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## **Danish response to the open consultation on the services passport**

The Danish government supports the ambition to increase competition in European services markets. Today, businesses face multiple and overlapping requests when they wish to operate cross border. The introduction of a services passport has the potential to be an effective tool to eliminate administrative burdens, thereby facilitating cross-border provision of services. It is crucial that the passport leads to actual improvements for European businesses operating cross-border and does not entail new unnecessary administrative burdens for businesses or national authorities.

The Danish government supports the aim of **facilitating mutual recognition** within the scope of the Services Directive to ensure that businesses do not have to comply with different sets of national rules seeking to achieve a similar outcome. If proposals on harmonisation of national rules in certain sectors are introduced as a part of the services passport, the Danish government will consider these on a case by case basis.

**The scope of the services passport** is still to be clarified. The services passport should be available for both temporary service provision and secondary establishment. As for the range of information, procedures and registrations to be covered, it would be preferable to focus on a number of basic data related to company structures with a clear comparability across Member States. The Commission could initially launch a pilot with a limited scope, e.g. one or two business services. Experiences from these sectors as well as the specific characteristics of different sectors should be taken into account before expanding to other services sectors.

**The passport should be based on intelligent digital solutions** and integrated with relevant already existing European and national registers, portals and procedures allowing for a seamless exchange of data without creating parallel procedures, taking into account that Member States have different e-government procedures. The Danish government supports the use of the IMI system, as authorities are already familiar with the system, and it has proven to be well-functioning in other areas.

**The passport should be electronic** and the provision of information by businesses should be based on a strict once only principle. Moreover, application modules should be developed and designed with a comprehensive involvement of businesses, organisations and authorities, thereby ensuring that solutions lead to added value and a reduction of administrative burdens in practice.

Regarding the **cooperation between home and host Member States**, there is a need to clarify areas of competences, procedures and language practices. Overlaps in case handling flows should be avoided and clear distinctions regarding rights to accept and reject information should be made as well as clear deadlines. The services passport should still provide the possibility of ex ante control and ex post checks in host Member States.

The Danish government supports that the **services passport is voluntary**. However, the Commission should be aware of the risk that the passport could de facto become obligatory in certain sectors due to market demands from e.g. associations in the construction sector based on the experience from the A1 form in the area of social security. This would create problems for businesses that have chosen not to use the services passport.

Finally, it is important to keep in mind that a considerable share **of red tape is related to uncertainty about which requirements to fulfill** on the different European Markets -. In this regard, the Commission should also pay attention to other EU portals and procedures, such as Points of Single Contacts and the recognition of professional qualifications system. The Single Digital Gateway should ensure clear communication on and easy access to the passport.