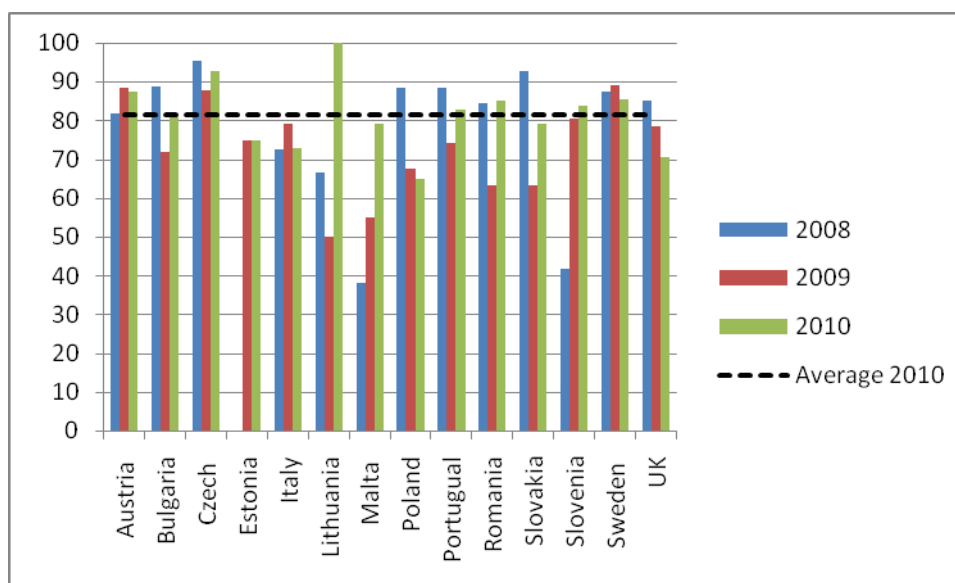
To understand how these variables affect the relative success of each SC, annual performance data from the SOLVIT database was analysed. Specifically, two data sets were assessed. These are:

- The percentage of the number of cases solved by each SOLVIT Centre (2008, 2009, 2010);
- The percentage of the number of cases resolved in 10 weeks by each SOLVIT Centre (2008, 2009 and 2010).

In order to generate an overall annual management performance score for each country, the average of the above two datasets was calculated³⁶.

To begin with, the assessment looked at the independent impact of these variables. The graph below therefore shows the performance of the group with adequate staffing resources. It is interesting to note that seven of the countries in the group are above the 2010 management performance average (81.42%) whilst seven are below.

Graph 6.1 – Adequate staffing resources against management performance data



³⁵ See the table on staffing levels in Section 3 and educational profile of SCs in Section 4.

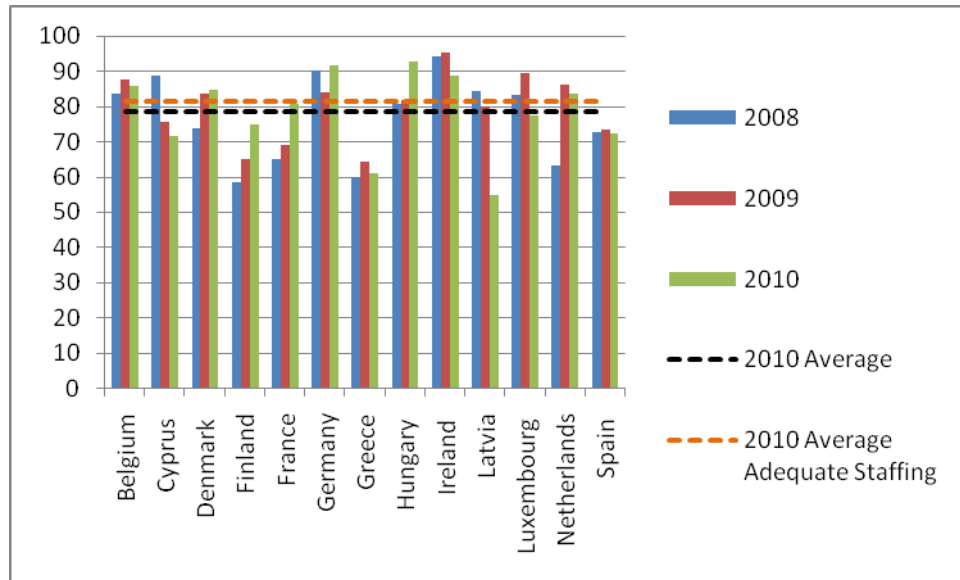
³⁶ See Annex 1

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The graph below shows the group with inadequate staffing. Seven of the countries are above the 2010 management performance average (78.49%) whilst six are below. As expected, the group with adequate staffing resources in relation to caseload is outperforming the group with inadequate staffing resources.

