

Basic information	
2004/0001(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Services in the internal market. Services Directive See also 2010/2053(INI) See also 2011/2085(INI) See also 2015/2881(RSP) Subject 2.40 Free movement of services, freedom to provide	

Key players			
European Parliament	Committee responsible		Rapporteur
			Appointed
	IMCO	Internal Market and Consumer Protection	GEBHARDT Evelyne (PSE)
			04/09/2006
	Former committee responsible		Former rapporteur
			Appointed
	IMCO	Internal Market and Consumer Protection	GEBHARDT Evelyne (PSE)
			28/07/2004
	JURI	Legal Affairs and Internal Market	GEBHARDT Evelyne (PSE)
			18/02/2004
	Former committee for opinion		Former rapporteur for opinion
			Appointed
	CONT	Budgetary Control	HEATON-HARRIS Christopher (PPE-DE)
			18/01/2005
	ECON	Economic and Monetary Affairs	WAGENKNECHT Sahra (GUE/NGL)
			13/09/2004
	EMPL	Employment and Social Affairs (Associated committee)	VAN LANCKER Anne (PSE)
			28/07/2004
	ENVI	Environment, Public Health and Food Safety	LIOTARD Kartika Tamara (GUE/NGL)
			01/09/2004
	ITRE	Industry, Research and Energy	CHATZIMARKAKIS Jorgo (ALDE)
			31/08/2004

	CULT Culture and Education	DESCAMPS Marie-Hélène (PPE-DE)	27/10/2004
	JURI Legal Affairs	LECHNER Kurt (PPE-DE)	07/10/2004
	FEMM Women's Rights and Gender Equality	ROMEVA I RUEDA Raül (Verts/ALE)	25/01/2005
	PETI Petitions	LIBICKI Marcin (UEN)	17/03/2005
	ECON Economic and Monetary Affairs		
	ITRE Industry, External Trade, Research, Energy		
	EMPL Employment and Social Affairs (Associated committee)	VAN LANCKER Anne (PSE)	11/02/2004
	ENVI Environment, Public Health, Consumer Policy	The committee decided not to give an opinion.	
	Former committee for opinion on the legal basis	Former rapporteur for opinion	Appointed
	JURI Legal Affairs	MEDINA ORTEGA Manuel (PSE)	20/09/2004
Council of the European Union	Council configuration	Meetings	Date
	Competitiveness (Internal Market, Industry, Research and Space)	2694	2005-11-28
	Competitiveness (Internal Market, Industry, Research and Space)	2731	2006-05-29
	Competitiveness (Internal Market, Industry, Research and Space)	2665	2005-06-06
	Competitiveness (Internal Market, Industry, Research and Space)	2715	2006-03-13
	Competitiveness (Internal Market, Industry, Research and Space)	2747	2006-07-24
	Competitiveness (Internal Market, Industry, Research and Space)	2570	2004-03-11
	Competitiveness (Internal Market, Industry, Research and Space)	2624	2004-11-25
	Transport, Telecommunications and Energy	2772	2006-12-11
European Commission	Commission DG	Commissioner	
	Financial Stability, Financial Services and Capital Markets Union	MCCREEVY Charlie	

Key events			
Date	Event	Reference	Summary
13/01/2004	Legislative proposal published	COM(2004)0002 	Summary
12/02/2004	Committee referral announced in Parliament, 1st reading		
11/03/2004	Resolution/conclusions adopted by Council		Summary
16/09/2004	Committee referral announced in Parliament, 1st reading		
25/11/2004	Debate in Council		Summary
08/03/2005	Debate in Parliament		
06/06/2005	Debate in Council		Summary
22/11/2005	Vote in committee, 1st reading		Summary
28/11/2005	Debate in Council		Summary
16/12/2005	Committee report tabled for plenary, 1st reading	A6-0409/2005	
14/02/2006	Debate in Parliament		
16/02/2006	Decision by Parliament, 1st reading	T6-0061/2006	Summary
16/02/2006	Results of vote in Parliament		
13/03/2006	Debate in Council		Summary
04/04/2006	Debate in Parliament		
04/04/2006	Modified legislative proposal published	COM(2006)0160 	Summary
24/07/2006	Council position published	10003/4/2006	Summary
07/09/2006	Committee referral announced in Parliament, 2nd reading		
23/10/2006	Vote in committee, 2nd reading		Summary
24/10/2006	Committee recommendation tabled for plenary, 2nd reading	A6-0375/2006	
15/11/2006	Decision by Parliament, 2nd reading	T6-0490/2006	Summary
15/11/2006	Results of vote in Parliament		
15/11/2006	Debate in Parliament		
11/12/2006	Act approved by Council, 2nd reading		
12/12/2006	Final act signed		
12/12/2006	End of procedure in Parliament		
27/12/2006	Final act published in Official Journal		

Technical information	
Procedure reference	2004/0001(COD)

Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	See also 2010/2053(INI) See also 2011/2085(INI) See also 2015/2881(RSP)
Legal basis	EC Treaty (after Amsterdam) EC 055 EC Treaty (after Amsterdam) EC 071 EC Treaty (after Amsterdam) EC 080 EC Treaty (after Amsterdam) EC 047-p2 Rules of Procedure EP 57_o
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/6/38459

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	JURI	PE357.707	21/04/2005	
Committee opinion	CULT	PE353.526	26/04/2005	
Committee opinion	ITRE	PE350.237	28/04/2005	
Committee opinion	FEMM	PE355.576	04/05/2005	
Amendments tabled in committee		PE357.633	09/05/2005	
Committee opinion	CONT	PE355.788	26/05/2005	
Amendments tabled in committee		PE360.091	29/06/2005	
Amendments tabled in committee		PE360.092	29/06/2005	
Amendments tabled in committee		PE360.093	29/06/2005	
Amendments tabled in committee		PE360.094	29/06/2005	
Committee opinion	JURI	PE353.583	01/07/2005	
Committee opinion	EMPL	PE357.591	19/07/2005	
Committee opinion	PETI	PE359.889	28/07/2005	
Amendments tabled in committee		PE364.734	18/10/2005	
Amendments tabled in committee		PE364.722	18/11/2005	
Committee report tabled for plenary, 1st reading/single reading		A6-0409/2005	16/12/2005	
Text adopted by Parliament, 1st reading/single reading		T6-0061/2006	16/02/2006	Summary
Committee draft report		PE376.648	07/09/2006	
Amendments tabled in committee		PE378.737	21/09/2006	
Committee recommendation tabled for plenary, 2nd reading		A6-0375/2006	24/10/2006	
Text adopted by Parliament, 2nd reading		T6-0490/2006	15/11/2006	Summary

