



STRUCTURAL REFORM SUPPORT PROGRAMME 2017-2020
Regulation (EU) 2017/825 (SRSP Regulation)¹

INSTRUCTIONS

Accompanying the template for request for support (Article 7 of the SRSP Regulation)

The Request for support should be filled in after careful reading of these instructions and the Regulation (EU) 2017/825 (the SRSP Regulation).

The purpose of these instructions is to facilitate the submission of the request for support to the Commission. The Commission will analyse the Request for support in line with Article 7 of the SRSP Regulation. The information submitted will also serve as a basis for reaching an agreement with the Member State concerned, resulting in a Cooperation and Support Plan.

Should a Member State want to submit a Request for special measures under urgency (interim support - Article 12(6) of the SRSP Regulation), the Member State should contact the SRSS at SRSS-SRSP@ec.europa.eu for the relevant template. Please note that the Request for special measures under urgency should be filled **only if** there are **serious grounds of urgency requiring an immediate response**. The special measures that may be provided under urgency will only be interim support (for a maximum of six months), to be replaced by support measures that are to be provided under normal circumstances, and according to the procedure thereof, under the SRSP Regulation. If the Member State concerned wishes to continue receiving support under the SRSP, after the special measures expire, the standard Request for support will need to be submitted according to the Article 7 of the SRSP Regulation.

The information included in the template for request for support will be considered sensitive or confidential to the Member State insofar as it concerns the public interest of the Member State, unless otherwise specified by the authorities submitting the request.

Personal data will be processed pursuant to existing law applicable to data protection in the European Union.

These instructions are accompanied by a pre-filled example.

¹ REGULATION (EU) 2017/825 of 17 May 2017 on the establishment of the Structural Reform Support Programme for the period 2017 to 2020 and amending Regulations (EU) No 1303/2013 and (EU) No 1305/2013

INTRODUCTION

Who submits the request for support?

All templates need to be formally submitted by the **Coordinating Authority**, i.e. the authority responsible for submitting requests for support on behalf of the one Member State concerned. Under the SRSP, this Coordinating Authority is responsible for coordinating the planning and submission of the Requests for support, as well as the overall implementation of the Request for support in cooperation with the Commission.

The Coordinating Authority is the single contact point for the interaction with the Commission. Member States can designate the Coordinating Authority from among the existing authorities, and in accordance with their legal framework.

Please note that each request should be submitted on a separate template.

Please indicate the title or the subject matter of the request for support. The title/subject matter should indicate the purpose of the request for support (e.g. addressing weaknesses in the distribution of disability benefits for pensioners).

The Coordinating Authority submits all requests **in the order of priority** decided by the Member State.

General information: contact details and subject matter (title) of the request

Please indicate the relevant **contact details** of the national Coordinating Authority, the recipient national authority and the relevant contact persons, including their contact details (name, address, function, email, phone number, etc.).

The **recipient national authority** is an authority of the Member State (including authorities at regional and local levels) that is responsible for the "thematic" request and for its implementation, in cooperation with the Commission (i.e. the SRSS).

1. DESCRIPTION OF THE PROBLEM/NEED TO BE ADDRESSED

*Article 7(2) of the SRSP Regulation **defines the criteria for analysis by the Commission of the request for support: urgency, breadth and depth of the problems identified, support needs in respect of the policy areas concerned, analysis of socio-economic indicators and general administrative capacity of the Member State.***

The information provided by the Member State should allow the Commission to carry out such analysis.

1.1 What is the problem/need to be addressed with the support requested?

Please provide a detailed description of the problem or the need to be addressed with the requested support measures.

1.2 Breadth of the problem/need

How broad is the problem/need? Does the problem/need spread across several policy areas (i.e. could the results of the action also have an impact on other policy areas?), or is the problem/need likely to spread to other policy areas ("spill-over")?

1.3 Depth of the problem/need

How deep is the problem/need? Is the problem/need severe or persistent? Did any previous attempts to address it fail?

1.4 Urgency of the request for support

In order to determine the urgency of the request, information should be provided on the basis of the following elements [NOTA BENE: The urgency of the "thematic" request should not be confused with the request for (temporary) "special measures" under urgency]

- Is the problem/need a new/emerging one?
- Is the request for support linked to a deadline that must be respected (e.g. in the context of an economic adjustment programme, European Semester Country Specific Recommendations, deadlines imposed by Union law (due to infringement procedures, transposition of Union directives), European Structural and Investment Funds (ESIF) ex-ante conditionalities, etc.)?
- Is the rapid execution of the support a key factor in resolving the problem/need?
- Is there a date after which the support measures become irrelevant?