Graph 6.2 – Inadequate staffing resources against management performance data

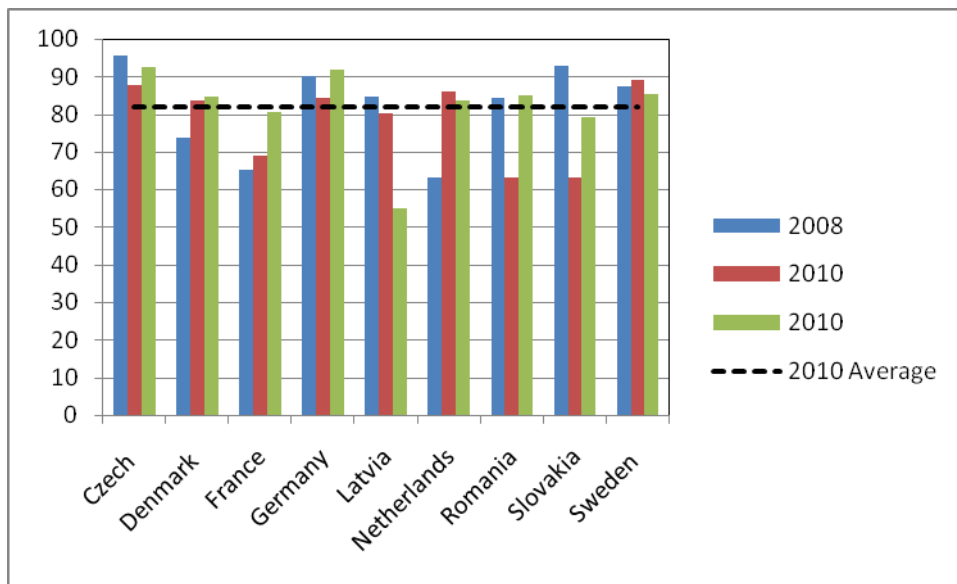


The assessment then went on to uncover the independent impact of the varying level of legal resources. The graph below shows that for the group with the highest level of legal resources, six countries are above the 2010 management performance average (81.97%) whilst three are below.

Graph 6.3 – Highest levels of legal resources against management performance data

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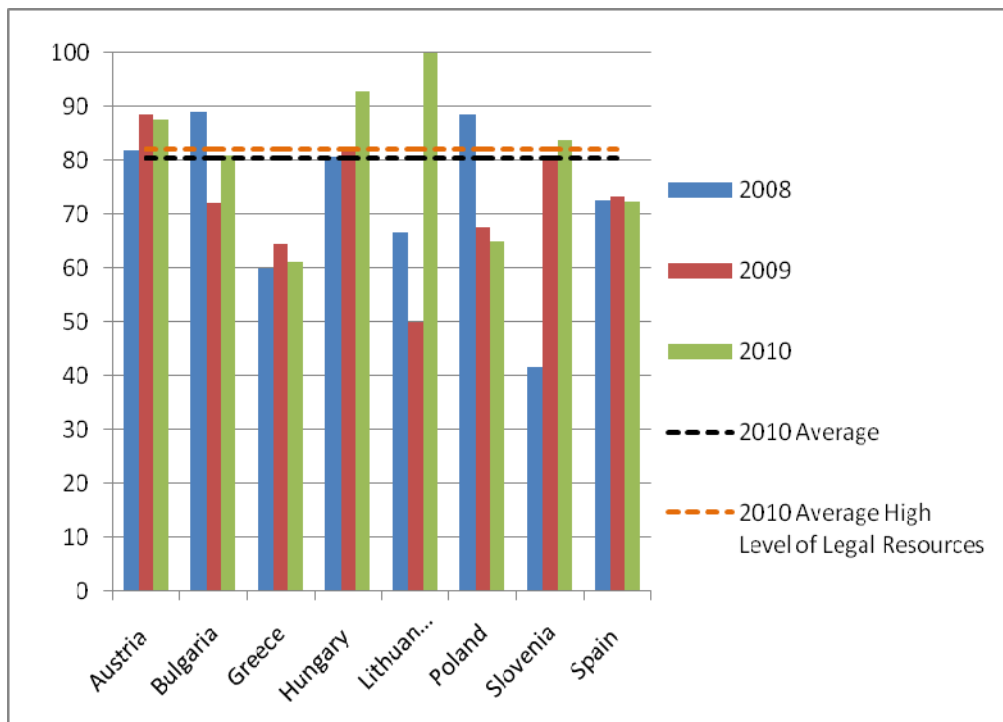


The graph below shows that for the group with the medium level of legal resources, five countries are above the 2010 management performance average (80.42%) whilst three are below. As expected, the 2010 average is below of that of the group with the highest level of legal resources.

Graph 6.4 – Medium level of legal resources against management performance data

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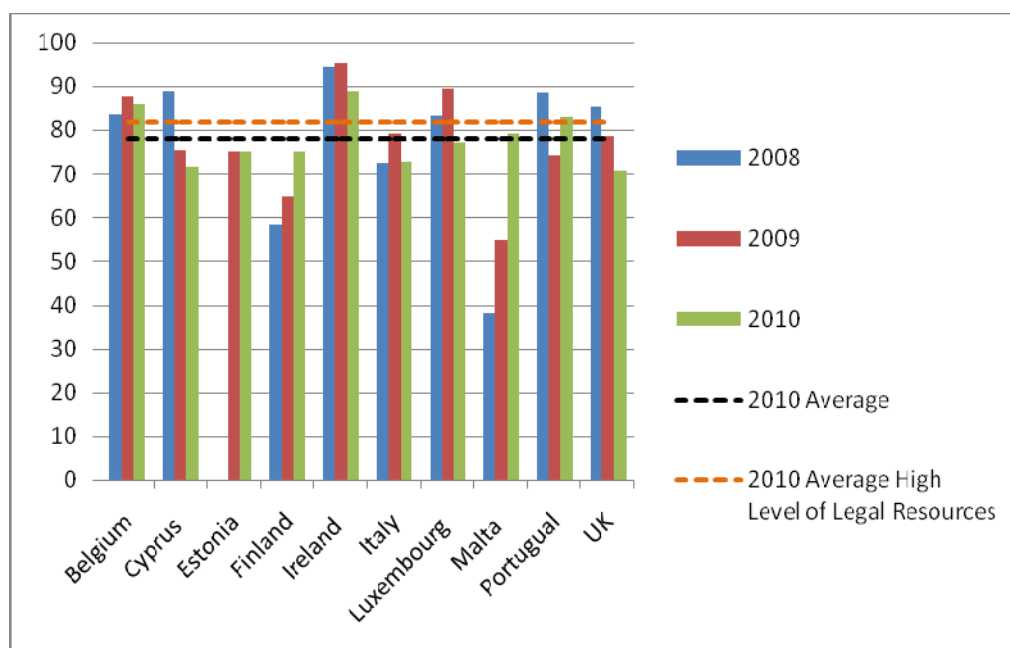


The graph below shows that for the group with the lowest level of legal resources, four countries are above the 2010 management performance average (77.92%) whilst six are below. As expected, the average is below of that of the groups with the highest and medium level of legal resources.

