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IMPACT ASSESSMENT

Accompanying the document

Proposal for a 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

{COM(2017) 256 final}
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1. CONTEXT AND SCOPE

1.1.1.1. Current situation

Although the Single Market is the core of the European Union, in reality it can be challenging for EU citizens and businesses to exercise their Single Market rights. Businesses need to know and understand the rules and regulations that apply when they sell products and services in other Member States. These include issues such as product requirements, authorisations, taxes, and registrations.

Likewise, citizens need information about practical formalities when moving to another Member State to live, work or study. In particular, there is a need for information on practical issues concerning the destination country, such as information on how to register as a resident, register in electoral rolls, set up a business, take up a job, have qualifications recognised, enrol children at school, register a car, retire, etc. Consumers need information about their rights when shopping online (within the Single Market), and how to claim and enforce them.

Various portals and contact points both at European and national level have been created over the past decades (see Annex 8 for a detailed description) with the aim to address these needs. Several EU initiatives have been adopted or are in the pipeline to facilitate foreign users' access to e-procedures in specific sectors. However, the main finding of the evaluation is that currently available EU and national level information and assistances services, and online procedures are very fragmented, with varying levels of coverage and differences in quality. It is also not user centred, difficult to find and to use, especially for foreign users.[1] This will be explained more in detail in section 1.5 and Annex 3.

1.2.1.2. Calls for an initiative

This assessment is very widely shared and has led to a whole range of calls on the Commission to take action:

- A 2014 Report of the High Level Group on Business Services called for a more comprehensive and user-friendly interface for information and assistance so businesses can easily navigate the requirements of the Single Market. Setting up a business from another Member State should also be made easier.
- The March 2015 Competitiveness Council conclusions on Single Market policy called for a political commitment 'to strengthen and streamline Single Market tools […] in order to better meet the needs of businesses and citizens in their cross-border activities'. This was repeated by the Competitiveness Council of February 2016, which, in addition, welcomed 'the concept of a single digital gateway, which would in particular address the needs of start-ups'.
- In September 2015, seventeen Member States called for an initiative enabling every business to succeed in the single market, by 'setting up a network of digital single gateways (fully functioning e-government portals) to help businesses to start-up, scale-up and trade across borders by providing all the information needed to operate in a Member State'. Full digitalisation should ensure that businesses only have to go through one digital process to set up and operate anywhere in the EU.
- In January 2016, the European Parliament[2] called for the development of a comprehensive single digital gateway as a single end-to-end digital process for businesses to set up and operate across the EU, from the online set up of the business, domain names, the exchange of compliance information, recognition of e-invoices, filing taxes, a simplified online VAT

[1] Foreign users: EU citizens and businesses operating in another MS than the one from which they originate, are resident or established

[2] European Parliament resolution of 19 January 2016 on Towards a Digital Single Market Act (2015/2147(INI).

scheme, online information on product compliance, posting of workers, consumer rights, access to consumer and business networks, notification procedures and dispute settlement mechanisms.

- In June 2016, the REFIT Platform (consisting of business stakeholders and Member States representatives) issued an opinion recommending the establishment of a single entry point with clear information and coordinated services for businesses in each Member State to assist companies operating in the Single Market, and the definition of minimum common quality criteria for the content, functioning and level of integration of each portal with the single digital gateway.
- In January 2017, the EU Citizenship report 2017 was published, which mentions the single digital gateway as a priority for EU Citizenship.[3]

In response to these calls for action and to the problems raised on many occasions by stakeholders[4], the Commission communication 'A Digital Single Market Strategy for Europe' of May 2015 proposed the creation of a single digital gateway, which was included as part of the E-government Action Plan 2016-2020. The single digital gateway would expand, improve and streamline all information, assistance and problem solving services needed to operate efficiently across borders, enabling users to complete the most frequently used national procedures online. The Single Market Strategy of October 2015 mentioned the single digital gateway as a means of addressing the specific requirements of start-ups.

1.3.1.3. Trends and good practices

The basic principle for the single digital gateway is not to start from scratch, but to build on the existing information and assistance services at EU and national level in order to make the Single Market work better. Furthermore, many Member States have made excellent progress in rolling out e-government programmes and developed very good practices in the process that should be used as a model for the development of the single digital gateway.

For instance, the UK, France, the Netherlands, Luxembourg, Cyprus and Malta have managed to overcome administrative silos and have developed fully integrated citizens and business portals. France and the UK manage the quality of the content on their government portals with an elaborate set of quality criteria and performance indicators. User feedback mechanisms are in place in most of the best performing platforms. Austria, Denmark, France, the UK and Sweden are showing that it is possible to guide users through the complex area of product rules online (see Annex 13 for additional examples of good national practices).

However, this basic positive trend of e-government rollout ensures much less the inclusion of non-national users – even for the best performing Member States. This will be further elaborated on, in the problem description.

1.4.1.4. Scope of the initiative

The main aim of the single digital gateway is to reduce as much as possible the additional administrative burden that EU citizens and businesses face when they expand their activities in other Member States. To achieve this, the single digital gateway needs to provide access to national rules, requirements and procedures that citizens and businesses from other Member States need to know about and comply with. To assist the user with this journey, the gateway should cover three layers, namely information, procedures and assistance services. The importance of a user journey approach has also been confirmed by the REFIT Platform Government Group. The scope of each of these layers has been defined as described below.

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3 COM (2017) 30/2

4 In particular: the main EU umbrella business organisations Eurochambres, EuroCommerce, Business Europe, but also Danish Business Forum (submission to REFIT platform), through various position papers and surveys of their members.

1.4.1. Information

The issues to be covered are based on the existing Your Europe portal (see Annex 14). These were defined in 2009 and adjusted over the years (based on regular Your Europe user exit surveys) to meet the needs of EU citizens and businesses operating in other Member States. A currently ongoing Commission study on information and assistance needs of businesses operating cross-border within the EU has also confirmed the relevance of the business topics for the target group[5].

In May 2014, in the context of the digital transformation of its web presence, the Commission carried out a major and representative user poll in 24 languages, receiving 106,792 valid responses, and the result of which was further refined by subsequent in-depth user research[6]. "Business, Economy" and "Live, Work, Travel in EU" were the top two of the identified 15 top-level information classes of the Commission's Europa website architecture. Each class gives access to a number of tasks. All information areas for citizens listed in Table 1.1 below are included in the "Live, Work Travel in EU" class and covered by the Your Europe Citizens Portal. Likewise, all information areas for businesses as listed in Table 1.1 are included in the "Business, Economy" class and covered by the Your Europe Business Portal. Thus, very broad and representative user research is behind these topics.

There is a broad consensus between the Commission, the Member States and the stakeholder organisations about the importance of these information areas. A similar approach is widely used in portals at national level. Commission-internal desk research (see table 2.5 in Annex 4) has shown that most Member States cover the below business topics on their portals and websites.

Table 1.1: Most important information areas for businesses and citizens in the Single Market

Citizens	**Businesses**
Travelling	Starting a business
Working and retiring	Adhering to employment rules
Using transportation	Adhering to taxation rules
Adhering to residence formalities	Selling goods
Accessing education and youth services	Providing services
Accessing health services	Adhering to product requirements
Adhering to family law	Accessing finance
Buying goods and services	Adhering to environmental rules

1.4.2. Procedures

The single digital gateway will only require full digitalisation of the most important (especially for the cross-border user), most frequently used or cumbersome procedures in order to decrease the administrative burden for citizens and businesses very significantly. For the public consultation we selected an initial list of 31 procedures, (15 for businesses, 16 for citizens) based on existing studies, experiences in the Member States and input from stakeholder organisations. On the basis of the outcome, this impact assessment and its annexes have been drafted assuming 20 key online procedures based on the priorities expressed by the respondents. We also examined the current state of digitalisation of all these procedures in the different Member States (see results in Annex 4) to assess whether the aim to get them all online would be realistic and we have questioned Member States about their on-going e-government programmes. The resulting list is ambitious but feasible, especially in

[5] Study on information and assistance needs of businesses operating cross-border within the EU, including gap and cost analysis, Ernest & Young, Draft Final Report, January 2017

[6] http://ec.europa.eu/ipg/docs/digital_transformation/report_on_common_architecture_level_1_-_executive_summary.pdf

view of ESIF funding that is available for Member States that still have important gaps to fill (see table 6.5 in section 6.2.3).

Table 1.2: Procedures, 10+10 most important procedures based on the outcome of the online public consultation

For businesses:	***For citizens***
Registration of business activity	Registering a change of address
VAT registration	Requesting or renewing ID card or passport
VAT return	Request a birth certificate
Corporate/business tax declaration	Request recognition of diploma from a foreign EU national
Recognition of professional qualification	Apply for a study grant
Registration for income tax	Enrol in university
Registration with national insurance scheme as employer	Declaring income taxes
Notification of cessation of activity subject to VAT	Register for social security benefits
Payment of social contributions for employees and payroll withholding tax	Register a car
Registration of employees with pension schemes	Register for a pension

1.4.3. Assistance services

The assistance services to be included in the single digital gateway are those created under EU law or co-funded through the EU budget (see Annex 8 for a detailed explanation of their purpose and legal or other basis). The reason for their inclusion in the gateway is that they all have a clear Single Market mandate because they specifically cater to the Single Market needs of the cross-border user. However, Member States may voluntarily include other national assistance services (such as chambers of commerce) if they meet the quality conditions (see section 5.2.2 and Annex 6).

Table 1.3: Assistance and problem solving services to be included in the gateway[7]

With binding EU legal basis	**Without binding EU legal basis**
Points of Single Contact	SOLVIT
Product Contact Points	Your Europe Advice
Construction Product Contact Points	Enterprise Europe Network[8]
National Assistance for Professional Qualifications	European Consumer Centres
National Contact Points for cross-border healthcare	Europe Direct
The European Job Mobility Portal EURES[9]	Intellectual Property Rights Helpdesk
Online Dispute Resolution	
National services (voluntary)	

1.5.1.5. Consistency with other initiatives[10]

The single digital gateway is part of the E-government Action Plan.[11] It supports the Commission's digital transformation objective, creating a streamlined web presence and avoiding further fragmentation caused by new portals and contact points.

7. For an extended list of other relevant services and initiatives, see Annex 9.

8 The Enterprise Europe Network has a wider mandate: helping SMEs to become more competitive and take advantage of business opportunities, not only in the single market, but also beyond. The Network also delivers important services in the area of innovation, including services co-financed under the Horizon 2020 programme. The SDG will only apply to the network's single market advisory services.

9 EURES has a wider mandate: helping jobseekers, workers and employers in realising mobility opportunities (matching jobs and people cross-border). The SDG will only apply to the information and assistance services of EURES.

10 For a full list of related and linked initiatives, see Annex 9.

11 EU e-government Action Plan, COM(2016) 179. See also EU-wide digital once-only principle for citizens and businesses: Policy options and their impacts, SMART 2015/0062, GNK Consult et al. 2016.

The actions concerning the once-only principle that are included in the same action plan will contribute to the success of the single digital gateway. These actions will facilitate the sharing of information between Member State administrations. Work towards achieving this is based on a large-scale pilot project on business cases and an assessment of its feasibility for citizens.

The Public Document Regulation[12] is also relevant in this context, as it will require Member States to accept a series of documents from citizens without further verification and translation by the end of 2018. Other actions of the plan that are complementary and directly relevant for the single digital gateway are the take-up of eID and e-signature through the eIDAS Regulation; the E-justice Portal (including the Business Registry Interconnection System BRIS), the VAT information portal, the interconnection of insolvency registers, and a planned company law initiative to facilitate digital solutions throughout a company lifecycle. Furthermore, the gateway is consistent with the revision of the European Interoperability Framework.[13]

The single digital gateway is fully compatible with these initiatives that seek to improve the provision of information online and digitalise procedures at EU and national level. The information and assistance services in Annex 8 will be covered by the legal instrument for the single digital gateway which means that they would need to meet the quality criteria, be part of coordinated promotion actions, integrate the user feedback mechanism and link up to the user search interface of the single digital gateway. The other initiatives provide input for joint reporting on single market obstacles included in Annex 9 are not as such covered by the single digital gateway, but they are complementary and contribute to achieving a seamless online environment for EU citizens and businesses. Furthermore, the single digital gateway will *link* to the services and procedures in Annex 9 (parts A and B).

1.6.1.6. Conclusions of the evaluation of existing policies

The evaluation (see Annex 3) has pointed to a number of problems, including a lack of effectiveness, efficiency and coherence both for the individual services and for them as a package for citizens and businesses. The REFIT Platform opinion further testifies to the fact that the current range of different portals makes it too time consuming and difficult to search for information and complete necessary procedures. Both the REFIT Government and the Business Stakeholder Groups agree that this constitutes a barrier to doing business in the Single Market which should be addressed.

1.6.1. Effectiveness of existing services

As far as the effectiveness of individual services is concerned, recurring and cross-cutting problems pointed out are: lack of visibility and findability online, lack of quality and under-use. In addition, gaps exist with regard to national-level information, which is either not online or only in national language, and procedures can often not be carried out online by foreign users – even where this is possible for domestic users. Cross-border accessibility remains one of the key development points in order for contact points and other portals to fully support the Single Market.

Nevertheless, the level of quality, user-centricity and accessibility for foreign users is quite divergent for the different services.

For services funded by the EU, quality criteria have been included in contracts (Enterprise Europe Network, Your Europe Advice). These services are contractually obliged to cater for foreign users.

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12 Public Document Regulation (EU) 2016/1191.

13 The specific interaction of these intiatives with the single digital gateway will be described more in detail in the legal instrument proposal.

For services created through binding EU law, quality criteria have proven to be too general (Points of Single Contact) or hardly exist (Products Contact Points). Additional voluntary quality criteria (Charter for PSCs) have had limited success.[14] Access for foreign users is still limited.

For services created through non-binding EU law and managed by the Commission (SOLVIT, Your Europe[15]) quality criteria have been agreed, and access for foreign citizens is foreseen, but due to their voluntary nature some Member States are fully on board, others are not. Access for foreign citizens is guaranteed for these services.

1.6.2. Efficiency of existing services

The efficiency part of the evaluation produces a mixed picture. The EU-level assistance services are considered cost efficient when taking into account the savings and other benefits these services provide to businesses and citizens compared to much more costly private alternative services. However, the national-level assistance services (PSCs, PCPs and PCPCs) can only be considered as partially efficient. The cost effectiveness aspect is difficult to assess, as data are missing, but they are under-performing for businesses as far as their effectiveness is concerned. Moreover, the low quality of their websites represents a missed opportunity to reduce the number of requests through providing better online up-front information, and thus improving cost-efficiency[16].

There is scope for more efficiency and easier findability online if the individual services promoted their services under a common brand name. The EU could create added value here, as one recognizable brand, backed up by a common brand search engine. This could only be set up at the EU level.

1.6.3. Coherence of existing services

The lack of coherence refers to the fact that all the instruments that were evaluated were created by EU level action, but do not operate as a whole: they are dispersed, incomplete, not sufficiently linked up and not sufficiently user-friendly. A common approach to ensuring quality through minimum quality standards is missing. There is no overall EU-Member States governance structure to ensure consistency of all the instruments. Whilst the legal framework promotes synergies, these have not been sufficiently exploited by the Member States (in the absence of binding obligations). In particular, contact points for goods and services are distinct for most Member States, whilst businesses tend to demand them as a package. On the European level, the problem lies primarily with duplicating content on Commission websites. Successful sign-posting policy is, however, in place.

2. PROBLEM DEFINITION

1.7.2.1. Problem drivers - reasons for the under-performance of existing services

The underlying reasons for the under-performance of the existing services are:

- Silo based, administration-centred approaches, leading to fragmentation.

In the absence of a coordinated, holistic approach from the perspective of the user, national and EU administrations have acted as "silos", dealing with related but different topics on a multitude of single topic portals that are not inter-linked, and only covering the policy areas within their mandates. This has led to complexity, lack of coherence and restricted online findability.

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14 http://ec.europa.eu/internal_market/services/docs/services-dir/psc-charter_en.pdf

15 For the content that Your Europe aims at, see Annex 14.

16 On the premise that personalised assistance is always more expensive than online information.

- Administration-centred design.

EU and national administrations design services from their perspective, not that of the user. Both at EU and national level, administration-centred service design has traditionally produced public services that accommodated the needs of the administration than more that of the user in terms of clear and easy-to-understand online explanations. It is easier for the administration to 'launch and leave' a new webportal than to organise for regular and systematic updates of its content.

Digitalising public services eventually generates substantial benefits in administrative efficiency. But it also requires considerable upfront investments, which can be an obstacle to the fast roll-out of e-government.

- National administrations' neglect of the non-national user.

National administrations concentrate on national digital solutions; accessibility for foreign users is at best an afterthought. Foreign users have little or no voice in decision-making, and their needs in terms of language coverage and access to procedures are generally not taken into account. This leads to various problems, such as form fields of procedures only accepting national data, foreign evidence (e.g. documents) not being accepted as part of the online procedure, payment possibilities only being accessible to nationals, foreign eIDs not being accepted and procedures only in the national language(s).

Table 2.1: Problem tree - four main problem drivers and the problems they have caused – as resulting from the evaluation

Problem drivers[17]	**Problems**	**Consequences**
Silo-based approach	Lack of online information	Difficult and time-consuming to find out what is needed for expanding operations or moving to another Member State, discouraging such actions.
	Lack of awareness and findability	No awareness of the possibilities that the Single Market provides, leading to missed opportunities More time and money must be spent on finding information.
Administration-centred design	Lack of quality	Available information is not clear, comprehensive or up to date so that extra time and resources must be spent on verifying its reliability.
First generation drawbacks	Lack of online procedures	Extra time and money is spent on less transparent, slower, paper-based procedures.
Neglect of foreign users	Lack of accessibility for foreign users	Where national information is not available in another language or users from another Member State cannot complete online procedures, it is much more difficult for foreign users to operate in a Member States than for domestic users.
	Lack of overview of single market problems	Priority setting and policy design risks not addressing the problems that are most important for citizens and businesses

1.8.2.2. The problem that requires action and its size

Not finding, not being able to use or not being aware of the right services, experiencing quality problems with them and, as a consequence, resorting to expensive private services leads to high transaction costs for citizens and businesses when engaging in cross-border activities.

Box 1: Outcome of the study about administrative formalities of important procedures and administrative burden for businesses[18]:

[17] For details of problem drivers, see Annex 5.

A business that establishes a cross-border subsidiary and hires employees, incurs an average cost of EUR 9 700. This consists of finding out about and carrying out eight common administrative procedures, and has been established by business and public administration surveys (see annex 19 for the methodology). This is 80% more than what a domestic business would have incurred for the same procedures (i.e. EUR 5 400).

The cost difference is mainly caused by the translation of documents, and by commercially purchased advice costs (partly to make up for the missing or bad quality information and foreign language problems) and costs of submitting documents (due to longer and costlier travel).

2.2.1. Estimated size of the target groups

In principle, all EU citizens and businesses are part of the target group for the single digital gateway. Even if a citizen has no intention to work or study in another Member State, they may still occasionally travel to or buy something online from another Member State, and want to find out about their rights and obligations in that context.

Table 2.2: Target audiences of the single digital gateway

Citizens active in another Member State as[19]	
Workers	7.1 million (2013)
Students	571 000 (2010)
Residents	18.5 million (2014)
Tourists	223 million visits (2015)
Consumers	19% of online shoppers (2015)
Migrants between the Member States	1.3 million (2014) intra-EU
SMEs active in another Member State as[20]	
Exporters	5.5 million (26 % of SMEs, 2009)
Investors	500 000 (2009)
Subcontractors	1.4 million (2009)

This also means that the impact of the problems described in the previous section is potentially very big. When looking for comprehensive online information on national rules that apply across the Single Market to help them to achieve tasks, foreign firms and citizens are at a disadvantage. Not being able to find or understand information about applicable rules in other Member States discourages citizens and businesses from exploring the Single Market and creates important additional costs.

By investigating the magnitude of cross-border population movement, the data collected points to an estimate of approximately 1.8m immigrants and commuters between EU Member States in 2009. This trend is likely to grow by over 400 000 people (23%) over the coming eight years, reaching 2.2 million individuals per annum by 2020. Looking at immigrants and commuters likely to use online cross-border services, this study estimates there would be a total current demand of 1.3m users for online cross-border services per annum. [21]

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18 Study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, 2017, for the European Commission, covering: general registration of economic activity, VAT registration, VAT return, requests for VAT refunds, registration of income tax, corporate/business tax declaration, registration with national social insurance scheme upon establishment, registration of employees with pension and insurance scheme, payment of social contributions and payroll withholding tax for employees, reporting end of contract of employee. (to be finalised in March 2017).

19. Eurostat, Migration and migrant population statistics.

20 Internationalisation of European SMEs, Final Report, European Commission 2010

21 Study on the analysis of the needs for cross-border services and assessment of the organisational, legal, technical and semantic barriers,, 2013

Moreover, a distribution of an estimate of 140,000 branches and immigrant business start-ups between Member States provides a useful approximation of the business population that could utilise cross-border business services.

2.2.2. Costs for EU businesses and citizens

Businesses need to find and comply with the rules, requirements and administrative procedures in Member States, such as the technical regulations for products sold across borders, or the rules affecting public calls for tender. In the public consultation[22], 80% of businesses found complying with national requirements difficult. Other surveys have established inaccessibility of information on rules and requirements, and different national product and service rules, and complex administrative procedures causing difficulties.[23]

Finding relevant, accurate and understandable information online is not always straightforward, and firms commonly spend a considerable part of their human resources on familiarising themselves with relevant Single Market legislation and keeping track of changes.[24] Large firms often employ several members of staff, only to ensure regulatory compliance.[25] Such costs can constitute an important barrier especially for SMEs and start-ups.

