



## REPORT ON ACTIVITIES IMPLEMENTED IN THE PROJECT TO ESTABLISH PSC

The need to establish Points of Single Contact (hereinafter referred to as: PSC) is based on Directive 2006/123/EC on services in the internal market, which requires all Member States to establish one or more points of single contact which guarantee providers of services with access to information on the requirements of national legislation in one place, i.e. for the purposes of performing various services in the Republic of Slovenia, and so that they can perform all procedures and formalities required to found a company electronically and remotely, as well as all procedures for conducting cross-border (temporary) services, including the acquisition of permits and entries in appropriate registers. The content of the establishment of PSC is also closely connected with the implementation of Directive 2005/36/EC on the recognition of professional qualifications, and therefore, with the Act Regulating the Qualification Recognition Procedure for Access of Citizens of the EU, EEA Member States and the Swiss Confederation to Regulated Professions and Professional Activities in the Republic of Slovenia (Official Gazette of the Republic of Slovenia No. 21/02, 92/07 and 85/09) and with the Act on Services in the Internal Market (Official Gazette of the Republic of Slovenia No. 21/2010).

In July 2010, the Government of the Republic of Slovenia thus adopted the Action Plan for Establishing the PSC portal - point of single contact - to support procedures for obtaining permits to practise regulated activities in the Republic of Slovenia (hereinafter referred to as the PSC)<sup>1</sup>, which, in addition to the implementation of the Directive on services in the internal market in the Republic of Slovenia and the Directive on the recognition of professional qualifications, also constitutes the realisation of important national goals in the field of simplifying the business environment for national and foreign business entities, establishing a uniform and transparent database of regulated activities/professions and presenting demanding legal contents in a transparent and structured manner.

### 1. Activities implemented and progress on the PSC project<sup>2</sup>

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<sup>1</sup> Data on the realisation of the Action Plan on the Establishment of PSC are recorded in the Report on the situation of implementation of Directive 2006/123/EC on services in the internal market and the realisation of the Action Plan of the 'Establishing the PSC Website – point of single contact to support procedures for obtaining permits to practise regulated activities in the Republic of Slovenia', Resolution of the Government of the Republic of Slovenia No. 01000-1/2012/4 of 19 January 2012.

<sup>2</sup> Presentation of the project on the website:

The establishment of the PSC portal - point of single contact - to support procedures for obtaining permits to practise regulated activities in the Republic of Slovenia is a significant upgrade of the contents of the **e-VEM national portal** for national entities and the establishment of a completely new portal for foreigners. The goal of the PSC project is not only to set up a portal and publish information on conditions for working in the Republic of Slovenia, but primarily to focus on rationalisation, simplification and deregulation.

Due to the complexity of the PSC project, it was divided into two parts:

- PSC1 (information function) – **portal – foreigners** – will offer all information (in English) on conditions and permits (with an emphasis on cross-border provision and conditions), administrative procedures and costs in the Republic of Slovenia to service providers and users in any Member State in one place in a simple and transparent way; **portal – nationals** – will offer information regarding business conditions in the Republic of Slovenia, the establishment of companies, the acquisition of permits and business operations in the Republic of Slovenia, and will link domestic companies with other EU Member States and provide information on cross-border operation – **to be produced in June 2012**;
- PSC2 (process function) – the information selected on a qualitative basis on the PSC1 portal will present the basis for implementing electronic support for procedures related to the issuing of various permits; the PSC2 portal will allow providers of services from any EU Member State to perform all formalities and procedures defined by the Services Directive; the return decision of the body will also be submitted electronically; **the first electronic submissions of applications will be enabled in 2013.**

To implement the PSC1 project, all necessary activities were performed in 2010 and 2011 enabling the establishment of a test portal for foreign entities, and separately for national business entities which is **expected to be fully functional in June 2012.**

In order to develop an optimum point of single contact, including reliable and up-to-date information meeting the set goals, major emphasis is given to **the analysis of conditions and procedures to practise activities and professions (approximately 1000 regulations) and the preparation of uniformly structured contents of data for content acquisition and publication.**

The PSC1 project is being implemented in three stages: (i) the analysis of regulations and list of conditions for the execution of activities (published on the website for foreigners/nationals), (ii) cautioning about systemic irregularities in the current legislation and the preparation of proposed actions for amendments (iii) the introduction of better legislation, or deregulation, if necessary.