Graph 6.4 – Lowest level of legal resources against management performance data

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To further assess the impact of these variables, the SCs were separated into six groups depending on their specific combinations of staffing adequacy and level of legal resources.

Table 6.1 – Combinations of staffing adequacy and level of legal resources (six groups)

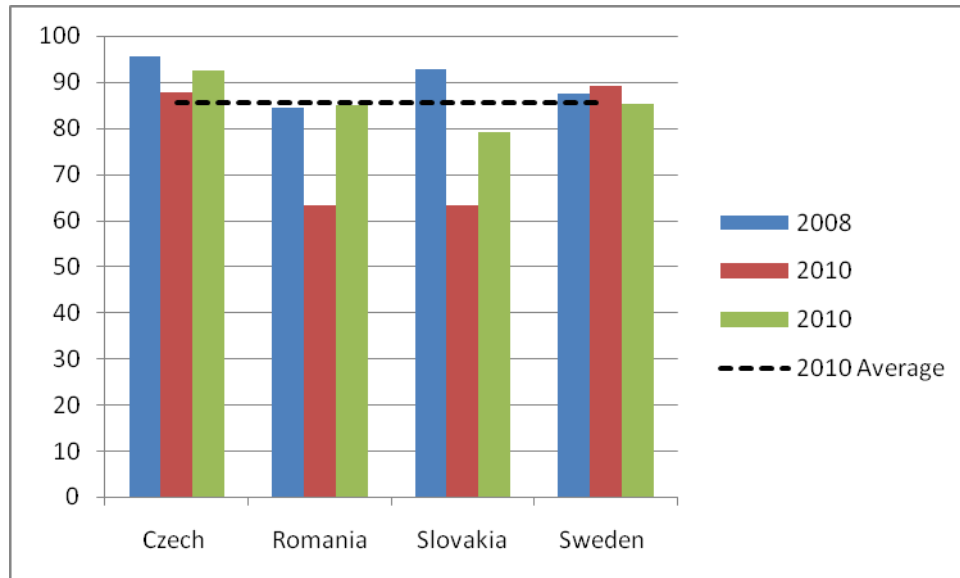
| Adequate Staffing | | |
|---|--|---|
| High level of legal resources | Medium level of legal resources | Low level of legal resources |
| Czech Republic Romania Slovakia Sweden | Austria Bulgaria Lithuania Poland Slovenia | Estonia Italy Malta Portugal United Kingdom |
| Inadequate Staffing | | |
| High level of legal resources | Medium level of legal resources | Low level of legal resources |
| Denmark France Germany Latvia Netherlands | Greece Hungary Spain | Belgium Cyprus Finland Ireland Luxembourg |

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The group with adequate staffing and the highest level of legal resources is presented below. One country is above the 2010 management performance average (85.54%) whilst three are below.

Graph 6.5 – Adequate staffing and highest level of legal resources against management performance data

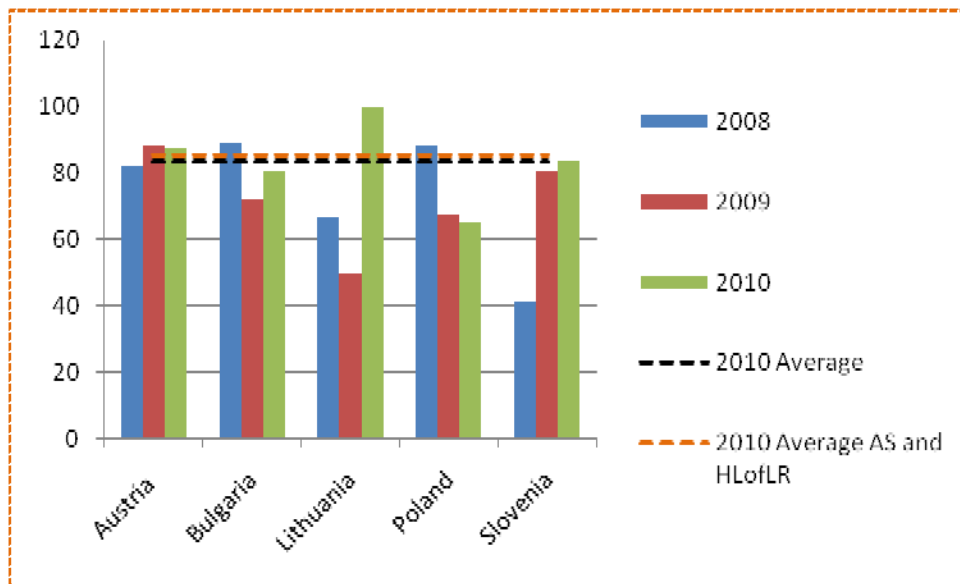


The group with adequate staffing and the medium level of legal resources is presented below. Three countries are above the 2010 management performance average (83.42%) whilst two are below.