According to the public consultation on the start-up and scale-up initiative, resources required to navigate the regulatory complexity is the third-biggest problem for SMEs.[26] More than half of SMEs say that national administrative procedures related to exporting to other Member States are too difficult to comply with and therefore deter many firms from exporting.[27] The smaller the company, the less likely it is to sell abroad due to the lack of knowledge of the rules in other Member States. This leads to less choice and higher prices for consumers. In a Single Market of 28 Member States, the costs of gathering information rise rapidly, in particular through legal advice fees needed to find and understand the relevant requirements.

Furthermore, according to the Commission's internal research, a minimum of 1.5 million hours are lost every year by citizens trying to find where information is available on their rights and obligations in order to live, study or retire in another Member State.[28] In addition, the information gathering process causes considerable hassle to citizens.

2.2.3. Existing gaps in information coverage and online procedures

Current coverage of information for businesses on national websites and portals within the eight areas set out in table 1 is 71% [29]on average, ranging from 38% up to 100% for the different Member States. These figures only concern presence of the relevant information on any website, but do not address findability, nor quality of the information. Moreover, the figures for accessibility of that same information for foreign users are much lower since only 57% of the information is available in a language other than the national language(s) of the country concerned. Accessibility of information for foreign users ranges from 17% for the lowest scoring countries to 96% for the best performer.

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22 See Annex 16.

23 Eurochambres survey of EU entrepreneurs; High-level Group on Business Services.

24. Commission evaluation of the Internal Market Legislation for Industrial Products, SWD(2014)23 final of 22/1/2014.

25 Evaluation of Single Market Legislation for Industrial Products, http://ec.europa.eu/smart-regulation/evaluation/search/download.do?documentId=9966151

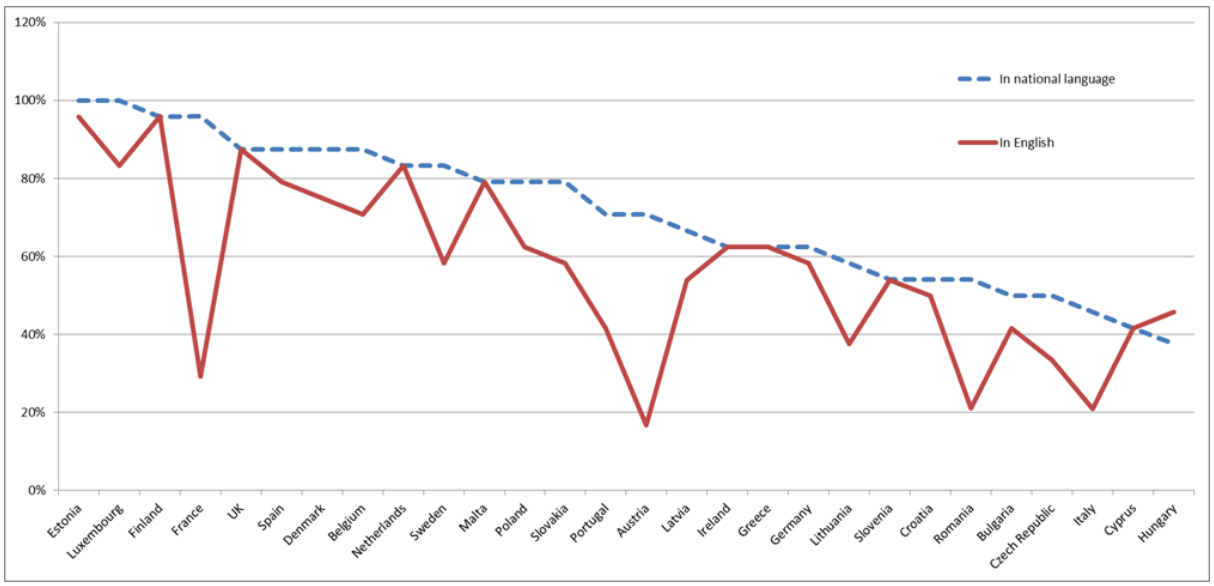
26 Public consultation of the start-up and scale-up initiative.

27 Flash Eurobarometer 421: Internationalisation of Small and Medium-sized Enterprises https://data.europa.eu/euodp/en/data/dataset/S2090_421_ENG
Flash Eurobarometer 413: Companies engaged in online activities. https://data.europa.eu/euodp/en/data/dataset/S2058_413_ENG

28 See Annex 4 and 19 for the methodology. The methodology takes into account intra-EU migratory flows.

29 EC own research January 2017, see Annex 4 for details.

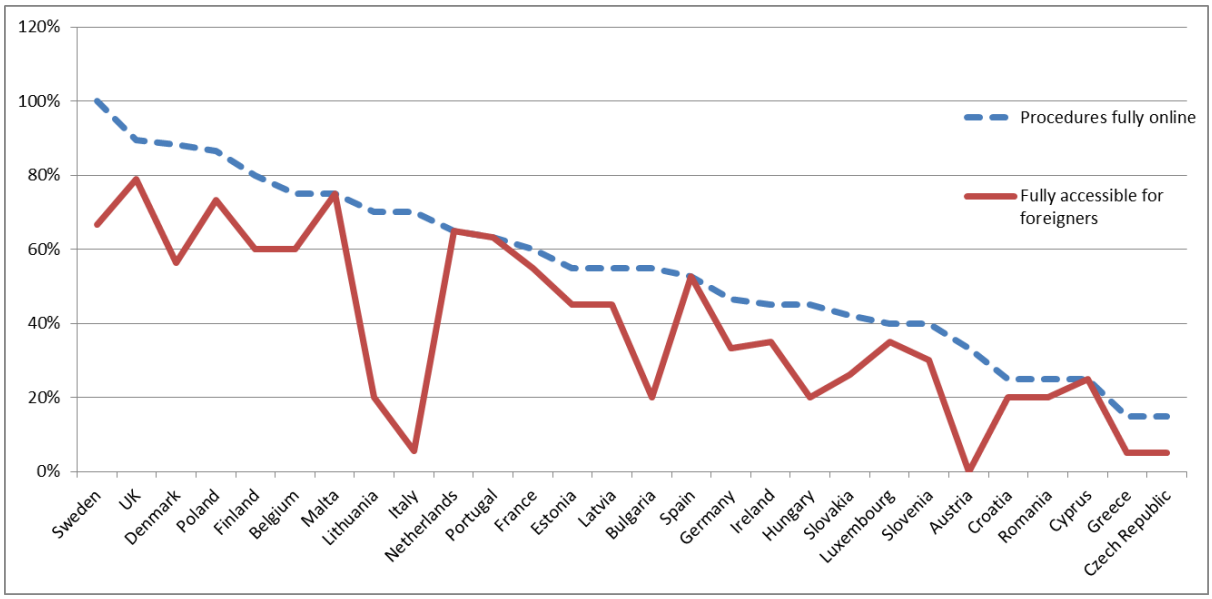
Table 2.3: Information provided on current national websites (% of information to be required)[30]



With regard to procedures, research[31] shows that of the 20 procedures selected following the public consultation, around 55% are already available fully and an additional 26% partly online, see Annex 4).

The figure below also clearly shows the problem regarding accessibility of foreign users.

Table 2.4: Procedures accessible fully online (% of the core procedures to be required)



1.9.2.3. Problem details[32]

Problem 1: Lack of online information

Information on national rules applicable in the country of destination is essential for citizens and businesses who want to expand their activities to other Member States. When this information is not accessible online, it is an obstacle for the exercise of Single Market rights.[33] For domestic firms and citizens the lack of online information may be compensated

30 Figure 2.3. and 2.4: EC own research, December 2017, see Annex 4 for details

31 EC own research, December 2017, see Annex 4 for details.

32 For additional evidence, see Annex 5.

33 According to a 2015 Eurobarometer survey on European businesses and public administration, only four in ten companies are satisfied with the ease of obtaining reliable information from public authorities in their country, just 3%

by a visit to a local administrative office, but this option creates a substantial hurdle for users in other Member States.[34]

Businesses often have to rely on intermediaries in order to find and digest the information needed to start or expand cross-border activities,[35] as confirmed by a recent study on administrative formalities.[36] Large companies typically employ several people who are specialised in regulatory compliance. Smaller firms deal with the problem by using external service providers like chambers of commerce, industry associations, lawyers and consultants.[37] Paying for such services makes the costs of regulatory compliance proportionately higher for them.[38] For self-employed or start-ups the costs of cross-border regulatory compliance could be prohibitive.

In 2010, there were almost 21 million SMEs in the EU, representing over 99.8% of EU companies and other undertakings. More than 44% of them are involved in some form of international contact. Nearly 30% of SMEs are engaged in import and export activities and 2% have foreign direct investments abroad. Moreover, about 7% (more than 1.4 million) of EU SMEs are involved in international subcontracting. While most of these operate with client enterprises located within their own Member State, about 26% also have clients in other Member States (about 383 000 SMEs).[39]

In the public consultation for the single digital gateway, 93% of businesses considered it very important or important to have online access to information about products and services in other EU countries.

The Services Directive has obliged Member States to set up Points of Single Contact that provide information about rules and procedures for the provision of services, for both temporary and permanent establishment. However, the Services Directive does not cover all services (financial, transport and health services are excluded), nor does it cover taxation, social security or other regulatory areas of relevance for businesses. Member States' implementation of the Points of Single Contact has been uneven[40] and only in eight countries out of 31 are these contact points performing well.[41] Stakeholders also find[42] that the scope of the Points of Single Contact is not sufficient to cover the actual needs of businesses. This is confirmed by the Stakeholder Group of the REFIT Platform.

Unlike for services, there is no obligation for Member States to provide online information on products. Several sets of rules can apply to one product, resulting from both EU and national legislation. Product legislation is mostly drafted for a generic group of products like toys and chemicals, or from a risk or health and safety angle, e.g. with regard to products using low voltage electricity. This makes it difficult for a producer or exporter to find out the exact legislation that applies to a specific product. As an example of the complexity of product

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being 'very satisfied'. Most companies (55%) are dissatisfied, and almost one in five (17%) say they are 'very dissatisfied'. Given the extra difficulties (language, lack of familiarity) for companies established in other Member States, scores for cross-border situations can be expected to be even lower.

34 An expanded argumentation of this problem is in the evaluation – see Annex 3.

35 As an example, in a stakeholder meeting a Romanian firm starting operation in Luxembourg informed the Commission that it had paid €3000 in consultancy fees.

36 Study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, 2017, for the European Commission, to be finalised in March 2017

37 Evaluation of the Internal Market Legislation for Industrial Products (2014), http://ec.europa.eu/smart-regulation/evaluation/search/download.do?documentId=9966151, pp. 93-94, 105.

38 Idem, p. 102, 138.

39 Impact assessment for the Proposal for a Regulation on promoting the free movement of citizens and businesses by simplifying the acceptance of certain public documents in the European Union and amending Regulation (EU) No 1024/2012, 2013.

40 See Annex 3; in particular The Performance of the Points of Single Contact. An Assessment against the PSC Charter, European Commission 2015.

41 The reviewed countries were EU28 plus Iceland, Liechtenstein and Norway.

42 High-Level Group on Business Services, Final Report April 2014.

requirements, a set of applicable EU and national rules for paper cups is included as Annex 15.

Box 2: The costs of complying with technical requirements

Compliance with technical rules in different countries and keeping track of their evolution is no easy task. For example, one sizable furniture company selling products in most EU countries employs about 200 people to ensure that all their products meet the legal and technical requirements of each Member State. This translates into 120 consultants in its headquarters plus 1 to 4 correspondents per country. When planning to enter a new market within the EU, the company starts to research the legal and technical requirements that apply to their products at least two to three years prior to starting operations. The company found the most difficult categories of products are the non-harmonised ones. In addition, national interpretations for harmonised rules as well as the tests used to prove compliance and the reporting systems can differ, posing a further challenge to businesses.

The company clarified that having access to reliable and detailed information about product rules, as well as an easy way to find the relevant authorities to contact at different stages of the planning, production and marketing processes would be highly beneficial to their business.[43]

In 2009, a network of Product Contact Points was set up to facilitate access to specific technical rules for non-harmonised products, based on user request.[44] The contact points have to respond within 15 working days to a request and provide complete information about national technical rules affecting a product along with the contact details of the relevant national public authorities. The contact points are encouraged to provide their services in several languages and to provide personalised advice to users.[45]

In principle, there should be no problem to obtain information on rules applying to harmonised goods (where products are covered by requirements set in EU legislation), as all EU rules are published online.[46] Information on European legislation is available online through the EUR-lex[47] and EU Export Helpdesk[48] databases. In addition, the Your Europe business portal explains EU law in understandable language. However, gaps exist with regard to national-level information, also for Your Europe.[49] Furthermore, while the Technical Regulation Information System (TRIS) database gives access to any national legislation on product rules that has been notified, it is not organised in a way that would make it easy for firms to find all the relevant information and understand what applies to a specific product.[50]

In practice, the interplay of EU and national rules makes it very difficult for a producer to find out about the exact rules applying to his product. And this does not even include the – much broader - issue of whether a producer would indeed need to comply with another Member State's technical rules, or whether he could export his products in conformity with his own country's national rules, based on the mutual recognition principle.[51]

For citizens there are even fewer EU requirements to provide information than for businesses. In the single digital gateway public consultation, 60% of citizens who have tried to find which national requirements they should fulfil when moving to another Member State found this difficult or somewhat difficult to do. The main reasons were that websites were hard to find or understand, and that they contained inaccurate or outdated information. A

43 Information received at a bilateral meeting with the European Commission in August 2016.

44 The Product Contact Points were set up following a provision (Art. 9) in the Mutual Recognition Regulation (764/2008).

45 Mutual Recognition Regulation (764/2008), Art. 10.

46 Industry stakeholders have indicated that even for harmonised products the practical implementation of the rules varies between Member States.

47 http://eur-lex.europa.eu/homepage.html

48 http://exporthelp.europa.eu/thdapp/index.htm?newLanguageId=EN

49 See Annex 3.

50 The problem of legal complexity of the substance of product legislation is outside the scope of this initiative. The issue of lack of (good quality) online information about such legislation is within its scope.

51 This is outside the scope of this initiative.

further problem was that of understanding the language.[52] According to the same consultation, 81% of citizens would like the authorities to have an obligation to provide minimum information for carrying out cross-border activities, and 72% would like to see this in at least one other EU language.

In the last ten years, the movement of EU citizens across Member States has increased steadily as more and more citizens move within the EU to live, work or study. Around 2.5% of the EU population is residing in a Member State other than their Member State of origin. Increasing numbers of EU-28 citizens have taken advantage of free movement. In 2011, around 12 million EU citizens resided in a Member State other than the Member State of origin; 1 million more than in 2009 and 24% more than in 2007. There are multiple reasons for this, although work is one of the most driving forces. Out of the 12 million, 6.3 million are employed in the host Member State. Marriages also motivate intra-EU mobility, as 13% of all marriages were international in 2007.[53]

Table 2.5: Current availability of information for businesses in all Member States[54]

Area	**Availability of information in the national language (%)**	**Availability of information in English (%)**
Starting, running and closing a business	90%	80%
Paying taxes	86%	73%
Getting funds	86%	70%
Hiring staff	79%	60%
Providing services	68%	50%
Complying with health and safety conditions	62%	33%
Complying with environmental rules (certification and labels)	58%	39%
Selling goods	40%	27%
Average EU	**71%**	**54%**

Table 2.6: The burden of navigating regulatory complexity in the absence of online information

Finding	**Figures**	**Source**
Not knowing the rules is a barrier to export within the EU	1/3 of exporting SMEs 2/3 of SMEs interested in exporting	Flash Eurobarometers 421 and 413
Resources spent on familiarisation and compliance with applicable rules in other Member States	15-20% of human resources 200 FTEs , large EU wide home decoration retailer	Evaluation of Internal Market legislation for industrial products; Bilateral meeting with Commission services
Resources required to navigate overall regulatory complexity	61% of start-ups mention this as an obstacle, the third biggest problem overall	EC public consultation on starting up and scaling-up, 2016
Not knowing where to get consumer information and advice	79% of EU citizens	Evaluation of the European Consumer Centres Network (ECC-Net), report by CPEC for DG SANTE, 2011
Not knowing where to get consumer information and advice on cross-border shopping in the EU	68% of EU citizens	Consumers Conditions Scoreboard, CCS, 2013

[52] See the consultation in Annex 16; but also the EU citizenship consultation 2016, http://ec.europa.eu/justice/citizen/document/files/2016-flash-eurobarometer-430-citizenship_en.pdf

[53] Impact assessment for the Proposal for a Regulation on promoting the free movement of citizens and businesses by simplifying the acceptance of certain public documents in the European Union and amending Regulation (EU) No 1024/2012, 2013.

[54] See Annex 4 for more details.

Identified inaccessibility of information on rules and requirements as the main internal market obstacle	81% of businesses	2016 survey by Eurochambres[55]

Problem 2: Lack of quality of information and of assistance services

Regardless of the amount of information made available online, or the number of assistance services created, if their quality is low, none of these will really help citizens and businesses. Information may be inaccurate, incomplete, outdated, not user-friendly or only available in a single language not accessible for cross-border users. Contact points may take far too long to respond or provide information that is not operational.

The REFIT Platform Opinion[56] confirms this, with the business stakeholder group recommending a Commission initiative to establish minimum quality criteria for the performance of points of single contact, and most members of the Government Group recommending that the Commission introduce common quality criteria for the content, functioning and level of integration of each portal with the single digital gateway.

Box 3: Information only available in a single language

The study about administrative formalities indicated that no online information could be found in 21% of the relevant combinations of countries and procedures investigated. Where online information was available, the handling deadline of the authority was missing in 60% of the cases, accepted languages for the procedure in 56% and whether a delivery notice would be sent in 50%.[57]

Evidence shows that almost half of the information supplied by the Points of Single Contact is still structured according to the logic of the administration and not according to the logic of the business user.[58] Only half of the contact points have interactive services, and these are less usable for foreigners. Similarly, the evaluation of the European Consumer Centres[59] recommended making the informatics tool more user-friendly and enhancing its functionality with respect to statistical analysis.

Table 2.7: The fragmentation of information and assistance services

Finding	Figures	Source
Users are dissatisfied with user-friendliness of the information they find	51%	Report on 2015 public consultation on EU Citizenship
When moving to another country, users prefer to find information and assistance through one-stop-shop websites	87%	Report on 2015 public consultation on EU Citizenship
Digital public services not being user-friendly is an obstacle to using them	73%	Report on the public consultation and other activities of the European Commission for the preparation of the EU E-government Action Plan 2016-2020, European Commission 2016
The need to provide the same information more than once is an obstacle to using digital public services	66%	Report on the public consultation and other activities of the European Commission for the preparation of the EU E-government Action Plan 2016-2020, European Commission 2016

The report on the implementation of the Construction Products Regulation[60] lists the following deficiencies of the national contact points: (a) slow response times to requests for

55 Eurochambres survey "EU Internal Market Barriers and Solutions: The Business Perspective", 23 September 2015.
56 REFIT Platform Opinion on the submission by the Danish Business forum and Businesseurope on the Point of Single Contact, adopted 27/28 June 2016.
57 Study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, 2017
58 The Performance of the Points of Single Contact. An Assessment against the PSC Charter, European Commission 2015.
59 Evaluation of the European Consumer Centres Network (ECC-Net), report by CPEC for DG SANTE, 2011.
60 Analysis on the implementation of the Construction Products Regulation, 2015.

information; (b) poor quality of replies (provided in legal language that is difficult to comprehend, or queries that were not fully answered); and (c) the language barrier.

Problem 3: Lack of fully online procedures

Even where information about applicable rules is available and clear, the next hurdle is to comply with them by completing the relevant administrative procedures. The Services Directive obliged Member States to ensure that businesses can complete the necessary procedures and formalities to start or carry out their activities with Member States' administrations via Points of Single Contact and by electronic means, including across borders.

The Points of Single Contacts have achieved limited success in introducing online procedures, especially regarding the accessibility for non-national users, and there are large variations between Member States.[61]

There are more online services for businesses than for citizens, and an increasing number of business procedures are only delivered online.[62] For many citizen 'life events' (finding a job, moving, starting a small claims procedure, changing civil status, owning a car or studying) procedures are not available online. Three out of four citizens would welcome the availability of online services. In particular, the measures rated as highly important are: making all online public services inclusive and accessible to all (64%); giving users access to public services online (63%); and making online public services more trustworthy and secure.[63] The most common language for surfing online is English.[64]

Problem 4: Lack of awareness and online findability

The fourth identified problem is that even in an ideal situation where information is complete and of good quality, where assistance services are responsive to user needs, and procedures can be completed online by all, citizens and businesses still need to be able to *find* them easily. However, evidence shows that they are often unaware of the existence of the various portals and support services. This is largely due to the high level of fragmentation of the services on offer, their many different brand names and the confusion about what can and cannot be expected from each of them.

Table 2.8: The lack of awareness of the services

Finding	Figures	Source
Consumers and businesses are unaware of any online services at European level that they could turn to in case of problems	92% of consumers and businesses	European Parliament, "A European Single Point of Contact", 2013.
European Consumer Centres are not known	85% of citizens and 80% of cross-border shoppers have heard of them	Evaluation of the European Consumer Centres Network, report by CPEC for DG SANTE, 2011.
National online services in the area of social security do not refer to the existence of corresponding EU-level services	87% of services do not refer to EU level	EMPSS Study interim report

61 The Performance of the Points of Single Contact. An Assessment against the PSC Charter, European Commission 2015. The Services Directive sets out a list of obligatory features of the Points of Single Contact that the Member States need to implement. The PSCs also provide a framework for more advanced e-government services aimed at creating a more business-friendly environment.

62 The e-government benchmark report 2015, 2016 https://www.capgemini.com/resource-file-access/resource/pdf/egovernment_benchmark_2016.pdf https://www.capgemini.com/news/the-european-commission-egovernment-benchmark-2015-more-digital-transformation-of-european

63 EU citizenship consultation 2015.

64 YourEurope Business Exit Survey. It consisted of +/- 1600 results between December 2015 and January 2016, and draft final report of European Commission study on information and assistance needs of businesses operating cross-border within the EU, including gap and cost analysis, Ernest and Young, 2017 (forthcoming).

