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REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

First Implementation Report on the Single Digital Gateway

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The Single Digital Gateway¹ (SDG) is one of the most ambitious EU eGovernment initiatives to digitalise public administration. It massively helps reduce administrative burdens, for businesses, citizens and authorities. Through the Your Europe² web portal, the SDG sets up a one-stop shop that provides businesses and citizens with:

- Reliable and up-to-date **information** about rules and procedures in the Single Market, at all levels of government;
- Direct, centralised, and guided access to assistance and problem-solving services;
- Direct access to a wide range of **fully digitised administrative procedures**, for which the Once-Only Technical System (OOTS) allows an **automated exchange of evidence** between authorities across the EU at the request of users;
- Feedback tools to report on the quality of services and Single Market obstacles.

The SDG³ **improves the European business environment** by helping companies, notably SMEs which often have less resources and expertise than larger organisations, to better understand and use the rights and opportunities offered by the Single Market. SMEs greatly benefit from the administrative simplification and digitalisation offered via the SDG. Businesses, especially those operating cross-border, save a lot of time and money using the SDG, in particular when trying to gather information or completing administrative procedures.⁴

The SDG also simplifies the **daily life of citizens** in many areas, like travelling, work and retirement, education, family rights and healthcare, which are crucial to make the most of their free movement rights, especially in a cross-border context. The SDG thus helps to unlock the full potential of the **Single Market**⁵ and to achieve the EU Digital Decade⁶ targets whilst offering concrete relief to small businesses.

The SDG benefits from the efforts made in the context of some sector-specific one stop-shops such as for example the national centres for qualified professions or the Points of Single Contact⁷, established by the Services Directive. The SDG is however a comprehensive and integrated solution, catering for all needs of businesses and citizens during their entire life cycle.

The SDG is implemented in stages as a joint effort from both the Member States and the Commission. It was launched in 2020, making in particular information on rights and procedures at EU and national levels available on Your Europe. By the end of 2023, Member States will have to ensure that administrative procedures in 21 key areas are fully accessible online, including for cross-border users, and that the OOTS is established so that the relevant documents can be exchanged in the future.

¹ Established by Regulation (EU) 2018/1724.

² <u>Your Europe (europa.eu)</u>.

³ Together with other relevant EU initiatives, such as the <u>European e-Justice Portal (europa.eu)</u>, the digitalisation of EU company law (Directive (EU) 2019/1151 and COM(2023) 177 final), or <u>the Business Registers</u> Interconnection System (BRIS), which connects all Member State business registers.

⁴ A study estimated that the costs of cross-border businesses are 50% higher compared to domestic businesses, and that the additional costs for cross-border businesses is notably caused by 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); these costs can be mitigated by further digitalisation; see <u>Register of Commission Documents - SWD(2017)213 (europa.eu)</u>.

⁵ In line with the European Parliament Resolution of 18 April 2023 (2022/2036(INI)).

⁶ Decision (EU) 2022/2481.

⁷ The Points of Single Contact, established by Directive 2006/123/EC, provide online information, assistance services and access to procedures relevant for the provision of services, in the scope of the SDG. National and Commission actions have significantly improved the availability and quality of the information.



Under the SDG Regulation, the Commission is called upon to regularly assess and review the application of this Regulation, based on the statistics and the feedback gathered through the gateway. This first report⁸ is presented as part of the Commission's SME Relief Package, as the SDG contributes to the package's objectives of regulatory simplification and the reduction of administrative burden. It provides an assessment of the SDG implementation and the way the SDG functions today, based *inter alia* on data on usage and users' feedback. It describes the progress achieved towards the next phase, most notably the digitisation of procedures and the OOTS. It also points at ways to further improve and expand the SDG, with a view to boosting eGovernment at the service of a competitive Single Market and an accessible area of free movement for citizens.

Part I focuses on the SDG pillars already available online on Your Europe, namely the information services, assistance services and the feedback tool on Single Market obstacles. Part II covers the forthcoming SDG pillars related to online procedures and the OOTS.