The following was established after having reviewed over 100 regulated activities and approximately 30 regulated professions:

- regulations of activities, professions and services are non-transparent, interwoven and burdened with excessive administration, and regulations are often unnecessarily duplicated (e.g. in tourism: regulation of activity: licence for travel agency; regulation of profession: tourist guide, tour manager etc.);
- legislation in this field is still unharmonised and non-transparent, and procedures related to the acquisition of different permits necessary for performing particular activities or for

- obtaining professional qualification (various licences, decisions, verifications, register entries etc.) are administratively burdening, unclear and time-consuming;
- adequate implementation of the Directive on the recognition of professional qualifications (adopted in 2005) and the Directive on services in the internal market (adopted in 2006) has not been sufficiently performed;
  - current lists of regulated professions and services are incomplete and, in some parts, even inadequate, while there is no list of so-called regulated activities;
  - there is an excessive number of regulated professions, activities and services – approximately 340 regulated professions and additionally 300 regulated activities (including services).

In addition to the establishment of the PSC1 and PSC2 portal, one of our key tasks is to implement the necessary amendments to the legislation by simplification, deregulation and standardisation of procedures, which will result in a uniform and transparent database of regulated activities/professions and present the required legal contents in a transparent and structured way. Through the portal, all **information** will be collected **in one place**. Everything necessary will have to be done for an adequate or improved implementation of the Services Directive and the Professions Directive. In their latest report, the European Commission state that there are still problems with sectoral legislation, particularly due to **the lack of a clear distinction between the requirements applicable for the establishment and those applicable for cross-border or occasional services**.

The effects of an integrated approach to establishing the point of single contact portal will be comprehensively reflected in:

- reduced administrative burdening of the economy, which will significantly contribute to the establishment of a friendly business environment,
- elimination of administrative barriers in the field of obtaining permits to practise different activities (licences, craft business permits etc.) in the Republic of Slovenia,
- easier employment of unemployed persons,
- reduced grey economy and the establishment of a more competitive market at the national and EU level,
- the introduction of PSC1 will provide foreign and national business entities with all information concerning conditions to perform an activity in the Republic in Slovenia in one place, and PSC2 will subsequently offer them the option to perform all administrative steps related to starting business operations through a single point.
- for national business entities, the PSC will also facilitate access to information on business conditions in other EU Member States.

#### **Important milestones of the project:**

PSC1:

1. the analysis and list of conditions to practise **service activities included in the Services Directive** (including professions); the conditions and procedure for, obtaining permits **by the end of April 2012**,
2. the analysis and list of requirements for activities in the field of **other service activities by the end of December 2012**,
3. full production of the PSC portal in **June 2012**,
4. the analysis and list of requirements for activities in other fields and updating of changes **from 2013 on**.

## WORKING GROUP FOR THE PREPARATION OF PROPOSALS FOR THE SIMPLIFICATION OF LEGISLATION AND DEREGULATION:<sup>3</sup>

The group will prepare proposed actions for the amendment of legislation (simplification, deregulation, adequate/improved implementation of the Services Directive and the Professions Directive in the envisaged stages and deadlines). The group will prepare proposed actions based on the analysis within the PSC1 project.

Set I (craft, tourism, construction) – June 2012 (realisation of actions by December 2012);

Set II (veterinary medicine, real estate, legal profession, detectives, employment agencies, driving school) – December 2012;

Set III (healthcare, social services, protection and security, trade, justice, environment, transport and logistics, catering and accommodation) – May 2013;

Set IV (energy sector, finance, education, sport, culture, agriculture, other personal and business services) – December 2013;

Set V (other) – 2014.

The list of proposals will be adopted by the Government which will also specify obligations and deadlines for each sector. After the legislation has been amended (if necessary), the activities will be included in the PSC2 project (remote submission of applications). A concrete action plan for the work of this group will be prepared within 30 days.

