

# Procedure file

| Basic information   |                               |
|---|-------------------------------|
| COD - Ordinary legislative procedure (ex-codecision procedure) Directive<br>2016/0398(COD)  | Procedure lapsed or withdrawn |
| Services in the internal market: notification procedure for authorisation schemes and requirements related to services<br>Amending Directive 2006/123/EC <a href="#">2004/0001(COD)</a><br>Amending Regulation (EU) No 1024/2012 <a href="#">2011/0226(COD)</a> |                               |
| Subject<br>2.40 Free movement of services, freedom to provide<br>2.80 Cooperation between administrations   |                               |

| Key players                            |   |                      |            |
|--|---|----------------------|------------|
| European Parliament                    |   |                      |            |
| Council of the European Union          | Council configuration   | Meeting              | Date       |
|  | <a href="#">Competitiveness (Internal Market, Industry, Research and Space)</a> | <a href="#">3544</a> | 30/05/2017 |
| European Commission                    | Commission DG   | Commissioner         |            |
|  | <a href="#">Internal Market, Industry, Entrepreneurship and SMEs</a>            | BIEŃKOWSKA Elżbieta  |            |
| European Economic and Social Committee |   |                      |            |

| Key events |  |   |         |
|------------|--|---|---------|
| 10/01/2017 | Legislative proposal published   | <a href="#">COM(2016)0821</a>   | Summary |
| 19/01/2017 | Committee referral announced in Parliament, 1st reading  |   |         |
| 04/12/2017 | Vote in committee, 1st reading   |   |         |
| 04/12/2017 | Committee decision to open interinstitutional negotiations with report adopted in committee                  |   |         |
| 08/12/2017 | Committee report tabled for plenary, 1st reading   | <a href="#">A8-0396/2017</a>  | Summary |
| 11/12/2017 | Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 71)              |   |         |
| 14/12/2017 | Results of vote in Parliament  |  |         |
| 14/12/2017 | Request for a plenary vote on the Committee decision to enter into interinstitutional negotiations (Rule 71) |   |         |
| 14/12/2017 | Committee decision to enter into interinstitutional negotiations confirmed                                   |   |         |

|            |   |  |  |
|------------|---|--|--|
|            | by plenary (Rule 71 - vote)                             |  |  |
| 21/10/2019 | Committee referral announced in Parliament, 1st reading |  |  |
| 23/04/2021 | Proposal withdrawn by Commission                        |  |  |

| Technical information                        |   |
|--|---|
| Procedure reference                          | 2016/0398(COD)  |
| Procedure type                               | COD - Ordinary legislative procedure (ex-codecision procedure)  |
| Procedure subtype                            | Legislation   |
| Legislative instrument                       | Directive   |
|  | Amending Directive 2006/123/EC <a href="#">2004/0001(COD)</a><br>Amending Regulation (EU) No 1024/2012 <a href="#">2011/0226(COD)</a>       |
| Legal basis                                  | Treaty on the Functioning of the EU TFEU 114; Treaty on the Functioning of the EU TFEU 062; Treaty on the Functioning of the EU TFEU 053-p1 |
| Mandatory consultation of other institutions | <a href="#">European Economic and Social Committee</a>  |
| Stage reached in procedure                   | Procedure lapsed or withdrawn   |
| Committee dossier                            | IMCO/9/00204  |

| Documentation gateway   |  |                               |            |      |         |
|---|--|-------------------------------|------------|------|---------|
| Legislative proposal  |  | <a href="#">COM(2016)0821</a> | 10/01/2017 | EC   | Summary |
| Document attached to the procedure                              |  | SWD(2016)0434                 | 11/01/2017 | EC   |         |
| Document attached to the procedure                              |  | SWD(2016)0435                 | 11/01/2017 | EC   |         |
| Economic and Social Committee: opinion, report                  |  | <a href="#">CES0729/2017</a>  | 31/05/2017 | ESC  |         |
| Committee draft report  |  | <a href="#">PE606.190</a>     | 19/06/2017 | EP   |         |
| Committee of the Regions: opinion                               |  | <a href="#">CDR1195/2017</a>  | 11/10/2017 | CofR |         |
| Committee report tabled for plenary, 1st reading/single reading |  | <a href="#">A8-0396/2017</a>  | 08/12/2017 | EP   | Summary |

| Additional information |                          |
|------------------------|--------------------------|
| Research document      | <a href="#">Briefing</a> |

## Services in the internal market: notification procedure for authorisation schemes and requirements related to services

**PURPOSE:** to lay down a notification procedure for the better enforcement of the Services Directive in order to facilitate the freedom of establishment for services providers and the freedom to provide services in the single market.

**PROPOSED ACT:** Directive of the European Parliament and of the Council.

**ROLE OF THE EUROPEAN PARLIAMENT:** the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

**BACKGROUND:** [Directive 2006/123/EC](#) of the European Parliament and of the Council provides, inter alia, that authorisation schemes and certain types of requirements related to services must be non-discriminatory with regard to nationality or residence, justified by an overriding reason related to the public interest.