I. NOW ONLINE – Information, Assistance Services & Feedback Tool on Single Market Obstacles

A. Accessing information online on *Your Europe*

The Your Europe portal is a one-stop-shop connecting EU and national government portals and services. It offers online access to high-quality **information on rules and procedures applicable to businesses and citizens at all levels of government** (EU, national, regional, and local).

On Your Europe, businesses, especially SMEs, can find all the information they need to start⁹, run or close a business in the EU, such as information about employment, taxes, the provision of goods and services or access to funding. For example, a company looking for opportunities to fund its digital or green transition can find out how to get access to funding; or a road transport company that wants to post drivers abroad, can find the applicable procedures or rules, for example on remuneration in each country; and a small business wishing to expand its tourism activity in the EU can find information on country-specific rules, their responsibility vis-à-vis travellers with disabilities as well as opportunities for EU funding. Citizens, for their part, can look up how to move, live, travel, study and look for a job in the EU, with information

⁸ Article 36 of the SDG Regulation foresees the publication of an implementation report every two years.

⁹ According to Directive (EU) 2019/1151, Article 13f the information about setting up companies and branches and registering those with business registers is required to be made available on registration portals or websites that are accessible by means of the Single Digital Gateway.

on topics such as health and safety at work, travel documents, residence formalities, healthcare abroad, social security, consumer rights and more.

Visitors can trust the information on Your Europe, which comes directly from official sources and is updated at EU level as EU legislation takes effect. It is made available in an accessible and easy to understand format, in the national language(s) and in a commonly understood foreign language.¹⁰

<u>Achievements</u>

Your Europe is increasingly trusted and visited. In 2022, Your Europe received around 43 million visits, making it the third most visited Commission website, behind the Commission's corporate website and EUR-Lex. This follows the record year of 2021, during which the loosening of Covid-related travel restrictions generated exceptionally high visitor numbers. The corresponding national pages – notified to the Commission by Member States and linked to Your Europe – received another 63 million visits last year¹¹. The combined SDG contents¹² received more than 100 million yearly visits both in 2021 and in 2022¹³.



Graph 1. Number of visits to Your Europe and national webpages before and after SDG launch

2022 statistics showed that users spent more than 120 000 hours just on Your Europe webpages for businesses. Even by a conservative estimate of legal advice costs, the SDG **is saving these users, especially SMEs, some 2.5 million euros per year**, and a lot of time¹⁴. The average Your Europe page can easily be read in less than 4 minutes, whilst it summarises complicated EU legal texts that would take more than two and a half hours to read, in a fully accurate manner.

The introduction of the new search functionality in August 2022 (which replaces the prior freetext search) has resulted in **a significant increase of successfully completed searches**¹⁵. In 2021 Your Europe's search functionality was used 871 104 times. That number doubled in 2022 to reach 1 784 566 queries.

¹⁰ A Commission budget helps Member States to translate national rules, usually into English.

¹¹ Member States notify to the Commission their websites that contain content specified in the SDG regulation.

¹² Including EU and national webpages.

¹³ Europa Analytics – what it does and how | European Union.

¹⁴ SMEs get information for free. The Commission's visitor statistics show how much time visitors spent on each page. In 2022 more than 120 000 hours were spent on Your Europe webpages for SMEs alone. According to Eurostat legal advice cost on average 23.9 euros per hour in the EU (for Q3 of 2022).

¹⁵ Search results can be filtered by level of competence, language, location and type of content.



Graph 2. Evolution of search queries submitted to Your Europe since launch

Your Europe coverage is increasingly comprehensive. As of January 2023, Member States have notified 40 776 web pages under the SDG. Member States' notifications covered 80% of the areas required under Annex I of the SDG Regulation¹⁶. Graph 3 shows that coverage by Member State¹⁷. A similar mapping is currently assessing the coverage of local information, which Member States must also notify since December 2022¹⁸.



Graph 3. Percentage of information covered on the SDG by country

A 2023 Your Europe survey¹⁹ showed that 92.5% of citizen respondents and 90.3% of businesses found the portal satisfactory or better. 77% of the businesses and 76% of the citizens confirmed they found the information they were looking for. 88.4% of the businesses and 90.6% of the citizens would recommend Your Europe to friends, family, or colleagues.