At European level, no less than 44 online services for businesses and citizens were identified in 2013. Of these, 48% targeted citizens, 34% business and 18% provided services across these groups.[65] Combined with an extensive range of service providers at national level, it is difficult to understand who is responsible for what, and to identify the most appropriate service. In a recent survey, one third of Dutch entrepreneurs who are active in the Single Market cite "poor findability of information on applicable rules" as one of the main obstacles.[66]

Box 4: Difficulty to find information online:

A company mentioned that in order to handle VAT return, it had to spend 20 hours to collect the required documents and carry out the procedure, even with the help of a consultant because it was difficult to find information online on this procedure[67].

The various contact points are not well known and enhanced cooperation could help.[68] The Member States have been encouraged[69] to combine the various contact points, but most have not followed this recommendation. Most national contact points are not even inter-linked on the national level, let alone across borders.[70]

Problem 5: Lack of accessibility for foreign users

The lack of access of foreign users to online procedures (and information) is a recurring problem due to problems of language,[71] national form fields only accepting national data, acceptance of only national means of identification[72], need for the foreign user to provide certified and translated copies of original documents as evidence[73], and offering only national means of payment. On average, domestic EU businesses spend EUR 1423 to register their economic activity. Businesses from another Member State (excluding sole traders) spend almost double this amount, i.e. on average EUR 2799.

Table 2.9: Obstacles to cross-border use of common procedures by businesses[74]

Extra burden /Obstacle	Occurrence in procedures examined
Information about the procedure not available in EN	43%
Forms are not available in EN	54%
Submission of foreign data not possible	22%
Assistance services not available in EN	40%
Translations required for evidence to be submitted	47%
Obligatory use of translator established in the host country	25%
Certified translation required from any translator in the EU	17%
Online identification possible for domestic users but not possible for foreign users	8%

65 A European Single Point of Contact, European Parliament 2013.

66 KvK Ondernemerspanel, Panel survey on the European Internal Market Link to kvk.nl

67 Feedback received in the context of the (Commission-financed) study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, 2017

68 Analysis on the implementation of the Construction Products Regulation, 2015.

69 Mutual Recognition Regulation 764/2008; Construction Products Regulation.

70 Outcome of the Commission study Screening Report on Member States' Product Contact Points and Product Contact Points for Construction, Ecorys, forthcoming, 2017.

71 The Performance of the Points of Single Contact. An Assessment against the PSC Charter, European Commission 2015.

72 Study on Analysis of the Needs for Cross-Border Services and Assessment of the Organisational, Legal, Technical and Semantic Barriers, Final Report, European Commission 2013. The full implementation of the eIDAS regulation should address the acceptance of eIDs and e-signatures across borders; http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2014.257.01.0073.01.ENG.

73 For citizens, 14 often used documents are covered by the Public Documents Regulation (EU) 2016/1191 that dispenses with authorisations and translations.

74 Outcome of European Commission study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, forthcoming, 2017. See Annex 19 for methodology.

Section 2.2.3 further illustrates the gap in online services for national and foreign users concerning electronic procedures. Although high-volume transactions, such as company or tax registrations, are frequently provided online, sector-specific procedures are still widely unavailable.[75]

The public consultation for the single digital gateway also demonstrated that one out of three citizens who have tried cross-border procedures either found them difficult or gave up. The most important issues are the requirement for offline steps, the procedure not being online at all, or users not finding the information online. Issues relating to languages, including document translations or recognition of certification were also important obstacles.[76]

Concerning specific difficulties in transferring information, documents or data between the public authorities of the home country and those of another[77], the most difficult for citizens was when the receiving administration did not accept nationally recognised information, documents or data from the citizen's home country.[78] The public consultation on the e-government plan showed that more than 40% of authorities very often require original paper document or certified copies as part of procedures.

When interacting online with a public authority in another EU country, many citizens expect to be able to access all relevant information and start the procedure online using a 'one-stop' shop (43%) and that the information would be provided in a language they understand (40%).

Stakeholders have indicated that interaction and language functionalities can drive usage. In the public consultation, it was noted by citizens that full online transactionality (72%), easy navigation (72%), the possibility to use a known language (67%) and the availability of a helpdesk (63%) are the most important quality aspects of online procedures.[79] Consequently, providing information and procedures in a wider range of languages – and allowing information input in at least one widely used foreign language – would be essential components for easier access to the Single Market.

Problem 6: Lack of overview of Single Market problems

Finally, the overall objective of making the Single Market work better for all can only be achieved if we have a clear view of the remaining obstacles and of their relative importance for citizens and businesses. Most of the assistance and problem solving services within the scope of this project collect some statistics about problems and queries submitted to them. Where available, a yearly overview of such data is published in the Single Market Scoreboard. However, there are many gaps in this overview and the fact and figures collected are often difficult to compare.

Current complaint mechanisms focus on breaches of existing EU law, and on deficiencies in its application, but not on obstacles that are not infringements. The lack of evidence and subsequent analysis makes it more difficult for EU policy-makers to reliably identify the most

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75 The e-government benchmark reports confirm these findings. Cross-border transactional services are only possible in very few cases, causing unnecessary burdens – compared to what is possible with digital technologies – for citizens and businesses wanting to move, work or start-up in another EU country. e-Government services are not available in 35% to 63% of the steps involved in seven key life events (such as starting a business, starting a small claims procedure, changing civil status, moving and studying). For further details about evaluations of existing instruments see Annex 3.

76 See the stakeholder consultation results in Annex 16.

77 EU-wide digital once-only principle for citizens and businesses: Policy options and their impacts, SMART 2015/0062, GNK Consult et al. 2016.

78 Report on the public consultation and other activities of the European Commission for the preparation of the EU eGovernment Action Plan 2016-2020, European Commission 2016,and the Public Documents Regulation (EU) 2016/1191.

79. Public consultation results in Annex 16; also the Study on Analysis of the Needs for Cross-Border Services and Assessment of the Organisational, Legal, Technical and Semantic Barriers, Final Report, European Commission 2013.

troublesome obstacles hampering the functioning of the Single Market.[80] Surveys and consultations can only provide a partial answer and are only a snapshot of the situation without describing the evolution of the problem over time. Moreover, it seems that especially businesses are very reluctant to complain about Single market obstacles.

The lack of a more systematic approach to comprehensive analysis and evidence about the state of the Single Market or obstacles faced citizens and businesses means that policy-makers do not have a clear picture of the real state of the Single Market as experienced and perceived by its real users.

1.10.2.4. Who is affected and how?

2.4.1. Citizens and businesses

Citizens and businesses find it difficult, especially from abroad, to tap the full benefits of the Single Market. They need comprehensible information about applicable rules and the ability to complete procedures online, but these are available only to a limited extent, if at all. Moreover, if problems arise or publicly available information is not clear or not specific enough, the person or company also needs personalised assistance. Currently finding good information or assistance is unnecessarily cumbersome and time consuming.

However, the use of online sources has radically increased the potential to shorten the time and lower the cost of obtaining information. The expectation of firms and citizens is that such improvements should also be available when dealing with public administrations, including from other countries.

Obstacles that make it difficult for firms to export goods and services to other Member States have an effect on general welfare as they reduce competition, prevent efficiency gains and renewal of the economic fabric, thus lowering growth.

2.4.2. Public administrations

Public administrations (EU and national) are affected as they should respond to the expectations of citizens and businesses, but are not always in a position to do so. Although online services provide opportunities to increase efficiency by cutting costs and improving quality, the need to change the behaviour of a multitude of actors, and the limited means at the disposal of administrations constrain their ability to modernise quickly. A silo based approach still makes for an administrative working culture that does not exploit synergies, but rather creates fragmentation in a user-unfriendly way.

Moving online requires an upfront investment that can be substantial and payback times can be several years. However, good practices that focus on reusable software and centrally located software as service provision can substantially lower the upfront investment.

2.4.3. EU policy makers

A representative overview of the real problems faced by businesses and citizens in the Single Market is not readily available for policy making. Even though data are gathered through various mechanisms (including Your Europe Advice, SOLVIT, Enterprise Europe Network, Chambers of commerce, business organisations), it often focuses on specific cases and is not systematically combined and analysed at a central level to give a representative picture of the state of the Single Market as perceived by its users.[81]

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[80] This under-reporting of problems has also been confirmed by consultation results, e.g. at a Workshop on the Mutual Recognition Principle on 17/06/2016: "A representative of the Danish Ministry of Business and Growth reported about a recent study carried out among Danish companies and showing that, when facing a problem linked to mutual recognition, a vast majority of companies simply accept and comply since they consider that the cost of awaiting results of legal procedures is not worth; moreover, in most of the cases, they do not report the problem anywhere."

[81] European Parliament Report on Non-Tariff Barriers in the Single Market, 2016.

1.11.2.5. How would the problem evolve – what is the baseline case?

2.5.1. Lack of online information

Without further action beyond that already agreed or ongoing, the provision of information for businesses and citizens is likely to improve at national level but mostly within the silos of specific policy areas, depending on the specific considerations of the information provider, with more information services available at national than at regional or local levels.

More Member States that seek to improve the efficiency of their information and assistance structures, will adopt a single citizens and business portal approach and a consolidation process for the various contact points may take place, although not very fast. The Commission has recommended that Member States create 'Single Market Centres' that coordinate information nationally, facilitating the access of citizens and businesses to information about rules and procedures.[82] However, only a few Member States have acted on this. In the absence of legal obligations, the application of the established PSC charter[83] (foreseeing turning the PSCs into e-government business portals providing everything that businesses need) is likely to continue to be uneven and not fully delivering for businesses. In particular, information about national rules for products would in many cases continue to be only available upon request since there is no legal obligation to provide it online.

Member States' input to the Your Europe portal will continue to be uneven for nationally relevant information.

2.5.2. Lack of quality

Improvements in the quality of online information and services depend largely on national agendas and priorities. EU-level action has played and will continue to play a nudging role, i.e. by continuing to push for the implementation of the Points of Single Contact Charter, and by exposing Member States' weaknesses through the annual e-government benchmarking reports and the Single Market Scoreboard. However, progress has been slow and uneven.

In the absence of binding and across-the-board quality standards, Member States are likely to give priority to making information and services available online over creating high-quality online information and services. This is confirmed by the latest (2016) Commission e-government benchmarking report, which concludes that "governments have advanced in making public services digital, but focussed less on the quality of the delivery from the user's perspective."[84]

More Member States could be encouraged to apply the quality provisions drafted for Product Contact Points and Product Contact Points for Construction.[85] A Commission-financed study[86] provides guidelines for improving consistency across PCPC and PCP websites, including minimum desirable web content, best practices and ideas for an integrated PCP/PCPC/PSC webpage. However, the low response rate of PCPs and PCPCs[87] to the questionnaire casts doubts on the willingness of Member States to take these on board.

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82 Communication on the better governance for the Single Market http://ec.europa.eu/internal_market/strategy/docs/governance/20120608-communication-2012-259-2_en.pdf

83 Charter for the Electronic Points of Single Contact under the Services Directive, http://ec.europa.eu/DocsRoom/documents/14950/attachments/1/translations

84 "The ease of using and speed of using the services online – as perceived by the mystery shoppers - advanced poorly, increasing by only 1 percentage point since the first assessment in 2012." eGovernment Benchmark 2016, "A turning point for eGovernent development in Europe?", Cap Gemini, Sogeti, IDC, Politicnico di Milano, 2016, for the European Commission.

85 As contained in Regulations 764/2008 and 305/2011.

86 Inventory on Contact Points – Studies on Product Contact Points (PCP), Product Contact Points for Construction (PCPC) & Point of Single Contact (PSC), Ecorys, 2017, http://ec.europa.eu/growth/sectors/construction/support-tools-studies_en

87 7 PCP out of 32 and 10 PCPC out of 28 replied.

2.5.3. Lack of online procedures

Through their e-government programmes, Member States will continue to make progress in digitalising their interaction with citizens and businesses.

Various Commission initiatives – already adopted by the co-legislators but not yet fully implemented, proposed but not yet adopted by the co-legislators or still under preparation by the Commission – aim to put in place online procedures in *certain sectors* under Single Market law, such as public procurement, company law and VAT. These always include cross-border access. If adopted and when implemented, these initiatives will mean progress.

2.5.4. Lack of accessibility for foreign users

With regard to the Points of Single Contact, the progress that Member States have made based on the charter requirements[88] has been limited and generally less advanced for cross-border users. The differences in the online availability of key procedures for national and non-national users can be considerable.[89] However, cross-border access to e-procedures will be greatly facilitated by the eIDAS Regulation. By the September 2018 implementation deadline, Member States will be required to recognise eIDs notified by other Member States. This will take away one of the current obstacles for users to access e-procedures in other Member States. Nevertheless, Member States are likely to focus on domestic users while neglecting the needs of users from other Member States. At EU level, a number of sector-specific initiatives are in the pipeline which, if adopted by the co-legislators, would mean progress with accessibility for foreign users (e.g. Services e-card for business and construction services providers and pilot project to test the once-only principle for businesses cross-border in a number of areas).

The Public Documents Regulation[90] obliges Member States to accept certain citizen documents issued by another Member State without requiring an apostille stamp to prove their authenticity or translation by mid-2018. This will help citizens in some of the most common cases where you need to provide supporting evidence, but there is no requirement to accept online documents, nor will the regulation address documents businesses need for procedures.

Overall these actions limit progress to specific sectors without making a big leap forward across the board.

2.5.5. Lack of awareness and findability

The level of knowledge about the existing services will remain low and promotion efforts for the portals, contact points and assistance services are likely to continue in a largely uncoordinated way between the national and EU level.

The potential gradual introduction of specialised web portals (such as a European Mobility Portal on Social Security, VAT Portal) would continue to make it easier to find information – but only in cases where the portal itself is findable. No major changes in the findability of the existing services would be foreseen. There would be no instrument to stop the trend of further duplication and fragmentation.

2.5.6. Lack of overview of Single Market problems

The assessment of the state of play of the implementation of the Single Market, and obstacles that firms and citizens encounter in their cross-border activities would continue to be based mostly on ad hoc studies, cases and surveys. Such surveys are regularly commissioned by the

88 Charter for the Electronic Points of Single Contact under the Services Directive.

89 See Annex 3 of EU-wide digital once-only principle for citizens and businesses: Policy options and their impacts, SMART 2015/0062, GNK Consult et al. 2016.

90 Public Documents Regulation (EU) 2016/1191.

European institutions, Member States and business stakeholders, implying limitations in terms of scope, focus, length and expected results.

2.5.7. Conclusion

The provision of information about the requirements to operate in the Single Market is fragmented and not sufficiently accessible for foreign users. Current EU-level initiatives only seek to address the problem on a sector-by-sector basis. Especially for users from other Member States, access to the Single Market would remain fraught with problems. Without additional action, the base line scenario would still see improvements being made in the right direction. But it would miss the opportunity for the big leap ahead that is needed to offer citizens and businesses the real benefits of the Single Market through a responsive, modern, user-centric and joined up service from EU and national level administrations. The REFIT Platform also stated that this is needed and demanded by business stakeholders.

3. RIGHT OF EU TO ACT AND SUBSIDIARITY

The main objective of the single digital gateway is to improve the functioning of the Single Market with an initiative based on articles 21(2), 48 and 114(1) of the Treaty on the Functioning of the European Union (TFEU).

The Single Market is not an area with fully harmonised rules. Beyond the basic principles and the areas in which fully harmonised rules were agreed, citizens and businesses will still need to comply with national rules whenever they exercise their Single Market rights. Therefore it is essential for the functioning of the Single Market that citizens and businesses can easily find out what these rules in any of the Member States are. It is equally essential that the procedures for compliance with such rules should not entail a significant additional regulatory burden for foreign users compared to domestic users.

These objectives cannot be achieved sufficiently without action at EU level. As described above, the current system of information and assistance services lacks coherence since the instruments, which were created by EU level action, are not sufficiently linked up and not sufficiently user-friendly. A common approach to ensuring quality through minimum quality standards is missing. Whilst the legal framework promotes synergies, these have not been sufficiently exploited by the Member States (in the absence of binding obligations).

Moreover, so far individual actions by Member States have led to considerable differences in approach, and such differences impose additional costs on firms, in particular SMEs, when operating in cross-border situations and discourage many from scaling up internationally.

Within the single digital gateway, Member States would still be in charge of providing information about their specific national context. Coordination at EU level, an agreed set of common quality criteria and a requirement to ensure full accessibility for foreign users, would make sure that information, procedures and assistance services are of comparable quality and fully accessible for non-national EU citizens, leading to better enforcement of Single Market rights for citizens and businesses.

The type of provisions envisaged for the single digital gateway is not new either. Similar requirements were already included in sectorial instruments such as the Services Directive (including provisions on online information, quality, assistance and online procedures), Professional Qualifications Directive (with provisions on online information, assistance and online procedures), Cross-border Health Care Directive (with provisions on information and assistance), and the EURES Regulation (with provisions on information, assistance and quality).

The EU added value of the single digital gateway is that it will reduce fragmentation by expanding the good practices already established in many areas to the overall service package

to be provided to EU citizens and businesses. The initiative will not touch the substance of the policy areas for which information needs to be provided, it will only require MS to create full transparency about their applicable rules. This is an essential requirement for letting EU citizens and businesses do business, work, study and travel in the Single Market.

4. OBJECTIVES OF THE INITIATIVE

1.12.4.1. General policy objectives

The overall policy objective is to facilitate the efficient functioning of the Single Market by reducing or removing existing barriers to cross-border business activity and mobility of citizens. Helping citizens, SMEs and start-ups to benefit from the Single Market will boost competition, jobs and growth.

The initiative addresses the removal of obstacles in terms of information availability, access to e-procedures and use of assistance services cross-border and online. By reducing transaction costs for information gathering and administrative procedures, it will encourage citizens and businesses to exercise their Single Market rights.

1.13.4.2. Specific policy objectives

More specifically the single digital gateway aims to ensure that:

- Information about EU rights and national rules and procedures that citizens and businesses need to exercise their Single Market rights is available online;
- Information, assistance services and procedures meet minimum quality standards;
- Core national procedures are available online;
- Information and procedures are fully accessible for cross-border users;
- Awareness about the services on offer is increased and information and assistance services are easy to find and well-coordinated;
- Feedback from citizens and businesses is systematically gathered and analysed to improve service quality and to detect Single Market obstacles.

5. OPTIONS TO ACHIEVE THE OBJECTIVES

1.14.5.1. Introduction

Options included in the analysis

Apart from the baseline option of no further action as described in section 2.6, three option packages are included for analysis:

– Option 1: National centralised business and citizens portals, is based on the concept of a network of single digital gateways, as proposed by 17 Member States in a letter of September 2015 to the Commission;

– Option 2: EU coordinated approach, is based on a combination of best practices at EU and national level;

– Option 3: EU wide fully harmonised approach, based on a resolution of the European Parliament[91] calling for a single end-to-end digital process for businesses to set up and operate across the EU, covering many fields. This option would centralise information provision and harmonise procedures at EU level for foreign users.

Table 5.1 shows the three options and their various elements, and how they relate to the problem drivers, problems and objectives.

[91] European Parliament resolution of 19 January 2016 on Towards a Digital Single Market Act (2015/2147(INI)).

All three options are structured to address each of the six problems identified. The description of the relevant elements within each of the options will be presented in line with that structure. Some elements are the same for two or all three of the options.

The preferred package of options will result from their comparison in Section 6 of this document.

Table 5.1: Options for the single digital gateway

	1. Nationally centralised business and citizens' portals	**2. EU coordinated approach**	**3. EU-wide fully centralised approach**
Lack of online information	– EC covers EU level information in Your Europe – MS cover agreed national information in single national business and citizens portals – The EC and MS levels are inter-linked – EC and MS all monitor their own compliance	– EC covers EU level information in Your Europe, – MS cover agreed national information in different websites and portals – The EC and MS levels are inter-linked. – Joint monitoring of compliance	– EC will provide all agreed information via an external contractor – MS only need to verify – EC monitors compliance
Lack of quality	– Quality criteria with monitoring via separate user feedback tools one for each portal – EC and MS all monitor their own compliance	– Quality criteria with monitoring via common user feedback tool used for all linked portals – Joint monitoring of compliance	– Quality criteria fully harmonised, integrated in contract, with monitoring via single user feedback tool – EC monitors compliance
Lack of online procedures	– Voluntary roll-out of online procedures based on rolling work programme – MS can decide on priorities, no legal requirements	– Obligatory to offer 10+10 national procedures fully online	– All 10+10 procedures will be harmonised at EU level for foreign users (such as for EPC and Services Card) – EC will develop IT structure for procedures within IMI
Lack of accessibility for foreign users	– Information and guidance about procedures should be made available in EN – Online procedures should be made fully accessible for foreign users – National solutions for use of documents and data to be made accessible for foreign users	– Information and guidance about procedures should be made available in EN – Online procedures should be made fully accessible for foreign users – Common user interface for cross-border use of documents and data to be designed later	– For the 10+10 procedures: – Fully guaranteed, translation in all or several languages – Procedures are fully accessible to foreign users by design – Integrated user interface for cross-border use of documents and data
Lack of awareness and findability	– Coordinated promotion – Merger of contact points (for services, products, construction products) – Every national portal has its own search facility	– Coordinated promotion – Common assistance service finder – Common search facility	– Joint promotion – Common assistance service finder – Single search facility and fully harmonised presentation of information
Lack of overview of single market problems	– Link to common user feedback tool on EU and all national single digital gateways	– Link to common user feedback tool on EU and all national websites and portals	– Common user feedback tool will be fully integrated

1.15.5.2. Option 1 – Nationally centralised business and citizens' portals

The main characteristic of this option is that it prescribes a central information structure via single portals on the national and EU level, but takes a soft law approach with regard to the rollout of online procedures. It foresees no EU solution for accepting documents and data from other Member States. Each Member State should merge the three main business contact points (for services and goods).

5.2.1. Information coverage within single national portals and a single EU portal

This element includes the following requirements:

– For Member States and the Commission respectively to provide online national and EU level information about rights, rules and requirements applicable within an agreed range of areas that are relevant for citizens and businesses exercising their single market rights, as currently covered by Your Europe.