Council of the EU

Document type	Reference	Date	Summary
Council statement on its position	11296/2006	14/07/2006	
Council position	10003/4/2006 OJ C 270 07.11.2006, p. 0001-0038 E	24/07/2006	Summary
Draft final act	03667/1/2006	12/12/2006	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2004)0002 	13/01/2004	Summary
Document attached to the procedure	SEC(2004)0021 	13/01/2004	
Commission response to text adopted in plenary	SP(2006)1012	09/03/2006	
Modified legislative proposal	COM(2006)0160 	04/04/2006	Summary
Commission communication on Council's position	COM(2006)0424 	25/07/2006	Summary
Commission opinion on Parliament's position at 2nd reading	COM(2006)0718 	16/11/2006	Summary
Commission response to text adopted in plenary	SP(2007)0054	11/01/2007	
Follow-up document	COM(2010)0134 	09/04/2010	Summary
Follow-up document	SEC(2010)0395 	09/04/2010	Summary

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2010)0134	24/11/2010	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
CofR	Committee of the Regions: opinion	CDR0154/2004 OJ C 043 18.02.2005, p. 0018-0022	30/09/2004	
EESC	Economic and Social Committee: opinion, report	CES0137/2005 OJ C 221 08.09.2005, p. 0113-0125	10/02/2005	

Additional information		
Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act	
Directive 2006/0123 OJ L 376 27.12.2006, p. 0036-0068	Summary

Services in the internal market. Services Directive

2004/0001(COD) - 12/12/2006 - Final act

PURPOSE: to establish general provisions on the free movement of services in the internal market.

LEGISLATIVE ACT: Directive 2006/123/EC of the European Parliament and of the Council on services in the internal market.

BACKGROUND: a number of Articles in the Treaty on European Union provide for the free movement of services. They are:

- Article 14 (2): establishing the internal market in which the free movement of services is ensured;
- Article 43: freedom of establishment; and
- Article 49: the right to provide services within the Community.

Yet, more than ten years after the completion of the internal market, the **internal market in services** has yet to be fully realised. Although enshrined in primary EU legislation, the free movement of services, in practice, has been hampered, hindered and prevented through the continued use of national barriers. These barriers can not be removed solely by relying on the direct application of Article 43 and 49 of the TEU, since tackling infringements, on a case by case basis, would be both complicated and lengthy. Further, for Article 43 and 49 to be fully effective national administrations would need to first set up a system of administrative co-operation – a system which can only be achieved through secondary legislation.

CONTENT: the purpose of this Directive, therefore, is to establish a general legal framework offering, on the one hand, freedom of establishment for service providers beyond their national borders and the free movement of services, on the other. The legislation has been drafted to allow for a high level of consumer protection. The key elements of the Directive can be summarised as follows:

1. General provisions

The Directive establishes the general provisions for facilitating the freedom of establishment for service providers and the free movement of services. It does not deal with:

- the liberalisation of services of general economic interest;
- the privatisation of public entities;
- the abolition of monopolies that currently provide services;
- nor does it deal with aid granted by Member States under competition rules.

The Directive does not affect Member States':

- right to define what they consider to be services of general economic interest;
- national criminal law;
- labour law (i.e. employment conditions and work contracts);
- right to conclude and enforce collective agreements and to take industrial action in accordance with national law.

The scope of the Directive is very specific. It will not apply to: **non-economic** services of general interest; (the Directive later specifies that certain **economic** services of general interest will also be excluded from the Directive. They include, *inter alia*: postal services; the electricity sector; the gas

sector; water distribution and waste water services); financial services; electronic communication services and networks; transport services; temporary work agencies; healthcare services; audiovisual services; gambling activities; activities connected to official work; social services; private security services; and services provided by notaries and bailiffs.

In cases where service sectors are already regulated under EU legislation then existing provisions will prevail over the provisions set out in this Directive. The Directive will not concern rules of private international law.

2. Administrative simplification

To date, one of the main causes of market fragmentation has been overly cumbersome administrative procedures. One of the key aspects of this Directive, therefore, is to provide for administrative simplification. As a result, the Directive provides that in future, application forms will be based on a standard European form, which will be developed by the Commission in accordance with comitology procedures. Service providers seeking the cross-border establishment of their activities will be able to apply through a national "Single Contact Point". The single contact points will: provide applicants with all the necessary information needed to establish themselves abroad; set up a system whereby all procedures and formalities can be easily completed; and allow for applications to be submitted at a distance and by electronic means.

3. Freedom of establishment

Those seeking "the right of establishment" will not be subject to authorisation schemes. Authorisations will only be permitted on condition that they are non discriminatory; they are justified on the grounds of public interest; and the objective can not be achieved by less restrictive measures (i.e. an inspection would take place too late). Any authorisation that fulfils these criteria must, in any case, be reported to the Commission.

4. Free movement of services

Member States must respect the right of service providers to operate in a country other than the one in which they are established. As such, service providers will not need: to be established in the territory in which they are seeking to work; to obtain an authorisation; to register with a professional body or association; or be banned from setting up a certain type of infrastructure which they may need to supply the services in question. Only requirements concerning public policy, public security, public health or the protection of the environment may be imposed on a service provider.

The above, however, will not apply to services of economic interest such as, the postal sector; the electricity sector; the gas sector; water distribution services etc.

5. Quality of services

In order to protect consumers, the Directive lists a number of provisions, applicable to the service industry. For example, service providers must provide the Member States with their name; legal status; geographic address of establishment; registered trade number; authorisation scheme (where relevant); VAT number; after sales guarantees etc. They must also, where necessary, subscribe to a professional liability insurance.