The gateway has become ever more accessible and visible. For citizens, the most popular topics on Your Europe are 'Travel' and 'Work & retirement'. 'Running business' and 'Taxation' are the most searched topics for businesses. Preliminary findings show comparable

¹⁶ Annex I covers information on travelling, work and retirement, vehicles, residence, education and traineeship in another Member States, healthcare, citizens' and family rights, consumer rights, data protection, starting, running and closing of businesses, rules on employment, taxes, goods and product requirements, business funding, public contracts and health and safety at work.

¹⁷ Despite a high degree of coverage, remaining gaps have prompted the Commission to build a more complete dataset of information. Member States do not always interpret the requirements of the regulation in the same manner and significant human and financial resources are required. This may affect coverage rates.

¹⁸ To avoid the duplication of information, SDG national coordinators must notify the relevant webpages, only if national rules are altered by the local ones.

¹⁹ A satisfaction survey is carried out on a yearly basis on Your Europe.

results for national webpages²⁰, even though the visits to Your Europe national content by topic have only been tracked since August 2022 when the guided search was launched.

To ensure increased visibility, the Commission has carried out digital roadshows in 21 Member States and a campaign with 79 influencers has reached over 9.5 million people²¹.



Graph 4. Visits by topic for citizen-related (left side) and business-related (right side) topics

In case of unforeseen events or crisis, the Commission uses the visibility of Your Europe as a multiplier to provide businesses and citizens with information either by hosting new content (e.g., Brexit) or by linking to other Commission websites (e.g., Ukraine with information for refugees, donors, businesses).

Areas of improvement and next steps

The Commission and Member States should continue improving Your Europe and its network of national portals **as the primary go-to source** for practical, understandable, reliable, accessible information about rules, procedures, and business opportunities at every level of administration.

The Commission will continue to **enhance the coverage, findability and access to information** for businesses, most specially SMEs, and citizens in areas that are critical to help them to make the most of the Single Market:

- It will improve the **findability of information on product requirements for manufacturers and retailers.** This topic is already one of the most popular search topics for businesses. Given the number of rules applicable to one specific product, at EU and national level, both product-specific and cross-cutting, Your Europe will become a single point of access for these requirements. In parallel, the Member States have to step up the notification of related national rules as required by the SDG Regulation.
- It will also present **information on taxation** in a user-friendly way. The Member States must ensure that the information in, and the technical infrastructure of, the *Taxes in Europe Database*²² are up to date to offer SMEs the right information.

²⁰ Issues areas A, B, L and M.

²¹ 90% of respondents who watched the campaign video were able to identify the Your Europe logo correctly. Additional Twitter, Facebook, LinkedIn and Google Ad campaigns generated more than 3 million impressions, over 1 million engagements, 14 thousand link clicks, and over 244 000 video views per month. High visibility has translated into a growing number of visitors.

²² The "Taxes in Europe" database is a Commission's on-line information tool. It contains information on around 650 taxes, as provided by the EU Member States: <u>Taxes in Europe Database v3 (europa.eu)</u>.

- As the Member States are adding more information, including at municipal level, the Commission will continue to present this in an ever-more structured and user-friendly manner. For example, this includes information on **urban vehicle access regulations** (UVARs) like Low Emission Zones or toll stickers.
- The Commission and the Member States should continue to improve the **findability of information on social security**, which are key to mobile citizens, workers and employers and an essential condition to the free movement of workers.
- The Commission will keep improving and upgrading **new guided search** engine. Its success also depends on the information notified by Member States.

In addition, **the Commission will keep establishing Your Europe as a key instrument to access basic essential information**. In that regard, existing features are already widely used. For example, a citizen or SME can already use Your Europe to check VAT numbers to know if a business is registered to trade cross-border within the EU, which is needed for many procedures. This is also true in the case of the European Professional Card. Likewise, national traffic rules, currently on a separate EU website, will be published on Your Europe by end 2023. The Commission will also explore new methods to **monitor the contents**, such as **automated quality probe systems**²³.

