



Mr Thierry Breton  
Commissioner for Internal Market  
European Commission  
Rue de la Loi 200  
B-1049 Brussels  
BELGIUM

6 January 2020

Dear Commissioner,

**Re: call for a deal on the proposal on Notifications in Services**

As highlighted in our strategic document "Prosperity. People. Planet" sent to you on 3 December, a barrier-free Single Market is the basis for European prosperity. With this in mind, I am writing to you with regard to one of the more pressing issues in the area of Single Market for services, namely the blocked trilogue negotiations on Notifications in Services.

BusinessEurope is happy to see that the new Commission will put a focus on the implementation and enforcement of rules at the European, national, regional and local levels, as the Commission President stressed in her mission letter to you.

We stress implementation and enforcement of the present rules as top priority, because it would aid further integration of the markets and level-playing field.

Timely, transparent and efficient implementation and enforcement of the Single Market rules can be ensured through stronger administrative cooperation, justification of national regulations affecting the Single Market, and better Single Market governance in general.

A proposal on Notifications in Services, tabled by the previous Commission and still blocked in trilogue negotiations, could be a useful tool that ensures proportionality of regulations, prevents additional costs for both businesses and consumers, informs business planning and aids compliance with the rules by service providers. It would improve implementation of the Services Directive, one of the fundamental pieces of the Single Market legislation.

Duty to explain and justify the notified measures should be reinforced and effectiveness of notification obligation on Member States should be revisited together with stakeholders regularly. A strong Commission's role, power and ambition on enforcement are needed, and the aforementioned proposal could contribute to that.

Therefore, it is very worrying that the negotiations on the proposal on Notifications in Services have been stalled.



We strongly call to facilitate the deal on this proposal between Council and Parliament so that the notification obligation prescribed by the Services Directive is met with much greater efficiency and transparency than it is done today. The European Court of Auditors in its special report on implementation of the Services Directive (2016) asked the Commission to act on this as well.

The deal should not come at any cost, though. We urge to ensure that this proposal on Notifications in Services does not water down the Services Directive “through the backdoor”. The proposal under negotiations should improve implementation of the Services Directive, not take its elements away.

Therefore, we support maintaining the Commission decision powers in the proposal for effective enforcement and making no concessions on notification obligation exemptions requested by some Member States. Otherwise, no deal is a better option than the EU watering down the Services Directive through this proposal. We hope the Commission will stand firm in this regard.

We are confident that an ambitious agreement can still be achieved as the Council general approach and the present EP position are a good basis to reach the first-reading deal soon. BusinessEurope stands ready to discuss this matter further if necessary.

Sincerely,

Markus J. Beyrer