6. Administrative co-operation

The Directive obliges Member States to offer each other mutual assistance and to put in place measures for effective co-operation in order to ensure the correct supervision of providers and the services they provide. An "alert" mechanism is also set out.

7. Convergence programme

The Member States will, in co-operation with the Commission, take accompanying measures to encourage the drawing up, at a Community level, of codes of conduct which seek to facilitate the provisions of a service.

ENTRY INTO FORCE: 28 December 2006.

TRANSPOSITION: 28 December 2009.

Services in the internal market. Services Directive

2004/0001(COD) - 16/02/2006 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution on the services directive by 391 votes to 213 with 34 abstentions, but made many amendments to the Commission's proposal. The rapporteur was Evelyne **GEBHARDT (PES, DE)**. A compromise was reached before plenary, between the PES and the EPP-ED which overturned the approach proposed by the Commission. The Greens and GUE-NGL group voted against the compromise agreement. However, the ALDE group, apart from the German and Lithuanian delegations, supported it. The principal amendments relate to the following topics:

Country-of-origin principle: under the Commission's proposal, this had required service providers to be subject to the laws of their home country. Parliament deleted this principle in favour of an article on 'freedom to provide services'. It requires the Member States to respect the right of the service provider to supply services and to guarantee the provider "free access to and free exercise of a service activity within its territory". This guarantee is underpinned by a ban on a number of obstacles to the free movement of services. For example, in general it will no longer be possible to require a service provider to open an office in the country where it is temporarily providing a service nor to prevent it from setting up "certain infrastructure" in that country. The provider must not be forced to register with a professional body nor be banned from using his normal equipment at work. In addition, Member States must not apply "contractual arrangements between the provider and the recipient which prevent or restrict service provision by the self-employed".

The freedom to provide services is qualified by a clause stating that a Member State to which the service provider moves is not prevented from imposing requirements with regard to the provision of a service activity, where they are justified for reasons of public policy, public security, environmental protection and public health. Nor do they prevent Member States from applying, in conformity with Community law, their rules on employment conditions, including those laid down in collective agreements.

Member States must not make access to or exercise of a service activity in their territory subject to compliance with any requirements which do not respect the following principles:

- non-discrimination (i.e. the requirement may be neither directly nor indirectly discriminatory with regard to nationality or, in the case of legal persons, with regard to the Member State in which they are established),
- necessity (i.e. the requirement must be justified for reasons of public policy or public security or the protection of the health and the environment) and
- proportionality (i.e. the requirements must be suitable for securing the attainment of the objective pursued, and must not go beyond what is necessary to attain that objective).

The Commission must produce a report on the prospect of harmonisation of national legislation on the provision of services five years after the directive enters into force.

Scope of the Directive: The Directive now covers fewer services than the original text.

- 'Services of general interest' are not included in the scope of the directive. Parliament stated that such services are provided and defined by the Member States under their obligations to protect the public interest. These activities are not covered by the definition in Article 50 of the Treaty and do not therefore fall within the scope of this Directive.

- Parliament voted to exclude both public and private healthcare from the directive. Industries covered by legislation specific to their sector are also excluded, e.g. financial services, electronic communications services and networks, and transport. Other areas excluded are legal services, audiovisual services, gambling and lotteries, and professions and activities linked to the exercise of public authority (e.g. notaries) and tax services. Parliament has also excluded from the scope of the directive temporary work agencies and services with a social welfare objective (e.g. social housing, childcare) and non-profit-making amateur sporting activities

- Services of general economic interest, by contrast, are covered, but the Directive does not deal with the liberalisation of services of general economic interest reserved to public or private entities, nor does it deal with the privatisation of public entities providing services. Furthermore, the Directive does not affect the freedom of Member States to define, in conformity with Community law, what they consider to be services of general economic interest, how those services should be organised and financed and what specific obligations they should be subject to. It should be noted that "services of general economic interest" has been defined by Parliament as services which are qualified as such by the Member State and which are subject to specific public service obligations which have been assigned to the service provider by the Member State concerned to meet certain public interest objectives.

- The Directive includes within its scope services of general economic interest such as postal services, water supply, electricity, and waste treatment. Business services such as management consultancy, certification and testing, facilities management (including office maintenance and security), advertising, recruitment services and the services of commercial agents.

- The Directive also covers services provided both to businesses and to consumers, including real estate services such as estate agencies, construction (including the services of architects), distributive trades, the organisation of trade fairs, car rental, and travel agencies. Consumer services such as tourism, leisure services, sports centres and amusement parks are also included.

Labour law: Parliament clarified that the Directive will not alter workers' social rights nor will it change existing labour law. The Directive does not affect terms and conditions of employment which, pursuant to Directive 96/71/EC, apply to workers posted to provide a service in the territory of another Member State. In such cases, Directive 96/71/EC stipulates that service providers have to comply with terms and conditions of employment in a listed number of areas applicable in the Member State where the service is provided. These are: maximum work periods and minimum rest periods, minimum paid annual holidays, minimum rates of pay, including overtime rates, the conditions of hiring out of workers, in particular the supply of workers by temporary employment undertakings, health, safety and hygiene at work, protective measures with regard to the terms and conditions of employment of pregnant women or women who have recently given birth and of children and young people and equality of treatment between men and women and other provisions on non-discrimination. This concerns not only terms and conditions of employment which are laid down by law but also those laid down in collective agreements or arbitration awards within the meaning of Directive 96/71/EC. Moreover, the Directive does not prevent Member States from applying terms and conditions of employment on matters other than those listed in Directive 96/71/EC on the grounds of public policy provisions. Parliament deleted those articles which curbed a member state's ability to carry out labour inspections on workers posted to its territory. The Member State of destination is responsible for supervising service providers in its territory.

Relationship to other legislation: Where there is already legislation in individual sectors e.g. financial services, the sector-based rules will take precedence over this general Directive. Private international law, such as the Rome I and Rome II Regulations, will prevail over this Directive if there is conflict between the two. Parliament stated that contractual relations between the service provider and the client as well as between employer and employee will not be subject to this Directive. Furthermore, the contractual agreement prevails insofar as it contains provisions on quality standards.