Finally, the Commission will **assess the use of advanced AI-powered large language models**, including natural language recognition technologies. With these models, more dynamic, context-aware, and personalised information delivery systems can be created that can revolutionise how users access and engage with regulatory content. Eventually, these tools may be able to parse vast amounts of information from various sources, including EU and national rules and procedures, and present it in a format tailored to the user specific needs.

In response to major crises, Your Europe will confirm its role as a multiplier for official information, like the role it played in response to the pandemic or the war in Ukraine. In general, Commission services will ensure that the **Your Europe website** is referred to more systematically when new information requirements are laid down in new EU legislation.

- Member States are invited to keep improving the coverage and the quality of information provided to the portal and notifying the information required by the SDG Regulation.
- The **Commission** will **enhance the findability of information** putting special emphasis on areas that are key for SMEs, including **product requirements and taxation**. It will confirm and increase the role of the website as a timely **multiplier for official information**, especially in case of major events and crises. Finally, it will **assess the use of advanced AI-powered large language models** to further improve the way regulatory information is shared with users, notably SMEs.

²³ This could include a crawler (software indexing the content of websites so that those websites can appear in search results) to detect the existence of the required information, translations, the Your Europe logo, etc.

B. Providing quality assistance to businesses and citizens

The SDG provides additional support through individualised assistance and problemsolving services, when SDG information pages prove insufficient and/or where citizens or businesses encounter problems whilst trying to exercise their rights in the Single Market.²⁴

<u>Achievements</u>

The service offer is broadening. In December 2020, seven key assistance services²⁵ became available on Your Europe together with **an Assistance Service Finder**²⁶ that facilitates access to these services. These include: (1) Points of Single Contact; (2) Product Contact Points; (3) Product Contact Points for Construction; (4) National assistance centres for professional qualifications; (5) National contact points for cross-border healthcare; (6) European network of employment services (EURES); (7) Online dispute resolution (ODR).

The SDG Regulation allows additional assistance services to join if their offer is complementary to existing services, if they fulfil the quality criteria and if they charge no or only small fees²⁷. On this basis, three services have joined and expanded the SDG's service offer: Your Europe Advice (YEA), the SOLVIT network and the European Consumer Centres network²⁸. Close to 100% of these services are now available through the Assistance Service Finder.

The service is widely used. In 2021 and 2022 together, the assistance services have provided assistance in 6.5 million cases²⁹, of which 5.3 million were citizens and 1.2 million businesses. The most frequently supported user groups are employers and job seekers (6 million), service providing companies (157 000 cases), consumers with questions about their rights (120 000) or in disputes with online traders (80 000 cases³⁰) and people seeking healthcare in another contry (63 000 cases)³¹.

²⁴ This can occur when cross-border activities are too specific for standard explanations on webpages or, due to various difficulties in interacting with authorities.

²⁵ As per Annex III of the SDG Regulation.

²⁶ Assistance service finder (europa.eu).

²⁷ Art. 7(3) of the SDG Regulation. Both national and EU level services can opt in to the SDG.

²⁸ At national level, the German Office for the equal treatment of EU workers (ETO) has also joined. The German Conciliation body for public transport has initiated the process.

²⁹ In 2022 YEA and SOLVIT dealt with over 28.000 cases (out of those 20.000 were eligible) and 2200 cases respectively. SOLVIT resolved 86% of cases.

³⁰ This figure includes 50,000 pre-complaints, which are direct talks between consumer and trader through the platform without involving an Alternative Dispute Resolution body.

³¹ These figures are based on assistance services in 21 Member States.





Graph 5. Number of cases by type of service (top) and by subject matters (bottom)

Business and citizens can expect a response within two to three calendar days. However, the response-time of the two types of contact points for products take on average eight to nine days. This might be due to the complexity of product requirements, which often stem from a mix of EU and national legislation. Resource constraints and networks' workflows may also play a role. Yet, they account only for about 1% of all cases.

The feedback from users is positive. So far, over 3 200 feedbacks have been collected, through a specific feedback $loop^{32}$, with an average rating of 4.3 stars out of 5. This is a positive appreciation considering that unsatisfied users are overrepresented in this type of systems³³.

