

## Services in the internal market. Services Directive

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The Council had an exchange of views on the draft framework Directive on Services in the Internal Market. Presenting the new proposal, Commissioner Bolkestein pointed out that it aims to establish a legal framework to facilitate the exercise of establishment for economic service providers and the free movement of services in the internal market. By eliminating certain obstacles, its main objective is to ensure legal certainty for service providers and recipients.

Preceding the debate, the Council drew Conclusions with regard to the Commission Communication on the competitiveness of business-related services. It recalled the crucial role of services in the European economy and their potential for productivity growth and employment creation, in particular in the context of achieving the objectives of the Lisbon strategy.

The Council recognised that the proposed framework directive on services in the Internal Market constitutes an important element in improving the competitiveness of business-related services and undertook to examine this proposal as a matter of priority.

In the light of the Commission's analysis and in the context of improving the competitiveness of business-related services, the Council stressed the need for action on a European level to:

- develop the internal market and competitive framework conditions for business-related services in order to improve competition, strengthen market integration and meet global competitive challenges;
- promote continuous learning and updating of skills of the labour force and stimulate the integration of ICT into business processes in order to improve productivity;
- improve the understanding of linkages between business-related services and other sectors of the economy, in particular the manufacturing industries and the public sector;
- improve statistical information: business-related services are of considerable economic importance to the EU. Better data and economic analysis constitute essential instruments for achieving better knowledge and determining policy choices. Improvements in statistical information should be achieved whilst minimising the overall administrative burden;
- encourage R&D and non-technological innovation, the establishment of voluntary standards for services products and the further development of business-related services in regional and local markets.

Lastly, the Council looks forward to the development of a well targeted Action Plan for business-related services and accompanying timetable and welcomed the intention of the Commission to present this early in 2005 to complement the measures contained in the proposed Framework Directive on Services.