Right of establishment: Parliamentary amendments allow Member States to authorise firms to establish themselves if there is a proven economic need or demand for their service. Member States are also permitted to require companies register there before they can provide their services.

Finally, it should be noted that the right of establishment may be restricted if there are overriding reasons relating to the public interest. Parliament has defined the term "overriding reasons relating to the public interest" as covering, inter alia, the following grounds: the protection of public policy, public security, public safety, public health, preserving the financial equilibrium of the social security system, including maintaining balanced medical care

available to all, the protection of consumers, recipients of services, workers, fairness of trade transactions, combating fraud, the protection of the environment including the urban environment, the health of animals, intellectual property, the conservation of the national historic and artistic heritage or social policy objectives and cultural policy objectives.

Services in the internal market. Services Directive

2004/0001(COD) - 04/04/2006 - Modified legislative proposal

The European Commission has presented its modified proposal on the “Services in the Internal Market Directive”, taking account of Parliamentary amendments adopted at first reading.

The modified proposal, in summary and in chronological order, makes the following adjustments to its initial proposal:

Subject matter, Scope, Relationship with other provisions of Community law and Definitions (Articles 1-4)

“Services of general interest” and “Services of general economic interest”: the Commission accepts Parliamentary amendments specifying that “Services of general interest” will not fall under the scope of the Directive. “Services of economic interest” will, however, given that they are of an economic nature. In accordance with Parliamentary amendments, the Commission’s modified proposal accepts that the Directive’s provisions shall not provide for the liberalisation or privatisation of public entities responsible for providing such services. Further, Member States will be given the freedom to define, in conformity with Community law, their definition of a “service of general economic interest”, how those services should be organised and financed, (in compliance with state aid rules), and what specific obligations they should be subject to.

Healthcare services: the European Commission has accepted Parliamentary amendments excluding both private and public healthcare services from the Directive. At the same time, it has confirmed its commitment to come forward with a specific initiative on health services at a later stage.

Provisions on social services: the Commission accepts the exclusion of the provision of social services from the Directive’s scope. For the sake of clarity, and in order to avoid a divergence in Member States’ interpretation of the Directive, the Commission has redrafted the definition in a new recital.

Other sectoral exclusions and the full exclusion of taxation: the following service industries will be exempted from the Directive’s scope: temporary work agencies, security services, audiovisual services, gambling activities and professions connected with the exercise of official authority. On the basis that they are covered elsewhere in EU legislation, the provision of financial services, electronic communication services and transport services are also excluded. Similarly tax has been excluded from the provisions applying to this Directive. The Commission has not, however, accepted a Parliamentary amendment proposing the exclusion of legal services.

Labour law, cultural pluralism, linguistic provisions: amendments proposing that labour law be exempted from the Directive have been accepted by the Commission. Similarly, under the modified proposal, criminal law will be excluded from the Directive’s provisions. On the question of cultural and linguistic diversity and media pluralism the Commission has accepted parliamentary amendments in their entirety.

Relationship to other legislation: in the event of a conflict with other Community instruments relating to the exercise of a services activity, the provisions of the specific Community legislation shall prevail. The Directive is without prejudice to private international law, in particular private international law governing contractual and non-contractual obligations.

Definitions: on the matter of “definitions” the Commission has accepted most Parliamentary amendments subject to some redrafting. Those amendments, not accepted relate to the definition of a “worker”, “competent authorities”, and “provider”. Significantly, the Commission has not accepted an amendment, which would delete the exemplificative list of services covered by the Directive. The recital referring to this list has, therefore, been reinserted subject, again, to minor modifications in light of the Directive’s revised scope.

Administrative simplification (Articles 5-8)

Simplification of procedures: for the sake of legal clarity the European Commission accepts, Parliamentary amendments transforming the Chapter on the right of establishment for service providers. In doing so, a distinctive new Chapter on “Administrative Simplification” has been endorsed. Provisions include, inter alia, the removal of overly burdensome elements which hinder the freedom of establishment as well as the simplification of procedures applicable to accessing and exercising a service activity.

Points of single contact: Parliamentary proposals for a “single electronic contact” are not accepted. Nor, have amendments requiring the Commission to co-ordinate points of single contact through the establishment of a “European point of single contact” and the completion of all procedures at these points. The Directive has, however, been modified in order to allow for the creation of points of single contact that are without prejudice to the allocation of functions and powers among authorities within national systems. Further a new time-table for the establishment of the points of single contact has been agreed.

Right to information: the Commission, in line with the work of the Council, accepts Parliamentary modifications under this heading. It has added that issues such as liability for incorrect or misleading information are for the Member States to determine.

Procedures by electronic means: the Commission stands by its original proposal that the completion of formalities be done electronically – even if original documentation is required. It has, on the other hand, accepted a revised time-table for the implementation of this provision. The Commission clarifies that the obligation to provide for procedures by electronic means does not prevent Member States from offering alternative means of application, additional too electronic applications.

Freedom of establishment for providers: Articles 9-15

Authorisation schemes: accepted in their entirety are those amendments stating that authorisation schemes concern neither decisions by authorities to set up a public or private entity nor the conclusion of contracts.

Conditions for the granting of authorisations: the Commission has accepted amendments referring to the possibility that certain authorisations may be revoked when the conditions for granting them are no longer met. The Commission also accepts that Member States may take a number of public interest issues into account when applying their selection criteria.

Authorisation procedures: on the matter of “tacit authorisation”, the Commission has decided to stick to its original proposal whereby, in the absence of a response within a set time-frame, the authorisation shall be deemed to be granted. A rewording of the recital seeks to clarify this issue.

Prohibited requirements: the Commission has accepted, in their entirety, most of the amendments relating to prohibited requirements. For the sake of clarity and consistency the Commission has modified some of the text.

Requirements to be evaluated: again the Commission has accepted most Parliamentary amendments relating to the requirements of evaluations, bar the deletion of the “notification obligations”, which the Commission believes, would seriously water down the evaluation process.