³² See Article 25 of the SDG Regulation and the Implementing Regulation (EU) 2020/1121. Service providers must invite users to give feedback on availability and quality of the service after using it.

³³ This bias of less satisfied users to be more inclined to use feedback functions is a consistent finding of feedback collected over many years on the Your Europe portal.

Areas for improvement and next steps

So far, **user feedback and case statistics are not yet used on a systematic basis as a tool to improve the overall service offer.** The Commission will work together with Member States and relevant assistance services to change this. In concrete terms, it means that increases and decreases in types of requests and user feedback will be duly monitored to make sure that citizens and businesses can be served in an optimal manner. For instance, in case a Point of Single Contact is confronted with an increase of requests of construction companies coming from another Member State, and feedback indicates that such companies do not find the information they are looking for, this should trigger action from the relevant authorities. They could improve information on national SDG pages and/or ask the Commission to improve pages on Your Europe and/or take other steps to facilitate doing business in their Member State.

The Commission will start tracking how the **Assistance Service Finder** is used to target improvements at the most used services and allow offering better services to SMEs and citizens, more accessible for cross-border users.

To improve the SDG's service offer, the Europe Direct Centres, National Enforcement Bodies in transport and Intellectual Property Rights Helpdesk are encouraged to opt in. The SDG would become a true one-stop-shop of EU level help services across all Single Market related topics.

Finally, the Commission will **improve the signposting of users** on SDG webpages to the most appropriate assistance services by **developing a unified search function** for online information and assistance. AI-powered solutions could also be explored to better achieve that goal.

- Member States are encouraged to improve the so far **incomplete collection of user feedback and case statistics**, so that such feedback can be used to improve the overall service to citizens and businesses.
- The Commission will encourage the further **expansion of the range of problem-solving services**. It will also **improve the signposting towards SDG assistance services**.

C. Reporting obstacles to improve the functioning of the Single Market

Businesses and citizens experiencing obstacles in the Single Market can report them directly through Your Europe, clicking on 'report an obstacle' in the top menu. This opens a web-form to report an obstacle encountered in the Single Market³⁴, which Member States should then address. The **Single Market Obstacle Tool (SMOT)** collects and analyses this data. Its key goal is to provide insights into the most pressing challenges of the internal market from the perspective of businesses and citizens³⁵, and to contribute to a more data-driven policy.

<u>Achievements</u>

Since December 2020, the SMOT already reported 1511 obstacles. The reported obstacles and a summary dashboard are available real-time to the Member States and the Commission and anonymised data sets are published once a year on the EU Open Data Portal.

³⁴ Each case is stored anonymously in the SDG management tool. National coordinators and Commission administrators can access visualized statistics in a dashboard.

³⁵ Article 1(1)(c) and Article 26 of the SDG Regulation.

80% of the obstacles reported concern citizens. As regards citizens, issues that are most represented (in number of cases) concern mainly consumer rights (23% of citizens' cases), work and retirement (16%), and citizens and family rights (15%).



Graph 6. Obstacles reported on Your Europe by topic, citizens

20% of the obstacles reported concern businesses. With respect to businesses, taxes account for the highest number of obstacles reported (25%), followed by provision of services (24%), starting, running, closing of business operation (15%), funding (10%), and employment of workers (10%).



Graph 7. Obstacles reported on Your Europe by topic, businesses

Areas for improvement and next steps

It is not always clear for users of Your Europe that the SMOT is not intended to solve individual cases. For this specific use, users are routed to national assistance services or EU-managed

services such as SOLVIT³⁶ and Your Europe Advice (YEA). It is therefore necessary to clarify the guidance for users and the sequence of the user journey on this point.

In the near future, the tool aims to **pool the data collected through Your Europe with the wealth of existing data on obstacles across various sources**³⁷, including YEA, SOLVIT, Enterprise Europe Network (EEN)³⁸ and European Consumer Centres (ECC). It is also planned to include data provided from volunteering business organisations, such as Eurochambres, and the SME feedback mechanism, an EU Survey operated by the EEN³⁹. As shown below, this requires smart data integration, standardisation and visualisation⁴⁰.