1.5 Socio-economic indicators

The relevant socio-economic indicators will also be taken into consideration when analysing the request. These socio-economic indicators may be macro-economic indicators, general indicators or indicators related to the relevant policy area (e.g. unemployment rates, rates for early leavers from education, at-risk-of-poverty-or-social-exclusion rates, investment rates, indicators of investment bottlenecks, non-performing loans rates, etc.). These data will back-up the request for support. For each request, if available, please provide socio-economic indicators relevant to the policy area(s)/sector(s). Detailed quantitative evidence can be submitted as an Annex to the request, or at a later stage.

2. DESCRIPTION OF THE SUPPORT MEASURES REQUESTED AND ESTIMATED COST

2.1 Indicative description of the support measures requested

If already envisaged, please provide an outline of possible support activities, e.g.: provision of ad hoc experts; placing resident experts on the ground; seminars, conferences, workshops; working visits; training; collection of data; development of methodologies; studies and expertise related to policy advice, policy change, legislative, institutional, structural and administrative reforms, etc.

If appropriate, please differentiate between support "phases"; this could help to identify which activities need to take place first, or which activities can only start at a later stage (e.g. after the finalisation of some other actions, etc.).

2.2 Indicative duration of the support measures requested and estimated cost

If already envisaged, please provide an indicative starting and an end date of the envisaged support measures/activities and/or their estimated duration.

Whenever possible, please indicate how much you estimate the support measures/activities would cost.

2.3 Expected results /use of the results of the support measures requested

Indicate the ultimate objective that the support measures should achieve and specify the expected results of the support measures and how you intend to use the results/outcomes of the support measures.

2.4 Administrative capacity of the Member State *(in the context of the SRSP, this refers to the recipient national authority for the purpose of the request for support)*

The administrative capacity should take into account the capacity of the Member State to implement and absorb the support measures to be provided and to carry out the reforms for which support is requested, e.g. how much resources (staff, budget) the recipient national authority requesting support has at its disposal to accompany and follow up the relevant support measures.

2.5 Envisaged provider(s) (if applicable)

*According to Article 9(1) of the SRSP Regulation, the Commission may, with the consent of the beneficiary Member State, organise the **support in cooperation***

with other Member States' bodies (agencies, authorities) or European and international organisations.

If applicable, please indicate suggestions you may have for support provider(s) for certain support activities (a Member State authority or public body, international organisations, other public-sector entities, etc.). Please also indicate which entity / organisation (and why) could help carry out the support measures. If more than one, please indicate accordingly.

NOTA BENE: this is without prejudice to the application by the Commission of the relevant rules (inter alia, on grants and procurement) of the Financial Regulation (Regulation (EU) No 966/2012).

3. CIRCUMSTANCES OF THE REQUEST

*According to Article 7(3) of the SRSP Regulation, the Request for support can be related to **different circumstances** ("triggering factors").*

- The implementation of reforms by Member States, undertaken at their own initiative, notably to achieve sustainable investment, growth and job creation (e.g. national reform priorities linked with Union priorities, Europe 2020, etc.);
- The implementation of the actions linked to Union priorities, e.g. Capital Markets Union (CMU), Energy Union, other Union priorities;
- The implementation of economic adjustment programmes for Member States that receive Union financial assistance under existing instruments, in particular in accordance with Regulation (EU) No 472/2013 of the European Parliament and of the Council for the euro-area Member States and Council Regulation (EC) No 332/200224 for non-euro-area Member States;
- The implementation of reforms in the context of economic governance processes, in particular of the Country Specific Recommendations issued in the context of the European Semester (or the Country Reports);
- The implementation of actions related to the implementation of Union law (e.g. infringement procedures, other governance cycles).

Please indicate which of the above-mentioned circumstances your request for support is related to. Please also add relevant explanations as appropriate.

For economic governance, please indicate also the Member State's Country Specific Recommendation(s) and Country Report(s) concerned (number(s), years(s)).

For Union priorities and own reforms, indicate specific priorities and add references to national reform(s).

4. EURO-AREA MEMBERSHIP SUPPORT RELEVANCE (EURO-AREA TAGGING)

FOR NON-EURO-AREA MEMBER STATES WISHING TO ADOPT THE EURO (NB. This section is conditional on the adoption of the amendment to the SRSP Regulation²)

If the request is relevant for "euro-area membership support" (euro-area tagging selected), please explain the link and relevance of the request to the preparation of the Member State for euro-area membership (cf. new Article 5a of SRSP Regulation).

