Follow-up to the report on competition in professional services

2006/2137(INI) - 12/10/2006 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report by Jan Christian **EHLER** (EPP-ED, DE) in reaction to the Commission's latest communication on competition in professional services. The resolution was passed by 534 votes in favour, 62 against and 9 abstentions. It welcomed the dialogue between the Commission, the Member States and the professional bodies of professional services providers aimed at dismantling barriers to competition which were unjustified and rules which were against the interests of consumers. However, Parliament felt that the Commission had failed to address the consequences of a systematic pro-competitive reform of the sector of professional services as regards job creation and additional growth. The fundamental priority of the reform should be to provide broader and easier access for consumers, while at the same time ensuring the quality and cost-efficiency of the services.

Acknowledging the right to issue regulations based on traditional, geographic and demographic specificities, Parliament emphasised that rules should be chosen which restrict competition as little as possible and that, within the existing system, substantive reform processes must be pursued in order to help attain the Lisbon targets. The mandatory nature of fixed or minimum rates and the ban on negotiating fees based on the result achieved might be detrimental to the quality of service to the public and to competition. Member States must overcome these constraints with measures which are less restrictive and more likely to comply with the principles of non-discrimination, necessity and proportionality.

Parliament went on to make the following observations:

- in order to strengthen small and medium-sized enterprises and increase the capacity for innovation restrictions on the scope for cooperation should be eliminated and the setting up of inter-professional service providers be facilitated;

- special regulations in the field of advertising could be largely dispensed with, and the continuity of such regulations should be limited to duly justified exceptional cases. The reduction of regulation should be aimed at enabling professionals to inform users of the services they offer via advertising, providing consumers with information on their professional qualifications and specialisations, and on the nature and cost of the services offered;

- the Commission should broaden the scope of its analysis as regards the subdivision of regulatory protection by category of consumer group by looking more closely at small and medium-sized undertakings;

Lastly, Parliament pointed out that the subdivision of regulatory protection according to individual categories of consumer overlooked the fact that rules derived their legitimacy from the fact that externalities may appear in the provision of professional services and that certain professional services may be deemed to be public goods.