Graph 8. Components of the SMOT

Exploiting the potential of raw data resulting from the integration of various sources requires state-of-the-art analytics. To that effect, the Commission will **explore the possibility to use technologies such as Artificial Intelligence** (AI), Machine Learning and Natural Language Processing to determine the source of the reported obstacles (e.g. lack of information, legal, enforcement or procedural issues etc.), relevant patterns and which actions should be taken.

The Commission, with Member States, will also issue guidance on how all existing tools can be used to handle the reported obstacles including responsibilities of the Commission and the Member States in dealing with the obstacles and the role of the SMOT. Available tools are, for example, actions at regional or national level, cooperation between the Member States and the Commission, infringement proceedings, new Commission proposals etc. The data could also help to identify the most pressing barriers to be discussed and solved within the Single Market Enforcement Taskforce (SMET), a high-level forum where the Commission and the Member States work together to ensure the proper functioning of the Single Market.

• The Commission will complete in 2023 the integration of the obstacles data collected on Your Europe with various sources, especially YEA, SOLVIT, EEN and ECC and on-

³⁶ SOLVIT is a free-of-charge online service that aims to provide solutions to citizens and businesses whose rights have been breached by public authorities.

³⁷ Feedback on obstacles (europa.eu).

³⁸ Consultations with the EEN resulted in the development of two distinct intake forms and dashboards for citizens and businesses, as well as a new module for data intake from external business organisations. These changes will become visible in the data at the end of 2023. The Commission will also invest in further developing the dashboard and reporting requirements, e.g. in the Annual Single Market Report.

³⁹ SME support agencies register cases reported to them by SMEs in their daily operation in the system. The SME feedback mechanism and the SMOT share a common goal to better exploit the feedback received.

⁴⁰ SMOT technological components are composed of a data intake form on Your Europe and national SDG pages, a case management system and a statistical dashboard.

board volunteering business organisations' data (namely Eurochambres and SME feedback mechanism). The Commission will also **explore the possibility to use technologies such as Artificial Intelligence** (AI).

• Member States' national representatives and the Commission will **issue guidance on how to handle the reported obstacles**. Improved data could also help to **identify the most urgent obstacles to be addressed within the SMET**.

II. FORTHCOMING – Online procedures & the Once-Only Technical System

Making administration easier for businesses and citizens within the Single Market is an essential objective of the Single Digital Gateway. The aim is to drastically simplify the user journey, to **slash unnecessary red tape** and **administrative burdens** for businesses and citizens. The "once only" principle is also expected to generate a positive economic impact on Member States' budgets.⁴¹

By December 2023, Member States shall:

- a. Ensure that when national procedures can be accessed and completed online by national users they can also be so by cross-border users in a non-discriminatory way.
- b. Provide **online access to national and cross-border users to 21 types of procedures**⁴² for businesses and citizens (Table 1).

All procedure types under Annex II of the SDG Regulation will be offered fully online⁴³, meaning that users will be able to identify and authenticate, fill in the application and sign online, be notified electronically of the completion of the procedure and receive the relevant output in digital format.

FOR BUSINESSES	FOR CITIZENS
Notify business activity and subsequent changes and termination ⁴⁴	Register change of address
Request permission for business activity	Request proof of residence
Register as employer for pension and social security	Request birth certificate
Register employees for pension and social security	Request for determination of social security legislation
Notify end-of-contract of employees for social security	Notify change in personal circumstances for social security purposes

⁴¹ See <u>Study on eGovernment and the Reduction of Administrative Burden</u>, estimating that a Member State (Denmark as use case) could save up to \in 100 million annually by implementing the once only principle via a specific programme.

⁴² Annex II of the SDG Regulation list the procedure types covered by the SDG.

⁴³ In accordance with Article 6(4) of the SDG Regulation, by December 2023 the Commission and the Member States shall ensure that Internal Market Information System (IMI) is ready to be used by the Member States to notify, in a common repository, procedures that may require a physical presence.

⁴⁴ As specified in Annex II of the SDG Regulation, the following procedures are excluded: insolvency or liquidation procedures, the initial registration of a business activity with the business register and procedures concerning the constitution of or any subsequent filing by companies or firms within the meaning of the second paragraph of Article 54 TFEU.

