Council of the European Union

Brussels, 17 September 2026
(OR. en)

13320/26
ADD 4

Interinstitutional File:
2026/0273 (COD)

COMPET 1085
MI 901
CODEC 1698
ETS 9
EDUC 377

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	15 September 2026
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	SWD(2026) 997 final
Subject:	COMMISSION STAFF WORKING DOCUMENT EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT Accompanying the document Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Directive 2005/36/EC as regards the digitalisation of procedures and recognition of professional qualifications issued outside the Union and Regulation (EU) No 1024/2012

Delegations will find attached document SWD(2026) 997 final.

Encl.: SWD(2026) 997 final

EUROPEAN
COMMISSION

Strasbourg, 15.9.2026
SWD(2026) 997 final

COMMISSION STAFF WORKING DOCUMENT

EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT

Accompanying the document

Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Directive 2005/36/EC as regards the digitalisation of procedures and recognition of professional qualifications issued outside the Union and Regulation (EU) No 1024/2012

{COM(2026) 995 final} - {SEC(2026) 995 final} - {SWD(2026) 995 final} - {SWD(2026) 996 final}

Need for EU action

What is the problem being addressed?

While regulating professions remains a national competence, the Professional Qualifications Directive (PQD) provides a common EU framework to facilitate the recognition of professional qualifications and the free movement of professionals across the Single Market. Data on recognition procedures and evidence from concerned stakeholders – from applicants and employers to competent authorities handling recognition requests – indicate that the PQD has been effective in facilitating professional mobility. Nevertheless, three main shortcomings remain: information available to applicants regarding the regulation of professions and recognition requirements is not always complete, clear or consistent across national and EU-level sources; recognition procedures remain inefficient (e.g. processes are often still long, paper-based, insufficiently digitalised and costs can vary in unpredictable ways); cooperation among competent authorities (CAs) remains suboptimal (e.g. delays in responses to requests for information persist, while the transmission of statistics, updates on regulated professions, mobility trends and recognition-related information can be improved considerably).

What is this initiative expected to achieve?

The initiative aims to improve the functioning of the PQD through targeted and proportionate amendments. Rather than fundamentally revising the PQD's core principles, which have proven effective in facilitating professional mobility, it focuses strictly on the specific shortcomings identified. Specifically, the initiative aims to streamline and digitalise recognition procedures, improve accessibility and transparency for applicants, reduce administrative burdens, and strengthen cooperation among CAs. Ultimately, these targeted amendments will make cross-border recognition procedures more efficient, transparent and predictable, thereby supporting professional mobility and strengthening the Single Market.

What is the added value of action at EU level?

Because the PQD already establishes the common legal framework for recognising professional qualifications, any legislative improvements must necessarily be enacted at the EU level. The core challenges - divergent national administrative practices and uneven levels of digitalization—cannot be resolved by Member States (MS) acting alone. Unilateral action cannot guarantee cross-border consistency, interoperability, or predictability. Action at EU-level provides clear added value by aligning procedural rules, strengthening cooperation and information exchange among CAs, and improving the overall functioning of recognition systems. Ultimately, only coordinated action at EU level can effectively support more consistent, transparent and predictable recognition procedures for professionals seeking to exercise their rights across MS.

B. Policy options

What policy options have been considered? Is there a preferred option and why?

Three policy options were assessed, all addressing the three identified drivers of the problem: fragmented information for applicants, inefficiencies in recognition procedures, and insufficient administrative cooperation. The options represent a progressive approach, ranging from non-legislative measures aimed at encouraging convergence of practices and improving cooperation, to targeted and more comprehensive legislative amendments to the PQD designed to strengthen and harmonise recognition processes across MS.

Policy Option 1 (PO1) relies on non-binding measures aimed at improving the implementation of the PQD by encouraging convergence of administrative practices through shared standards. It includes guidance to MS, peer learning, recommendations on good administrative practices, and voluntary support for digitalisation.

Policy Option 2 (PO2) combines non-legislative measures with targeted legislative amendments addressing specific shortcomings in the recognition processes and aiming at improved interoperability. It introduces harmonised requirements for digital workflows and procedural organisation, while preserving significant implementation flexibility for MS.

Policy Option 3 (PO3) combines more extensive legislative amendments with a common AI-assisted EU digital recognition workflow supporting recognition procedures across the Union. This option standardizes and centralizes procedures within a single digital environment. Additionally, it modifies enforcement mechanisms to provide the Commission with expanded compliance-monitoring tools.

PO3 is identified as the preferred option. It is the most effective path to achieving the initiative's objectives. By combining a comprehensive set of legislative measures with a common European digital infrastructure, it offers the greatest potential to simplify recognition procedures, reduce administrative burdens, and generate significant savings for applicants, authorities and employers. The centralised development of digital solutions at EU level also avoids duplication of efforts across MS. At the same time, PO3 provides the strongest alignment with broader EU priorities on digitalisation, simplification, skills portability and the effective functioning of the Single Market.

Who supports which option?

During the consultation phase, mobile professionals in regulated professions have signalled their support for the preferred option. Compared to the alternatives considered, it offers the greatest simplification of recognition procedures and the largest reduction in administrative burdens, enabling professionals to obtain recognition more quickly, move more easily between MS, access employment faster and make better use of their qualifications.