Freedom to provide services and derogations: Articles 16-19

Freedom to provide services: to recall, European Parliamentary amendments replaced the initially proposed “Country of origin” heading with the heading “Freedom to provide services”. This amendment:

- allows service providers to offer their services in a Member State other than the one in which they are established.
- Member States, in whose territory the service is being provided, must guarantee free access to and free exercise of the service activity within its territory.
- Member States, where the service is provided, can not apply their own national requirements to service providers established in another Member State – unless these are justified on grounds of public policy, public security, public health or the protection of the environment. National requirements must be non-discriminatory, necessary and proportionate.
- Member States, acting in conformity with Community law will not be prevented from applying national employment conditions to service providers.

The Commission has accepted this amendment subject to minor drafting adjustments. In addition, the Commission has added further explanatory recitals, one referring to the jurisprudence of the ECJ on the right of Member States to take measures in order to prevent service providers from abusively taking advantage of the Internal Market principles. A further recital has been added which allows service providers to take equipment, integral to the provision of their service, when working in another Member State.

Additional derogations from the freedom to provide services: the Commission has modified its initial proposal so that Article 17 has been renamed as well as stipulating that the Directive’s provisions shall not apply to “Services of General Interest”. Specifically this refers to activities such as postal services, electricity, gas and water distribution, water services and the treatment of waste. The Commission has also clarified, in a recital, that the derogation for postal services covers both activities reserved to the universal service provider and other postal services. On the other hand, the Commission has not included amendments referring to the activities of lawyers and notaries given that it has not accepted a general exclusion of the activities of lawyers or of notaries. Proposed derogations referring to the judicial recovery of debts have, however, been accepted.

Posting of workers (Articles 24-25)

The Commission has accepted the deletion of provisions relating to the removal of administrative obstacles and concerning Member State co-operation vis-à-vis the posting of workers and the posting of third country nationals within the context of this Directive.

Quality of services (Articles 26-32)

Under this heading the Commission has accepted that service providers must be obliged to offer recipients information on their legal status. The Commission has maintained provisions relating to after-sales guarantees. Similarly, the Commission has decided not to incorporate Parliamentary amendments which would have excluded multidisciplinary activities from the mutual evaluation process. According to the Commission, the obligation to evaluate and report on restrictions on multidisciplinary activities is an essential measure for facilitating access to and exercise of service activities.

Administrative co-operation (Articles 34-38)

The Commission has accepted most of the amendments relating to administrative co-operation. It recognises the need to set out, clearly, the tasks and obligations of the Member State of establishment and the Member State where the service is provided. Concerning the proposed “Alert Mechanism” whereby a Member State immediately informs the Commission of any circumstances that could cause serious damage to the health or safety of persons, the Commission has decided to include this in its modified proposal. The alert system serves a different purpose to the mutual assistance system. Similarly, the Commission has accepted amendments referring to information on the good repute of providers.

Convergence programme and final provisions (Articles 39-48)

The Commission has incorporated amendments, both in the Directive’s recitals as well as in the body of the text, which set out the drawing up of a “code of conduct”. Professional bodies, organisations and associations will be responsible for preparing the codes of conduct. They must be complementary to Member States’ legal requirements. Under the heading of “Additional harmonisation”, the Commission specifies that an assessment concerning harmonisation for security services and the transport of cash and valuables, will be made one year after the date of the Directive’s implementation.

Lastly, the Commission has opted for a two year deadline for the transposition of the Directive, as opposed to the three-year deadline, proposed by Parliament.

For further information concerning the financial implications of this measure, please refer to the financial statement.

Services in the internal market. Services Directive

2004/0001(COD) - 13/01/2004 - Legislative proposal

PURPOSE : to provide a legal framework that will eliminate the obstacles to the freedom of establishment for service providers and the free movement of services between the Member States. **PROPOSED ACT :** Directive of the European Parliament and of the Council **CONTENT :** The establishment of a genuine internal market in services is indispensable to the achievement of the objectives set out by the Lisbon European Council. In order to eliminate the obstacles to the freedom of establishment, the proposal provides for: -administrative simplification measures, particularly involving the establishment of "single points of contact", at which service providers can complete the administrative procedures relevant to their activities, and the obligation to make it possible to complete these procedures by electronic means; -certain principles which must be respected by authorisation schemes applicable to service activities, in particular relating to the conditions and procedures for the granting of an authorisation; -the prohibition of certain particularly restrictive legal requirements that may still be in force in certain Member States; -the obligation to assess the compatibility of certain other legal requirements with the conditions laid down in the Directive, particularly as regards proportionality. In order to eliminate the obstacles to the free movement of services, the proposal provides for: -the application of the country of origin principle, according to which a service provider is subject only to the law of the country in which he is established and Member States may not restrict services from a provider established in another Member State. This principle is accompanied by derogations which are either general, or temporary or which may be applied on a case-by-case basis; - the right of recipients to use services from other Member States without being hindered by restrictive measures imposed by their country or by discriminatory behaviour on the part of public authorities or private operators. In the case of patients, the proposal clarifies the circumstances in which a Member State may make reimbursement of the cost of health care provided in another Member State subject to authorisation; -a mechanism to provide assistance to recipients who use a service provided by an operator established in another Member State; -in the case of posting of workers in the context of the provision of services, the allocation of tasks between the Member State of origin and the Member State of destination and the supervision procedures applicable. With a view to establishing the mutual trust between Member States necessary for eliminating these obstacles, the proposal provides for: -harmonisation of legislation in order to guarantee equivalent protection of the general interest on vital questions, such as consumer protection, particularly as regards the service provider's obligations concerning information, professional insurance, multidisciplinary activities, settlement of disputes, and exchange of information on the quality of the service provider; -stronger mutual assistance between national authorities -measures for promoting the quality of services, such as voluntary certification of activities, quality charters or cooperation between the chambers of commerce and of crafts; -encouraging codes of conduct drawn up by interested parties at Community level on certain questions, including in particular commercial communications by the regulated professions. The proposal defines "service", which covers a wide range of activities including, for example, management consultancy, certification and testing, maintenance, facilities management and security, advertising services, recruitment services, including the services of temporary employment agencies, services provided by commercial agents, legal or tax consultancy, property services, such as those provided by estate agencies, construction services, architectural services, distributive trades, organisation of trade fairs and exhibitions, car-hire, security services, tourist services, including travel agencies and tourist guides, audiovisual services, sports centres and amusement parks, leisure services, health services and personal domestic services, such as assistance for old people. With a view to taking full effect by 2010, the proposal is based on a dynamic approach involving phased implementation of some of its provisions, a commitment to additional harmonisation on certain specific matters (cash-in-transit services, gambling and judicial recovery of debts), the guarantee that it will evolve and that any need for new initiatives can be identified. **FINANCIAL IMPLICATIONS :** Budget lines - 12 02 01 Implementation and development of the internal market 12 01 04 01 - Implementation and development of the internal market - Expenditure on administrative management. Overall Figures: Total allocation for action (operational expenditure): EUR 0.700 million in commitment appropriations, already covered by existing allocation under internal market policy area in the financial programming. Period of application: 2004 - 2010. Overall financial impact of human resources: EUR 0.853 million per year Other administrative expenditure deriving from the action: EUR 0.016 million per year.