Disclaimer

Please note that the request for support is fully subject to the principles governing the SRSP Regulation and Regulation No 2018/1046 on the Financial Rules applicable to the General Budget of the Union. In compliance with the principle of prohibition of double funding, the recipient national authority shall immediately inform the European Commission of other related on-going actions financed by the EU budget. In no circumstances, shall the same costs be financed twice by the European Commission.

By submitting this request, the Member State accepts that, should the request for support be selected for funding under the SRSP, the Member State will confirm to the Commission that there is no overlap between the request selected under the SRSP and concrete actions funded under other EU instruments and that double funding is not present for this selected request.

² Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2017/825 to increase the financial envelope of the Structural Reform Support Programme and adapt its general objective, COM/2017/0825 final - 2017/0334 (COD).



**STRUCTURAL REFORM SUPPORT PROGRAMME 2017-2020
Regulation (EU) 2017/825 (SRSP Regulation)**

**REQUEST FOR SUPPORT^{*3}
(Article 7 of the SRSP Regulation)⁴**

DEADLINE: 31 October 2018

The requests can be sent through Coordinating Authorities
by email to SRSS-SRSP@ec.europa.eu or
through the web-portal <https://webgate.ec.europa.eu/SRSS-portal>
[operational as of 1st October 2018].

Member State:	Country X
Total number of requests:	10
Date of submission:	30/10/2018

COORDINATING AUTHORITY	
Name	Secretariat General for EU Affairs
Address	Xxx street 1; 1000 city, country
Contact person	[Mr/Ms x, y, z]
Email	xxxx@xxxx.xx
Telephone number	+32 xxxx

³ All recording and processing of personal data will be processed pursuant to the Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

⁴ REGULATION (EU) 2017/825 of 17 May 2017 on the establishment of the Structural Reform Support Programme for the period 2017 to 2020 and amending Regulations (EU) No 1303/2013 and (EU) No 1305/2013.

REQUEST FOR SUPPORT

Subject matter (title) of the request:	Removing restrictions in the professional services sector
Order of priority of the request:	2

RECIPIENT NATIONAL AUTHORITY Ministry XX	
Name	Unit on xx
Address	Xxx street 1; 1000 city, country
Contact person	[Mr/Ms x, y, z]
Position	Director/ Head of sector/ Head of unit
Email	xxxx@xxxx.xx
Telephone number	+32 xxxx

1	DESCRIPTION OF THE PROBLEM/NEED TO BE ADDRESSED
1.1	What is the problem/need to be addressed with the support requested?
	<p>In country XX, services currently contribute to XX% of GDP. However, high administrative burden and regulatory barriers hamper productivity of the market, especially for professional services, i.e. regulated professions and new business models. This high level of regulation co-exists with falling Total Factor Productivity (TFP) in the services sector, which is below comparator countries. It is likely that a high level of regulation constrains competition, which then results in allocative, productive, and dynamic inefficiencies in services sector but also in subdued output and high prices in other sectors. According to a recent research, liberalising services in 12 areas has the potential to increase productivity by 5.7% on average.</p> <p>Currently, professional services have restrictions on entry such as certificates, licences, mandatory trainings, and exams; restrictions on conduct like fee arrangements, geographical limits, bans to advertise or join multi-disciplinary practices; and restrictions on foreign providers, e.g. residency and nationality requirements.</p> <p>The Government acknowledges the need to enhance deregulation of some professional services and to develop better regulation for certain professions. At the moment, there are more than XX regulated professions, which is above the EU average (according to the Commission's analysis). A new regulatory framework needs to be designed to improve the current system which can create barriers.</p> <p>Several previous reform efforts had been made in the past (reform X in 2002, reform Y in 2005). With the changes brought about in the globalised economy over the past 10 years, it is essential to review the regulatory framework for professional services. As reflected in the National Reform Programme, the Government is currently planning to</p>