Pay social contribution for employees	Applying for European Health Insurance Card (EHIC)
Declare corporate tax	Claim a pension
	Request information on acquired pension rights
	Declare income tax
	Register motor vehicles
	Obtain motor vehicle toll or emission stickers
	Enrol in a university
	Apply for study financing
	Request recognition of academic diplomas

Table 1. The 21 procedure types to be digitised for businesses and citizens

In addition, by December 2023, the Commission will deploy the OOTS Common Services (namely, the Data Service Directory, the Evidence broker and the Semantic repository). Member States will ensure the technical connection between their procedure portals with the Common Services aiming to enable the automated and secure cross-border exchange of evidence – in the form of documents or structured data - required to complete these procedures.

For a specific procedure under the SDG, a user will no longer be confronted with different procedures in Member States, with issues related to documents issued in different Member States or different websites to complete these procedures. Starting its journey from Your Europe, the user will be able to authenticate to any online procedure portal, to identify required documents faster and trigger the sharing of documents and data between competent authorities. The user will no longer have to search, retrieve and download/upload documents. Thanks to the OOTS, the SDG will reduce the cost of mobility in the Single Market, administrative frictions and obstacles while imposing no additional obligations on citizens and businesses.

The simplification can be illustrated and explained as follows:



For example, *an Italian SME wants to* apply for a permit to operate in Germany. The OOTS will enable the completion of procedures via a direct access to the relevant German procedural portal through Your Europe. To complete the procedure online, the German portal will ask the (legal) representative of the Italian SME to provide the necessary evidence (e.g. certificates professional qualification obtained in Italy and Austria), to be retrieved through the OOTS. The OOTS will be used to automatically request and locate the required evidence, enabling the automated exchange of official documents between authorities (this is preceded by an explicit request and preview of evidence by the User).

<u>Achievements</u>

Preliminary information collected in the context of the eGovernment Benchmark Report⁴⁵ indicates the **substantial progress in the digitisation of the procedures covered by the SDG Regulation:** whereas 81% of the EU27+ procedures can be completed online by nationals and 46% by cross-border users, the SDG related procedures average 84% and 47%. The Commission is working with Member States to address challenges that have occurred during the work on the digitisation of the relevant procedures.

As for the automated exchange of evidence, the Commission adopted the technical and operational specifications of the OOTS⁴⁶ and set up six groups to perform the following key tasks: evidence mapping, technical design, security, standardisation, testing and operational governance. The Commission is developing the OOTS Common Services and supporting the Member States on how to ensure the technical connection between their procedure portals with the Common Services. The large-scale events, that the Commission is organising, (called **Projectathons**)⁴⁷, have demonstrated the high functional readiness of the OOTS Common Services developed by the Commission.

To ensure interoperability between the OOTS and the EU Digital Identity (EUDI) Wallet, the Commission also established a group with experts from Member States to assess three synergy types: on user experience, on investments and on semantics. Once the EUDI Wallet becomes operational the users will benefit from additional procedural options. For instance, users will be able to disclose their identity and electronic documents from their EUDI Wallet to procedure portals or use the OOTS to fetch electronic documents directly from the authentic source of information⁴⁸. The evidence retrieved through the OOTS will also be downloadable.

Finally, more users will be able to benefit from the SDG (including the OOTS) and the simplifications they bring, as the Commission has proposed to expand their scope of application to new use cases as part of new legislative initiatives. Some of them will concern many citizens and businesses, for example in the context of the short-term accommodation rental services and driving licences⁴⁹. Others will relate to permitting for strategic projects that are essential for the Green Industrial Plan, such as in the Net Zero Industry Act and the Critical Raw Material Act.

<u>Next steps</u>

- Achieving the December 2023 milestone

⁴⁵ European Commission, eGovernment Benchmark 2022 – Insight Report, p. 32.

⁴⁶ Commission Implementing Regulation (EU) 2022/1463 of 5 August 2022.

⁴⁷ Consisting of interoperability and compliance tests in a structured environment, to support the development and deployment of the OOTS.