PSC2:

1. obtaining the operation to draw European funds in **May 2012**,
2. first remote submission of applications in **2013**.<sup>4</sup>

### The state of activities on the PSC1 project:

- all organisational and technical activities to establish the project have been performed (drawing from the ESF, human resources ...)
- the analysis of the existing domestic portals considering the substantive integration both at the level of content and editing and maintenance has been performed (e-administration, Tvoja Evropa, eVEM...);
- the analysis of functionality and user experiences of the selected points of single contact portals has been performed;
- the **Operational plan** to establish the PSC portal has been prepared (including the website concept, the index of all contents, structure and navigation of the website, the list of functionality, the concept of editing);
- the **Uniform data structure** to make a list of conditions to practise regulated activities and a list of conditions to perform regulated professions has been prepared – the Slovenian PSC combines the requirements of the Services Directive and the Professions Directive – single point for activities and professions;
- the **data model** to establish a uniform database (activities, services, professions, conditions) and the test database have been prepared;
- the secondary content for publication on the website has been prepared;
- the **index of primary and secondary contents** for publication on the portal has been prepared (general contents about starting business operations in the Republic of

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<sup>3</sup> We propose the establishment of a strategic group for simplification and deregulation that includes representatives of the Ministry of Justice and Public Administration (leader), the Ministry of Economic Development and Technology and the Ministry of Labour, Family and Social Affairs.

<sup>4</sup> Legislation must be amended to allow the implementation of the PSC2.

Slovenia, information on business operations and on ending operations)<sup>5</sup>; Slovenian language editing of the first document package and translation of the contents into English have been performed;

- the **analysis of regulations has been performed and a test list of the first and second set of activities has been made for 100 regulated activities (craft, tourism, construction, real estate etc.)** and 30 regulated professions (the final version is being processed);
- the first draft proposals for amendments to legislation in the field of Set I from the aspect of the implementation of the Services Directive and the Professions Directive and from the aspect of eliminating administrative barriers and deregulation (tourism, craft and construction) have been prepared and are now being harmonised by the responsible ministries and chambers (the task of the final preparation of action will be assumed by the interministerial group for deregulation and adequate implementation of the Services Directive and the Professions Directive);
- the contents and organisational and technical activities to assist and support foreign and national users have been prepared (glossaries, lists of competent authorities, the Help desk system);
- in November 2011, technical creation of the portal began (we are currently in the phase of testing the functional prototype – pilot, and the web form for the acquisition of data is also being tested);
- the visual identity of the portal has been created<sup>6</sup>;
- training for editors of the PSC portal in TYPO 3 and in the field of editing and writing contents for the web has been performed;
- the analysis of Set II of regulations – activities has begun: real estate agents, veterinarians, detectives, driving schools, justice, environment...;
- the final review or list of regulated/non-regulated activities has been prepared on the basis of the Standard Classification of Activities and special lists of service activities, and the PSC code has been established,
- **the survey of Set III activities in the following fields has begun: agriculture, catering and accommodation, protection and security, trade and business services;**
- the preparation of contents and organisational and technical activities to support users of the website (e.g. glossary, lists of responsible authorities etc.) is underway.

#### **The state of the most important activities on the PSC2 project:**

- the investment documentation and all other measures to start the project and obtain financial resources from European structural funds have been prepared;
- the activities to introduce electronic documents and other functionalities related to the electronic submission of applications are underway,
- pilot projects on the recognition of the profession of architect within the EU SPOCS project are underway.

## **2. The methodology of creating the list of regulated activities in the Republic of Slovenia<sup>7</sup>**

Within the survey of activities, we began to prepare a list of all regulated and non-regulated activities that can be practised in Slovenia; the list will be needed when the survey of activities takes place in order to give us an estimate as to the approximate number of all regulated activities to be described and the number of sub-activities within each field.

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<sup>5</sup> [More in the Appendix No. 1: Contents of the website](#)

<sup>6</sup> [More in the Appendix No. 2: The visual identity of the PSC portal](#)

<sup>7</sup> [More in the Appendix No. 3: The list of SCA and PSC activities – NEW.](#)

The list of all regulated activities is particularly important for users of the PSC portal. The PSC portal will include information on all regulated activities that can be practised in Slovenia (including professions and services). The user will thus be able to obtain all necessary information on the regulation of a particular activity in one place.

The list of activities (regulation/non-regulation) has not been finalised. Additional confirmation by the responsible sectors, which will be performed shortly, is required (see Appendix No. 3).