Services in the internal market. Services Directive

2004/0001(COD) - 24/07/2006 - Council position

The Common Position reflects, to a large extent, the views of the European Parliament at first reading. The Council notes that the Commission's amended proposal had already incorporated many Parliamentary amendments, which the Council, in turn, has also seen fit to incorporate into its Common Position. A certain number of new provisions have been added to the Common Position – all of which have been accepted by the Commission. The new provisions are considered essential for the proper implementation of the Directive's provisions.

In summary, the Council's Common Position is as follows:

1. General Provisions

Specific areas of law: A new recital has been added in order to clarify a number of general rules that are independent from the access to, or the exercise of, service activity. A number of minor drafting changes have been made in a bid to make the Article's content more explicit and unambiguous. For the rest the Common Positions reflects the position taken by the European Parliament.

Scope of application: The Council has clarified the Directive's scope. It has, by and large, accepted most Parliamentary amendments on this matter. In addition, the Council has inserted the word "non-economic" in order to clarify the term "services of general interest". On the matter of transport services and port services, the Common Position confirms the exclusion of all transport services – including port services, which again reflects amendments adopted by Parliament at first reading. On the matter of social services, the Council has added a new sentence, which stresses that the Directive will

not affect the principle of “universal service”. Further, the Council has decided not to accept an amendment excluding legal services since Article 3 specifically states that in cases of conflict sectoral legislation will prevail over this more general service Directive. On a final point, the Common Position confirms the exclusion of: temporary work agencies, health services, gambling activities, private security services and taxation.

Relationship between the Directive and other provisions of Community law: The Council has decided to follow the Parliament’s approach to this Article and confirm that, in the event of a conflict with other sectoral Community instruments, the relevant sectoral provision will prevail over and above the provisions set out in this Directive. The Council has also laid emphasis on the fact that the Directive will not affect rules on private international law. In addition this Directive will not affect national legislation offering consumer protection.

Definitions: Most amendments concerning definitions have been incorporated into the Common Position. Amendments changing the definition of the following terms have not, however, been incorporated: service, public service obligation, worker, competent authorities and provider. Nor has the Council deleted the list of services covered by the Directive, as was proposed by Parliament. Thus, the full list of services has been reinstated in one of the recitals.

2 Administrative Simplification

Simplification of procedures: The Common Position has added the provision that future European forms will be developed in accordance with the comitology procedure. It also stresses Member States’ obligation to simplify their procedures and formalities.

Points of single contact: The Council has not been able to take on board amendments which would require *pro forma* registration at the points of single contact since this is considered an unnecessary administrative burden – and contrary to the subsidiarity principle. At the same time it makes clear that “points of single contact” may play a more limited “intermediary” role between the service provider and the competent authorities.

Procedures by electronic means: The Common Position stresses the importance of providing information in an electronic format. Electronic procedures are an essential measure of administrative simplification. Given that electronic means can provide proof of authenticity, the Council considers that electronic means can deliver “original documentation”.

3. Freedom of establishment for providers

In a new element, the Council has decided to include a provision whereby Member States may require additional insurance and financial guarantees from service providers – regardless of whether or not such a requirement exists in the State of establishment. A further addition includes a new measure, whereby authorisations are deemed to have been granted in the absence of a response from the competent authorities. Member States will, however, be allowed to extend the deadline for the reply when this is justified by the complexity of the issue and provided that the applicant is duly informed of the extension and the reasons thereof. The Common Position also includes rules on “tacit rejection” which can be used by a Member State in cases of overriding reasons relating to the public interest. In introducing these measures the Council believes that it has struck the right balance between the needs of the economic operator on the one hand and the needs of the Member State on the other.

Changes have also been made to the evaluation process regarding “services of general interest” (SGEI) and the obligation to notify them. These modifications make it clear that the evaluation process should not obstruct the performance of tasks assigned to services of general economic interest. The Council has done this in a bid to address Parliamentary concerns that the evaluation process should not effect the evaluation of SGEI.

4. Freedom to provide services and related derogations

The Council’s Common Position fully reflects that of the Parliament. A new recital has been added in a bid to clarify the application of Member States’ rules on employment conditions. For the rest, and subject to minor redrafting, the Council’s Common Position has taken on board most Parliamentary amendments concerning the freedom to provide services.

5. Rights of recipients of services

The Council has incorporated most Parliamentary amendments on this matter into its Common Position.

6. Posting of workers and third country nationals:

The Common Position follows the approach taken by Parliament and has accordingly deleted Articles 24 and 25.

7. Quality of Services:

The Council has incorporated most amendments on this matter into its Common Position and confirms that professional liability insurance is not mandatory.

Administrative co-operation

The Common Position reflects the views of Parliament.