⁴⁸ Other synergies could be envisaged such as the reuse of OOTS services by EUDI.

⁴⁹ Proposal for a Directive amending Directive (EU) 2015/413, facilitating cross-border exchange of information on road-safety-related traffic offences. COM(2023) 126

The Commission will **make available the OOTS Common Services**, including the interfaces allowing national coordinators, competent authorities, intermediary platforms, and the Commission, to manage the information contained in these services. The Commission will finalise the IMI common repository for exceptions to online procedures and the IMI workflow for the verification of authenticity of evidence. It will assist the Member States to complete the registration of authorities in IMI⁵⁰.

Member States shall ensure a smooth onboarding process to enable the **connection between the procedure portals** and the **Common Services**. As the OOTS relies on the eIDAS authentication regulated by the eIDAS Regulation, Member States have to notify on time electronic identification and authentication schemes for both natural and legal persons.

- Maximising the benefits of online 'once only' procedures

The Commission will explore opportunities to **expand the scope of the SDG to additional procedures**, for example, in the areas of social economy and social security coordination. This endeavour can gain from a more systematic landscaping exercise of procedures, targeting especially those that help companies and citizens to do business, move and work in another EU country.

Furthermore, the Member States and the Commission should promote the progressive **alignment and simplification of administrative procedures** under the SDG across the EU, for example through Mutual Learning Exercises, and thereby contributing to the objective of reduction of reporting requirements by 25%⁵¹. Public authorities with more complex administrative processes could learn from the authorities that use simpler ones and further promote administrative simplification and harmonisation.

- Maximising the benefits of the OOTS

As the first EU-wide cross-border and cross-sector government-to-government data space linking public authorities acting as trusted authentic sources of information, the OOTS is a key element of the emerging EU common data space. **The Commission will ensure that the OOTS data space will be integrated into the common European data spaces for public administrations** ⁵² and that it will be interoperable with other sectorial data spaces such as the EU health data space⁵³. This will ensure cross-border access to data beyond a specific sector.

The Commission will continue investigating all beneficial bridges between the OOTS and other EU systems (e.g. the **Electronic Exchange of Social Security Information (EESSI)**) or initiatives. It is also examining how the OOTS can support users, and especially SMEs, in **simplifying their reporting obligations**, for instance in the case of multiple reporting.

For the future evolution of the OOTS, the **potential benefits from initiatives such as the European Blockchain Service Infrastructure** launched under the European Blockchain Partnership aiming at transforming public services into the era of web3, should be investigated.

 $^{^{50}}$ In accordance with Articles 6(4) and 15 of the SDG Regulation.

⁵¹ As announced by President von der Leyen 15 March 2023 at the European Parliament.

⁵² Other data spaces are for e.g. the public administrations legal data space, the public procurement data space (see 2023/C 98 I/01) and the public administrations security data space for innovation (SWD/2022/45 final).

⁵³ COM/2022/197 final.

- Member States shall ensure a smooth onboarding to enable the **connection between the procedure portals** and the **Common Services.** They shall **notify the eIDAS authentication scheme** in particular for legal persons and reach agreements on **operational modalities** to ensure the efficient functioning and maintenance of the OOTS.
- The Commission will look to **expand the SDG to additional procedures.** It will encourage the use of the SDG to achieve **administrative simplification and harmonisation**, notably through **peer review and mutual learning**. It will ensure that the **OOTS data space seamlessly integrates into the broader EU common data space**.

CONCLUSION

The SDG is a major eGovernment instrument to ensure a **better functioning** and **more competitive Single Market**. It radically improves the European business environment and plays a cornerstone role in supporting SMEs. The SDG is in full deployment and increasingly supports businesses and citizens across Europe.

Member States are encouraged to include the SDG in their national roadmaps to be adopted by 9 October 2023, to achieve the targets of Digital Decade 2030 and foster EU's digital transformation.⁵⁴

The Commission is seizing the opportunity of this report to reach out to SME representatives, networks and stakeholders, and gather their feedback in an effort to constantly improve the instrument.

⁵⁴ Europe's Digital Decade: digital targets for 2030 (europa.eu).