<p>reform the regulation of professions. However, the Ministry XX is lacking the ability to analyse market data that would enable to define a plan of actions to gradually reduce administrative and regulatory barriers. In this context, additional measures to enrich the analysis of the current situation and to define opportunities for the reform would ensure that a well substantiated reform proposal can be put forward by the Government during 2020.</p>	
1.2	How broad is the problem/need? Does it spread across several policy areas ("spillover")?
<p>Restrictive business environment in the services sector sets a limit on the country's growth potential. The problem affects services sector virtually across all areas of the economy, the most concerned are in particular: tourism, legal professions, accounting services and transport. There is a risk that the problem spreads to other areas of the economy.</p> <p>Overly regulated services sector unavoidably affects the investment attractiveness of the economy, causes business to seek more favourable conditions in other Member States and may lead to productivity and employment losses.</p> <p>A reform of regulation on professions could have positive spill-over effects in other economic sectors as high productivity in the professional services sector can have positive effects on other industries such as manufacturing, construction and food-processing. Easier services market access for professionals and new business models can open up employment opportunities.</p>	
1.3	How deep or severe is the problem/need? Is it persistent? Did any previous attempt to address it fail?
<p>A cumbersome business environment depresses productive investment and productivity growth. Country XX's productivity growth lags behind that of other EU Member States in all sectors of the economy. The average productivity of country XX's firms has improved in recent years, but inefficient allocation of resources has prevented productive businesses from growing faster than their less productive competitors. Productivity is particularly weak in state-owned enterprises and in heavily regulated sectors such as energy, and to a lesser extent in transport. The persistent high level of the administrative burden in the provision of services and of parafiscal charges continues to constrain investment in business creation and expansion.</p> <p>2018 European Semester Country Report of the European Commission points out that the regulatory environment for professional services in country XX remains restrictive. This is particularly evident in legal and accounting services, where fixed tariffs and a marketing bans are still in force. Commission's finding is in line with the OECD's Product Market Regulation (PMR) indicators of services market restrictiveness.</p> <p>Previous attempts of the Government to reduce regulatory barriers to services sector, and the regulated professions in particular (referred to in section 1.1) failed to achieve substantial results as they were not comprehensive enough and limited to only a few professions (due to lack of analytical evidence, inadequate administrative capacity, lack of best practices examples from other countries, etc.).</p>	
1.4	How urgent is the need to address the problem?
<p>There is an urgent need to address the problem, which has been acknowledged by the national Government. The reform of professional services market regulations is envisaged by 2020 within the National Reform Programme.</p> <p>A 2018 Country Specific Recommendation (CSR n° X) of the Commission for country XX calls for a services market reform: "Remove unjustified regulatory restrictions hampering access to and the practice of regulated professions. Reduce the administrative burden on businesses".</p>	

Moreover, reform recommendations for professional services (as a part of the proposed Commissions "Services Package") indicate that country XX is above the EU average in regulatory restrictiveness in almost all of the main professions.	
1.5	(If available,) provide relevant socio-economic indicators linked to the problem/need
<p>According to the OECD's PMR score, country XX is among the most regulated EU Member States, including in professional services. The overall PMR (restrictiveness) score for is xx. This is above the OECD and EU average of 1.5.</p> <p>As indicated in section 1.1, excessive level of regulation constrains competition, resulting in allocative, productive, and dynamic inefficiencies in services but also subdued output and high prices in other sectors. Reducing the levels of entry and conduct restrictions in key services has the potential to improve the productivity of the economy. Deregulating services may also help to create jobs and promote shared prosperity – an important consideration given the country's relatively high unemployment rates of 13% of the total labour force and 31% of the population aged 15-24 in 2016 (National Statistical Office). Regulating new business models may further stimulate employment in particular among the young people and it has the potential to reduce regional disparities in access to markets and employment (unemployment rates in the catching-up regions are two-three fold compared to the rates in the capital – National Statistical Office).</p>	

2	INDICATIVE DESCRIPTION OF THE SUPPORT MEASURES REQUESTED AND THE ESTIMATED COST
2.1	Briefly describe the indicative support measures requested
<p>Building on the lessons learnt from the previous reform effort of the Government, support is requested for three components/types of activities:</p> <ul style="list-style-type: none"> • A technical review of entry and conduct requirements for regulated professions, identifying the professions that pose a high economic return from a reform and outlining detailed recommendations for reform measures to be taken. The review will require collection of relevant statistical data, stakeholder interviews and a review of relevant national and EU legislation in force for the selected regulated professions. This support measure will feed into the Government's preparation of new reform measures which will be part of the Government's action plan(s) on administrative burden reduction and services market liberalisation. • Advisory and technical support for identifying mechanisms to safeguard reforms, including the use of proportionality testing before adoption of new regulation of professions (linked to Commission proposal for a new Directive). This component may include some training of relevant staff of the Ministries and related Agencies, based on good practices examples identified by the analysis. • Study visits to Member States which have recently undertaken a similar reform and established mechanisms to safeguard the reform. <p>The results of the support measures will feed directly into the Government's commitment to prepare a reform package/proposal which is to be presented by the end of 2020.</p>	

