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| **Executive Summary Sheet** |
| Impact assessment on the Regulation of the European Parliament and of the Council on establishing a single digital gateway to provide information, procedures, assistance and problem solving services and amending Regulation (EU) No 1024/2012. |
| **A. Need for action** |
| **Why? What is the problem being addressed?**  |
| It is time consuming and costly for EU citizens and businesses to exercise their Single Market rights. Information, procedures and assistance services needed to operate cross-border are often not online, not well known, of insufficient quality or not accessible to cross-border EU users.  |
| **What is this initiative expected to achieve?**  |
| The single digital gateway (SDG) aims to improve online availability, quality and findability of information and assistance services on EU rights and national rules concerning the operation and movement in the EU. It will require Member States (MS) to offer key national procedures fully online and make all online procedures fully accessible for cross-border EU users. |
| **What is the value added of action at the EU level?**  |
| National rules in the Single Market are not fully harmonised rules, It is essential that users can easily find out what the rules in any MS are. It is also essential that the procedures do not create unnecessary extra regulatory burden for other EU users. These objectives require action at EU level. |
| **B. Solutions** |
| **What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why?**  |
| The evaluation of the existing information and assistance services shows that the current mix of legally and non-legally binding instruments is not efficient. A Regulation based on Articles 21(2), 48 and 114 of the Treaty is the most suitable instrument to achieve the goals of this initiative.Options for the SDG range from strong national coordination (option 1) to full EU harmonisation (option 3). The preferred option is option 2: An EU coordinated approach where information, procedures and assistance services are findable via an EU search facility. MS manage the content. This is complemented by clear and enforceable quality criteria and key procedures available online. |
| **Who supports which option?**  |
| The initiative is widely supported by businesses, citizens and public authorities. European and national business associations have expressed strong support. Many MS have endorsed the initiative, including in a joint letter signed by 17 Ministers in September 2015. The EP and businesses favour the more ambitious option 3. The REFIT platform called for a solution in line with option 1. MS would prefer options based on existing portals, such as in options 1 and 2. |
| **C. Impacts of the preferred option** |
| **What are the benefits of the preferred option (if any, otherwise main ones)?**  |
| The preferred option will reduce transaction costs for searching information, assistance services and completing key procedures, especially for SMEs without in-house legal counsel or dedicated resources. This will help the Single Market function better and create new business opportunities. As the services included are already required by EU law or paid for by EU budgets, introducing minimum quality criteria will both improve the users’ experience and generate more added value.Having core procedures online and fully cross-border-transactional will reduce discrimination between nationals and other EU citizens. Lower barriers to mobility will help improve educational and professional opportunities and social cohesion. |
| **What are the costs of the preferred option (if any, otherwise main ones)?**  |
| The main costs will be IT development to support the SDG, human resources for coordination and quality assurance, promotion and translation. For Member States the initial costs for setting up the SDG and putting all core procedures fully online are estimated on average to be EUR 5.8 million. The Commission's costs will be between EUR 4.3 and 4.8 million. Annual running costs are estimated at roughly EUR 212 000 per Member State and EUR 2.2 million for the Commission. |
| **How will businesses, SMEs and micro-enterprises be affected?**  |
| The SDG will reduce transaction costs for providing services or selling goods in other MS, especially for SMEs. As an indication, for businesses it could reduce costs by EUR 11 to 55 billion annually. This estimation only takes into account 9 business procedures, and 9 information topics that businesses typically research when expanding across borders. |
| **Will there be significant impacts** **on national budgets and administrations?**  |
| Costs will be largely offset by savings in administrative costs since online procedures are generally more efficient than offline ones. The development of the SDG will have significant costs for MS which are less advanced in digitalising procedures. The ESIF is one of the funding sources that can be used for the initial investment if in line with the priorities of the National Operational Programmes. |
| **Will there be other significant impacts?**  |
| The SDG could also improve regulatory simplification, leading to increased ownership of the Single Market by European businesses and citizens. |
| **D. Follow up** |
| **When will the policy be reviewed?**  |
| A user feedback tool will monitor compliance with the objectives. It will give direct input to improve the services concerned. Input will be analysed every two years by the Commission and the MS. A full evaluation will be carried out 4 years after entry into force of the Regulation. |