

EU EXIT Business Readiness Forum: Summary of Questions & Answers 07/03/2019

Delivering the deal negotiated with the EU is the government's top priority. However, a responsible government must prepare for every eventuality, including a no deal scenario.

This document is a summary of the question and answer discussion on Consumer Protection, Business Mobility, Students and MRPQ that took place during the EU Exit Business Readiness Forum on 07/03/2019.

The purpose of the forum was to provide information to trade and representative bodies, and other business intermediaries in order that their members and businesses in their networks may prepare.

For further information please visit euexit.campaign.gov.uk

[Business Mobility]

What's the current position on the Commission's proposal to grant UK citizens visa-free travel to the Schengen area? Will the European Parliament need to vote?

Answer: The proposal now needs to be adopted by the European Parliament and the Council. The Commission has called on both institutions to make quick progress on this proposal so that it can be adopted in good time before the UK leaves the EU.

The European Parliament is due to vote on the Commission's proposal later this month.

Has the UK fulfilled the Commission's requirement of reciprocal and non-discriminatory visafree travel for all EU Member States?

Answer: The Government has announced that in the event of no deal, EU/EEA/Swiss citizens will still be able to enter the UK for up to 3 months, to work, visit or study, without requiring a visa (for personal or business purposes).

We have been clear that we want to see visa-free arrangements for tourists and short-term business visitors as part of our future relationships, and we have said that the UK **does not** intend to require visas for tourists or short-term business visitors from the EU in the event of a no-deal scenario.

How comprehensive are the country profiles on GOV.UK? Do they give substantive detail on all of the different regulations a business would need to comply with when operating in a given Member State? Including information on any work permits required?

Answer: The country profiles on GOV.UK provide a good overview of the sequence of issues service providers would need to be aware of when operating in a Member State. They cover cross border trade, service provision, business mobility, data protection and recognition of professional qualifications. However, they do not seek to provide an exhaustive list of all of the regulations a business would need to comply with in order to fully operate in a Member State. Instead, their purpose is to signpost businesses to official relevant information published by the given Member State, so that they can undertake their own research to understand any additional legal, regulatory and administrative barriers they may face.

The country guides containing information and links to help businesses navigate the third country regulations in each country can be found by clicking the following link: https://www.gov.uk/government/collections/providing-services-to-eea-and-efta-countries-after-eu-exit

The presentation stipulates that the Commission's offer of 90 days visa-free travel to the Schengen area for UK citizens will enable UK citizens to travel for business trips. What constitutes a business trip?

Answer: The European Commission has proposed that UK citizens will be able to travel for **business meetings**, **training**, **sports/cultural events and short-term study**. UK citizens will need to check whether a visa and/or work permit is required for activity above and beyond business meetings. These proposals are subject to approval by the European Parliament and Council.

Will UK businesses with entities in the EU be able to transfer staff under the Commission's proposal?

Answer: Yes, the 90-day visa-free travel will enable intra-corporate transfers so long as employees are only undertaking permitted activities.

UK citizens, whether on a short term 'fly in, fly out' basis, longer term movement, or placements within other parts of the business, should check whether a visa and/or work permit is required and otherwise comply with the immigration controls in place in each Member State where the service is being provided in person. This would vary depending on the Member State in question.

The Services sector is incredibly important to the UK economy. Has the Government completed an impact assessment on what 'no deal' would mean for the economy and how it would impact SMEs in particular?

Answer: In November the Government published its EU Exit Long-term economic analysis to deliver on its commitment to provide appropriate analysis to Parliament with a robust, objective assessment of how exiting the EU may affect the economy of the UK, sectors, nations and regions in the long run. You can find this publication on gov.uk here:

https://www.gov.uk/government/publications/exiting-the-european-union-publications

What could the UK ask of the Commission to avoid UK businesses having to comply with 27 different EU rules and regulations?

Answer: Leaving the EU with a deal remains the Government's top priority. However, in the event of no deal, the EU27 Member States will be free to treat UK as a 'third-country'. This may mean additional legal, regulatory and administrative barriers.

Will businesses need to apply for European Temporary Leave to Remain on behalf of their EEA/Swiss employees entering the UK after exit day?

Answer: EEA/Swiss citizens will need to apply for European Temporary Leave to Remain themselves, from within the UK during their 3-month visa-free stay. This will enable them to remain in the UK for an additional 36 months. EU/EEA citizens who want to stay in the UK beyond the 36 months will need to make an application to, and qualify under, the new skills-based immigration system, which will begin from 2021.

[Students]

Will EU students be treated in the same way as Chinese students in the future?

Answer: EU students will in future be treated in the same way as students from the rest of the world regarding immigration controls. EU students, like their non-EU counterparts, will generally need to obtain permission before they travel to the UK and demonstrate their academic ability, English language ability and show that they are able to support themselves and pay for their course.