– For both the Member States and the Commission to group this information within single business and citizens portals.

This option aims to ensure that enough high-quality information is available online for businesses and citizens, complemented where needed by high-quality individual assistance. Both information and assistance would have to be accessible through the same interface.

Defining the scope of the information coverage based on users' needs is key to the success of the initiative. The scope of the information coverage would be defined as described below.

The starting point for information coverage are issues already covered by the Your Europe services and the e-Justice portal. Member States and the Commission will continue to provide assistance through services mandated by the EU (see section 1.4.3), with Member States having the option to voluntarily include national assistance services under the single digital gateway. They will also have the option of including relevant complementary private or public-private assistance services.

For services, this option will complement the existing obligations under the Services Directive. The objective is to add areas not covered by the directive but recommended in the Charter of the Points of Single Contact. On the basis of user feedback, the information will be adapted as user needs develop and EU and national rules evolve.

For goods, a new obligation will be introduced to provide information on national product rules online on a website. Member States will need to offer a summary of the applicable rules for product categories, but may also refer to the assistance services for more detailed information tailored to specific products. This follows good practices already adopted by many Member States. To complement this, the single digital gateway will link to the Technical Regulation Information System (TRIS) database and to the database of the EU Export Helpdesk.[92]

5.2.2. Minimum quality criteria

This element includes the following requirements:

– For Member States and the Commission to ensure that all information and assistance services and online procedures linked to the single digital gateway meet a minimum set of quality criteria, to be monitored via user feedback.

– For the Commission and the Member States to put in place their own user feedback mechanisms to cover their own single portals.

[92] See Annex 8 and 9 for further details

This element sets quality criteria for the information, assistance services and online procedures offered, including a requirement about the availability to provide them in at least one language that is also widely understandable for foreign users. This element builds on the existing quality criteria that are defined, for instance, for the Services Directive and the Points of Single Contact Charter, Your Europe Advice and SOLVIT.

Quality criteria include basic explanations about purpose, deadlines and fees regarding assistance services and procedures. Systematic collection of user feedback will help to monitor compliance with quality standards and to identify problems and address them quickly and efficiently. Furthermore, each assistance service would need to keep records of numbers, origin and subject matter of requests, as well as of response times.[93]

5.2.3. Voluntary roll-out of online procedures

This element includes the following requirements:

– A governance structure for Member States and the Commission in order to discuss and identify which procedures would be offered fully online.

– An annual work programme listing the procedures that each Member State agrees to put online.

– Arrangements for monitoring and reporting on the state of implementation.

In order to improve the availability of online service provision, this element uses a voluntary approach where the procedures to be introduced online are agreed separately for each Member State, respecting national priorities, but not necessarily leading to an even set of procedures across the Member States.

5.2.4. Making information and procedures accessible for foreign users

This element includes the following requirements:

– For Member States to provide all information that is part of the single digital gateway in one other commonly used language. Funding will be made available for translations in to English.

– For Member States to make all procedures that are online also fully accessible for foreign users.

– For Member States to allow foreign users to make use of e-documents and data.

All national procedures that are already available online would need to be fully cross-border transactional. In practice this will entail a range of practical elements:

– Making procedures available in another language or providing step-by-step online guidance in another language. This can be implemented through various technical solutions, depending on the basic IT structure of the procedure.

– Accepting eIDs will become obligatory under the eIDAS Regulation as of September 2018. The technical building blocks required for its implementation have been developed under the CEF programme (see Annex 11).

– Form fields used in procedures will need to accept contact details, such as addresses and phone numbers from other Member States.

– Payment facilities need to include systems widely used in other Member States, including for instance the possibility to make a SEPA transfer.

[93] See Annex 6 for concrete quality criteria to be included in the single digital gateway proposal

For the cross-border acceptance of e-documents further efforts are needed to develop and implement cross-border once-only solutions. In this option Member States will only be required to make national solutions for documents, for instance e-messaging boxes and e-safes accessible for foreign users.

5.2.5. Merger of contact points for services, products and construction products

This element includes the following requirement:

– A requirement for Member States to merge the existing contact points for services, products and construction products.

With a view to improving overall quality as well as findability, the various contact points created by EU law would be merged with a view to increasing awareness and findability of these services, but also to offer a more coherent assistance service to businesses and create economies of scale for the administrations involved.

Several Member States have already merged the services at least partially, [94] and most public authorities consider it desirable (45%) or very desirable (25%) to integrate the services and goods contact points in one national portal, although most of them consider this integration somewhat difficult (48%) or difficult (28%).[95] Members of the REFIT Platform Government Group recommend to the Commission to *"(…) consider the integration of online information related to other contact points such as those falling under the Mutual Recognition Regulation, Construction Products Regulation and SOLVIT with that of the PSC; facilitate integration of information on online portals"*.[96]

5.2.6. Coordinated promotion

This element includes the following requirements:

– For Member States and the Commission to co-brand all promotion actions of the included services with the single digital gateway brand name.

– For Member States and the Commission to inform about, coordinate and where possible combine and synchronise promotion actions.

Promotion will raise awareness of online services. Under this option all promotion efforts of services within the remit of the single digital gateway will always include a reference to the gateway as a whole. Member States and the Commission finance their respective promotion actions.

5.2.7. User feedback tool and coordinated data gathering and reporting from assistance services

This element includes the following requirements:

– For the Commission to provide a user feedback reporting tool that would allow it to identify problems with rules and difficulties encountered dealing with public authorities in an easy and familiar way in all EU languages;

– For Member States to collect data about the problems and queries submitted by citizens and businesses to the different services within the single digital gateway and to regularly submit it to the Commission;

– For the Commission to compile and analyse this data regularly.

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94 Besides Lithuania above, also the United Kingdom, Slovenia and the Czech Republic provide good practices. See Annex 12.

95 See Annex 13.

96 REFIT Platform Opinion on the submission by the Danish Business Forum and BusinessEurope on the Point of Single Contact, 27/28 June 2016.

In addition to data gathered through assistance and problem solving services, an easy-to-use online tool can encourage the users of the single digital gateway to indicate problems they encounter in the Single Market. The public consultation indicated that 76 % of respondents would be willing to give feedback on their experience with the Single Market, so as to draw policy-makers' attention to recurrent problems.[97]

The tool will not be a formal complaint handling mechanism, nor will it offer individual replies or feedback (there will be signposting to SOLVIT for that). The received input would help to produce a good overview of the Single Market as perceived by users, identifying clear problem areas for possible future actions to improve its functioning.

5.2.8. Addition in comparison to the baseline situation

Compared to the baseline situation, option 1 addresses the problems identified by introducing the following changes.

Table 5.2: Problems addressed by option 1

Lack of online information	Requires Member States to create national single businesses and citizens portals (where these do not already exist), to provide national information on a list of topics, and to monitor their compliance in offering the agreed information. The Commission will cover EU level information in Your Europe. The two levels will be linked.
Lack of quality	Introduces compulsory minimum quality criteria for information, information on procedures and assistance services. Introduces the requirement to have user feedback tools for each national portal and to monitor compliance in meeting the quality criteria.
Lack of accessibility for foreign users	Makes information and information about procedures available in English. Makes sure that procedures and national means to submit supporting evidence already available online are accessible to users from other Member States,.
Lack of awareness and findability	Introduces the coordinated promotion of the services offered and the merger of the national contact points for services and products. Introduces a requirement for each national website to have a search facility to facilitate navigation.
Lack of overview of Single Market problems	Requires the creation of a common feedback tool about Single Market obstacles to be linked to from each website.

1.16.5.3. Option 2 –EU coordinated approach

The main characteristic of this option is that Member States could choose *where* they provide the required information online. They would only need to provide the links to the relevant websites on a central Commission repository, from which a common search facility would pick them up and present them to the user in reply to a search. As part of this, an "assistance service finder" would be developed to guide users to the right assistance service. The search facility would be limited to the gateway content, and could be integrated on EU and national information portals and webpages. In terms of procedures, this option assumes that Member States are obliged to make 10 key procedures for businesses and 10 for citizens fully online.

5.3.1. Information coverage within existing national and EU portals and websites

This element includes the following requirements:

– For Member States and the Commission to provide online EU and national level information about rights, rules and requirements applicable within an agreed range of areas that are relevant for citizens and businesses exercising their single market rights, as currently covered by Your Europe.

Regarding information coverage and scope this option is the same as option 1, but unlike option 1 it leaves the choice of offering this information through a single business and

[97] See Annex 16.

citizens portal or via a range of different portals to the Member States. All information portals will be inter-linked and findability should be ensured via a common search facility (see section 5.3.5).

5.3.2. Minimum quality criteria monitored jointly by Member States and the Commission through user feedback

This element includes the following requirements:

– For Member States and the Commission to ensure that all information and assistance services and online procedures linked to the single digital gateway meet a minimum quality standard, to be monitored on a regular basis via user feedback.

– For the Commission to develop a common user feedback mechanism to be used on all national and EU level websites and portals covered by the single digital gateway. Input will feed into a database that is accessible to the Commission and the Member States to enable joint monitoring.

The quality criteria in this option are the same as those for option 1, but the compliance with the criteria will be monitored jointly by the Commission and the Member States through a common user feedback mechanism to ensure full comparability and coordinated action.

5.3.3. Obligation to offer the most important procedures online

This element includes the following requirement:

– For Member States to move core procedures assumed to be, 10 for business and 10 for citizens (to be listed in the legal instrument) fully online (see section 1.4.2);

These procedures have been identified as being important for businesses and citizens, especially in a cross-border context, based on various studies and the public consultation[98]. The work to make core procedures available online will be aligned with other ongoing and planned EU initiatives.

5.3.4. Making information and procedures accessible for foreign users

This element includes the following requirements:

– For Member States to provide all information that is part of the single digital gateway in one other commonly used language. EU funding will be made available for translations into English.

– For Member States to make all procedures that are online also fully accessible to foreign users.

– For the Commission to develop a common user interface to manage the provision of evidence across borders to implement the 'once only' principle.

– For competent authorities in the Member States managing base registers (where national data from citizens are kept) to make their systems interoperable with the common user interface.

– For competent authorities in the Member States to accept evidence submitted via the common user interface.

The first and second requirement of this option are the same as for option 1. The requirement for the use of cross-border evidence is more ambitious.

A solution is needed to make it possible to submit documents required for procedures in the scope of the single digital gateway. This includes supporting evidence in the form of

[98] See Annexes 2 and 16.

authenticated documents or data, as part of a procedure across borders. There are various solutions how procedures can be linked with registers held by competent authorities.[99] Problems to be solved include the issues of language, permissions, and linkages to online procedures. In most cases a fully online procedure would in most cases need this tool and a solution will be part of the user centric service offered through the single digital gateway. This option does not address the recognition of the substance of the evidence.

5.3.5. Common search facility

This element includes the following requirements:

– For Member States and the Commission to provide links to relevant websites in a common repository.

– For Member States and the Commission to structure information around common data models to improve findability.

– For the Commission to provide a search facility combined with navigation tools for various topics to guide the users.

An alternative to a fully harmonised presentation of information (as in option 3) is to make sure that users can easily find information, services and procedures through a search facility that is limited to the content specifically earmarked as part of the single digital gateway. This content may need to be tagged with the right search words to improve the quality of the package presented to a user search request. Some basic harmonisation of the identification of public services may be needed to improve their findability.[100] The search facility does not require the creation of a new portal, but can be integrated as part of the EU and national information portals and webpages.

5.3.6. Common assistance service finder

This element includes the following requirements:

– For the Commission to develop a common tool that will guide the users to the right assistance service.

– For the Member States to ensure that the basic information about the assistance services is available to ensure good functioning of the tool.

At national and EU level, such assistance service finding tools or wizards for a limited range of services have already been integrated.[101] This helps the users to find the right assistance service even in a very complex landscape and it avoids these services receiving too many queries that should have been addressed to other assistance services.

5.3.7. Coordinated promotion

This option element is the same as for option 1.

5.3.8. User feedback tool and coordinated data gathering and reporting from assistance services

This option element is the same as for option 1 and 3.

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99 For further information see 'The Once-Only Principle Project' (TOOP) is co-funded under Horizon 2020 and gathers 50 partners from 22 Member States with a view to explore and demonstrate the 'once-only' principle. https://www.rlp-forschung.de/public/facilities/2/research_projects/21340.

100. For instance through the use of the Core Public Services Vocabulary: http://ec.europa.eu/isa/ready-to-use-solutions/cpsv-ap_en.htm.

101 For instance in Germany, the 'Behördenfinder'

5.3.9. Addition in comparison to the baseline situation

Compared to the baseline situation, option 2 addresses the problems identified by introducing the following changes:

Table 5.3: Problems addressed by option 2

Lack of online information	Requires Member States and the EC to provide information on a list of topics and to jointly monitor their compliance in offering the agreed information. The EC and Member State pages are linked.
Lack of quality	Introduces compulsory minimum quality criteria for information, information on procedures and assistance services. Introduces the requirement to have a common user feedback tool to jointly monitor compliance in meeting the quality criteria.
Lack of online procedures	Introduces a requirement for Member States to offer online 10+10 procedures.
Lack of accessibility for foreign users	Makes information and guidance on procedures available in English and makes sure that online procedures already available are accessible to users from other Member States. It creates a common user interface for the cross-border use of documents and data.
Lack of awareness and findability	Introduces the coordinated promotion of the services offered. Creates a common assistance service finder and a common search facility that extracts information from all connected websites.
Lack of overview of Single Market problems	Requires the creation of a common feedback tool about Single Market obstacles to be linked to from each website.

1.17.5.4. Option 3 – EU-wide fully centralised approach

The main characteristic of this option is that the Commission would provide all EU and national-level information through a central database on the EU level. The option would not prescribe putting the 20 core procedures online, but would foresee the establishment of a special IT tool to allow the back office cooperation of home and host country authorities to accommodate the needs (mainly in terms of submission of evidence) of the foreign user. "Findability" of information and procedures would be easy on the central database. A common assistance finder (same as option 2) would help find assistance services.

5.4.1. Information coverage within a central database

This element includes the following requirements:

– For the Commission to create and manage (or outsource to an external contractor) a centralised database with an interface for users and generate the content to cover an agreed range of information (as in options 1 and 2);

– For the Member States to provide content according to harmonised templates and to verify and validate national information collected by the Commission.

This option would add to option 1 a harmonised presentation of all information through a centralised database. Information on national rules would be collected in this database (as is done currently in the EU Export Helpdesk) instead of reusing existing information available on national websites. The database would then be made available through the single digital gateway.

This option would ensure uniformity in coverage and presentation and would provide a simple and coherent access to information. It would make data easily findable and comparable across Member States.

5.4.2. Minimum quality criteria monitored by the Commission through user feedback

This element includes the following requirements:

- For the Commission to ensure that all information and assistance services and online procedures linked to the single digital gateway comply with a minimum set of quality criteria, to be monitored essentially via user feedback.

- For the Member States to verify the information provided by the Commission.
- For the Commission to include a user feedback mechanism in the central database.

The quality criteria agreed in this option are the same as those for options 1 and 2, but the monitoring of compliance would be done centrally through a user feedback mechanism integrated in the central database. The Commission would ensure that the quality criteria are met.

5.4.3. Harmonised EU wide procedures

This element includes the following requirements:

- For the Member States and the Commission to create harmonised EU wide procedures, modelled on the European Professional Card, for the 10+10 procedures identified in option 2.
- For the Commission to develop and manage the IT applications for these procedures.

This is an ambitious option that would require harmonisation of access for foreign users to the most relevant procedures. This approach would offer businesses and citizens a single access point to those procedures, especially designed to accommodate foreign users and integrating back office cooperation between national authorities where needed. This approach would follow the model of the European Professional Card and use the Internal Market Information system as a basis. Delegated acts would foresee the technical details of the system.

5.4.4. Addressing lack of accessibility for foreign users

This option will guarantee full accessibility for foreign users *by design*, but only for the 20 procedures. All information about national rules will be translated in English and a large part of the information will be translated in all EU languages. The 20 procedures would be fully accessible for foreign users and the interface would be available in all languages, just as is the case for the European Professional Card.

5.4.5. Uniform navigation structure with search engine

Thanks to the fully centralised and harmonised approach of option 3, there should be no problem of findability of any of the information. The database will include a search engine and an intuitive navigation path, but no additional requirements are needed to address findability.

5.4.6. Common assistance service finder

This element is the same as for option 2.

5.4.7. Joint promotion

This element includes the following requirements:

- A requirement for Member States and the Commission to promote all information, procedures and services under the same brand name in a coordinated fashion;
- Financing of all promotion actions through the EU budget.

This option ensures that all promotion actions are joint and based on a common single brand name, financed through the EU budget. To achieve all the benefits of the single digital gateway, it is necessary to ensure effective search engine findability of the entry point and all the underlying services.

5.4.8. User feedback tool and coordinated data gathering and reporting from assistance services

This element is the same as for options 1 and 2.

5.4.9. Addition in comparison to the baseline situation

Compared to the baseline situation, option 3 addresses the problems identified by introducing the following changes.

Table 5.4: Problems addressed by option 3

Lack of online information	The Commission provides all agreed information online. Member States help providing this information according to harmonised templates, and verify it prior to publication. The Commission monitors compliance.
Lack of quality	Introduces full harmonisation of quality criteria for information, guidance on procedures and assistance services (through a contract if outsourced). A single user feedback tool monitors compliance in meeting the quality criteria.
Lack of online procedures	Introduces a requirement to harmonise at EU level the 10+10 procedures for foreign users. The Commission is required to develop the IT structure for procedures within IMI.
Lack of accessibility for foreign users	It makes information and guidance on procedures available in all or several EU official languages. The 20 procedures are fully accessible to cross-border users by design. An integrated user interface for the cross-border use of documents and data is foreseen.
Lack of awareness and findability	Introduces joint promotion of the services offered. Creates a common assistance service finder, a single search facility, and a fully harmonised format for the presentation of information.
Lack of overview of Single Market problems	Requires the creation of a common feedback tool on Single Market obstacles to be integrated in the single gateway.

6. MAIN IMPACT OF THE OPTIONS

1.18.6.1. Main impact of option 1

6.1.1. Main impact of information coverage within single national portals and a single EU portal

A legally binding obligation on Member States to provide all information citizens and businesses need to operate within the Single Market online would generate additional costs for Member States, depending on how much information is already available through national portals. For some Member States the gap will be very small, for others a very significant effort is needed.[102]

The volume of information to be provided will also depend on the regulatory complexity of the Member State concerned. Information will in any case need to be succinct and user friendly, which should keep the volume down.

The Your Europe portal can be used as a reasonable benchmark for the volume of national information to be provided, since it already covers all topics that are part of the envisaged scope of the single digital gateway. The most mature part of Your Europe is the citizens' part, which currently includes the equivalent of 245 pages of EU level information for 163 topics. The business part currently covers 46 topics but could be expected to cover around the same number of topics as the citizens section, adding up to a comprehensive volume of content of around 500 pages.

If Member States would provide the same range of information about their national rules in their national web portals, they would be likely to comply with the basic requirements of this option.

The costs for providing this type of information have been assessed at 17 person days by a recent study for all information on (complex) VAT rules. For the single digital gateway, 16

[102] See Annex 4.

such topics would need to be covered representing an effort of 272 person days per Member State. However, this would be the maximum cost if a Member State had to start from scratch.

None of them is in that position, even the lowest performing Member States already covers around 40% of all information needed, while the best performing Member States covers 100%.[103] The average coverage is around 70%, representing an estimated additional effort of around 80 person days on average per Member State.[104]

In any case, these costs are likely to be more than compensated for by direct savings made due to many users being able to help themselves with information available on websites instead of turning to contact points with individual queries. This is illustrated by the example of the Your Europe portal that currently serves 13 million users per year. The web portal operates in cascade with the individualised Your Europe Advice service. It allows users who do not find the information they were looking for online to submit an individual request for advice and receive a reply by e-mail or telephone. Figures show that at current usage levels, providing a personal advice service is around 75 times more expensive than providing the same information online.

Table 6.1: Online information is cheaper than individual assistance

2016 figures	Channel	N° of users	Costs (incl. FTEs)	Cost per enquiry
Your Europe portal	Web based	17 000 000	EUR 1 200 000	EUR 0.92
Your Europe advice	Individual assistance	22 000	EUR 1 900 000	EUR 75.00

Source: European Commission, DG GROW

Moreover, the improved availability of information will considerably reduce the time and effort that citizens and businesses spend seeking information. The lack of such information creates frustration for users and firms often leading to them paying lawyers and consultants to get the information they need, which is especially onerous for SMEs.

6.1.2. Creating national single citizens and business portals

A key element of this option consists of requiring Member States to create single citizens and business portals to host the content required under the single digital gateway. At present 26 Member States already have created such portals either for citizens and businesses separately or for both groups together. Only two Member States[105] do not yet have such portals.

A legal requirement to establish single portals in all MS would in practice only create significant IT costs for a few Member States. However, the most difficult part of establishing single portals is not so much the IT investment but the major governance effort required to get all parts of the administration on board. Member States who have managed to achieve this, report that taming the internal silos has been a herculean task. Although all seem to agree that the end result represents very significant cost savings for the administration itself and, in any case, a major improvement for citizens and businesses, these obvious net benefits are not always enough to trigger the necessary administrative culture change.

6.1.3. Main impact of minimum quality criteria

All of the assistance services to be covered by the single digital gateway are either already required by existing EU law or paid from existing EU budgets. For both categories the objective of the single digital gateway is to provide good quality services. Experience (e.g. with SOLVIT) shows that improving the quality of the service is most often not a matter of adding resources but of assigning the right resources with the necessary skills to provide such services.

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103 These estimates are EC own resarch, see Annex 4.

104 See table 7.4 for details.

105 Germany and Italy

Adherence to a minimum list of quality criteria is not really an option but an essential element for the success of the single digital gateway, since providing information and assistance of variable and unreliable quality would seriously undermine the credibility of the single digital gateway as a whole.