### **2.1. Regulated activity**

A regulated activity is an activity for which certain conditions provided by law must be fulfilled in order to practise it. In the first phase of the survey, regulation is associated with an entry permit. Typically, these are licences, permits, decisions, entries into registers etc. (e.g. licence for conducting tourist activity). Activities which lack such regulation are listed as non-regulated activities. If a profession is regulated, the activity is also considered regulated through the profession (e.g. geodesist is a regulated profession, which makes geodesy a regulated activity).

Therefore, within the attached list of regulated service activities, **a regulated activity**<sup>8</sup> is any activity for which, on a legal basis, a permit or professional qualification is required in order to practise it. In the second phase, all other conditions (such as a room or technical equipment) will be surveyed, which further expands the list of regulated activities.

So, in the first phase of the survey, we focused on the permit as an entry condition to practise an activity, profession or service. In the continuation of the project, we certainly wish to analyse, describe and simplify or even deregulate conditions to perform activities which do not require special permits to enter the market, but to which different regulations apply which prescribe obligations to be fulfilled before they are established (e.g. catering activity).

### **2.2. The starting point to create a list of regulated activities**

In analysing which activities are or are not regulated we used the Standard Classification of Activities (hereinafter referred to as: the SCA list) and the list of regulated service activities prepared by the Ministry of Economic Development and Technology (hereinafter referred to as: the MEDT) within the procedure of implementing the Services Directive in 2010, and an additional list of activities from the Ministry of Justice and Public Administration. Therefore, the list of regulated and non-regulated activities obtained the working title of **the SCA+PSC LIST OF ACTIVITIES** or the **PSC CODE OF ACTIVITIES**.

In the first phase, production activities were eliminated from the list according to the SCA, and we focused on service activities (the analysis of regulated production activities is planned for the second half of the project implementation). The list of regulated service activities according to the MEDT list was added to the SCA list, and additionally those activities which the MJPA considers service activities, but which have not been included in the Services Directive. We thus created the list of regulated and non-regulated activities according to the SCA.

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<sup>8</sup> **A regulated activity** is any commercial or profitable activity which can be (usually against payment) freely practised in the market by a provider of the activity, who is either a natural or a legal entity. A regulated activity is an activity for which certain conditions provided by law must be fulfilled in order to practise it.

In the continuation, additional regulated activities were revealed that were not included in the SCA, which we term **PSC activities**. These are 'new' independent activities which can be registered under an SCA code and practised in the market independently. **The PSC regulated activities** are thus obtained through an in-depth analysis of rules regulating particular activities, but the designation of the activity does not originate from the SCA.

### 2.3. How information was obtained on which activities are regulated according to the SCA

A five-digit number (hereinafter referred to as: the SCA number) has been assigned to each activity on the SCA list for the needs of registration. If an activity on the MEDT list is classified under this activity with the same SCA number, the activity is regulated according to the SCA. If no activity on the MEDT list is classified under the activity according to the SCA, the activity is not regulated according to the SCA. (The Statistical Office of the Republic of Slovenia assigned codes to the activities on the MEDT list which lacked an SCA number.)

Example:

SCA/PS C code	NAME OF ACTIVITY	regulated or non- regulated activity
43.990	Other specialised construction activities	YES
43.9901	Foundation work, including pile driving	YES
43.9902	Bending of steel frames	YES
43.9903	Concreting	YES
43.9904	Construction of chimneys and furnaces (industrial and others)	YES

However, this is not always the rule. It is evident from the SCA classification that several sub-activities may be classified under a single five-digit number. The activity might not be regulated according to the SCA, but there might be a regulated PSC activity within this SCA number.

Example:

SCA/PS C code	NAME OF ACTIVITY	regulated or non- regulated activity
69.200	Accounting, book-keeping and auditing activities; tax consultancy	NO
69.2001	Performing internal auditing of budget spending units	YES

If the sub-activity is a **service** which cannot be practised independently in the market, and certain conditions prescribed by law must be fulfilled to practise it, the SCA+PSC list does not

define it as a PSC activity, but it is assigned to the activity within which the service may be performed (service ≠ activity; different activities may be included in a single service).

Each PSC activity has a **six-digit number on the SCA+PSC list**; the basis is the SCA number under which the activity is in practice classified and registered; a sixth digit is added for the needs of the PSC portal.