Graph 6.6 – Adequate staffing and medium level of legal resources against management performance data

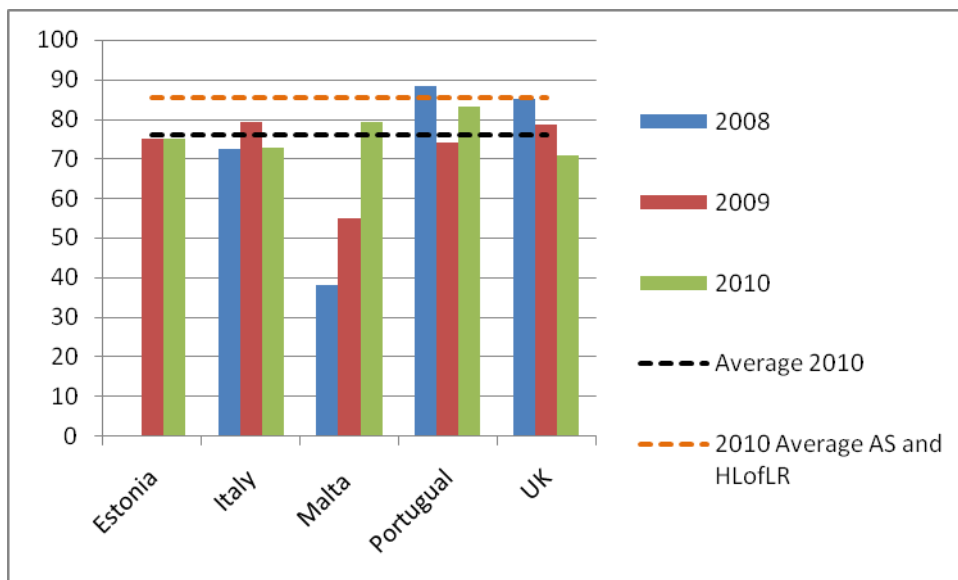
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The group with adequate staffing and the lowest level of legal resources is presented below. Two countries are above the 2010 management performance average (76.13%) whilst three are below.

Graph 6.7 – Adequate staffing and lowest level of legal resources against management performance data

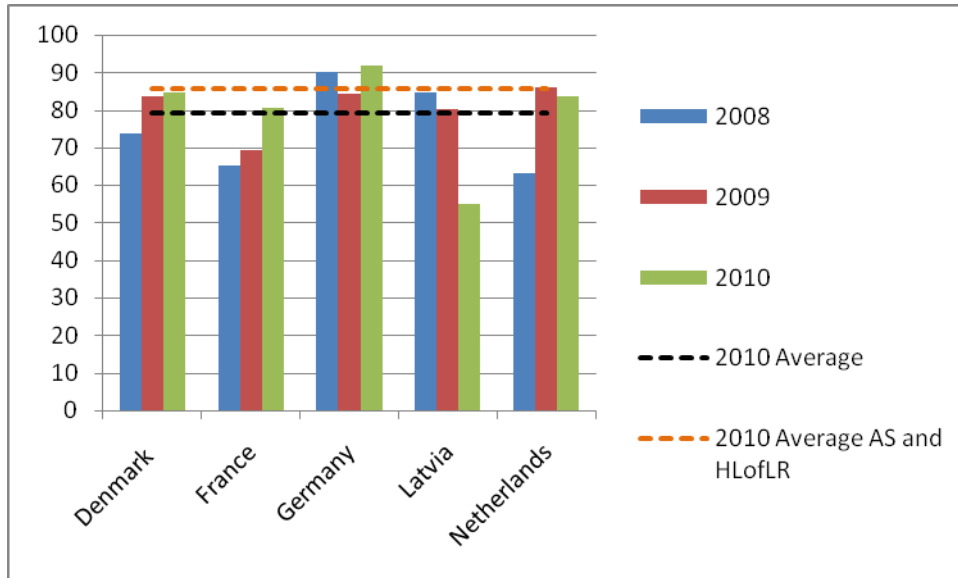


The group with inadequate staffing and the highest level of legal resources is presented below. Four countries are above the 2010 management performance average (79.12%) whilst one is below.

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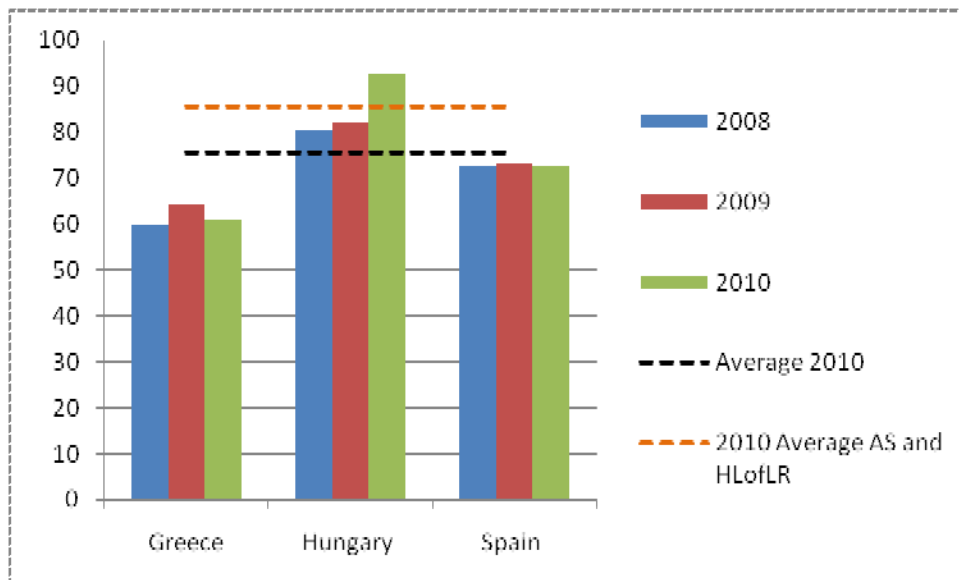
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Graph 6.7 – Inadequate staffing and highest level of legal resources against management performance data



The group with inadequate staffing and the medium level of legal resources is presented below. One country is above the 2010 management performance average (75.44%) whilst two are below.