Direct implementing costs involve setting up a practical framework for monitoring compliance with quality criteria and for enforcing a good level of quality across the board. This will help to generate more added value from expenses already made. Ensuring compliance with the quality requirements will be one of the tasks of the national single digital gateway coordinator, and at EU level the Commission will need to ensure the same. For this purpose extra resources need to be included as part of the overall management costs of the preferred option package. This will involve a user feedback tool with an estimated development cost of EUR 40 000.

Experience with existing services (SOLVIT, Your Europe Advice and the Your Europe portal) shows that once a quality framework is agreed, very good results can be achieved by devoting between 5% and 35% of the total management effort to quality monitoring and improvement.

6.1.4. Main impact of voluntary roll-out of procedures

Voluntary roll out of online procedures would in principle entail the same costs and benefits as obligatory digitalisation (see impact of option 2, section 6.2.3), but within this option each Member State could ultimately decide not to digitalise any procedures thus keeping both the costs and benefits at zero. In view of the significant benefits digitalisation creates for the running costs of administrations, it is unlikely that no digitalisation would take place. However, in a voluntary scenario, the risk of uneven development and considerable delays would be relatively high, even within a framework to coordinate at EU level. Moreover, it could undermine the overall credibility and relevance of the portal in the eyes of its users, making it less useful.

6.1.5. Main impact of making information accessible in another EU official language

To ensure that foreign users have access to national information, the agreed content within the remit of the single digital gateway would need to be translated into at least one other language in addition to the national languages (most usefully in English). Taking an estimated 500 pages of web text as a basis for the overall volume of pages to be translated[106], translation costs would amount to EUR 32 500 (EUR 65 per page[107]) per Member State. The annual cost for translation of new content would be around half that amount, namely EUR 16 250 (based on Your Europe experience). However, these costs will not be additional costs for all Member States, since many of them already provide information in at least one other language. Costs for translations in English could be covered through EU funding.

In addition to the translation costs, managing web content in more than one language also requires an adapted content management system. However, experience with the Points of Single Contact and with the national portals feeding into Your Europe shows that all Member States already have content management systems equipped to handle two or more languages (see also section 2.2.3).

6.1.6. Main impact making online procedures accessible to foreign users

Around 39% of all procedures to be covered by the single digital gateway are already cross-border transactional.[108] For the remaining 61% additional work is needed:

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106 See section 6.1.1 for explanation

107 Rate quoted in Commission framework contracts.

108 See Annex 4

- Solutions to ensure that foreign users have the possibility to access procedures in English, either by translating forms in English (very low cost solution), or by integrating an explanatory guide, depending on the basic IT structure of the procedure. One cost example was provided by Cyprus where the annual fee for maintaining 93 e-procedures in two languages is around EUR 20 000.
- Accepting eIDs will become obligatory under the eIDAS Regulation as of 2018[109]. The technical building blocks required for its implementation have been developed under the CEF programme. So these costs should not be attributed to the creation of the single digital gateway.
- Costs for adapting form fields to accept contact details, such as addresses and phone numbers from other Member States are very low.
- Adding payment facilities generally accessible for foreign users does in principle not entail any additional costs and any such costs could be recuperated directly.
- For the cross-border acceptance of e-documents further work is needed to develop and implement cross-border once-only solutions. Such work is in any case ongoing under other programmes (see Annex 9 for details of the once-only pilot) in view of the need for cross-border acceptance of e-documents for a wide range of other initiatives and taking account of the once-only principle. The associated costs are not part of the single digital gateway and such projects need a separate impact assessment.

Making existing procedures cross-border transactional will not entail any major additional costs for the Member States under this option (other than those already incurred under the eIDAS regulation). However, given the current problems with access to national procedures for non-nationals[110] and the absence of clear national quality guidelines to achieve this, some extra resources must be dedicated to the task. Depending on their starting point, each Member State should assign up to 1 FTE for a full year to examine current problems, write internal guidelines for compliance with the single digital gateway requirements in this area, and supervise their implementation by the different national authorities.

6.1.7. Main impact of a merger of contact points

A merger of the existing contact points for services, products and construction products would help to improve the overall findability and quality of the services provided. This model has been successfully implemented in the UK and Lithuania. In the public consultation 81% of business were in favour of a merger between the contact points for services and those for goods. Among public authority respondents 70% considered such a merger desirable, but difficult (28%) or somewhat difficult (48%). However, the feedback received through bilateral meetings with Member States' representatives suggest that a mandatory merger requirement would be quite problematic for some in view of national administrative structures.

6.1.8. Main impact of coordinated promotion

A coordinated promotion with co-branding implies that any national promotion efforts of the services covered by the gateway should always include a reference to the gateway as a whole. This increases the visibility of the single digital gateway both for businesses and citizens.

The increased visibility facilitates the findability and access of firms and citizens to information sources and procedures concerning the Single Market, making it easier to operate in markets or move across borders.

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[109] For e-signature the obligation under eIDAS exists already.

[110] See Annex 5, PSC table.

Promotion should essentially be done online and should also include search engine optimisation. The current budget for promoting Your Europe is around EUR 450 000 per year. In addition, EU-wide promotion campaigns for citizens' rights, consumer rights and business opportunities also refer to Your Europe. As a new service for citizens and businesses, the single digital gateway will need to be promoted intensively at its launch both directly to establish the new brand and indirectly to ensure that users quickly find their way to it. An additional one-off promotion budget of around EUR 2 million would be needed. Annual promotion work at EU level would require a further EUR 500 000.[111]

The Member States have to adjust their promotion efforts so that there is a common brand reference in all contexts, with a possibility of co-branding the single digital gateway with national initiatives. Coordinating the promotion efforts would be part of the overall management effort for the single digital gateway.

6.1.9. Main impact of user feedback and Member State reporting

The single digital gateway creates an opportunity to systematically gather non-personal data from many different sources to provide a richer picture of the state of the Single Market, based on how its users experience it in practice. This also offers additional material for evaluations and impact assessments.

This benefits firms and citizens as they can report problems with rules and public authorities in an easy and familiar way in all EU languages. The tool created for the collection of data can save time, by for example closed-form questions which can be answered quickly.

While no direct and individual reply or follow-up will be provided to firms and citizens, they will be able to see the overall picture of problems collected through the tool. Furthermore, SOLVIT and Your Europe Advice will be signposted in case they would like to provide more details of their problem. The data gathered via the tool would provide additional input for policy makers in identifying and addressing problem areas of the Single Market. The development costs for such a tool are estimated at EUR 150 000.[112]

The resulting data need to be combined with data currently gathered through SOLVIT, EEN, Your Europe Advice, European Consumer Centres and by national assistance services and it should be analysed systematically. This could lead to very important savings on the EU budget currently spent on studies since a large part of this expenditure is on gathering very basic data about experiences of citizens and business in the single market.

The data should in principle also be published on the EU Open Data Portal to make it available for further research and re-use by third parties where possible, facilitated by the use of common data structures.

6.1.10. Costs and benefits of option 1

Table 6.2: Overview of costs and benefits for option 1

	Costs	***Savings/benefits***
Information coverage		
MS	– Completing national information where missing, estimated at 80 person days per MS (one-off) – Recurring costs for managing and updating.	+ Reduced need for (more expensive) assistance services to answer individual queries. + Better compliance with applicable rules + Improved image of national public services

[111] Based on the current YourEurope promotion budget.
[112] EC/DG GROW estimate.

EC	– Completing EU level information for businesses where missing, managing and keeping it up to date (part of ongoing work in the Your Europe Portal	+ Reduced need for (more expensive) assistance services to answer individual queries. + Improved image of EU public services.
Users		+ Finding information and assistance services will be faster and cheaper + Better overall experience with public services + Fewer barriers to expanding activities across borders
Creating single business and citizens portals		
MS	– Creating a single citizens and business portals (already exists in 25 MS) – Getting all relevant administrations to feed information into a single portal	+ Less resources needed for development and maintenance of many different websites and portals + Reduced need for all parts of the administration to invent their own solutions for content and quality management + Improved image of national public services.
EC		+ Easier to link to national information
Users		+ Much easier, faster and cheaper to find national level information and assistance services + Better overall experience with public services + Fewer barriers to expanding activities across borders
Minimum quality criteria		
MS	– Initial effort to establish a quality monitoring system and improve existing services where needed – Resources to monitor, encourage and facilitate quality compliance	+ Good quality services generate fewer complaints and lower management costs + A common EU wide quality framework will make it easier to enforce quality criteria
EC	– Resources to manage the quality management system at EU level – Organise training for the different networks of contact points and assistance services, both tasks estimated at 1 FTE – Develop and maintain common user feedback tool, estimated at EUR 40 000	+ More enquiries can be met by online information, fewer enquiries to be addressed to Your Europe Advice
Users		+ Much easier to find and understand national rules + Much better experience with the services, less time wasted due to late responses, uncertainty and unanswered queries + Trust in the single digital gateway since it provides a quality guarantee
Voluntary roll-out of online procedures		
MS	– Digitalising remaining off-line procedures, costs depend on state of digitalisation per Member State	+ Major administrative savings in handling procedures + Improved compliance with national rules
EC	– Coordinate the process	
Users		+ If implemented, improvement in handling compliance with national rules, especially in cross-border situations leading to considerable savings of time, effort and money.

Making information accessible in another community language		
MS	– Organise translation of information covered in EN	+ Fewer requests for individual assistance from foreign users
EC	– Manage funding to cover translation costs in EN	
Users		+ Major improvement in handling compliance with national rules, especially in cross-border situations leading to considerable savings of time, effort and money.
Making online procedures accessible for foreigners		
MS	– Organising and implementing a process aimed at making existing online procedures fully cross border transactional , requiring 1 FTE for a year	+ Less non-standard applications to handle due to foreigners not being able to use national online procedures
EC	– Monitor compliance	
Users		+ Major improvement in handling compliance with national rules, especially in cross-border situations leading to considerable savings of time, effort and money.
Merger of contact points		
MS	– Effort required to overcome administrative resistance against the merger	+ Economies of scale will lead to savings in operational costs + Improved service quality will lead to better image of the public administration + Less signposting to other services needed
EC		
Users		+ Much easier to find the right services + Improved service quality
Coordinated promotion		
MS	– (Minimal) cost of integrating references to the single digital gateway and its logo in national campaigns	+ All services can benefit from the overall promotion effort, reducing the need for specific promotion campaigns
EC	– Moderate promotion budget and management costs, estimated at EUR 2m for the launch of the gateway, and EUR 0.5m for subsequent years.	+ No need for separate promotion of Your Europe
Users		+ More awareness of the services package available, leading to reduced time and effort for citizens and businesses
User feedback mechanism and coordinated reporting		
MS	– Organise collection of data regarding queries submitted to assistance services at national level	+ Less need for expensive studies to investigate problems and to measure user experience
EC	– Develop and maintain user feedback tool for single market problems – Organise collection of all data from EU and national level services and from user feedback mechanism, analyse and publish results	+ Less need for expensive studies to investigate problems and to measure user experience + More evidence about gravity of specific single market obstacles to feed into policy development and enforcement action priority setting
Users	– Make the effort to submit feedback	+ Get overview of all problems reported by other users; influence the further development of the Single Market; get their voice heard

Table 6.3: Additional administrative costs and savings linked to option 1

Per Member State				Commission	
Requirement	***Initial cost***	***Annual running cost***	***Savings***	***Initial cost***	***Annual running cost***
The Commission covers EU level information in Your Europe; MS cover agreed national information in single national business and citizens portals; The Commission and MS all monitor their own compliance	On average 80 person days, (= 0.3 FTE estimated at EUR17 666)[113], 2 MS[114] would need to create citizen and business portals[115]	1 FTE on average, estimated at EUR 53 000[116]	EUR 74 per information need that can be answered by online information instead of an individual enquiry[117]; fewer resources needed for development and maintenance of many different websites and portals	p.m.	p.m.[118]
Every national portal has its own search facility	EUR 5000[119]				p.m.
Merger of contact points (for services, products, construction products)	IT effort[120], internal coordination effort[121]	Internal administrative coordination effort[122]	Savings in operational costs; less sign-posting to other services needed		
Coordinated promotion	p.m. (No change in promotional resources or efforts required)			EUR 2m	EUR 0.5m
Quality criteria with monitoring via separate user feedback tools, one for each linked portal; EC and MS all monitor their own compliance	EUR 32 000 for national user feedback tool[123], 1 FTE (estimated at EUR 53 000)	5-35% of resources for overall service management[124] estimated at 1 FTE (EUR 53 000)			

113 Based on Eurostat public sector labour cost survey figures (LCS surveys 2008 and 2012 [lc_ncost_r2]) covering EU average public sector labour costs and their main components (wages and salaries; direct remuneration, bonuses and allowances; employers' social security contributions and other labour costs) amounting to EUR 40 000, as well as an additional EUR 13 000 in overhead costs.

114 Germany and Italy.

115 Based on a concrete past case from a Member State, a very rough estimate for this cost would be EUR 1.5 m for each of the two Member States.

116 These costs are not additional due to the single digital gateway. Member States will be able to reuse information already presented on their national portals and they already have resources allocated to fulfil the role of Your Europe editorial board members.

117 Based on cost comparison between Your Europe (information online, EUR 0,92 per enquiry) and Your Europe Advice (individual assistance, EUR 74 per enquiry).

118 No additional costs, will be integrated with current effort for the Your Europe portal.

119 The 2016 Deloitte study on Development of an EU VAT web-portal quotes EUR 5-8000 as cost for an advanced search engine with filters. Many national portals already have search engines, so the lower figure (5000) was chosen.

120 The IT effort is difficult to estimate. We assume that the IT cost will be balanced by the savings in operational costs and the reduced sign-posting effort to the other contact points.

121 It is assumed that existing staff can cover this initial internal coordination effort.

122 The FTE necessary for this task are included in the "Management of the single digital gateway".

123 Based on the assumption that the development cost of such a tool is EUR 40 000, and that at least 20% of MS already have such tools.

124 Based on experience with, Your Europe (5%), SOLVIT (15%) and Your Europe Advice (35%). Will depend very much on how the service is organised.

Per Member State				Commission	
Requirement	***Initial cost***	***Annual running cost***	***Savings***	***Initial cost***	***Annual running cost***
Voluntary roll-out of online procedures based on rolling work programme	50% of option 2: On average, 5 procedures[125] estimated at EUR 2.85 m per MS[126]	p.m.	For 9 of the 10 business procedures, the cost savings per MS are assumed to be 50% of option 2, i.e. EUR 2 m per MS. No figures available for the remaining 11 procedures.		Coordination costs[127]
Information and guidance on procedures made available in EN		Organise translation of information covered into EN[128]		EUR 1m[129]	EUR 500 000; manage funding[130]
Online procedures made fully accessible for foreign users	1 FTE (estimated at EUR 53 000)	p.m.			Monitoring of compliance[131]
National solutions for use of documents and data to be made accessible for foreign users	Cannot be quantified - depends on the situation in each country.[132]				
Development of user feedback tool on single market obstacles				EUR 150 000[133]	1 IT developer (EUR 120 000)
Collection of data, analysis and publication of results		Organise collection of data regarding queries submitted to assistance services at national level[134]			1 FTE (estimated at 138 000)

125 This figure is based on the assumption that in a voluntary scenario, Member States will digitalise fewer procedures than under option 2. The assumption is that they would digitalise about 50% less than under option 2. For the count of procedures not fully online or where information was not available – see Annex 4, table 4.5. It might be slightly overestimated. The same assumption is made with regard to Member State savings and costs for users.

126 The cost of getting a single procedure online is estimated at EUR 600 000, which is at the higher end of the different estimates provided by the Member States. The overall cost estimate is the most likely to represent an overestimation.

127 The FTE necessary for this task are included in the "Management of the single digital gateway".

128 The FTE necessary for this task are included in the "Management of the single digital gateway".

129 For translation of national information into English, MS can use a common translation fund to be created. Based on overall expected volume of 500 pages per Member State, and a translation cost of EUR 65 per page (rate quoted in Commission framework contracts).

130 The FTE necessary for this task are included in the "Management of the single digital gateway".

131 The FTE necessary for this task are included in the "Management of the single digital gateway".

132 But as the solution would already exist for national users, extending it to cross-border users is expected not to cause major additional costs under this solution.

133 Internal Commission estimate.

134 The FTE necessary for this task are included in the "Management of the single digital gateway".

	Per Member State			Commission	
Requirement	***Initial cost***	***Annual running cost***	***Savings***	***Initial cost***	***Annual running cost***
Hosting and maintenance costs for IT tools					Hosting: EUR 25 000[135]
Management of the single digital gateway[136]		2 FTE (estimated at EUR106 000)			2 FTE (estimated at EUR 276 000)
Total	**3 010 666**[137]	**212 000**	**2 million**[138]	**3 150 000**	**1 559 000**

135 Based on current Your Europe hosting costs for YEST and intake form (= EUR 19 000) as a proxy for search interface and assistance finder, and additional hosting costs for feedback.

136 This includes, inter alia, inserting links in common repository, administrative coordination effort and being part of the SDG governance structure.

137 The two MS without portals would need to add 1.5 m to this figure.

138 These savings are purely indicative and based on a rough estimate of potential savings for 9 of the 20 procedures. However, national administrations will also incur savings from putting information online and merging the three national business contact points. But as it was impossible to calculate these savings, they were not included.

6.1.11. User benefits

Option 1 provides considerable benefits for users as far as the completeness of EU and national information is concerned. However, as there would be no common search facility covering all the websites that make up the gateway, a user would either need to search for information on every national portal individually, or access national portals via Your Europe. Furthermore, the search engine on national portals would only be in the national language making a search potentially very difficult for foreign users. National user feedback tools would also only be in the national language, which would make it more difficult for foreign users to submit feedback, and for the Commission to feed it into a global gateway quality monitoring system. The merger of the three national business contact point networks would make a search somewhat easier on a national level.

The user benefits from the voluntary roll-out of online procedures are impossible to calculate, as Member States could decide to be very ambitious, or do nothing at all. For the cost and benefit calculation for Member States, the assumption has been that under the voluntary scenario, Member States will on average do less than under an obligatory scenario. This would reduce the user benefits accordingly. 'National solutions for use of documents and data to be made accessible for foreign users' would achieve non-discriminatory access of foreign users, but would not reduce their additional burden in terms of translation and certification of documents.

The table below shows the user benefits that could be calculated. These do not cover the entire solutions foreseen, and only give an "idea" of potential user benefits. The real user benefits could be much higher.

Table 6.4: User benefits that can be calculated

Solution foreseen under this option	User benefits under this option
Information: every national portal has its own search facility, merger of 3 contact points, completeness and quality of online information	Citizens would save 50% of the 1.5 million hours they currently spend looking up online six essential topics about their rights and obligations in order to live, study or retire in another Member State.[139] For the nine topics that businesses typically research when expanding their activities across borders, they would save between EUR 3.5 and 46 billion annually.[140]
Procedures: voluntary roll-out of online procedures	It is impossible to calculate this with any degree of certainty under a voluntary scenario, but the general Commission experience in this case is that Member States will do less than under a mandatory scenario. The assumption made for this benefit calculation is that Member States will do half of what the mandatory option 2 element foresees, resulting in half of the user benefits of option 2. For nine procedures, the potential cost savings for all EU business users would thus be in the magnitude of EUR 3.5 billion.[141] The 11 other procedures were not assessed.
Total user benefits	Purely indicative, and just giving an idea of potential benefits: For citizens: 770 000 hours saved For businesses: EUR 7 – 49.5 billion saved

139 Based on Commission own research. For the methodology, see annex 19. For citizens, the hours cannot be converted into a monetary estimate as they do not relate to an actual expenditure but rather to citizens' spare time lost, as well as hassle costs.

140 Study on information and assistance needs of businesses operating cross-border within the EU, including gap and cost analysis, Ernest& Young, 2017. See annex 19 for the methodology.

141 Study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, 2017. Compare this also with the corresponding user benefit table under option 2.

6.1.12. Time needed for implementation

The time needed for implementing this option is calculated as two years. If the regulation were to enter into force at the end of 2018, the implementation would last to the end of 2020. This would enable Member States to voluntarily roll out as many online procedures as possible, merge the contact points for services, products and construction products. The two Member States that do not have portals would need to put them in place within this timeframe. The Commission would need to adopt a number of implementing acts, develop the repository of links, a data collection tool and the reporting tool on the functioning of the Single Market.

6.1.13. Ease of implementation

This option would be relatively easy to implement and would potentially cause difficulties for only two Member States that do not yet have citizen portals. The voluntary nature of the roll-out of online procedures would leave full flexibility and decision-making power with Member States.

The merger of the contact points is a REFIT Platform business stakeholder proposal, and Member States were advised to consider the integration of online information on goods with that of the Points of Single Contact at an operational level. One Member State has found this problematic as it would interfere with the administrative organisation of services. More generally, this would require internal coordination work and some IT development.

Member States would need to provide user feedback tools and search facilities on their portals. This is relatively easy to implement and most Member States have this already.

Member States would need to allocate human resources for quality monitoring and for making online procedures fully accessible to foreign users. However, as pointed out in section 6.1.6., the latter only requires limited additional work.

The Commission would provide a translation budget for translating national content into English, which should ease implementation.

1.19.6.2. Main impacts of option 2

6.2.1. Main impact of information coverage through an EU coordinated approach

Option 2 includes a legally binding obligation on Member States to provide all information citizens and businesses need to operate within the Single Market online, as does option 1. The impacts of this element of the option are analysed in section 6.1.1.

This option does not require MS to establish single portals and leaves them free to organise content as they see fit, allowing flexibility to adapt the governance to the specific administrative organisation of each country.

6.2.2. Main impact of minimum quality criteria for the included services

Like option 1, option 2 requires an agreement on quality criteria (cf. impact section 6.1.3). The main difference is in the monitoring of compliance that will be done jointly by the EC and MS. In that respect, a common user feedback tool will have to be put in place to provide input for monitoring compliance with the quality criteria, information coverage and user friendliness of all services provided through the single digital gateway. Such a tool can be developed within the existing Your Europe content management system at an estimated cost of EUR 40 000.[142]

[142] Estimate by the Your Europe team.

