# **Professional and Business Services**

# **Key Facts**



Providing services to EU customers may be different from next year



UK businesses will have to comply with the rules of their customer's country (host-country rules)



There may be no mutual recognition of professional qualifications



In some cases service providers will have to be based in the EU, appoint a representative or have an EU-hosted website

Examples include: Law and accountancy firms, financial services, architects, medical professions, business advisers, business service providers, professional carers

How you buy and sell services from and to the EU will be different from 2021. Hiring people from EU countries will also change. Businesses are advised to consider their route to market and look at what trading as a business from a country outside the EU would mean for their margins.

 Roaming charges may apply to UK customers using their devices in the EU

#### **Trade**

- UK services providers will be subject to local rules in each EU country they do business in
- Owning or running a business in the EU may mean different requirements, depending on the sector and country in which the business is operating

# People

- EU nationals currently in the UK can apply for (pre-)Settled Status under the Settlement Scheme
- From 2021, future EU staff will need to apply under a points-based immigration system if they want to work here
- UK nationals travelling to the EU will require a passport that is valid for at least 6 months and they can stay for a maximum of 90 consecutive days in any 180 day period
- Employed and self-employed workers carrying out projects in Europe may be subject to local employment and immigration rules.
  Their professional qualifications may not be recognised.

# Regulation

- Auditors, accountants and lawyers will not be able to operate in the EU as they do now
- UK professional qualifications may no longer be recognised in the EU and a new UK recognition system for EU (EEA) qualifications will be phased in
- Some services sectors such as media services or financial services may need a 'passport' to be able to provide their services in the EU (EEA)
- The legal basis for holding personal data from EU customers may become a problem from 2021









## To do

# **People**

- Support and encourage current EU staff to apply for (pre-)settled status. Check out the <u>Settlement Scheme Employer Toolkit</u>
- Follow the development of a new points-based immigration system
- Find out what will change when visiting Europe from 2021 and all aspects of travelling between the EU and the UK in detail, professional qualifications, services and posted workers

#### **Trade**

 Read the general guidance on <u>providing</u> services in the EU (EEA) and the country guides

#### Regulation

- If you are an auditor, check this guidance
- If you are an accountant, check this guidance
- If your business provides legal services, check this guidance
- If your business is in the financial sector, <u>check</u> this guidance
- Check if your profession is on the <u>list of</u> qualifications that are now mutually recognised

- Understand changes to your <u>VAT obligations</u> and what it means to <u>trade as a business from</u> a <u>non-EU country with regard to VAT</u>
- Check the ICO guidance on GDPR

You may also want to read the EU preparedness notices on <u>financial services</u>, <u>audiovisual media services</u> and <u>digital services</u>

## What's next

Trade under EU rules will continue as normal until December 2020 during a "transition" period. A new trade agreement will lay down the final conditions for UK-EU trade from 2021. It is planned that this will include the services sector.

# For more information on the changes next year:

Visit London Growth Hub or sign up for free business resilience training

#### **London Growth Hub**

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