Graph 6.8 – Inadequate staffing and medium level of legal resources against management performance data

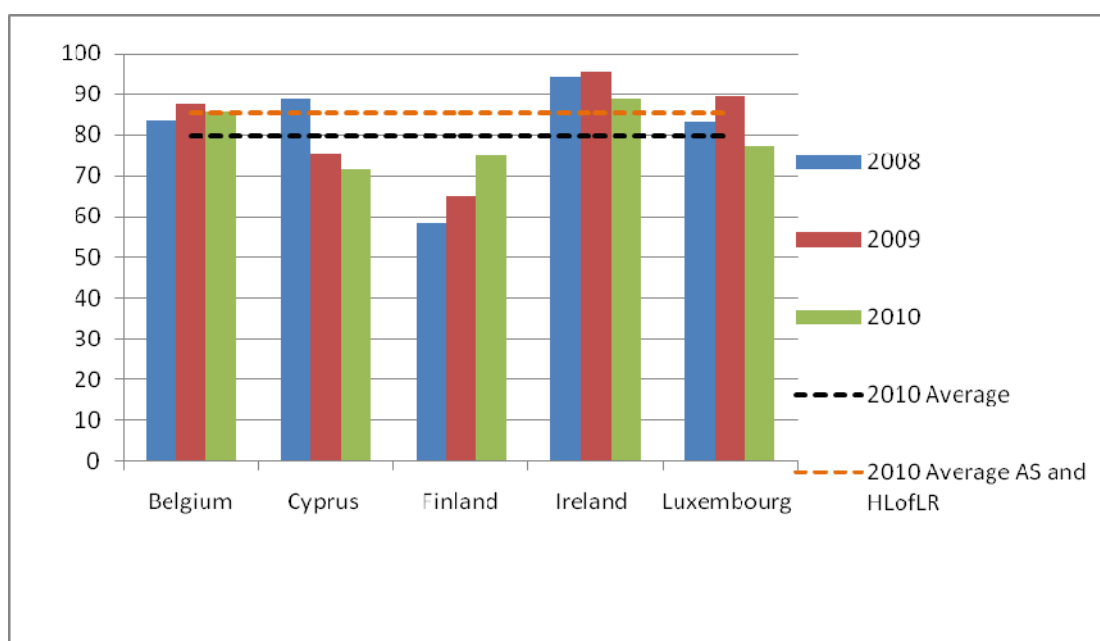


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The group with inadequate staffing and the lowest level of legal resources is presented below. Two countries are above the 2010 management performance average (79.72%) whilst three are below.

Graph 6.9 – Inadequate staffing and lowest level of legal resources against management performance data



The below table illustrates the ranking of the six groups. On the whole, the results are as anticipated. The groups with adequate staffing and higher levels of legal resources are outperforming the other groups.

Table 6.2 – Ranking of the six groups

| Group | Score | Rank |
|---|-------|------|
| Adequate Staffing High Level of Legal Resources | 85.54 | 1 |
| Adequate Staffing Medium Level of Legal Resources | 83.42 | 2 |
| Inadequate Staffing Low Level of Legal Resources | 79.72 | 3 |
| Inadequate Staffing High Level of Legal Resources | 79.12 | 4 |
| Adequate Staffing Low Level of Legal Resources | 76.13 | 5 |
| Inadequate Staffing Medium Level of Legal Resources | 75.44 | 6 |

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However, one anomaly has occurred. The group which apparently is the weakest (inadequate staffing and low level of legal resources) has been ranked third. Although it is not as performing as well as the strongest groups, it would have been expected to have come last. When looking closely at this group, Ireland and Belgium are even performing above the 2010 average of the group with adequate staffing and the highest level of legal resources. It is difficult to say why this has occurred apart from the fact that the tested variables are not impacting on these countries to the same extent in relation to the management performance data provided.

If one were to remove this anomaly, the results are as anticipated. Furthermore, it is interesting to note that the group with inadequate staffing and a high level of legal resources has outperformed the group with adequate staffing and a low level of legal resources. Perhaps this is an indication that the level of legal resources has a greater impact on management performance than staffing adequacy.

Looking at the picture overall, the combination of staffing and in-house legal expertise is therefore having a correlation with overall management performance across different countries within the same group. Consequently, there is a considerable performance gap between the groups with the highest levels of resources and the rest.

As we look at the medium and lowest level of resource groups, it appears that there is a lower probability for countries from these groups to come close to, meet or surpass the average score from the group with the highest levels of resources. Certain countries may be doing comparatively well in relation to some of the better performing countries. However, if the Network is to improve consistently across the board, an even policy of providing adequate staffing and in-house legal expertise to all SCs would serve to bolster the performance of SOLVIT.

In addition, it is fair to say that given the significance of these findings, the two tested variables have a major role to play in determining the success of individual SCs in comparison to the other variables mentioned at the beginning of this section. For future analysis, these variables need to be closely monitored against the management performance data. It is also important to stress that the inputting of data by SCs needs to be accurate in order to ensure that comparability assessments can be undertaken. This should form an area for discussion with emphasis placed on maintaining high standards for data collection.