The preferred option, which offers the greatest potential for reducing administrative burdens, is highly aligned with the interests of MS and CAs that handle the highest volumes of recognition procedures. MS committed to public-sector digitalisation would also be among the strongest supporters of the preferred option. MS with lower levels of mobility or more limited administrative capacity may be more cautious due to implementation requirements. However, these concerns are expected to be mitigated by the fact that the preferred option relies on a common EU-level solution, which minimises development and maintenance burdens for individual MS.

Finally, employers and industry sectors facing critical labour and skills shortages also expressed support for faster and simpler recognition procedures that would facilitate recruitment, reduce administrative hiring friction, and boost business competitiveness. By ensuring qualified professionals can enter the workforce without delay, this initiative improves workforce availability, particularly for smaller companies in sectors facing critical labour and skill shortages.

C. Impacts of the preferred option

What are the benefits of the preferred option?

The preferred option is expected to generate significant economic and social benefits.

It would reduce the administrative costs associated with the recognition of professional qualifications. These savings would benefit applicants, CAs and employers where they bear part of the costs related to recognition procedures. It would also generate significant time savings: faster and more predictable procedures would allow professionals to access regulated professions more quickly in the MS where they wish to work, enabling earlier entry into employment and earlier earnings. Overall, the preferred option is estimated to generate direct cumulative administrative cost savings of approximately EUR 269 million by 2040.

The preferred option would also reduce the processing time of recognition applications considerably, allowing mobile professions to exercise the profession of their choice more quickly. This generates monetised time savings for the applicants, which in the aggregate are estimated at EUR 136.6 million/year.

Beyond these direct quantified impacts, PO3 generates significant wider economic and social benefits:

- Employers would benefit from improved access to qualified professionals and more efficient recruitment processes, helping to alleviate labour and skills shortages in key sectors. This would improve productivity and competitiveness, particularly in professions experiencing persistent shortages.
- At macro-level, the initiative would contribute to a more efficient allocation of skills across the Single Market by facilitating better matching between labour demand and labour supply.

- The preferred option would also accelerate the digitalisation of recognition procedures and support greater interoperability among national administrations. Common digital tools and workflows would improve efficiency, reduce administrative burdens, strengthen cooperation among CAs and improve the overall quality and consistency of public administration services.
- The initiative would strengthen the effective exercise of the right to free movement. These benefits are expected to be particularly significant for younger professionals, who are generally more likely to seek employment opportunities across borders. By facilitating the recognition of qualifications, the initiative would improve access to employment, support better matching between qualifications and jobs, and enable professionals to make fuller use of their skills and competences throughout the Single Market.
- By facilitating access to qualified professionals in sectors facing labour and skills shortages, the initiative would generate wider societal benefits through improved workforce availability and service provision. In particular, it would support the resilience and capacity of essential public services in critical sectors such as healthcare, long-term care, education and construction by helping to alleviate persistent workforce shortages.

What are the costs of the preferred option?

The preferred option entails implementation and operational costs at both EU and national levels.

- At EU level, the main costs relate to the development, deployment and operation of the common EU digital recognition system. Development costs are estimated at approximately EUR 4.5 million over the first two years of implementation (2027–2028). Annual operational and maintenance costs are estimated at around EUR 1 million in 2029 and 2030 and less thereafter.
- At national level, CAs would incur implementation costs related to staff training, adaptation of administrative procedures, alignment with the common digital system and organisational adjustments necessary to implement the revised framework.
- The preferred option is also expected to increase the volume of recognition applications as procedures become faster, simpler and more attractive. While this increased mobility will generate an additional administrative workload for CAs, it ultimately delivers one of the initiative's primary intended benefits.

Overall, the substantial administrative, economic and social benefits clearly outweigh the associated costs.

How will enterprises and SMEs be affected?

Enterprises, and SMEs in particular, are expected to benefit significantly, especially in sectors facing labour and skills shortages. By making recognition procedures faster, simpler and more predictable, the initiative would enable employers to recruit qualified professionals more quickly from a wider pool of candidates across the Single Market. This would reduce

recruitment bottlenecks, shorten vacancy-filling times and alleviate workforce shortages. Faster access to qualified workers would reduce the costs associated with unfilled vacancies and allow firms to operate more efficiently and competitively. While large corporations can often absorb administrative delays, resource-constrained SMEs feel the operational weight of a unfilled vacancies more immediately. Consequently, improvements in workforce availability are expected to enhance productivity, competitiveness and growth prospects, particularly for SMEs.

Will there be significant impacts on national budgets and administrations?

The most significant financial impact is expected to fall on the EU budget, primarily due to the development, deployment and operation of the common EU digital recognition system. National administrations will incur costs related to the transposition of the revised PQD and the adaptation of national procedures and administrative systems. However, because the preferred option relies on a common EU-level digital infrastructure, MS would avoid the considerably higher costs that would arise from developing and maintaining separate national systems. Consequently, the principal investment burden is borne at EU level, while national administrations face more limited adaptation costs.

D. Follow-up

When will the policy be reviewed?

The revised PQD would include a transposition period allowing MS to implement the necessary legislative, administrative and technical changes. The timing of this period would be aligned with the development and deployment of the common EU digital recognition system. Following implementation, the Commission would monitor the application of the revised framework through the collection of relevant data and ongoing cooperation with MS and CAs. A formal evaluation could be envisaged approximately five years after the expiry of the transposition period. This would allow sufficient experience to be gained with the new measures while ensuring that their effectiveness, efficiency, coherence, relevance and EU added value can be assessed in a meaningful manner.