Convergence programme and final provisions

The Council has introduced a new provision whereby Member States must provide the Commission with information regarding national measures related to this Directive. The Commission, in turn, will be responsible for sharing this information with the other EU Member States. The Council believes that this new measure will act as a useful monitoring tool as well preventing the build-up of national obstacles. Provisions on personal data and the setting up of a Regulatory Committee have also been included. Lastly, the Council has taken a similar stance to that of the Parliament regarding the deadline for implementation. The Council, therefore, has extended the implementation period from 2 to 3 years.

Services in the internal market. Services Directive

2004/0001(COD) - 13/03/2006

The Council took note of an oral progress report by the presidency following the informal debate of the competitiveness ministers on 12 March on the outcome of the vote in the European Parliament on the draft directive on services in the internal market.

To recall, on 16 February, the European Parliament voted at first reading on the draft directive on services and agreed on significant amendments to the original proposal. The outcome of the vote can be summarised as follows:

- the country-of-origin principle is replaced by the freedom-to-provide-services rule. It requires the member states to respect the right of the service provider to supply services and to guarantee the provider "free access to and free exercise of a service activity within its territory";
- Member States will continue to apply their own rules on conditions of employment, including those laid down through collective bargaining agreements;
- services of general economic interest, as defined by each country, such as postal services, water supply, electricity and waste treatment are included in the draft directive. Nevertheless, these services are not subject to the freedom-to-provide-services rule;
- services of general interest are excluded from the scope of the future directive. Other sectors excluded are: healthcare, social services, financial services, electronic communication services and networks, transport; audiovisual services; gambling, taxation activities linked to the exercise of public authority (as notaries), legal services, temporary employment agencies and security services.

The Commission is expected to submit a revised proposal in April. Following this, the Council will resume its deliberations with a view to reaching an agreement on a Council common position. The common position will then be forwarded to the European Parliament for a second reading, in accordance with the codecision procedure.

Services in the internal market. Services Directive

2004/0001(COD) - 09/04/2010 - Follow-up document

The Commission presents a report on training and exchanges of officials in charge of the implementation of mutual assistance under the Services Directive (2006/123/EC). It recalls that an innovative part of the Services Directive concerns administrative cooperation. Competent authorities in all

Member States are required to assist each other directly and across borders, in order to avoid a multiplication of controls and to ensure effective supervision of service providers. The Internal Market Information System (IMI) supports authorities in this task. IMI is an IT-based information network which allows authorities to identify their counterparts in other countries and to exchange information with them in their own language using pre-translated questions and answers. In the event of problems, IMI coordinators can intervene. At present, IMI is being used in the context of the Directive on the recognition of professional qualifications and of the Services Directive. The latter requires the Commission to assess the need to establish a multi-annual programme in order to organise relevant exchanges of officials and training. This report summarises the findings of the assessment. The feedback received from IMI users, coordinators and trainers allows drawing eight main conclusions:

- IMI is user-friendly, but training remains necessary;
- training in the legal and practical implications of the Services Directive is more challenging than training in how to use IMI from a technical point of view;
- general language and computer training is offered as part of on-the-job training and is not essential for administrative cooperation;
- users like to be trained locally;
- the availability of trainers with the right skills is more of a concern than training costs;
- the support material produced by the Commission is much appreciated, but not known well enough;
- the main responsibility for training now lies with Member States, but the Commission should play a role as well;
- exchanges of officials could add significant value.

The report makes a comparison of available policy options:

- **maintain status quo** and continue providing assistance to Member States in the same way as to date: these activities meet with high levels of satisfaction. However, they do not address all of the difficulties that those in charge of training and raising awareness are facing, such as insufficient human resources, lack of expertise in conducting training and lack of support from their hierarchy;
- **adapt and extend** its current approach in line with emerging needs in Member States. For example, the Commission could help in the organisation of conferences with participants from several Member States. It could establish contacts between Member States that are interested in exchanges of officials and provide advice to them. The Commission could also assign a higher priority to wishes voiced by some coordinators, concerning e.g. translation of support material and preferences in the development of the system;
- **set up a multi-annual programme**: this would allow for a sharp increase in the scale of training and awareness-raising activities. Systematic training in all Member States provided by external specialists, professional assistance in organising cross-border conferences and a centralised system for exchanges of officials are examples of measures that could be comprised in it. The impact in terms of financial and human resources would depend on the number and scope of such measures. However, it is not clear at this stage whether the substantial costs of such a multi-annual programme would be balanced by its benefits as long as the medium- and long-term needs of the Member States have not been identified.

The **second approach** would allow for flexibility in respect of emerging needs and could be implemented immediately. It may not be as effective as a multi-annual programme in reaching a lot of IMI users in a consistent manner and it would not address some of the coordinators' concerns. However, it could provide flexible support, whilst not precluding a more resource intensive solution at a later stage.

The report concludes that the overall results of the needs assessment suggest that there is currently insufficient justification to adopt a multi-annual programme for training and exchanges of officials. Such a programme would be premature, at a point in time when cooperation under the Services Directive has only just become operational. The Commission and IMI coordinators need to gain more experience in order to be able to identify the medium- and long-term needs for training and, potentially, exchanges of officials. In the meantime, the Commission will continue its current efforts in supporting Member States in raising awareness for administrative cooperation and in training IMI users, which have been very successful so far. However, it proposes to adapt and extend them in a flexible manner as and when it receives corresponding requests from Member States. On the part of the Member States, and in particular IMI coordinators, this requires that they take seriously their crucial role in raising awareness and in training officials, by making use of the Commission's support and by allocating sufficient financial and human resources to these tasks.

The Commission will continue to monitor developments in Member States closely and will re-assess the necessity to adopt a multi-annual programme on the basis of the experience that will be gathered during the first year of mandatory use of the IMI module for services.

Services in the internal market. Services Directive

2004/0001(COD) - 11/03/2004

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.

Services in the internal market. Services Directive

2004/0001(COD) - 29/05/2006

The Council reached political agreement on the proposed Directive on services in the internal market. Upon finalisation of the text the Council will adopt its Common Position to be forwarded to Parliament for a second reading.