6.2.3. Main impact of the obligation to have core procedures online

The 2016 e-government benchmark study reported that 25% of the procedures required for foreign entrepreneurs to start their business in another country are completely off-line. In contrast, entrepreneurs starting a business in their own country face such issues in only 2% of the cases. [143] Solving this problem as proposed in this option, would therefore have a very significant impact on the internal market business environment for start-ups.

This option will require Member States to offer the assumed 20 most frequently used procedures for businesses and citizens fully online. Already today on average 55% of the procedures to be included in the digitalisation effort under this option are already fully online while another 26% are partly online. The situation varies significantly between the different Member States (see section 2.2.3) and the remaining gaps would need to be closed by a deadline to be agreed. This work can be fully integrated in the e-government and ICT actions already envisaged by Member States and funded through the ESIF (see Table 6.5).

It is difficult to give a meaningful figure for replacing an existing off-line procedure by an on-line version without considering the very specific context of each Member State. Where generic IT platforms have been developed, the marginal cost of digitalising a new procedure will be relatively low. Ireland has outsourced the provision of the IT platform for on-line licensing procedures to a private company which now offers the platform to all municipalities for a per transaction fee. Cyprus and Denmark have also developed such platforms.

The costs of moving procedures online vary widely depending on the complexity of the procedure, the availability of existing procedure infrastructure, whether we are talking about both front end (user interface) or both front end and back office (subsequent processing of the data by the administrations involved), and the possibility to use ready-made building blocks. To be on the safe side, the estimated cost of making one procedure available online (€600 000) is a very conservative high-end estimate, based on a complex procedure (tax returns), assuming no procedure infrastructure, automating both the front end and the back office, and assuming no savings from ready-made components.[144] This means that the cost figures overestimate the direct costs implied by the proposed single digital gateway, which will only require the digitalisation of the front end, not the much more complex back office.

Table 6.5: Examples of generic IT solutions to digitalise multiple procedures

	Total development cost	**Number of procedures**
Ireland	None for the government, private business model/payment per transaction	97 licence procedures across 40 authorities
Cyprus[145]	EUR 213 000 + EUR 7000 per procedure	93 procedures for the Points of Single Contact (with an additional 150 procedures planned)
Denmark	EUR 226 680 + yearly maintenance cost EUR 43 046 for a 'form-engine' service	Potentially unlimited, 300 in 2016

Source: European Commission, stakeholder consultation on the single digital gateway

The case examples provided by the Member States as part of the stakeholder consultation, all demonstrate that whatever IT approach is chosen, the costs of moving procedures on-line are greatly outweighed by the savings generated by digitalisation, especially if this is done in a coordinated way across the different parts of the administration.

143 E-government Benchmark Background Report 2015, https://ec.europa.eu/digital-single-market/en/news/eu-egovernment-report-2015-shows-online-public-services-europe-are-smart-could-be-smarter

144 The reference procedure cost is the upper limit estimate for a national level procedure with at least 100 000 users from the study "Business Case Berichtenbox voor Bedrijven. Definitief eindrapport, AgentschapNL / Ministerie van Economische Zaken, 2014."

145 Based on figures provided by the Cyprus PSC.

Some savings can be made in costs associated with the digitalisation of procedures if public authorities use the tools at their disposal for increasing interoperability such as the European Interoperability Framework[146].

Many Member States have made e-government a priority of their operational programmes for ESIF, which could provide the right financial framework to implement the roll-out of online procedures.

Table 6.6: Summary of costs and savings for national digitalisation projects

		Costs	Savings
UK	Building Gov.uk[147]	EUR 23m	EUR 610m
UK	Digitalising of the procedure for petitioning the Parliament[148]	EUR 120 000 (development) + EUR 45 000 (annual management)	EUR 3m per year
Croatia	Getting procedures online as part of the Point of Single Contact[149]	EUR 26 500 per procedure	70% of administrative costs
Germany	Digitalising and simplifying 60 frequently used procedures[150]	EUR 416m of initial IT development assuming no applications can be reused	34.8% of the total cost for the users 32.7% of the total cost for the administration
Netherlands	Digitalising business procedures with a volume of at least 100 000 transactions	EUR 600 000 per tax procedure EUR 400 000 per non-tax procedure EUR 16 000 per local procedure	EUR 79.4m per year for government in efficiency savings EUR 17.9m per year for business in administrative costs
Belgium	Aligning 300 procedures related to the business life cycle with the one-stop-shop requirements in the Services Directive	EUR 4 350 per procedure, without taking into account possible synergies or re-use of applications	Not quantified

Source: European Commission, stakeholder consultation on the single digital gateway

Table 6.7: comparison of channel costs per transaction

Channel	Cost per transaction – figures [151]	Cost per transaction (original figures in British pounds)[152]	Cost per transaction (original figures in Norwegian kr)[153]	Cost per transaction (original figures in British pounds)[154]
Counter service	€ 14 (100%)	€ 9.83 (100%)	€ 8.74 (100%)	€ 12.13 (87%)
Letter (physical)	€ 11.70 (83.57%)			€ 13.94 (100%)
Email	€ 11 (78.57%)			
Telephone	€ 7.80 (55.71%)	€ 3.26 (33%)	€ 4.37 (50%)	€ 3.91 (28%)
e-services / self services	€ 4.20 (30%)	€ 0.17 per online visit (2%)	€ 0.33 per online visit (4%)	€ 0.09 per online visit (1%)

146 http://ec.europa.eu/isa/ready-to-use-solutions/cpsv-ap_en.htm

147 UK Digital Efficiency Report, https://www.gov.uk/government/publications/digital-efficiency-report/digital-efficiency-report

148 Figures provided by the UK in the public consultation on the single digital gateway.

149 Figures provided by the Croatian PSC.

150 E-Government in Deutschland: vom Abstieg zum Aufstieg", Fraunhofer, commissioned by Nationaler Normenkontrollrat, November 2015.

151 Digitaliseringsstyrelsen,Danish Agency for digitisation, 2012

152 Potential for Channel Shift in Local government, Socitm, 2012, as quoted in UK Digital Efficiency Report, 2013

153 Norwegian Government Digitizing Public Sector Services, 2012, as quoted in UK Digital Efficiency Report

154 Customer Contact Profiling Report – ESD Toolkit Aston Campbell associates, 2008, as quoted in UK Digital Efficiency Report

Table 6.6: ESIF spending (EUR) on e-government and ICT development[155]

Country	Allocation	Country	Allocation
Bulgaria	118 million	Lithuania	244 million
Czech Republic	330 million	Hungary	601 million
Estonia	204 million	Malta	5 million*
Greece	173 million	Poland	153 million
Spain	542 million*	Portugal	278 million
France	66 million*	Romania	188 million
Croatia	191 million	Slovenia	62 million
Italy	135 million	Slovakia	352 million*
Cyprus	50 million*	Sweden	5 million*
Latvia	173 million		

Source: Summary of Operational Programmes supporting institutional capacity building 2014-2020

6.2.4. Main impact of making information available in another EU language

Option 2, like option 1 would require translation of the agreed content within the remit of the single digital gateway into at least one other language (most usefully in English). For the impact of these elements cf. section 6.1.5.

6.2.5. Main impact of making online procedures accessible to foreign users

In option 2, like in option 1, all national procedures that are already available online would need to be fully cross-border transactional. For the impact of this element, see section 6.1.6.

Option 2 also includes the development of a common user interface for cross border use of documents and data. A main bottleneck for cross-border transactionality of online procedures is indeed the lack of acceptance of electronic supporting evidence (documents or data submitted as proof) in cross-border situations. Authenticity of such evidence and language aspects can be problematic. While at national level the once-only principle has already reduced the need for continuous resubmission of the same documents or data, such solutions exist today only at a very small scale at EU level (for instance for the European Professional Card, where a solution has been implemented through IMI). Other solutions are being tested as part of an ongoing pilot project. [156] This option would require the development of a common interface enabling citizens and businesses to manage access to evidence (documents or data) in cross border situations. It would also facilitate the evolution towards fully transactional cross-border procedures.

A possible technical solution for such a tool could build on IMI, in particular the existing repository for the European Professional Card. The estimated development costs for a generic IT tool based on IMI would be between EUR 0.5 and 1 million. [157] Member States would need to ensure interconnection with existing databases or in their absence foresee manual uploading of e-documents or data by the relevant authorities. However, other technical solutions are also possible, taking account of the experience with the ongoing once-only pilot project. [158] In the absence of a preferred technical solution today, it is not possible to give a reliable cost figure. Any such technical solution would need to be implemented through a secondary act with a separate impact assessment.

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155 The figures are allocations to those thematic objectives of ESIF funds that mention e-government or ICT development. In the absence of other information, the amounts marked with an asterisk are for e-government solutions only. Source: Summary of Operational Programmes supporting institutional capacity building 2014-2020, European Commission, September 2016, and Commission data.

156 For further information see 'The Once-Only Principle Project' (TOOP) is co-funded under Horizon 2020 and gathers 50 partners from 22 Member States with a view to explore and demonstrate the 'once-only' principle. https://www.rlp-forschung.de/public/facilities/2/research_projects/21340

157 Cost estimate by DG GROW.

158 To develop and test reusable IT components that can help to implement a technical solution , see Annex 11.

6.2.6. Main impacts of common assistance services finder

Barring full integration of contact points (as in option 1), a requirement to at least introduce a common front office for services catering for the same target audience, would go a long way in reducing confusion among the users about where to go with which question. This can be done through a common assistance services finder that automatically guides the users to the right service. Costs for developing such a tool are around EUR 100 000[159] and there are important savings for the administration due to joined use of resources and reduced need for signposting users individually to the right service.

6.2.7. Main impacts of coordinated promotion

Coordinated promotion is part of both options 1 and 2. For a detailed analysis of impacts of this element, see section 6.1.8.

6.2.8. Main impacts of a common user search facility

The cost estimates for the development of a search-based tool for linking to and re-using information on the national portals is estimated at EUR 500 000 for a more sophisticated solution, including the common assistance service finder.[160] As there is an alternative where the costs of the integrated search engine would accrue per search, around EUR 350 000[161] in yearly licencing fees would need to be foreseen.

The links to national webpages will need to be included in a common repository to allow the search facility to use the closed set of approved EU and national webpages that are part of the single digital gateway. Such a repository can be created within IMI by using the existing generic building blocks at an estimated cost of EUR 75 000.

6.2.9. Main impact of user feedback and MS reporting

This element is common to all options. For a description of its impact see section 6.1.9.

Table 6.7: Overview of costs and benefits for option 2

Costs		***Savings/benefits***
Information coverage		
Same as for option 1		
Minimum quality criteria with joint monitoring		
Member States	- Initial effort to establish a quality monitoring system and improve existing services where needed - Resources to monitor, encourage and facilitate quality compliance	+ Good quality services generate fewer complaints and lower management costs + A common EU wide quality framework will make it easier to enforce quality criteria
Commission	- Resources to manage the quality management system at EU level - Organise training for the different networks of contact points and assistance services , both tasks estimated at 1 FTE - Develop and maintain common user feedback tool, estimated at EUR 40 000	+ More enquiries can be met by online information, fewer enquiries to be addressed to Your Europe Advice

159 As stated in the draft Feasibility Study on a European Mobility Portal on Social Security. The assistance services finder can be integrated in the common user serach interface.

160 Estimate.

161 This is a very rough estimate and would in any case be subject to contractual negotiation.

Users		+ Much easier to find and understand national rules + Much better experience with the services, less time wasted due to late responses, uncertainty and unanswered queries + Trust in the single digital gateway since it provides a quality guarantee
Obligatory digitalisation of 10+10 procedures made accessible to cross-border users		
Member States	- Digitalising remaining off-line procedures, costs depend on state of digitalisation per Member State (for an estimate, see Table 7.4) - Organising and implementing a process aimed at making existing online procedures fully cross border transactional , requiring 1 FTE for a year	+ Major administrative savings in handling procedures + Improved compliance with national rules
Commission	- Support national efforts through European Interoperability Framework, the European Social Fund and the European Regional Development Fund	+ More structured expenditure under existing funds, in support of the Single Market
Users		+ Major improvement in handling compliance with national rules, especially in cross-border situations leading to considerable savings of time, effort and money.
IT tool for cross-border use of evidence		
Member States	- Linking national base registers with the common interface	+ Reduction of administrative burden due to no further need to check validity and authenticity of documents
Commission	- Development costs between EUR 500 000 and EUR 1 million of common interface for managing cross-border exchange of evidence	+ Opportunity to simplify current procedures in IMI
Users		+ Great reduction of administrative burden thanks to re-use of existing national data/documents in cross border situations + No need for translations, validation, authentication of documents. + Full online management of evidence requirements for procedures
Making information available in English		
Same as for option 1		
Making online procedures accessible to foreign users		
Same as for option 1		
Common assistance services finder		
Member States	- Provide accurate descriptions of assistance services at national level	+ Less need for further individual signposting due to users approaching the wrong service + Easier to ensure service quality
Commission	- Develop common assistance finder as part of the functionality of the common search tool	
Users		+ Much easier to find the right service + Improved service quality

Coordinated promotion		
Same as for option 1		
User Search facility		
Member States	- Introduce links to relevant information into common repository	+ Reuse of information already provided on national webpages
Commission	- Develop and maintain user interface including search facility, common assistance finder and a common repository for web links at an estimated EUR 575 000 depending on functionality.	
Users		+ Less time and effort to find relevant information
User feedback mechanisms and coordinated reporting		
Same as for option 1		

Table 6.8: Additional administrative costs and savings linked to option 2

Per Member State				Commission	
Requirement	***Initial cost***	***Annual running cost***	***Savings per MS***	***Initial cost***	***Annual running cost***
EC covers EU level information in Your Europe; MS cover agreed national information; Joint monitoring of compliance	On average 80 person days, (= 0.3 FTE estimated at EUR 17 666)[162]	1 FTE on average for managing and updating, estimated at EUR 53 000[163]	EUR 74 per information need that can be answered by online information instead of an individual enquiry[164]	p.m.	p.m.[165]
Common search facility and common assistance finder	For assistance finder: provide accurate descriptions of assistance services where these do not yet exist.. For common search facility: introduce links to relevant information into common repository[166].	As under initial cost, but only for updates.[167]		EUR 500 000 in IT development costs[168]	EUR 350 000 in licencing fees[169] 1 FTE for IT development costs (EUR 120 000)
+ common repository of links				EUR 75 000[170]	p.m.
Coordinated promotion	p.m. (No change in promotional resources or efforts required)			EUR 2m	EUR 0.5m

[162] Based on Eurostat public sector labour cost survey figures (LCS surveys 2008 and 2012 [lc_ncost_r2]) covering EU average public sector labour costs and their main components (wages and salaries; direct remuneration, bonuses and allowances; employers' social security contributions and other labour costs) amounting to EUR 40 000, as well as an additional EUR 13 000 in overhead costs.

[163] These costs are not additional due to the single digital gateway. Member States will be able to reuse information already presented on their national portals and they already have resources allocated to fulfil the role of Your Europe editorial board members.

[164] Based on cost comparison between Your Europe (information online, EUR 0,92 per enquiry) and Your Europe Advice (individual assistance, EUR 74 per enquiry).

[165] No additional costs, will be integrated with current effort for the Your Europe portal.

[166] It is assumed that the 1 FTE foreseen for quality monitoring can also cover this task.

[167] The FTE necessary for this task are included in the "Management of the single digital gateway".

[168] This includes the common assistance finder, the cost of which is estimated at EUR 100 000 (as stated in the draft Feasibility Study on a European Mobility Portal on Social Security). Needs will i.a. depend on quality of information provided by the Member States.

[169] This is a very rough estimate of necessary licencing fees, which are per search, based on the traffic to the Your Europe portal, multiplied by 2 for the first year of operation. For the following years, a 50% increase in traffic is expected and reflected in the figure. The amount will be subject to contractual negotiation, so is very difficult to foresee at this stage.

[170] Estimate by relevant Commission services, based on generic repository building block in IMI.

Quality criteria with monitoring via common user feedback tool used for all linked portals; Joint monitoring of compliance	1 FTE (estimated at EUR 53 000)	5-35% of resources for overall service management[171] estimated at 1 FTE (EUR 53 000)		EUR 40 000 for common user feedback tool[172]	1 FTE (estimated at EUR 138 000)
10+10 national procedures fully online	On average, 9.6 procedures[173] estimated at EUR 5.7 m per MS[174]	p.m.	For 9 of the 10 business procedures, the cost savings per MS would be EUR 4 m[175]. No figures available for the remaining 11 procedures	n/a	n/a
Information and guidance on procedures made available in EN		Organise translation of updates[176]		EUR 1m[177]	EUR 500 000, manage funding[178]
Online procedures made fully accessible for foreign users	1 FTE (estimated at EUR 53 000)	p.m.			Monitoring compliance[179]
Common user interface for cross-border use of documents and data	[180]			EUR 0.5-1 m[181]	0.5 FTE (estimated at EUR 69 000)
Development of user feedback tool on single market obstacles				EUR 150 000[182]	1 IT developer (EUR 120 000)
Collection of data, analysis and publication of results		Organise collection of data regarding queries submitted to assistance services[183]			1 FTE (estimated at 138 000)

171 Based on experience with, Your Europe (5%), SOLVIT (15%) and Your Europe Advice (35%). Will depend very much on how the service is organised.

172 Based on internal Commission estimate.

173 This figure is based on the count of procedures out of 20 not fully online or where information was not available – see Annex 4, table 4.5. It might be slightly overestimated. The total number of procedures not fully online, for all Member States (= 268), was divided by 28.

174 The cost of getting a single procedure online is estimated at EUR 600 000, which is at the higher end of the different estimates provided by the Member States. The overall cost estimate is the most likely to represent an overestimation.

175 See annex 19 for the methodology. There are large differences across Member States. The figure of EUR 4m may be an overestimate.

176 The FTE necessary for this task are included in the "Management of the single digital gateway".

177 For translation of national information into English, MS can use a common translation fund to be created. Based on overall expected volume of 500 pages per Member State, and a translation cost of EUR 65 per page (rate quoted in Commission framework contracts).

178 The FTE necessary for this task are included in the "Management of the single digital gateway".

179 The FTE necessary for this task are included in the "Management of the single digital gateway".

180 The costs are very difficult to quantify, and will be part of a separate impact assessment that will be conducted for this solution (which would require an implementing act). Already 20 Member States are participating in a Commission-financed pilot which is supposed to work towards implementing this solution.

181 Estimate by relevant Commission services. Basic option of user interfact to manage access to documents and data provided directly from issuing authorities, to be used in procedures in other Member States.

182 Internal Commission estimate.

183 The FTE necessary for this task are included in the "Management of the single digital gateway".

Hosting and maintenance costs for IT tools					Hosting: EUR 25 000[184]
Management of the single digital gateway[185]		2 FTE (estimated at EUR 106 000)			2 FTE (estimated at 276 000)
Total	**5 823 366**	**212 000**	**4 000 000[186]**	**4 265 000 - 4 765 000**	**2 236 000**

184 Based on current Your Europe hosting costs for YEST (= EUR 19 000) as a proxy for search interface and assistance finder and intake form, and additional hosting costs for feedback.

185 This includes, inter alia, inserting links in common repository, administrative coordination effort and being part of the SDG governance structure.

186 These savings are purely indicative and based on a rough estimate of potential savings for 9 of the 20 procedures. However, national administrations will also incur savings from putting information online. But as it was impossible to calculate these savings, they were not included.

6.2.10. User benefits

The user benefits would be considerable under this option as far as completeness of information and its findability is concerned. The common search facility could provide information covering all Member States through one search request, saving the user a lot of time otherwise spent on various national portals. Search terms could be inserted in all EU languages, which would greatly increase findability and general user-friendliness.

The user benefits from the obligatory digitalisation of 20 core national procedures would also be significant, saving the user a lot of cost, time and hassle that he would otherwise have to incur, e.g. when required to come to an office or to send documents by post. A study on business procedures carried out to underpin this impact assessment concluded that for 9 procedures, the cost savings for all EU businesses - if e-procedures were introduced where missing - would be in the order of magnitude of EUR 7 billion. The common user interface for cross-border use of documents and data is expected to decrease the burden of translation and certification of documents, but this is at this stage difficult to quantify as subject to the outcome of a pilot and a future implementing act with its own impact assessment.

A common user feedback tool in all EU languages would facilitate especially the foreign user's quality monitoring and would thereby possibly lead to higher quality services also accommodating his needs.

The table below shows the user benefits that could be calculated. These do not cover the entire solutions foreseen, and only give an "idea" of potential user benefits. The real user benefits would be much higher.

Table 6.9: User benefits that can be calculated

Solution foreseen under this option	**User benefits under this option**
Information: common search facility, common assistance service finder, completeness and quality of online information	Citizens would save 60% of the 1.5 million hours they currently spend looking up online six essential topics about their rights and obligations in order to live, study or retire in another Member State.[187] For the nine topics that businesses typically research when expanding their activities across borders, they would save between EUR 4 and 48 billion annually.[188]
Procedures: 10+10 national procedures fully online	For nine procedures, the potential cost savings from digital document submission for all EU business users would be in the magnitude of EUR 7 billion (made up of: 6.5 billion for domestic users, and 48.1 million for cross-border users in current costs from "in person" or "by post" carrying out of the procedures).[189] The 11 remaining procedures were not assessed:
Common user interface for cross-border use of documents and data	For nine procedures, the cost savings for cross-border business users would be EUR 126 million, split up into: EUR 11 m for collecting documents from authorities, 55 m in document certification costs, 60 m in translation costs.[190]
Total user benefits	Purely indicative, and just giving an idea of potential benefits: For citizens: 885 000 hours saved For businesses: EUR 11.1 – 55.1 billion saved

[187] Based on Commission own research. For the methodology, see annex 19. For citizens, the hours cannot be converted into a monetary estimate as they do not relate to an actual expenditure but rather to citizens' spare time lost, as well as hassle costs.