2.2	Indicate the possible duration of the support measures and the estimated cost
<p>Estimated duration: 12 months starting as of March 2019. In 2019, it is expected that there will be strong political support for the reform process. Based on the previous experience in this sector, the technical review is estimated to last 5-6 months, while the support related to safeguard of reforms could be stretched out to a period of 10 – 12 months. Study visits would be planned to coincide with the technical review and the analytical support.</p> <p>Estimated overall cost of the request: EUR XXX;</p> <ul style="list-style-type: none"> • Technical review estimated at EUR XXX; • Safeguarding of reforms/training estimated at EUR XXX; • Study trip estimated at EUR XXX. 	
2.3	Indicate the expected results/use of the results of the support measures (what is the ultimate objective that the technical support should achieve)
<p>Expected outputs:</p> <ul style="list-style-type: none"> • Detailed recommendations for removing barriers to professional service providers in at least 12 regulated professions; • Detailed recommendations for administrative mechanisms to safeguard reforms; • Up to 10 colleagues introduced to recommended methods and approaches; • At least 1 study visit organised to a partner Member State. <p>The outputs will be used by the Government in informing implementation of the reform measures identified in the National Reform Programme.</p> <p>Expected results:</p> <p>The expected result of the support measure is a comprehensive understanding of the barriers to entry to and conduct in professional services sectors, incl. summary of existing requirements for regulated professions and recommendations for the removal of the barriers which have a high economic cost. The objective is to prepare the ground for the Government to propose a law lowering regulatory barriers by 2020 and to facilitate stakeholder buy-in for the proposed reforms.</p> <p>The ultimate objective is to achieve productivity gains from more efficient and competitive professional services markets (easier access to jobs, higher employment and lower prices for professional services and new business models), and from attracting more skilled professionals to the service sector while guarding the interest of public health and safety.</p>	
2.4	Provide information on the administrative capacity of the recipient national authority in relation to the use of the support measures
<p>This project will be involving the following government partners: 3 people in the Coordinating Ministry in charge of service market regulations, 1 – 2 people in each line ministry with a mandate over specific regulated professions and 2 people in the Competition Agency. A dedicated working group will be established for this purpose. A platform for coordination among the coordinating ministry and the line ministries as</p>	

well as the Competition Agency has already been established.

The beneficiary ministries (and professional chambers) will need to be trained to know how to implement the reform recommendations. There is a need to develop understanding of indicators and expected results and outputs. Coordinators from line ministries have basic knowledge on the EU services market law and policy. However, the stock of knowledge needs to be enlarged and especially focused on practical motivation to do the reform job.

2.5 (If applicable,) indicate an envisaged provider

A preference is expressed for partnering with an international origination or an EU Member State body with substantial experience and expertise with reforms of regulated professions.

It might be beneficial to cooperate with the national statistical office on some parts of the support measures.

3 CIRCUMSTANCES OF THE REQUEST

Implementation of:

- MS own reform priorities
- Union priorities (e.g. CMU, Energy Union, etc.)
- Economic adjustment programmes
- Economic governance (e.g. CSR, Country reports, etc.)
- Union law (e.g. infringements)

Add relevant explanations as appropriate

[i.e. number of CSR; policy priority; relevant national strategy documents, etc.]

Reduction of barriers for businesses and deregulation of services sector is an important priority of the current Government, outlined in the Government's manifesto of xx/xx/xxxx.

Reform of the regulated profession is called for in the Country Specific Recommendations of XXXX (CSR n°X).

Liberalisation of regulated professions is part of Commission's priorities, as spelled out in Communication on the services package (COM(2016) 820, Communication on reform recommendations for regulation in professional services).

FOR NON-EURO-AREA MEMBER STATES WISHING TO ADOPT THE EURO (NB. This section is conditional on the adoption of the amendment to the SRSP Regulation⁵)

⁵ Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2017/825 to increase the financial envelope of the Structural Reform

4	RELEVANCE OF REQUEST FOR EURO-AREA MEMBERSHIP SUPPORT (EURO-AREA TAGGING)
<input type="checkbox"/> Yes, this request is relevant for "euro-area membership support" <input type="checkbox"/> No, this request is not relevant for "euro-area membership support"	
<p>If the request is relevant for "euro-area membership support" (euro-area tagging), please explain the link and relevance of the request to the preparation of the Member State for euro-area membership (cf. new Article 5a of SRSP Regulation).</p>	

DISCLAIMER
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Support Programme and adapt its general objective, COM/2017/0825 final - 2017/0334 (COD).