6.2 Summary

- The strongest SCs, in terms of staffing adequacy and in-house legal resources, have achieved better management performance results overall than their counterparts (there are though some exceptions as certain SCs

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have low resources and / or in house legal expertise but are still achieving a good level of performance). Having an even policy across the board to strengthen resources would realise better results for the Network as a whole (this assessment has however not taken into account other factors, which were not possible to quantify in an equitable manner across the SOLVIT Network).

- The collection of management performance data needs to be monitored. High standards for accurate inputting of data needs to be maintained.

Analysis

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In this section we analyse each of the key questions addressed in the evaluation, the relevance, effectiveness and efficiency of SOLVIT.

7.1 Relevance

A key evaluation question to be addressed is the **relevance** of SOLVIT i.e. the extent to which there is a need to assist EU citizens and businesses in the resolution of cross-border complaints in the area of misapplication of Internal Market law and whether or not SOLVIT is the best way of meeting this need. Moreover, the appropriate scope of SOLVIT and its potential extension will also be considered. The main findings of the evaluation concerning **relevance** are the following:

What need does SOLVIT specifically address?

- SOLVIT was established with the specific remit of providing out of court solutions to cross border complaints brought forward by EU citizens and businesses regarding the misapplication of Internal Market law by national authorities. The inception of SOLVIT in 2001 aimed to address gaps and weaknesses in the previous services provided by Member States as set up in 1998 following the Single Market Strategy, actually the predecessors of SOLVIT called Internal Market Coordination Centres. This would be delivered through the set-up of a clear framework, overseen by DG MARKT, that contained the exercise of a clear set of principles, a network of SCs, well trained staff, a communication strategy, a database and other support services.
- The evaluation has found that the identification in the 2001 communication³⁷ **that problems derived from the misapplication of Internal Market law would be better served through a speedy out of court resolution service remains, to date, relevant to the needs of EU citizens and businesses.** Whilst criticisms exist, the majority of responses (from SCs, government authorities, stakeholders, EU citizens and businesses) are positively receptive towards the services which SOLVIT delivers. They have collectively presented the conclusion that to guarantee the benefits of the Internal Market, specific services should exist to redress the multiple cross-border grievances which EU citizens and business currently face.
- **The growing demand for these services are driven by dynamics within the Internal Market** which is sustaining cross-border business and has resulted in 12.3 million EU citizens living in another Member State. Demand for services is recorded in the Annual Reports which identified 1363 cases in 2010. This evidence and through the comments from stakeholders and the user survey

³⁷ COM/2001/0702 final 27/11/2001

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demonstrates that a large number of EU citizens and businesses experience serious setbacks from Member State authorities when attempting to realise the opportunities accorded to them within the Internal Market.

- In terms of providing informal solutions in the Internal Market area, **SOLVIT is the only service provider currently covering this niche**. Although some overlaps exist on substance with Ombudsman in certain countries,, no other organisation provides the same depth and breadth of informal cross border dispute resolution services . As part of the dispute resolution hierarchy (provided by both the EU and Member States), SOLVIT fits into a clear market segment which is supported by the user survey finding that the majority of citizens feel that no alternative service currently exists (only 9.2% thought otherwise).

Is SOLVIT the best way to address this need?

- A range of other benefits, which are part of SOLVIT's hallmark, have been confirmed by the user survey and SCs. **SOLVIT provides value added services which are free of charge, accessible, quick and user friendly**. Other alternatives, particular formal dispute resolution services, do not offer the same mix of elements to the same extent and could not meet the expectations of citizens and businesses who demand hassle free and rapid solutions from public authorities.

How should the relevance of SOLVIT be enhanced?

- The majority of SCs felt that SOLVIT already covers a broad range of Internal Market competencies. As such, strengthening current systems and resources was preferred as opposed to extending the scope. However, there is some demand for SOLVIT to provide additional services. With the right systems and resources in place, the relevance of SOLVIT could be extended to new areas that benefit the functioning of the Internal Market.
- **Improving current SOLVIT systems and resources will ultimately strengthen its relevance towards EU citizens and businesses**. The cross analysis of the user survey has shown that the majority of users who have had positive case outcomes believe that SOLVIT is effective. This opinion weakens when one looks at other outcomes particularly those whose case remains unresolved. The performance assessment of the SCs also demonstrates that with high level resources SOLVIT can achieve excellent service delivery and results. By strengthening resources, the credibility of SOLVIT will be reinforced as well as the implementation of legislative elements of the Internal Market which have failed to be realised.
- **SOLVIT has demonstrated that it can successfully address business cases and efforts should continue to reach out to the private sector** in order to provide cost effective and lasting benefits to the Internal Market. Further cooperation and deepening relations with business organisations would support this process.

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At the same time, it should be recognised that SOLVIT's informal approach may not be suited to all types of cases and that business may instinctively select other routes that better cater for their needs.

7.2 Effectiveness

Another key evaluation question was the **effectiveness** of SOLVIT. This is to be assessed in qualitative and quantitative terms including considering the level of satisfaction of stakeholders such as EU citizens, SCs, public authorities, EC, ombudsmen and other networks.

In quantitative terms, information has been gathered from the SOLVIT Annual Report, SC performance assessment and the national administration and user surveys. The central issue here is whether SOLVIT is effectively managing cases and what the overall level of satisfaction is from stakeholders.

In more qualitative terms, the evaluation also interviewed and assessed stakeholder's perceptions towards effectiveness, and their approval ratings, and the principles by which SOLVIT operates.

