

PRESS RELEASE**Services Directive: a curate's egg**

EUROCHAMBRES welcomes the conclusion of the first reading of the Services Directive in the European Parliament (EP) today. However, Chambers have concerns about the clarity and certainty of the compromises that were voted through.

Arnaldo Abruzzini, Secretary General of EUROCHAMBRES, said: *"The legislation started out as complex, but today's vote has complicated it still further: In the interest of business - who need legal certainty and simplification - EUROCHAMBRES calls on the EU Commission to take into account the EP's position, but to come forward with a revised proposal that clarifies and simplifies the Directive and which will truly open up the EU market in services."*

The two years since the launch of this Directive by the Commission have been very long years. We have witnessed the worst deliberate misrepresentation of any piece of proposed legislation. What should have been hailed as a welcome overarching legislative act with benefits for consumers, businesses and workers has, instead, been demonised and vilified - usually for domestic and sectoral reasons. As such, Chambers are pleased to see the Directive finally emerge from Parliament today.

Chambers regret the watering down of provisions concerning the freedom to provide services (formerly "country of origin" principle). The original article was clear to all, while the compromise article introduces possibility for Member States to interpret the rules in ways that are less clear and based on a marked trend towards protectionism.

Mr Abruzzini added: *"Chambers fear that those countries wishing to keep their services markets closed have been given ample scope to be imaginative in finding 'necessary and proportional' reasons to deny access to foreign firms."*

EUROCHAMBRES is pleased that the vote stuck largely to the spirit of the IMCO vote, maintaining a broad scope of the Directive, and reintroducing private healthcare services. However, it regrets that additional services excluded at Committee stage were not reintegrated.

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