[188] Study on information and assistance needs of businesses operating cross-border within the EU, including gap and cost analysis, Ernest& Young, 2017. See annex 19 for the methodology.

[189] Study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, 2017.

[190] Idem.

6.2.11. Time needed for implementation

The time necessary for this option would be two years, i.e. until the end of 2020 if the regulation is adopted by the end of 2018.

6.2.12. Ease of implementation

This option would be relatively easy for Member States to implement as far as completeness of information and findability are concerned. Member States would need to cover the information gap, provide accurate descriptions of assistance services where these do not yet exist, and introduce links to relevant information into a common repository. The Commission would have the task of developing the common search facility and common user interface for cross-border use of documents and data, which would require implementing acts, a budget and human resources. However, practical work on the common user interface for cross-border use of documents and data has already started through a (voluntary) Commission-financed pilot in which 20 Member States are participating.[191] The common user feedback tool in all languages would be relatively easy to develop and to deploy on all portals.

Member States that are not very advanced with e-government may need to make a substantial effort to fully digitalise the assumed 20 national procedures. However, EU structural funds can support the implementation in those Member States that have indicated this as a priority in their operational programmes. Likewise, translation into English can be paid for through an EU budget line.

Member States would need to foresee limited human resources for quality monitoring and making online procedures fully accessible for foreign users.

1.20.6.3. Main impacts of option 3

6.3.1. Main impact of offering all EU and national information in a centralised database

This option complements the obligation of providing information with a central database that facilitates the search by offering a fully harmonised presentation of information, as there is no need to combine information from a multitude of sources. Users would have easier, centralised access to comparably structured information.

For Member States synergies with information already on national portals and websites would be better lost. Even if the Commission outsources the content management for a central database to an external contractor, the latter will still need to get in touch with all relevant authorities in the Member States to gather the necessary material according to harmonised templates and then ask for validation of the edited content. This therefore demands additional resources at Member State level too.

Information on the same topics is duplicated on the national level and in this centralised database, potentially creating confusion for the users.

The Commission needs to design, build and maintain the database and its interface. The budgetary and other resource implications are considerable. A recent study[192] looking into the creation of a centralised portal for VAT rules and procedures produced an estimate of EUR 500 000 for gathering, editing, validating and translating (into English only) all of the necessary content[193]. This is complemented by annual operation cost for updating of around EUR 150 000. [194] On the basis of these figures, the estimated cost for a centralised database of

[191] 'Once-Only' principle large-scale pilot project, http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/topics/co-creation-05-2016.html

[192] "Feasibility study of the options for development, implementation and maintenance" of an EU VAT web-portal, Deloitte, 2016.

[193] An estimated equivalent of 30 pages per Member State, 840 pages in total.

[194] This is under the assumption that Member States would cooperate with the Commission for the entire process.

the size required for all topics to be covered by the single digital gateway would be around EUR 8 million to establish (content only) and EUR 2.4 million annually for keeping it up to date. [195]

6.3.2. Main impact of minimum quality criteria for the included services

The monitoring of compliance with harmonised quality criteria would be based on user feedback, but still will require the deployment of resources within the Commission. It estimated that 1 FTE would be needed to monitor compliance.

6.3.3. Main impact of EU wide harmonised online procedures

The harmonisation of the assumed 20 online procedures would constitute a clear advantage for cross-border citizens and businesses, since it would provide them with a single interface, available in all EU languages. The costs for the Commission of implementing this approach, modelled on the European Professional Card and the planned e-Services Card, would be approximately EUR 44 million, for business analysis and IT development costs (based on the estimated cost of 2.2 million for the e-services card[196]). Costs for the Member States would be limited to their involvement in agreeing on the business requirements for each of the new EU wide procedures.

6.3.4. Main impact of a tool for cross-border evidence

Like option 2, option 3 also includes the development of a common user interface for cross border use of documents and data. In this case it would be integrated in the centralised interface. For its impacts, see section 6.1.6.

6.3.5. Main impact of making information and procedures accessible for foreign users

This option would require translation of all content into English and possibly into all EU languages, considering that the service would be centrally coordinated by the EC. This would represent a clear advantage for users, since they could access information in their own language. The translation costs for the Commission would amount to an initial cost of EUR 1 million for English only, and EUR 23 million for translation in all EU languages. Annual costs for updates would be around half these amounts.[197]

There would be no extra costs for making procedures accessible for foreign users, as they would be especially designed to accommodate foreign users.

6.3.6. Main impacts of joint promotion

The benefits of this option come from coordinating all promotion actions into campaigns under a common brand name. The joint promotion efforts are financed from the EU budget and thus the Member States can make savings, if they are currently promoting their services.

This option requires an annually agreed EU budget contained in the Single Market governance tools budget line. To ensure adequate coverage of all Member States and cater for all languages, the budget would need to be quite substantial. As a benchmark, the ongoing 'Open for business campaign' has an annual budget of EUR 5 million. It reaches out to all businesses but only in five countries every year. For the single digital gateway the same approach could be adopted but it would also need to include citizens. This would increase the costs to EUR 10 million per year.

If all Member States had to be targeted at the same time (as would be appropriate at the launch of the single digital gateway), a budget of more than EUR 50 million would be needed.

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195 Using the same extrapolation factor as for Option 1, namely x16 corresponding to the number of chapters to be covered.

196 See impact assessment for the Commisison proposal on an e-card for services

197 See section 6.1.5

As a saving, the current budgets for promotion of existing EU level services to be integrated in the single digital gateway could be largely reduced. The advantage of this option would be that awareness raising can be done in an even manner across the EU, also covering countries and regions where currently no awareness raising activities are undertaken.

A disadvantage of this approach is that it may not be possible to adapt the format, style and message of the promotion adequately to the very specific national needs and circumstances. In addition, there may be duplication with national efforts to promote their own national portals linked to the single digital gateway.

6.3.7. Main impact of user feedback and MS reporting

This element is common to all options. For a description of its impact see section 6.1.9.

Table 6.10: Overview of costs and benefits for option 3

Creation of a common database		
Member States	– Duplication of effort because content on existing national portals cannot be reused	+ Technical management of the information will be done at EU level
Commission	– Developing central content management system for all relevant EU and national information (limited if based on existing Your Europe content management system) – Managing content gathering and verification (or outsourcing to a contractor estimated at EUR 8m, with EUR 2.4m annual running costs.	+ Easier to manage and monitor than a distributed system
Users		+ Much easier navigation since all information will be available in a fully harmonised format + Much easier to compare rules in different Member States
Minimum quality criteria		
MS	– Only ensure quality of own assistance services	+ No need to ensure quality of information or of procedures since this will be handled at EU level
EC	– Monitor quality compliance with quality criteria	
Users		+ Major improvement in finding reliable information and online procedures that are easy to use
EU wide harmonised online procedures		
MS	– Work together with the EC to agree on common business requirements for all procedures	+ No need to make national procedures accessible for foreign users
EC	– Develop and manage the 20 online procedures	
Users		+ Major improvement in handling the most important procedures in a cross-border context
IT tool for cross-border use of evidence		
Same as for option 2		

Common assistance finder		
Same as for option 2		
Joint promotion		
Member States		+ Decrease of national promotion budgets for individual services covered
Commission	– Significant promotion budget and equally high management costs, estimated at EUR 50m for the launch and EUR 10m for subsequent years.	+ Current EU level promotion budgets for the individual services covered by the single digital gateway
Users		+ More awareness of the services package available
User feedback mechanisms and coordinated reporting		
Same as for option 1		

Table 6.11: Additional administrative costs and savings linked to option 3

Per Member State				Commission	
Requirement	***Initial cost***	***Annual running cost***	***Savings***	***Initial cost***	***Annual running cost***
EC will provide all agreed information via an external contractor; MS only need to verify; EC monitors compliance	1 FTE (= EUR 53 000[198]) to gather additional material to fit the harmonised template.	0.5 (EUR 26 500) FTE on average for supplying updates to content to contractor and validating contractor's work.[199]	EUR 74 per information need that can be answered by online information instead of an individual enquiry[200]	- Develop central content management system for all relevant EU and national information (limited if based on existing Your Europe content management system) - outsourcing content gathering and verification estimated at EUR 8 m[201]	EUR 2.4 m for keeping content up-to-date; 1FTE (EUR 138 000) to follow work of contractor. 1 FTE for IT expert (EUR 120 000)[202]
Single search facility and fully harmonised presentation of information and common assistance service finder	For assistance finder: provide accurate descriptions of assistance services where these do not yet exist[203]			EUR100 000 for common assistance finder [204]	p.m.
+common repository of links				EUR 75 000[205]	p.m.
Joint promotion			p.m.	EUR 50m for launch	EUR 2.8 m (annual cost for first three years minus annual Your Europe promotion budget)

198 Based on Eurostat public sector labour cost survey figures (LCS surveys 2008 and 2012 [lc_ncost_r2]) covering EU average public sector labour costs and their main components (wages and salaries; direct remuneration, bonuses and allowances; employers' social security contributions and other labour costs) amounting to EUR 40 000, as well as an additional EUR 13 000 in overhead costs.

199 According to in-house estimations by the relevant Commission services; reflects national FTE working as national liaison for Your Europe.

200 Based on cost comparison between Your Europe (information online, EUR 0,92 per enquiry) and Your Europe Advice (individual assistance, EUR 74 per enquiry).

201 Based on the recent "Feasibility study of the options for development, implementation and maintenance" of an EU VAT web-portal, Deloitte, 2016, which estimated that EUR 500,000 would be necessary for gathering, editing, validating and translating (into English only) an estimated equivalent of 30 pages per Member States, 840 pages in total. This would need to be multiplied by 16 to cover the corresponding number of chapters of the Single Digital Gateway.

202 Based on Trade Export Help Desk, which is fully outsourced but where 1 Commission FTE follows the work of the contractor, and 1 FTE for all IT aspects of the database.

203 It is considered that the 1 FTE to gather additional material to fit the harmonised template can also carry out this task.

204 The cost of the common assistance finder is estimated at EUR 100 000 (as stated in the draft Feasibility Study on a European Mobility Portal on Social Security). No cost is forseen for the single search facility, as the Commission has a corporate IT solution which could be used for this.

205 Based on in-house estimations by the relevant Commission services.

Quality criteria fully harmonised, integrated in contract with monitoring via single user feedback tool; EC monitors compliance		5-35% of resources for quality management of own assistance services [206] estimated at 0.3 FTE (EUR 17 666)	Ensuring quality of information and of procedures will be handled at EU level (0.7 FTE = EUR 37 100)	EUR 40 000 for user feedback tool	0.7 FTE (estimated at EUR 96 600) for monitoring quality compliance of information and procedures
All 10+10 procedures will be harmonised at EU level for foreign users (such as for EPC and Services Card); EC will develop IT structure for procedures within IMI	Agree on common business requirements for all procedures[207] 1 FTE (EUR 53 000) as coordinator	p.m.		EUR 44 million for business analysis and IT development costs[208]	10 FTE (EUR1 380 000)
Information and information about procedures made available in all or several languages				EUR 1m[209] for EN	EUR 500 000 for EN[210]
Integrated user interface for cross-border use of documents and data	p.m.[211]	p.m.		EUR 0.5 m[212]	0.5 FTE (estimated at EUR 69 000)
Development of user feedback tool on single market obstacles				EUR 150 000[213]	1 IT developer (EUR 120 000)
Collection of data, analysis and publication of results		Organise collection of data regarding queries submitted to assistance services[214]			1 FTE (estimated at 138 000)
Hosting and maintenance costs for IT tools					Hosting: EUR 525 000[215]

206 Based on experience with, Your Europe (5%), SOLVIT (15%) and Your Europe Advice (35%). Will depend very much on how the service is organised.

207 The FTE necessary for this task is not included, as this whole work stream would be subject to an implementing act with its own impact assessment.

208 Based on the estimated cost of 2.2 million for the e-services card (see the impact assessment for the Commission proposal on an e-card for services).

209 For translation of national information into English, MS can use a common translation fund to be created. Based on overall expected volume of 500 pages per Member State, and a translation cost of EUR 65 per page (rate quoted in Commission framework contracts). For 3 languages this would be EUR 3; for 23 languages it would be EUR 23 million.

210 EUR 1.5 million for 3 languages; EUR 11.5 million for 23 languages

211 The costs for this solution would be assessed through a separate impact assessment (necessary for the implementing act).

212 Estimate by relevant Commission service.

213 Internal Commission estimate.

214 The FTE necessary for this task are included in the "Management of the single digital gateway".

215 Based on: estimate of relevant Commission services for technical maintenance, improvements and hosting costs for the 20 procedures = EUR 500 000, plus 25 000 for search interface and assistance finder, and additional hosting costs for feedback (current Your Europe hosting costs for YEST and intake form (= EUR 19 000) served as a proxy).

Management of the single digital gateway		2 FTE (estimated at EUR 106 000)			2 FTE (estimated at 276 000)
Total	**106 000**	**150 166**	**37 000[216]**	**103 865 000**	**8 562 600**

[216] These savings are purely indicative and do not include the main areas for savings of this option, namely by putting information online (instead of personalised assistance) and by the EU taking over the promotion. These two areas were not included as impossible to calculate.

6.3.8. User benefits

The user benefits are extensive under this option as far as completeness of information is concerned. The harmonised structure of the database would ensure optimal comparability of the information across Member States, as well as very good findability through the single search facility. The information would be of high quality, as the EU could require this contractually. A single user feedback tool in all EU languages would ensure that all users could provide feedback, which the Commission would analyse to monitor compliance. Information could be offered in more than one EU language, depending on the budget available.

The option would also provide clear benefits for the cross-border user for the assumed 20 procedures to be harmonised. Most likely, foreign users would not need to pay for translations and certification of their documents (though this would be subject to an implementing act with its own impact assessment), and would benefit from e-submission of documents and data for the 20 procedures. According to a study[217] underpinning the impact assessment, for nine investigated business procedures, cross-border users face EUR 174 million in additional costs as compared to domestic users for the same procedures (see table below). However, these benefits would not apply to the domestic business user, making up more than 95% of the total business user population.

Apart from the 20 procedures, there would not be a requirement on Member States to make online procedures fully accessible for foreign users. Overall, for procedures the benefits for the total user population would thus be limited.

The table below shows the user benefits that could be calculated. These do not cover the entire solutions foreseen, and only give an "idea" of potential user benefits. The real user benefits could be much higher.

Table 6.12: User benefits that can be calculated

Solution foreseen under this option	**User benefits under this option**
Information: Single search facility and fully harmonised presentation of information, common assistance finder, completeness and quality of online information	Citizens would save 75% of the time they currently spend looking up online six essential topics about their rights and obligations in order to live, study or retire in another Member State.[218] For the 9 topics that businesses typically research when expanding their activities across borders, they would save between EUR 4.4 and 50.4 billion annually.[219]
Procedures: 10+10 procedures harmonised at EU level for foreign users (such as for EPC and Services Card)	For 9 procedures, the cost savings for cross-border business users would be EUR 174 million, split up into: EUR 11 m for collecting documents from authorities, 55 m in document certification costs, 60 m in translation costs, and 48 million in non-electronic submission costs.[220] The cost savings from the remaining 11 procedures remain unassessed.
Total benefits	Purely indicative, and just giving an idea of potential benefits: For citizens: 1.1 million hours saved For businesses: EUR 4.6 – 50.6 billion saved

[217] Study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, 2017

[218] Based on Commission own research. For the methodology, see annex 19. For citizens, the hours cannot be converted into a monetary estimate as they do not relate to an actual expenditure but rather to citizens' spare time lost, as well as hassle costs.

[219] Study on information and assistance needs of businesses operating cross-border within the EU, including gap and cost analysis, Ernest& Young, 2017. See annex 19 for the methodology.

[220] Idem.

6.3.9. Time needed for implementation

For this option a legal instrument would only be necessary for the part of the 10+10 procedures. The regulation (covering the 20 procedures and the integrated user interface for cross-border use of documents and data) could be adopted at the end of 2018 and implemented two years later, at the end of 2020. A number of implementing acts would also need to be adopted and implemented during this period.

All the rest could be done under an EU budget line and the Commission work programme. A four-year period is estimated to be necessary for hiring the contractor through a call for tender (one year), the development of the IT architecture, the database and harmonised content templates and content management system (one year), collecting content from Member States according to a harmonised template, final verification and translation (two years). This means that, with the exception of the 20 procedures part which would be implemented a year earlier, this option could be achieved by end 2021.

6.3.10. Ease of implementation

This option would be costly for the Commission and Member States, as it would be necessary to duplicate the information available through the central EU database on their own national portals. Member States would, in addition to their national portal content, need to provide the central contractor with information in line with harmonised templates and validate edited content. The EU budget necessary for developing the database and content would be considerable. In addition, a budget and resources would need to be foreseen every year for running and updating the database.

A promotion budget of EUR 50 million would also be required at EU level, as well as almost the same amount for the development of the harmonised procedures. Politically, it appears unfeasible to get the Member States to agree to changing the substance of their most important national procedures. Overall, this option would be difficult to implement.

1.21.6.4. Social impact

By facilitating cross-border trade in goods and services, and by facilitating citizens' ability to work and study in other Member States, the single digital gateway has the potential to enhance labour mobility and support citizens' fundamental right to free movement in the EU. Lower barriers to mobility can improve educational opportunities and social cohesion. These have second-order effects on patterns of economic development, productivity and mobility for work and living.[221]

1.22.6.5. SME impact

The single digital gateway would facilitate SMEs access to the Single Market by significantly reducing the transaction costs for providing services or selling goods in other Member States. Just over half (52%) of all SMEs say the administrative procedures when exporting are too complicated, with 24% saying this has been a major problem.[222] Better access to the Single Market will lead to greater economies of scale and scope and thus enhanced firm-level competitiveness and cost efficiencies.

The lower the entry barrier to doing business in another Member State is, the easier it is for firms to provide their goods and services in other countries. This should increase the volume of trade and competition in the Single Market. According to a study[223], firms that are active

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221 EU-wide digital once-only principle for citizens and businesses: Policy options and their impacts, SMART 2015/0062, GNK Consult et al. 2016.

222 Flash Eurobarometer 421: Internationalisation of Small and Medium-sized Enterprises https://data.europa.eu/euodp/en/data/dataset/S2090_421_ENG

223 "Final Report on the Opportunities for the Internationalisation of European SMEs", European Commission 2011.

across borders introduce innovative products, services and processes more often than firms that are not active internationally.

Businesses from third countries looking for online information on EU Member States' rules and requirements will benefit from increased online provision of information to the same degree as EU businesses when they are established in the EU. This may contribute to an increase in exports (of products compliant with EU and national rules) to the EU market as well as more investment.

7. COMPARING THE OPTIONS

1.23.7.1. Effectiveness, efficiency and coherence

All elements of each of the three option packages are assessed against the following criteria:

For effectiveness:

- Usefulness: is this what our users (including SMEs and start-ups) really need? Can we make sure we will still be aligned with the user needs in ten years from now?
- Digitalisation: are we making the best use of digital possibilities today and in the near future?
- Enforceability: can we monitor results and do we have instruments to make sure it will work? How will it prevent mistakes we made in the past?
- Feasibility: can it be implemented across the board also taking account of different levels in IT development, centralised and decentralised administrative structures? Is there sufficient support among the Member States?

For efficiency:

- Cost effectiveness: is this the most efficient way of solving the problem?
- Synergies and non-duplication: does it take full account of existing solutions and actively prevent further duplication?
- Proportionality: does it ensure that we do not spend too much effort on less important elements?

For coherence:

- Alignment: is the option in line with the policy objectives of the Single Market and other initiatives?

The scores against these criteria are 1 for low, 2 for medium and 3 for high. The overall scores are expressed as a percentage of the maximum score for the relevant criterion.

For a more detailed explanation of costs and benefits, timing and ease of implementation of option 1, please refer to sections 6.1.10-6.1.12, for option 2: 6.2.10-6.2.12, and for option 3: 6.3.8.-6.3.10.

7.1.1. Effectiveness, efficiency and coherence of option 1

Table 7.1: Option 1 - Nationally centralised business and citizen's portals

		Effectiveness				Efficiency			Coherence
Specific objectives = What we want to achieve	**1. Nationally centralised business and citizen's portals**	**Usefulness**	**Digitalisation**	**Enforceability**	**Feasibility**	**Cost-effectiveness**	**Synergies**	**Proportionality**	**Coherence**
Ensure full coverage of information citizens and businesses need	EC covers EU level information in Your Europe MS cover agreed national information in single national business and citizens portals EC and MS all monitor their own compliance	3	3	2	1	2	3	2	3
Improve awareness of services available	Coordinated promotion	2	2	2	3	2	2	3	3
Eliminate or overcome duplication an complexity, improve findability	Merger of contact points (for services, products, construction products)	3	3	2	1	3	3	1	3
	Every national portal has its own search facility	1	2	2	2	2	2	3	3
Improve quality across the board for all information and assistance services, and for procedures	Agreed quality criteria with monitoring via separate user feedback tools (one for each portal) EC and MS all monitor their own compliance	3	3	2	2	3	3	3	3
Ensure that EU citizens and businesses can complete the most important part of their interactions with the administration online	Voluntary roll-out of online procedures based on rolling work programme MS can decide on priorities, no legal requirements	1	2	1	3	1	2	2	2
Make all information and procedures fully accessible for non-national citizens and businesses	Information and procedures should be made available in EN	2	2	2	3	3	3	3	3
	Online procedures should be made fully accessible for foreign users	2	3	2	3	3	3	2	3
	National solutions for use of documents and data to be made accessible for foreign users	1	2	2	2	2	2	3	2
Get a more systematic overview of obstacles encountered by cross-border users	Link to common user feedback tool on EU and all national single digital gateways	2	3	3	3	3	3	2	3
Subtotals*		**48%**	**77%**	**50%**	**65%**	**65%**	**80%**	**69%**	**90%**
TOTALS		**60%**				**71%**			**90%**
ASSESSMENT TOTAL		**74%**							

* As a pourcentage of the maximum score

Option 1 scores high on coherence (90%) and quite good on efficiency (71%), but not good enough on effectiveness (60%). This is mostly due to the significant drawbacks of leaving the roll-out of online procedures voluntary for the Member States and of the lack of a common solution for the problem of cross-border use of documents for procedures. Furthermore, the lack of findability will not be sufficiently addressed since the search facilities on the national business portals will in principle not cater for search in all EU languages. Finally, the lack of a common monitoring tool for quality will make enforcement of the quality criteria more cumbersome. For these reasons, it is unlikely that the needs of the users identified would be met with this option.

