Labour mobility and recognition

There are currently **5 700 regulated professions** in the EU and an estimated **50 million people** (some 22%) of the labour force need some kind of prior authorisation to access and exercise their profession.

Member States are the ones who decide whether and how to regulate a profession. As a result, there are **significant differences across Member States** in the numbers of regulated professions, the bodies responsible for regulation (governments or professional bodies), and type and intensity of regulation, even within a single profession. In practical terms, this means that professionals qualified in one Member State can find it difficult to access and exercise their profession in another. They may thus be unable to benefit fully from the very freedoms that underpin the EU – the freedom of movement of workers and the freedom to provide services.

In order to minimise these difficulties, the Professional Qualifications Directive (PQD) (**Directive 2005/36/EC**) was adopted in 2005 and revised in 2013 (**Directive 2013/55/EU**).

Under the Directive there are 3 different systems of recognition:

- **Automatic recognition system** (for professions with harmonised minimum training requirements, such as nurses, doctors, dental practitioners, pharmacists, architects);
- **General recognition system** (for other regulated professions, such as teachers, translators and real estate agents);
- **Recognition on the basis of professional experience** (for certain professional activities, such as carpenters, upholsterers, beauticians).

Focus of the study

The study looks at how the EU system of recognition of professional qualifications works and looks at the effects of the revised PQD and related initiatives on labour mobility in the EU. Based on desk research and four country case studies that focus on the health sector the study:

- Gives an overview of how and why Member States regulate different professions.
- Reviews the literature on the economic impact of regulation.
- Describes the key amendments to the PQD in 2013 and looks at whether these changes have helped to improve and simplify recognition procedures.
- Focussing on the health sector, the study examines trends in recognition of qualifications and labour mobility and analyses the extent to which the recognition system helps or hinders labour mobility.

Key findings

- The main issues related to the recognition process itself are the complexity and fragmentation of the process, the length of time it takes and the cost, the fact that recognition procedures cannot always be completed online and the lack of access to information on the recognition process.
- For professionals, the main barriers are the language proficiency requirements of the host state, and the total time needed to access the labour market (preparing the application for recognition and, after recognition, fulfilling additional requirements, such as passing language tests, registering with professional authorities, etc.).
The reasons for differences in occupational regulation at Member States level are not always transparent, nor objectively justified. A Commission initiative (the Transparency and mutual evaluation exercise) to encourage voluntary deregulation did not deliver the intended results.

The Member States do not always have transparent and appropriate frameworks for assessing the need for and the impact of occupational regulation, leading at times to disproportionate and unnecessary regulation.

The automatic recognition procedure, which is available for professions where the minimum training requirements are harmonised at EU level, works well.

The general recognition system can be slow and very difficult for applicants to navigate. Here, differences in educational and training requirements and difficulties in cooperation between competent authorities across the EU are the main obstacles.

The European Professional Card (EPC) has not been widely used, but has benefitted one profession for which it is available – mountain guides.

The Internal Market Information IMI-system, used for exchange of information between Member State competent authorities, issuing the EPC, and issuing of alerts, has proved to be an effective tool.

The Points of Single Contact established in the Member States have improved the information available to professionals applying for recognition but a lack of easily-accessible information (e.g. provided in other languages, in addition to the host country’s language) remains a problem.

The continuously high share of positive decisions on recognition (around 85% or higher since 2011) across all regulated professions, suggests that recognition should not constitute a key obstacle to mobility. Nevertheless, the rates of successful applications for recognition vary significantly between professions and countries of origin. Consequently, a lack of recognition, or issues related to the recognition process may, at times, constitute a barrier.

The country case reports flag up cases of good practice: in Germany, a general legal entitlement to professional recognition has been introduced and information on recognition procedures is widely and easily available. The Netherlands likewise has very good guidance and information available to applicants and has also developed a comprehensive framework (the Integral Assessment Framework) for assessing the justification for and the proportionality of occupational regulation.

Recommendations

The Study identifies a number of policy recommendations:

- National recognition procedures need to become more transparent and guidance for professionals throughout these procedures needs to be improved.
- The accuracy and completeness of information on regulatory requirements in the EU Regulated Professions Database, as well as in equivalent national websites, needs to be improved so professionals are fully aware of the requirements they have to fulfil in the host Member State.
- More widespread awareness-raising of existing EU tools (such as the EPC) is required to encourage professionals to use them.
- To make the IMI-system genuinely effective in reducing the time for recognition of professional qualifications, the functionality of the IMI-system should be improved; all competent authorities should be involved in using the IMI-system and they should be provided with regular training;
- To ensure that professionals with qualifications recently introduced in Member States can also benefit from the automatic recognition system, a more regular update of Annex V of the PDQ is required.
- The statistical data in the EU Regulated Professions Database should be improved to enable the evaluation of trends in the recognition of qualifications and the use of the different recognition regimes.