European Temporary Leave to Remain will not enable students to complete their courses if they are longer than 36 months, which is the case for many courses in Scotland. Will students be able to transfer to a tier 4 visa to cover any additional length of study?

Answer: EU/EEA/Swiss citizens will continue to be able to study in the UK during the transition period. After an initial three-month period they can remain in the UK for 36 months if they successfully apply for leave to remain.

If EEA or Swiss citizens want to stay in the UK for longer than 36 months, for example to complete a four-year course, they will need to apply and qualify for an immigration status under the main study routes of the UK's new skills-based immigration system, which will begin from January 2021.

Alternatively, after exit EEA and Swiss citizens will instead be able to apply under Tier 4 of the Points Based System for a student visa to cover the full length of their course. As set out in the White Paper, under the future skills-based immigration system, we will continue to welcome and encourage international students and place no limit on their numbers.

How should universities be communicating applicable fees to prospective EU students post 2020?

Answer: Applications for courses starting in Academic Year 2020/21 do not open until September 2019. We will ensure students and institutions have the information they need well in advance of that date.

Will apprentices coming into the UK be treated as university students and therefore need to fulfil the same immigration requirements as students?

Answer: Apprentices are employees and it is a condition of eligibility for the programme that they have the right to work in the UK for the whole period of their apprenticeship programme. Prior to EU Exit, anyone currently seeking to undertake an apprenticeship and who does not have the right to work in the UK would need to apply for a Tier 2 skilled worker visa, although it is unlikely that many apprentices would qualify on the grounds of either salary level or existing level of skill (some intra-company transfers where employees are using an apprenticeship to progress in their career might be an exception). Tier 4 is a student visa and therefore not appropriate for apprentices who are first and foremost employees.

[MRPQ]

Will the UK seek to recognise qualifications of EEA/Swiss service providers on 30 March 2019, given that standards between the UK & EU will not have differed in the space of one day?

Answer: The Government has prepared legislation to update the Recognition of Professional Qualifications Regulations. This legislation was made in Parliament on 20 February and will bring a new system into force for exit day. The proposed new system of recognition of professional qualifications will:

- Protect recognition decisions that have already been made;
- Allow applications for recognition which have been made before exit to be concluded under the same rules as far as possible;
- Allow individuals to complete temporary and occasional service provision which started before exit;
- Retain a general system for recognition where UK regulators will be required to recognise EEA and Swiss qualifications which are of an equivalent standard to UK qualifications in scope, content and level; and
- No longer include certain obligations on regulators such as offering compensation measures, partial access and temporary and occasional provision of services.

However, it will leave regulators with the discretion to decide how to treat non-equivalent EEA or Swiss qualifications.

The system is set out in the Technical Notice. Any queries for specific professions would be best directed to the relevant regulator.

What is the EU's position when it comes to the EEA/Switzerland recognising UK qualifications held by UK citizens?

Answer: The European Commission has published two guidance documents that outline how the

EU27 Member States should consider the recognition of professional qualifications obtained in the UK for professions which fall under the MRPQ Directive.

These documents are a

- <u>Preparedness Notice</u> on professional qualifications and an additional
- <u>Brexit Preparedness Seminar</u> detailing professional qualifications, intellectual property, civil justice, company law, consumer protection and personal data.

In summary:

- UK professional qualifications of UK nationals that have already been recognised as valid by an EU Member State will remain valid after exit day.
- EU Member States have been asked by the European Commission to consider pending applications from UK citizens that were submitted before exit day as though the UK was still a Member State. <u>However, there is no guarantee that Member States will act upon this request.</u>
- UK citizens seeking recognition of their professional qualifications after exit date will be assessed under the rules of the host Member State.
- After exit, UK citizens will no longer be able to provide temporary and occasional professional services in any EU Member State under EU rules.

What is the position on accountants?

deal/accounting-and-audit-if-theres-no-brexit-deal

Answer: Chartered accountants should be aware of the above changes which set out the processes for recognition of qualifications after exit. Accountants should also be aware of the arrangements for recognition of auditors, where the Commission has not made the commitment set out in the first bullet point above. Accountants should read the Commission's preparedness notice on audit: https://ec.europa.eu/info/sites/info/files/file_import/statutory_audits_en.pdf and the UK's technical notice on accounting and audit in a no deal scenario: https://www.gov.uk/government/publications/accounting-and-audit-if-theres-no-brexit-

Can UK professionals who live in the UK but occasionally travel into the EU to fulfil contracts and perform regulated activities continue to do so?

Answer: After exit day in the event of no deal, UK nationals will no longer be able to provide temporary and occasional professional services under the MRPQ Directive. Temporary and occasional provision of professional services will instead be subject to the host EU27 Member States' laws and regulatory framework.