

Professional and Business Services

Key facts

- 1 Providing services to EU customers may be different after the transition period ends
- 2 UK businesses will have to comply with the rules of their customer's country (host-country rules)
- 3 There may be no mutual recognition of professional qualifications and in some cases services providers will need an EU presence

Examples include:

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

How we buy and sell services, and hire staff from the EU will change after the transition period ends. Businesses are advised to consider their route to market and look at what it means for their margins when they will provide their services in European countries on different terms, and when costs of recruitment will rise.

People

- EU nationals currently in the UK can apply for (pre-)Settled Status under the Settlement Scheme
- After the transition period ends, EU staff that come to the UK to work, will need to apply under the points-based immigration system, and businesses have to sponsor applicants they want to recruit

- UK nationals can travel to the EU visa-free with 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.
- Roaming charges may apply to UK customers using their devices in the EU

Trade

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

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, acquiring and monitoring personal data from EU customers may become a problem after the transition period ends

To do

People

- Support and encourage current EU staff to apply for (pre-)settled status. Check out the [Settlement Scheme Employer Toolkit](#)
- Read about the [details of the 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](#),

Trade

- Check what it will mean to [provide services in EU countries](#) and which business activities will require compliance with local rules
- Read the guidance from the [Government](#) and the [EU](#) on setting up and owning a business in the EU

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, [check this guidance](#)
- Find out if your qualifications and licences will be recognised in the country you are active in via the [Centre for Professional Qualifications](#) (0871 226 2850, 11p per minute) or the [national contact points in the EU member states](#) (scroll down the page)

- You can also check if your profession is on the [list of qualifications that are currently mutually recognised](#) or read the EU Readiness Notice on professional qualifications
- Find out about [local immigration policies and work permits in EU member states](#)
- Find out how you [post workers](#)
- Consider the changes to your [VAT obligations](#) and what it means to [trade as a business from a non-EU country with regard to VAT](#)
- Check the [ICO website on complying with GDPR](#) and how to use the [contract tool](#) with data suppliers
- You may also want to read the EU Readiness Notices on [financial services](#), [audiovisual media services](#) and [digital services](#).

Go to the [Government's checker tool](#) and the [EU Readiness Notices](#) for more information on EU exit and your sector.

What's next?

Trade under EU rules will continue as normal until the transition period ends. During that time the EU will assess whether the UK framework for financial services is equivalent to EU standards and whether its regulation on the protection of personal data is adequate. A new trade agreement will lay down the final conditions for UK-EU trade in services and investment.

For more information visit [London Growth Hub](#), [check out other fact sheets](#) or email growthhub@london.gov.uk

Disclaimer

At the time of writing, the transition period ends on 31 December 2020, and the changes outlined in this fact sheet will occur from 1 January 2021. If that date slips, the changes will still happen, but at a later date. For latest updates go to www.gov.uk/transition

London Growth Hub

growthhub@london.gov.uk