7.1.2. Effectiveness, efficiency and coherence of option 2

Option 2 scores well for all three criteria, especially coherence (100%) and efficiency (88%). It has no low scores for any of the aspects assessed. It provides sufficient guarantees of enforceability thanks to the use of a common user feedback tool for coverage and quality monitoring. This option will rely more than the other two on very close cooperation between the Commission and the Member States.

Table 7.2: Option 2 - EU-coordinated approach

		Effectiveness				Efficiency			Coherence
Specific objectives = What we want to achieve	**2. EU coordinated approach**	**Usefulness**	**Digitalisation**	**Enforceability**	**Feasibility**	**Cost-effectiveness**	**Synergies and non-duplication**	**Proportionality**	**Coherence**
Ensure full coverage of information citizens and businesses need	EC covers EU level information in Your Europe MS cover agreed national information in different websites and portals Joint monitoring of compliance	3	3	2	3	3	3	3	3
Improve awareness of services available	Coordinated promotion	2	2	2	3	2	2	3	3
Eliminate or overcome duplication an complexity, improve findability	Common assistance service finder	3	3	3	2	3	3	3	3
	Common search facility	2	2	3	2	3	2	2	3
Improve quality across the board for all information and assistance services, and for procedures	Agreed quality criteria with monitoring via common user feedback tool used for all linked portals Joint monitoring of compliance	3	3	2	2	3	3	3	3
Ensure that EU citizens and businesses can complete the most important part of their interactions with the administration online	Obligatory to offer 10+10 national procedures fully online Agreed timetable for implementation for each MS	3	3	2	2	3	3	3	3
Make all information and procedures fully accessible for non-national citizens and businesses	Information and procedures should be made available in EN	2	2	2	3	3	3	3	3
	Online procedures should be made fully accessible for foreign users	2	3	2	3	3	3	2	3
	Common user interface for cross-border use of documents and data to be designed later	2	2	3	2	3	2	2	3
Get a more systematic overview of obstacles encountered by cross-border users	Link to common user feedback tool on EU and all national websites and portals	2	3	3	3	3	3	2	3
Subtotals*		**75%**	**85%**	**67%**	**76%**	**93%**	**87%**	**85%**	**100%**
TOTALS		**76%**				**88%**			**100%**
OVERALL ASSESSMENT		**87%**							

* As a pourcentage of the maximum score

7.1.3. Effectiveness, efficiency and coherence of option 3

Option 3 has by far the best scores for meeting the needs of the users (93%). Its fully centralised approach would guarantee a harmonised way of presenting information ensuring that users can easily find the information they are looking for. Harmonised EU wide procedures would be designed fully to be accessible for cross-border users. However, serious drawbacks of this option are the lack of feasibility due to little support from the Member States for such a centralised approach. In addition, the overall efficiency of this option is not very high since it combines very high costs with significant duplication.

Table7.3: Option 3 - EU-wide fully centralised approach

		Effectiveness				Efficiency			Coherence
Specific objectives = What we want to achieve	**3. EU-wide fully centralised approach**	**Usefulness**	**Digitalisation**	**Enforceability**	**Feasibility**	**Cost-effectiveness**	**Synergies and non-duplication**	**Proportionality**	**Coherence**
Ensure full coverage of information citizens and businesses need	EC will provide all agreed information	3	2	3	1	1	1	2	1
Improve awareness of services available	Joint promotion	3	2	2	1	3	3	2	3
Eliminate or overcome duplication an complexity, improve findability	Common assistance service finder	3	3	3	2	3	3	3	3
	Single search facility and fully harmonised presentation of information	3	3	3	3	3	3	3	3
Improve quality across the board for all information and assistance services, and for procedures	Quality criteria fully harmonised and integrated in contract, with monitoring via single user feedback tool EC monitors compliance	3	3	3	1	3	1	2	3
Ensure that EU citizens and businesses can complete the most important part of their interactions with the administration online	All 10+10 procedures will be harmonised at EU level for foreign users (like for EPC and Services Card) EC will develop IT structure for procedures within IMI	3	3	3	1	1	1	1	1
Make all information and procedures fully accessible for non-national citizens and businesses	Fully guaranteed, translation in all or several languages	3	1	3	1	1	3	1	3
	Procedures are fully accessible to foreign users by design	3	3	3	2	2	1	2	3
	Integrated user interface for cross-border use of documents and data	3	3	3	1	2	1	1	3
Get a more systematic overview of obstacles encountered by cross-border users	Common user feedback tool will be fully integrated	2	3	3	3	3	3	2	3
Subtotals*		**93%**	**81%**	**93%**	**27%**	**62%**	**48%**	**45%**	**71%**
TOTALS		**72%**				**52%**			**71%**
OVERALL ASSESSMENT		**65%**							

* As a pourcentage of the maximum score

1.24.7.2. Choice of the preferred package

Based on the analysis above, option 2 is most likely to achieve the objectives efficiently and in a proportionate way, while maximising the benefits for stakeholders. At the same time, this option is best aligned with the ideas and wishes expressed by the Member States so far. Broad support is key for the successful implementation of this ambitious project. The Commission and the Member States will need to work together very closely to achieve an effective, step-by-step implementation of all the different requirements of the preferred option. To illustrate how this could work, a detailed project plan is included in Annex 12.

1.25.7.3. Benefits of the preferred package – why will it succeed?

For EU citizens and businesses with a cross-border perspective, the benefits of having full online access to reliable information and user friendly procedures in a language that they can understand, will be very considerable. They will be able to compare rules and obligations in the different Member States, check them against their EU rights and handle a large part of their administration fully online. They will waste less time trying to find out which rules apply, which documents are needed, visiting administrations, waiting and getting all the paperwork done. The study about administrative formalities[224] has calculated that the costs of cross-border businesses are 50% higher compared to domestic businesses, and that the aggregate cost difference (between the same number of domestic and cross-border businesses, for nine procedures) is EUR 131 million. Almost half of the additional costs for cross-border businesses is caused by translations (EUR 60 million) , followed by additional costs for gathering information (mostly advice, EUR 30 million), submitting documents (EUR 22 million, mostly travel costs if submission in person is required, certification (EUR 11 million) and collecting data and documents (EUR 7 million). The savings for domestic businesses from digitalisation are much greater and in the order of magnitude of EUR 6.5 billion for just nine businesses procedures, and EUR 48 million for cross-border users. As far as information

[224] Study about administrative formalities of important procedures and administrative burden for businesses, Ecorys, 2017 See annex 19 for the methodology.

is concerned, businesses could save between EUR 11 and 55 billion annually for researching nine business topics[225]. The benefits for citizens can only be indicated by estimating the number of hours saved. The preferred option would reduce by 60% the 1.5 million hours that citizen currently spend on researching online seven essential topics before going abroad. If these costs, time and hassle could be avoided, not only for businesses but also for citizens, more people would be encouraged to expand their activities across borders due to much increased transparency. Furthermore, e-procedures reduce the risk of administrative errors and corruption.

Improved knowledge about rights and opportunities, and better-quality online services may also contribute to more firms and citizens claiming these EU rights. An example is the principle of mutual recognition for intra-EU trade in goods that is currently not well-known among businesses.

The preferred option will have the following specific advantages compared to the current situation:

- **Holistic**: This option aims at the vertical integration of the whole sequence of information, procedures and assistance services that Single Market users need. It will also link the many separate services that have been created in different policy domains over the past decades. It will go a long way to overcome the current fragmentation and duplication, and the gaps in the currently available information.
- **User-driven**: Through a common user feedback tool the option will systematically receive feedback on the quality and coverage of the services included. This will ensure that we concentrate resources on what is most important for the users, and provide for an integrated and efficient monitoring tool to assist enforcement. The expected result is a much higher level of customer orientation of these public services, also for cross-border customers.
- **More digital**: The current services have been built over several years, and in many cases recent information technology developments have enabled e-government solutions that were not feasible or were much more expensive earlier. Moving procedures online has advanced considerably and it can be expected that all Member States are in the position to complete the move of the most frequently used procedures online relatively quickly, and also make them fully transactional for cross-border users.
- **More practical and more enforceable**: The option includes clear and practical common rules for the range of services provided, integrates the lessons learned and facilitates enforcement. The proposed concrete quality standards for information, assistance and procedures will ensure consistency in service quality that is lacking today. Clearer rules of what makes a procedure fully online and fully accessible for cross-border users will help to prevent new single market obstacles.
- **Experience-based**: The solutions contained in the package have already been tested in practice, as they build on existing services and have been chosen based on feedback from Member States and stakeholders, in particular concerning their good practices. The chosen package is based on the most successful national solutions, in particular the citizen and business portals of France, the United Kingdom, Luxembourg, Cyprus and Malta. The package also reflects experience gained through the management of EU level networks and portals such as SOLVIT, Your Europe and the contact points, and the Commission-wide digital transformation process.
- **Strong support**: The chosen package is broad and ambitious, but it is based on strong

[225] Study on information and assistance needs of businesses operating cross-border within the EU, including gap and cost analysis, Ernest & Young, 2017. See annex 19 for the methodoloy.

support from the Member States and stakeholders. In particular, the Member States will play an essential role in its implementation. During the consultation process, a series of bilateral meetings identified good practices to follow and pitfalls to avoid, based on experience with national e-government programmes. The consultation process has helped to shape the package and has confirmed that there is strong support for it. Likewise, business organisations, chambers of commerce, the European Parliament and the REFIT platform have strongly encouraged the Commission to propose such an initiative.

1.26.7.4. Costs of the preferred package and available EU funding

7.4.1. Cost for Member States and the Commission

The preferred package of options has eight cost categories. These are 1) extending the coverage of information; 2) providing information in another language; 3) meeting quality requirements for assistance services; 4) getting procedures online; 5) making online procedures fully transactional across borders; 6) developing the single digital gateway support tools, hosting and maintaining them; 7) promoting the gateway; and 8) managing it, see table 6.8.

Based of the assumed 20 procedures to be made available online, these costs amount to EUR 167 million of initial investment costs and around EUR 8 million of annual running costs for all Member States and the Commission together. The initial investment costs would already be mostly compensated for by the saving of EUR 112 million per year through the digitalisation of only nine out of the ten business procedures (with the 10 citizen procedures remaining unassessed). These figures are only indicative, but show the large potential for cost savings for national administrations from going online. Other areas for potential savings, e.g. deriving from a shift to online information instead of personalised advice to the public, are not included as they could not be calculated.

For the two countries that have the fewest procedures online (still 17 out of 20 missing), moving them online would take EUR 10.2m for each. This is 2 to 3% of the 2014-2020 ESIF funding they have allocated to e-government, so the required investment is relatively minor. It is expected that the single digital gateway approach will lead to costs savings for managing existing services, but it has not been possible to quantify these savings.

Concerning access to European funding when implementing the single digital gateway, the 2014-2020 ESIF can be used[226] by 17 Member States for funding of e-government programmes and ICT projects. Thirteen Member States are currently using these funds for that purpose. (see Table 6.5 and Annex 11 section 11.3). Many of them have already replaced paper based procedures by online versions on that basis and others could follow that example to comply with the requirements of the single digital gateway.

Horizon 2020 is funding a pilot project for once-only which is important for cross-border use of online procedures.

The ISA^2 programme[227] is developing reusable building blocks for EU wide interoperability, where the core public service catalogue is of particular importance, as it is envisaged to be used for the single digital gateway. In addition, the development of the common user interfaces foreseen for the single digital gateway could be funded via this programme.

1.27.7.5. Choice of legal instrument

The existing contact points, information and assistance services have been established on the basis of a variety of legally binding and non-binding instruments.

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226 Provided these Member States have foreseen this in their Operational Programmes.

227 https://ec.europa.eu/isa2/

In view of the identified preferred option, the instrument to create the single digital gateway will need to overcome this divergence and address the identified problems in a practical way. It will need to complement the existing directives, regulations and recommendations that establish the different services. It will need to fill in the details where they have been missing and provide the necessary legal basis where voluntary action has not delivered satisfactory results. A regulation based on Articles 21(2), 48 and 114(1) of the Treaty would appear to be the most suitable instrument to satisfy these requirements.

1.28.7.6. Subsidiarity and proportionality of the preferred option

The preferred option strikes a careful balance between on the one hand the need to leave ownership and responsibility for national information and national procedures with the Member States, and on the other the need to address the obstacles that have occurred over time for citizens and businesses trying to exercise their Single Market rights. For each of the problems to be addressed, the most effective and proportionate solution has been chosen, as explained in the previous sections. The result is an approach that would appear to be both widely supported by Member States and very much welcomed by the intended beneficiaries, the citizens and businesses of Europe. This gives additional reassurance that the preferred option is fully aligned with requirements for subsidiarity and proportionality.

1.29.7.7. Cumulative impact and synergies of the preferred option

The single digital gateway can rely on the strong foundation of the national technology networks that have already been put in place by Member States. This is also true for those Member States that are lagging behind, given the substantial investments in e-government already planned to cover the gap by 2020, which corresponds to the timeframe for implementation of this initiative.

The benefit of the gateway, as built on the preferred option, is that it provides a clear framework for the roll-out of national online procedures based on Single Market priorities and principles. The latter can be taken on board already while national programmes are still ongoing. This is more cost-efficient than taking remedial action ex-post. As has been indicated in this assessment, the cross-border perspective tends to be overlooked by the Member States. The leverage effects of the gateway in terms of efficiency and benefits to both citizens and business and for administrations are potentially considerable.

Moreover, the use of the building blocks[228] developed under the Connecting Europe Facility[229] offers possibilities for additional savings of 20-40% and reducing the implementation cycle costs by 40-50%.[230] Helpdesk functions, assistance services and feedback tools can rely on services already available on the national and the EU levels.

1.30.7.8. Coherence with other proposals

The preferred option contributes to achieving the objectives of the Digital Single Market strategy, such as tackling discrimination based on residence or nationality. It supports the other actions of the E-government Action Plan. The proposed options are in line with the recommendations of the European Interoperability Framework.

Furthermore, the option complements the start-up and scale-up initiative,[231] which promotes the growth of firms by improving the business environment and cutting red tape. SMEs, in particular those trading across borders will benefit from lower costs related to information searches – relatively more than large firms. They will also benefit from the more uniform quality of available online information, assistance and procedures. Those trading across

228 eID, eDelivery, eSignature , eInvoicing, and eTranslation.
229 With a budget of €970 million.
230 The Advantages, Economics and Value of Reuse', joint paper Gartner Research and the MIT, 1 July 2010.
231 http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8998

borders will benefit from procedures that are important for them. SMEs will find it easier to identify procedures about the Single Market and thus enter new EU markets. They can signal problems with rules and public authorities in an easy and familiar way in all EU languages.

Ongoing initiatives at EU level are addressing aspects of VAT registration and return through the mini-one-stop-shop,[232] as well as patient registration,[233] and thus the single digital gateway needs to articulate its approach with these initiatives. Similarly, the approach needs to be articulated with the planned company law initiative to facilitate the use of digital technologies throughout a company's lifecycle.

The initiative contributes to and supports the achievements of other ongoing EU initiatives. For an overview of how the single digital gateway links to other initiatives, see Annex 9.

1.31.7.9. Implementing the preferred option – what is the timeline?

Work on the single digital gateway can start before the adoption of the regulation. The Commission can start upgrading the current Your Europe portal in line with the overall objectives. The different actions to be implemented as from adoption of the legal proposal are set out in the table below, and in more detail, in Annex 12.

Table 7.4: Implementation plan and milestones

Timing	Commission actions	Member States' actions
	Pre-adoption stage	
Q1/2018	Works with MS on further convergence of information and assistance services towards the objectives of the single digital gateway	Work with the COM on further convergence of information and assistance services towards the objectives of the single digital gateway
Q1/2018	Analyses different options related to the IT tools and applications listed in the Commission Proposal. Incorporate IT security risk assessment and IT security plans.	Analyse the needs and efforts which have to be done to ensure full compliance with the Regulation
Q2/2018	Establishes a network of stakeholders (Chambers of Commerce, etc.) to discuss with them ideas related to the practical implementation of the single digital gateway	
Q2/2018	Prepares the draft annual work programme (e.g. to clarify detailed implementation steps per Member State)	
Q4/2018	***Adoption of the Regulation***	
Q3/2018	Convenes the first meeting of the single digital gateway Group to discuss the first annual work programme	Appoint national co-ordinators and notify their names to the COM
Q3/2018	Sets up internal governance structure to manage and coordinate all EU level services and portals that are part of the single digital gateway	Ensure that sufficient resources are made available at national level. Put in place the internal structure of co-ordination and monitoring
Q1/2019	Adoption of the first annual work programme	Adoption of the first annual work programme
Q1/2019	Adopts implementing acts	Discuss the draft implementing acts in the single digital gateway Committee

[232] Council Regulation (EU) No 967/2012.
[233] E-health Action Plan 2012-2020 - Innovative healthcare for the 21st century, COM(2012)736, 6.12.2012.

Timing	Commission actions	Member States' actions
Q1/2019	Starts developing the IT tools required for supporting the single digital gateway - user interface - repository of links - reporting tool on the functioning of the Single Market - data collection tool - user feedback collection tool	Start working on: - filling the online information coverage gaps - getting the missing procedures online - ensuring that existing online procedures are accessible for foreign users
Q2/2019	Organises trainings, workshops, visits in Member States to discuss/advise Member States as regard the use of the ESF, ERDF and other sources of financing, managed by the COM	Re-structuring, tagging of information on their websites
Q2/2019	Issues interpretative/guidance documents or recommendations, if needed	
Q3/2019	Preparation of promotion campaigns and discussion within the single digital gateway Group	
Q3/2019	Finalisation of work on the IT tools, including a review of IT security plan and measures to cover risks.	Notification of links to the national services to the repository of links
Q3/2020	All agreed information is offered online User feedback tools deployed on all single digital gateway related webpages	All agreed information is offered online MSs with most advanced e-government programmes to offer all agreed procedures online User feedback tools deployed on all single digital gateway related webpages
Q4/2019	Beta-version of the single digital gateway to be put online and tested	Testing together with the COM the tools and applications to ensure that they are ready to use as from Q3 2020
Q4/2019	Implementing act on tool for cross-border use of evidence	
Q4/2020	Launch of tool for cross-border use of evidence	
Q4 2020	***Launch of the Single Digital Gateway***	
Q4/2022	First report on obstacles in the Single Market based on data gathered through all services within the single digital gateway and the user feedback tool	
Q4/2022	First report on the functioning of the single digital gateway	
Q1/2024	Second report on obstacles in the Single Market	
Q3/2024	Second report on the functioning of the single digital gateway and, if needed, recommendations for improvement	

8. MONITORING AND EVALUATION

The set of indicators below aims to measure whether the single digital gateway will succeed in meeting the objectives defined in section 4.2 of this impact assessment.

The legislative proposal on the single digital gateway foresees that the necessary ongoing monitoring and evaluation measures are based on direct user feedback about the quality, availability and findability of the services offered. In addition, users will be encouraged through a second feedback tool to report problems encountered with the Single Market.

The user feedback tool is an efficient way for steering quality management but also for gathering evidence about success. When implemented as an integral part of an information system, it can provide quick and accurate picture of strengths and weaknesses. It is a low-cost option replacing an expensive ongoing evaluation machinery.

The gap analysis (see Annex 4) shows that the areas that need particular monitoring are linked to those Member States that have large gaps in the availability of information and procedures online, especially concerning the access of foreign citizens. The main risk for the successful implementation of the single digital gateway is that the Member States lagging behind today will not be able to catch up quickly enough. However, the planned governance structure based on very close cooperation of the Member States and the Commission, and the possibility to use ESIF funding should help in bringing all Member States up to speed.

The results of the monitoring efforts should guide continuous improvement of the services and will also be used for a Commission report on the functioning of the single digital gateway to the European Parliament and the Member States every two years. A full evaluation should take place four years after entry into force of the regulation.

Table 8.1: Monitoring the performance of the single digital gateway

Specific objectives	Indicator	Operational objective
Ensure full coverage of information citizens and businesses need	Percentage of businesses and citizens who indicate they have found the information they were looking for.	Yearly increase from benchmark in Year 1, towards target of 90%
Improve awareness of services available	Trends in average number of monthly users.	Yearly increase from benchmark in Year 1
Eliminate or overcome duplication complexity, improve findability	Percentage of businesses and citizens who indicate they have easily found the information they were looking for	Yearly increase from benchmark in Year 1, towards target of 90%
Improve quality across the board for all information and assistance services, and for procedures	Percentage of business and citizens who indicate satisfaction with quality (based on criteria).	Yearly increase from benchmark in Year 1, towards target of 90%
Ensure that EU citizens and businesses can complete the most important part of their interactions with the administration online	Percentage of businesses and citizens who indicate that they have been able to complete the available procedures fully online.	Yearly increase from benchmark in Year 1, towards target of 95%
Make all information and procedures fully accessible for non-national citizens and businesses	Percentage of cross-border businesses and citizens who indicate that they have been able to complete the available procedures fully online.	Yearly increase from benchmark in Year 1, towards target of 95%
Get a more systematic overview of obstacles encountered by cross-border users	Usability of data from user feedback tool and from assistance services regarding obstacles in the Single Market and quality of resulting report	Positive feedback from stakeholders on usefulness of reporting on Single Market obstacles

9. LIST OF ANNEXES

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Annex 2: Synopsis report of the public consultation
Annex 3: Evaluation
Annex 4: Gap analysis of national online information and procedures
Annex 5: Detailed problem descriptions
Annex 6: Detailed quality criteria
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