#### 2.4. From profession to activity

As an entry condition to practise an activity, professional qualification or regulated profession was also defined. **Regulated professions** are professions for which certain conditions provided by law must be fulfilled in order to practise them. Since some activities are regulated only through a regulated profession, new PSC activities developed from the professions in which the activities may be practised in the market. Example:

SCA/PS C code	NAME OF ACTIVITY	regulated or non- regulated activity
93.190	Other sports activities	NO
93.1901	Mountain guiding	YES

Craft-like activities (CLA) and activities for which professional qualifications and a craft business permit (CBP) are not required were also included on the SCA+PSC list. These are non-regulated activities, since a procedure for obtaining entry permits for these activities is not required. On the SCA+PSC list, they are assigned a six-digit PSC code when they are classified under a particular SCA activity.

SCA/PS C code	NAME OF ACTIVITY	regulated or non- regulated activity	designati on	PSC field
0.1620	Farrier activity	NO	CLA	agriculture
01.630	Post-harvest corp activities	NO	CLA	agriculture

The activities on the SCA+PSC list were classified by PSC field according to content. **The fields are: »agriculture, protection and security, justice, personal and business services, healthcare and social issues, education, culture, construction, real estate, trade, transport and logistics, tourism, catering and accommodation, veterinary medicine, environment and environment protection.**

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#### 2.5. Concluding observations

It was established that there are many more activities than recognised by the SCA, but these new PSC activities are always classified under a particular SCA code when registering the activity. There might be several PSC activities within a single SCA activity. It also happens that the SCA activity is actually non-regulated, but there is a sub-activity for which either a special permit or a professional qualification is required. In this case, only this particular PSC activity is regulated if it is possible to practise it in the market independently.

Since we would like to provide users with all the requisite information in one place (in a transparent, structured and user-friendly way), we established links with the Ministry of Family, Labour and Social Affairs and combined the databases to make a list of conditions for activities and professions. The MJPA will thus be able to provide IT-support to acquire all data related to the conditions to practise an activity. The database may certainly be used for several information portals.

Most of the names of activities according to the SCA and the names of activities identified by law differ, or are not unified. In the majority of cases, the SCA+PSC list preserved the name according to the SCA; the user (foreign or national) of the PSC portal will be able to search for the activity through its various names or terms used in practice.

It was established that there are approximately 1000 regulated activities if all the activities resulting from regulated professions are taken into account.

## 2.6. Further activities

The SCA+PSC list is in its working version. A request for revision and final description will be submitted to all sectors after the report has been considered by the Government.

METHODOLOGY OF WORK – current and further work on the SCA+PSC list:

1. SCA list – elimination of production activities
2. SCA list – elimination of service activities excluded from the Services Directive
3. ME list – the Statistical Office of the Republic of Slovenia assigns SCA numbers to activities which lack a number
4. combining the SCA and ME lists and activities described by the MJPA
5. identification of PSC activities
6. division of activities by PSC field
7. review of the SCA+PSC list by the ME working group
8. review and completion of the SCA+PSC list by all sectors
9. completion of the SCA+PSC list with the services activities excluded from the Services Directive
10. expanding the definition of a regulated activity – inclusion of a second condition as a regulation of activity – extended list of regulated activities
11. completion of the SCA+PSC list with production activities

3.

## **Conclusion**

The time frame for the implementation of the PSC project is from 2010 to 2015. As is evident from the review of activities performed on the PSC1 project, a portal for foreigners (Slovenia business point – foreigners/PSC – nationals) and a portal for nationals will be established this June. Within the PSC1 project, most attention is dedicated to users' experience and satisfaction, since we wish the portal to be interesting, simple and transparent. The publication of information on business conditions in Slovenia must be transparent and structured. Therefore, a uniform database for activities and professions is required. Considering the large quantity of non-transparent legislation, this goal is the hardest to achieve. The portal will be further developed, the database will be completed, and intensive communication with various sectors regarding the editing system and maintenance will take place, since a series of changes is expected, mainly on the basis of proposals submitted by a special interministerial group.

After the analysis and publication of information on the conditions, the greatest effort will be made to prepare measures for the amendments (simplification, deregulation etc.) in order to enable the implementation of the PSC2 project and the remote submission of applications. This is the only way to achieve the goals of the PSC project related to simple business operations in the Republic of Slovenia.

## **OPINIONS ON UNIFICATION**