Among the key findings in the assessment of **effectiveness** are:

Quantitative terms:

- **Overall, SOLVIT has proven its effectiveness.** The 2010 Annual Report provides clear data to show that the current resolution rate (which has increased since the previous year from 86%) is 91% with the average time for case handling being 66 days which is within the 10 week deadline.
- The user survey, for the most part, has confirmed SOLVIT's effectiveness. **The largest group of users thought that SOLVIT was very effective (31.6%)** whilst the second largest thought SOLVIT was quite effective (19.8%). The **national administration survey** backs up this response, **with largest group responding that SOLVIT is quite effective (43.4%)** whilst the second largest thought SOLVIT was very effective (24%). The cross analysis of the user survey shows that **there is a strong correlation between those whose problem was solved and those who thought SOLVIT managed their case effectively** (a total of 86.9% of this group).
- In terms of levels of satisfaction with cooperating with SOLVIT, the user and national administration survey have produced similar results. **The largest group from each survey were very satisfied (34% of users and 32.1% from national administrations)** whilst the second largest were from those who were quite satisfied (18.8% of users and 26.4% from national administrations). The cross analysis of the user survey also demonstrates

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that **there is a strong correlation between those who experienced effective handling of their case and those were satisfied SOLVIT services overall.**

- However, despite these overall approval ratings from both surveys and interviews, **a key issue to be tackled is the significant minority of users who have not perceived SOLVIT as being effective and are not satisfied** with the services that they have received. Whilst the national administration survey produced almost negligible results with regard to these issues, the user survey delivered some negative feedback in terms of perceptions of effectiveness. For example, 11.1% thought SOLVIT was not very effective and 18.4% thought SOLVIT was not very effective at all. The same is true with the satisfaction ratings as 10.4% were not very satisfied and 17.8% were not satisfied at all. Cross analysis of the user survey has confirmed some anticipated findings. Those whose case had exceeded the 10 week deadline and remains unsolved believed that SOLVIT was not effective (65.2% of this group). Similarly, those who defined the outcome of the case as having an 'other' status, believed SOLVIT not to be effective (55.9% of this group).
- The SC performance assessment provides strong evidence to show that the most effective SCs are the ones that are well resourced. The SCs which are adequately staffed and have a high level of legal resources achieved an average management performance result of 85.4% whilst the second best resourced group achieved a result of 83.42%. The remaining group results were between roughly 4 to 8 points lower than the second best resourced group.

Qualitative terms

- The effectiveness of SOLVIT is built upon the principles upon which the Network operates. The **informal and out of court approach offers multiple advantages to dispute resolution** given that cases can be dealt with efficiently, practically and pragmatically and often through established relationships and tactic recognition of SOLVIT's authority. This offers multiple benefits to EU citizens, national authorities and the EC. This includes quick and cost effective results and improved alignment of national authority practices with EU law.
- In addition, the interviews with SCs have demonstrated that they are **well organised to deal with the majority of their case load**. For the most part, SCs presented a coherent picture of their approach to managing cases as well as cooperative outlook towards engaging with the Network. Whilst gaps in SC management can be identified, SOLVIT has developed into a mature system that is fit for purpose in addressing the needs of those that request its services.

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- The interviews with stakeholders have tended to reach similar conclusions. Where relationships exist, bodies such as YEA, ombudsman, ECC, chambers of commerce and EEN are **satisfied with their current and further development of relations with SOLVIT and are confident in signposting cases to SOLVIT**. Interviews with national authorities have tended to illustrate similar results and have commended the informal approach to resolving cases. They have confirmed that SOLVIT is a useful tool to reviewing their approach to managing Internal Market issues.

Key finding

- The picture that emerges is that whilst SOLVIT has, for the most part, convincingly established a solid reputation with its key stakeholders, there is still much more to do in terms of improving the levels of service to a significant minority of users. **Much of this rests upon reinforcing its current systems and resources particularly for improved management of difficult and unresolved cases.**

7.3 Efficiency

The final key evaluation question related to the **efficiency** as well as the organisation of SOLVIT. This section will therefore look at its organisation at EU and national level, and the relationship between SOLVIT and other problem-solving networks and organisations.

The information obtained from interviews with SCs and stakeholders indicate that the organisation of SOLVIT has supported the development of a relatively efficient structure and systems to address its work load. This is at both EU and national levels. However, whilst the overall picture is positive, there are elements which require attention in order to improve SOLVIT's current performance.

EU level:

- Within the Commission, a number of officials are adept at identifying the types of cases which SOLVIT is accomplished at addressing. **Yet the level of integration across the Commission varies.** Whilst, SOLVIT is broadly recognised, **there are gaps in understanding where SOLVIT can be most effective.** To a certain extent, this inhibits the number of cases which could be allocated to SOLVIT and consequently limits the utilisation of SOLVIT's key strengths which can often more efficiently address cases than other routes.
- The production of informal legal advice for certain cases from Commission officials has resulted in questions being raised from SOLVIT Centres. Firstly, this is in terms of **informal legal advice significantly surpassing SOLVIT deadlines.** Secondly, sometimes the informal **legal advice is not designed to**

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address the circumstances surrounding a particular case and does not convincingly clarify the course of action which the national authority should take which may result in a negative outcome. If sufficient informal legal advice cannot be provided because legal situation of a case is too complex or politically too sensitive and requires more direct investigation, it may be appropriate for the case to be considered for alternative Commission routes or EU Pilot.

