

EUROPEAN ECONOMIC AREA

STANDING COMMITTEE OF THE EFTA STATES

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SUBCOMMITTEE IV ON FLANKING AND HORIZONTAL POLICIES

EEA EFTA Comment

on the need for improvement of the notification procedure for national legislation pursuant to Articles 15(7) and 39(5) of the Services Directive.

1. INTRODUCTION

1. The EEA EFTA States refer to the EEA EFTA Comment of 15 July 2015 on the upcoming Single Market Strategy for Goods and Services, in which the EEA EFTA States emphasised their commitment to a well-functioning Single Market and stated that:

2. “The EEA EFTA States encourage further discussions on how to improve the notification procedure for services. The experience gained in the field of goods could serve as a basis for such discussions. This is a necessary action as an alternative to creating harmonised rules at EU level, and will contribute to avoiding new unjustified barriers to trade in services being created at national level. Possible changes in the notification procedure need to be followed up by further guidelines on what should be notified, as well as further guidelines on the application of the proportionality principle.”

3. The EEA EFTA States welcome the following announcement from the European Commission in its Communication “Upgrading the Single Market: more opportunities for people and business” (COM(2015) 550 final):

4. “The Commission will present a legislative proposal modelled on the successful features of the notification procedure under Directive (EU) 2015/1535 for services currently not covered by that Directive.”

2. SPECIFIC ISSUES

5. For services falling under the scope of the Services Directive, there are few or no harmonising rules at EU (EEA) level, unlike in the goods area. Therefore, to create a real

Internal Market for services, an effective notification procedure for national regulation is even more important for services falling under the scope of the Services Directive.

6. The EEA EFTA States are of the opinion that an effective notification procedure is an appropriate tool to avoid the enactment of new, unjustified restrictions. It could also help to reduce administrative burdens for businesses.

7. To be effective, a reformed notification procedure should facilitate the necessary guidance from the European Commission and the EFTA Surveillance Authority respectively, before new measures come into force.

8. Improvements in the notification procedure need to contain clear rules on what type of national legislation should be notified, and should be followed up by guidelines on the application of the proportionality principle and how adherence to that principle should be demonstrated in notifications.

9. The EEA EFTA States would welcome a legislative proposal that includes the elements mentioned above.

These comments are given without prejudice to any comments the EEA EFTA States may have on a future legal proposal.