The Council's agreement is based on a compromise text, put forward by the Austrian Presidency. The substance of the text is closely aligned to that of the European Parliament's following the first reading of the proposal as well as that of the Commission's modified proposal.

The key features of the political agreement concern the Directive's: scope; freedom to provide services; and the monitoring process for national requirements that can be imposed on service providers.

Services in the internal market. Services Directive

2004/0001(COD) - 28/11/2005

The Council held an exchange of views on a draft directive on services in the internal market, with a view to giving political guidance for future discussions, once the European Parliament has given its opinion.

Three key questions were discussed, concerning:

- The scope of the directive: dealing with the importance of legal certainty for agreement on a list of derogations valid in all member states, in order to guarantee a harmonised application of the directive.
- Worker protection: related to the analysis of the interaction of the directive with standards for worker protection in the member states and the level of harmonisation to be obtained.
- Free movement of services in the EU: regarding the possibility to reorganise provisions contained in the draft directive concerning the country of origin principle, with a view to clarifying those provisions that facilitate the free movement of services and those which enable member states to safeguard their key public policy objectives.

At the end of the debate the presidency summarised the outcome of the discussion as follows:

- whilst the need to wait for the Parliament's opinion and the Commission revised proposal was recognised, views may still be expressed;
- on **scope**, there is general agreement that any further exemptions must be clear and concrete so as to give certainty to business. Most delegations want further exemptions (e.g. healthcare, gambling, tax, etc) but the Directive must not be empty. Some Member States want to be able to exclude services of general interest which they will define; others do not support this;
- on **worker protection**, a majority of Member States do not want the rules in the Posting of Workers Directive to be affected by this Directive. This Directive should be neutral for worker protection. There are differing views as to whether administrative arrangements to enforce the Posting of Workers Directive should be included in this Directive;
- on **free movement of services (also known as country of origin)**, it was unanimously agreed that the aim is to further facilitate free movement of services. There is disagreement on how to do it. It is clear that this area needs more work to find the right balance between free movement of services and the pursuit of legitimate public policy objectives.

The Council hopes to have the opinion of the European Parliament and the Commission's revised proposal early in 2006.

Services in the internal market. Services Directive

2004/0001(COD) - 16/11/2006 - Commission opinion on Parliament's position at 2nd reading

Following inter-institutional contacts, the Commission states that it accepts all three amendments made by Parliament and modifies its proposal accordingly. The amendments in question introduce changes to certain comitology aspects of the text without affecting the substance or the principles of the common position and the Commission's amended proposal. They provide for the use of the new regulatory procedure with scrutiny, instead of the regulatory procedure:

- in order to establish common criteria for defining what is appropriate to the nature and extent of the risk, for the purpose of the professional liability insurance or guarantees;
- for the specification of time limits to be respected by Member States in certain cases of administrative cooperation.

Services in the internal market. Services Directive

2004/0001(COD) - 06/06/2005

The Council took note of the Presidency report on the state of play regarding the proposal for a Directive on services in the internal market and confirmed its intention to continue studying this priority dossier with the aim of reaching an agreement, while taking into account the European Parliament's opinion, which was expected in October 2005.

Services in the internal market. Services Directive

2004/0001(COD) - 15/11/2006 - Text adopted by Parliament, 2nd reading

The European Parliament adopted a resolution drafted by Evelyn GEBHARDT (PES, DE) and approved the common position. The only amendments made related to the **new Regulatory Procedure with Scrutiny**. These amendments result from the agreement reached between the council, Commission and Parliament on the revision of the comitology procedure and the Commission had indicated that it would accept them. They do not alter the substance of the directive. Accordingly, the final position adopted by Parliament broadly reflects the Parliament's first reading position, and achieves a balance between competition and social protection.

Services in the internal market. Services Directive

2004/0001(COD) - 25/11/2004

Ministers discussed the draft Directive establishing a general legal framework for services in the internal market. The debate took place on the basis of a note prepared by the Presidency. The note focused on three main issues:

- § the country of origin principle;
- § administrative cooperation;
- § administrative simplification.

At the end of the debate the Presidency summarised the outcome of the discussion as follows:

- Ministers underlined the political and economic significance of the proposed Directive as a key element of the Lisbon agenda and of the realisation of the internal market in services;
- there was general agreement on the economic objectives of the proposed Directive which will enhance economic growth, as shown in a number of economic studies;
- the country of origin principle was discussed extensively. Member States supported this principle as an essential element of the proposed Directive. Some Member States expressed specific concerns although they could accept the country of origin principle as a starting point for discussions.

Services in the internal market. Services Directive

2004/0001(COD) - 09/04/2010 - Follow-up document

The Commission presents a Staff working document which comprises an ex ante evaluation – assessment of the need to establish a multi-annual programme in order to organise training and exchanges of officials in charge of the implementation of mutual assistance under the Services Directive (2006/123/EC). This document accompanies the Commission report on training and exchanges of officials in charge of the implementation of mutual assistance under the Services Directive.

The overall results of the assessment suggest that there is currently no need to adopt a multi-annual programme for training and exchanges of officials. Such a programme would be premature, at a point in time when cooperation under the Services Directive has only just become mandatory and operational. The Commission and coordinators need to gain more experience in order to be able to identify the medium- and long-term needs for training and, potentially, exchanges of officials. In the meantime, the Commission will continue its current efforts in supporting Member States in raising awareness for administrative cooperation and in training Internal Market Information System (IMI) users, which have been very successful so far.

Services in the internal market. Services Directive

2004/0001(COD) - 25/07/2006 - Commission communication on Council's position

The Commission takes the view that the Common Position retains the key elements of the Commission's modified proposal, as well as taking on board most amendments adopted by Parliament at first reading. Overall the Common Position incorporates, either fully or in spirit, all of the European Parliament amendments, which were in turn accepted by the Commission. Although the drafting may be somewhat different the Council has nevertheless, sought to find solutions to Parliamentary concerns. In addition, the Common Position contains a number of additional new provisions that will enhance transparency and co-operation between the Member States and the Commission – which could prove instrumental in guaranteeing the proper implementation of the Directive. In short, therefore, the Commission supports the Common Position adopted by the Council.