- **Efficient coordination is currently lacking with EU Pilot.** Again, this is first in terms of allocating cases to the most appropriate route and that officials dealing with EU Pilot and SOLVIT are not appropriately exchanging information.. At national level, the level of cooperation between EU Pilot and SOLVIT varies. Yet, where cooperation exists, it has been pointed out that the cooperation is beneficial to both systems and that overall efficiency would improve if stronger links were put in place.
- In terms of cooperation with YEA, currently legal advice is being provided to SCs which may not have sufficient access to in-house legal expertise or in order to resolve disagreements between SCs. From all accounts, the advice that has been provided has been welcomed and currently fills legal expertise gaps. However, stronger communication and sharing of information is required so YEA can improve its filtering of cases to SOLVIT and can track the progress of signposted cases.

National level:

- **With a broad range of national stakeholders SOLVIT has developed good working relations.** It has been found that mutual signposting exists between various bodies including ECC, EEN and chambers of commerce. In certain areas relations have developed further to the extent of sharing information and expertise on particular cases. Whilst good relations exist, **the work in this area could be deepened and extended to help broaden SOLVIT's coverage as well as improve successful resolution of cases.**
- Similarly, whilst good relations **with ombudsman exist in certain cases, relations should also be deepened and extended.** In certain countries ombudsman are the most likely to have overlaps with the scope of SOLVIT and are well known by EU citizens. Improved signposting as well as sharing expertise would support case resolution.
- **The support and systems managed by the Commission have been welcomed but could be further enhanced.** This includes more detailed training in areas linked to the functioning of the Internal Market, analysis of the database through statistical tools, as well as assessing the requests for amending the database.

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- **Cooperation between SCs is perceived to be good but is also an element which requires consideration in order to help overcome disagreements which hinder case resolution..** Various reasons have been presented (such as availability of legal expertise and the ability of SCs to act independently) to elaborate why SCs may not be in position to reach a mutually agreeable outlook on the case. Requests have come forward to review this area and to establish a stronger approach to resolving disputes.
- At this stage, **the level of support for unresolved cases appears to be insufficient.** From the answers given by SCs, it wasn't particular clear how these were supposed to be followed up and further supported. Management of such cases should be better addressed.
- From the information gained from the interviews and survey, cooperation with national authorities tends to be operating relatively well. The key area of concern is **building SOLVIT's level of authority but retaining its informal dispute resolution credentials.** Improving the quality of legal expertise from SCs is again a core aspect to focus on. However, if certain authorities do not recognise a case which provides a clear example of a misapplication of EU law, then SOLVIT may prove to be relatively inefficient in addressing such cases. Other avenues should therefore be considered including transferring cases for consideration to the Commission or EU Pilot through an appropriate mechanism.

Promotional activities and business cases:

- The user survey results have illustrated that general advertising has brought in a minimal amount of cases and should no longer be considered as an efficient and cost effective means of attracting SOLVIT cases. **Internet searches and streamlining with other websites have proven to be successful in guiding the majority of cases to SOLVIT** and should be further strengthened.. **Promotion and recommendations through various organisations and networks have collectively guided a large proportion of cases to SOLVIT** and should be strengthened. The Italian case provides a good example of cooperating with organisations to promote SOLVIT with coverage across the country at a local level.
- Businesses continue to be underrepresented compared to the number of cases from citizens. A combination of various factors appears to account for this including the relatively low level of awareness of SOLVIT. **Efforts should therefore be made to continue to build relations with business organisations and to improve the level of service to the private sector.** At the same time, it should be recognised that SOLVIT may be one of several options for business and in certain cases may not be the preferred option..

Authority survey results

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This section provides an summary of the main conclusions from the evaluation of SOLVIT

8.1 Conclusions

This section of our report sets out the conclusions of the study. The conclusions are divided into those that affect the resources, scope, service delivery, communications, CHAP and EU PILOT, Network management and relations between SCs.

Staff and legal resources

Conclusion 1: If SOLVIT is asked to address an increasing number of cases with improved service delivery it would be important to ensure that the necessary staff and legal resources can be made available.

Conclusion 2: To improve access to legal expertise, future SC staff should have appropriate legal training prior to joining SOLVIT or should have a thorough EU legal background and experience.

Scope

Conclusion 3: The scope of SOLVIT could be reviewed . However, the issue of improving the resources and systems of the Network need to be addressed first and the strengths of the system, namely the built-in checks and balances as two centres are involved in each case, should be safeguarded.

Service delivery

Conclusion 4: Efforts to improve user satisfaction should be placed at the heart of service delivery. This should be understood in its broadest sense throughout the cycle of case management with improved communication, efficiency, coordination, assessment of cases and stronger liaison with stakeholders being key elements.

Authority survey results

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Communication

Conclusion 5: Deeper understanding and communication of SOLVIT is required across the Commission in order to encourage stronger engagement and improved filtering of cases.

Conclusion 6: Relations should be deepened and strengthened with stakeholders to improve signposting, identify overlaps, sharing legal advice and for promoting SOLVIT.

Conclusion 7: SOLVIT's web presence should be further enhanced to help guide an increasing number of users to SOLVIT.

CHAP and EU Pilot

Conclusion 8: SOLVIT and EU Pilot should be linked in areas which lead to the overall improvement in the performance of both systems. This includes means to improve the better filtering and allocation of cases, sharing of case information and a formal mechanism for transferring and tracking unresolved SOLVIT cases for consideration for EU Pilot.

Network management

Conclusion 9: A detailed assessment of the support provided by DG MARKT should be initiated. The areas this would cover include development of the database, increasing the scope and depth of training and assessment and adaptation of the Annual Report to address targeted needs.

Authority survey results

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Relations between SCs

Conclusion10: Discussions should take place to assess how to develop an improved system for managing disagreements for difficult cases between SCs.