To make sure that new measures imposed by Member States actually fulfil these conditions and thus facilitate the competitiveness and integration of the single market in services, the Services Directive provides that Member States shall notify to the Commission new or changed

authorisation schemes or certain new or changed requirements falling under the Directive.

Commission assessments have shown, however, that the current notification procedure under the Services Directive does not always achieve its objective. The Commission therefore presents a self-standing legislative instrument modernising the current notification procedure under the Services Directive in order to improve the enforcement of the existing provisions of that Directive.

This proposal is included in the continuation of the [Single Market Strategy](#).

The European Council called for ambition in delivering the Single Market Strategy and for the different Single Market strategies to be completed and implemented by 2018.

**IMPACT ASSESSMENT:** the preferred choice is a combination of options to use a legislative initiative to enable identified shortcomings to be addressed and establish an effective and efficient notification procedure with only a small increase in administrative costs for national public authorities and the Commission.

**CONTENT:** the notification procedure established by the proposed Directive aims to ensure that certain national restrictions to the freedom of establishment and to the freedom to provide services will comply with the Services Directive, contributing to its better enforcement.

**Notification obligation:** Member States shall notify to the Commission any draft measure that introduces new requirements or authorisation schemes, or modifies such existing requirements or authorisation schemes.

The proposal also provides that Member States have to notify authorisation schemes, certain establishment requirements, certain requirements affecting the freedom to provide services and requirements concerning professional liability insurance and multidisciplinary activities.

**Consultation, alert and Decision:** the proposal establishes a consultation period of three months following the notification of a draft measure. The Commission and other Member States have a maximum of two months to comment on a notified measure, followed by a maximum of one month for the notifying Member State to respond to such comments.

The Commission may issue an alert to the notifying Member State where after assessing the notified measure it has concerns about its compliance with the Services Directive. The issuing of an alert implies that the Member State concerned shall not adopt the notified measure at issue for three months.

After an alert has been issued, the Commission may adopt a legally binding Decision finding the notified measure to be incompatible with the Services Directive and requesting the notifying Member State to refrain from adopting it.

**Information to the public:** the proposal provides for transparency to third parties of notified draft measures, accompanying information and the final adopted measures.

In order to ensure an effective exchange of information between the Member States and the Commission, the Internal Market Information System set up by [Regulation \(EU\) No 1024/2012](#) (IMI Regulation) of the European Parliament and of the Council should continue to be used under this Directive.

## Services in the internal market: notification procedure for authorisation schemes and requirements related to services

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The Committee on the Internal Market and Consumer Protection adopted the report by Sergio GUTIÉRREZ PRIETO (S&D, ES) on the proposal for a directive of the European Parliament and of the Council on the enforcement of the Directive 2006/123/EC on services in the internal market, laying down a notification procedure for authorisation schemes and requirements related to services, and amending Directive 2006/123/EC and Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System.

As a reminder, the proposal aims to increase the efficiency of the notification procedure for better application of the [Services Directive](#) in order to facilitate the freedom of establishment of service providers and the freedom to provide services in the single market.

The committee recommended that the European Parliaments position adopted at first reading under the ordinary legislative procedure should amend the Commission proposal as follows.

**Derogations from the notification obligation:** in order to ensure that the notification obligation on such authorities is proportionate, Members considered that draft measures implementing authorisation schemes or requirements which have already been notified to the Commission and adopted by the Member State concerned at national level should not be subject to notification.

In addition, Member States shall not be obliged to notify, prior to their adoption, the modifications to a draft measure that is already subject to an ongoing notification procedure, made by a Member State parliament at national or regional level, The Member State concerned may adopt such measures as modified and shall notify them to the Commission without delay, and at the latest two weeks after their adoption.

Members also considered that the obligation to notify a draft measure prior to its adoption shall not apply when a Member State has to adopt an urgent measure very quickly due to serious and unforeseeable circumstances relating to public policy, public security, public health or the protection of the environment.

This exception shall not be used to circumvent the implementation of the notification procedure laid down in this Directive. As a result, Member States should notify all such adopted measures to the Commission, together with their content and the reasons for the urgency that triggered their adoption, without undue delay and in any case not later than the day on which those urgent measures were adopted.

**Consultation:** the Commission shall facilitate the possibility to comment on the notifications made by Member States within the consultation period and inform the Member State concerned of relevant feedback, if it considers this to be necessary.

**Alerts:** the proposal provides that if the Commission expresses concerns (an alert) about the compatibility of the notified draft measure with the Services Directive, the notifying Member State may not adopt the measure in question for a period of three months after the closure of the consultation period organised between the notifying Member State, the other Member States and the Commission.

Members consider that the receipt of an alert shall not prevent the Member State from adopting the corresponding legislation, Regulation or administrative act after the period of three months has passed.