

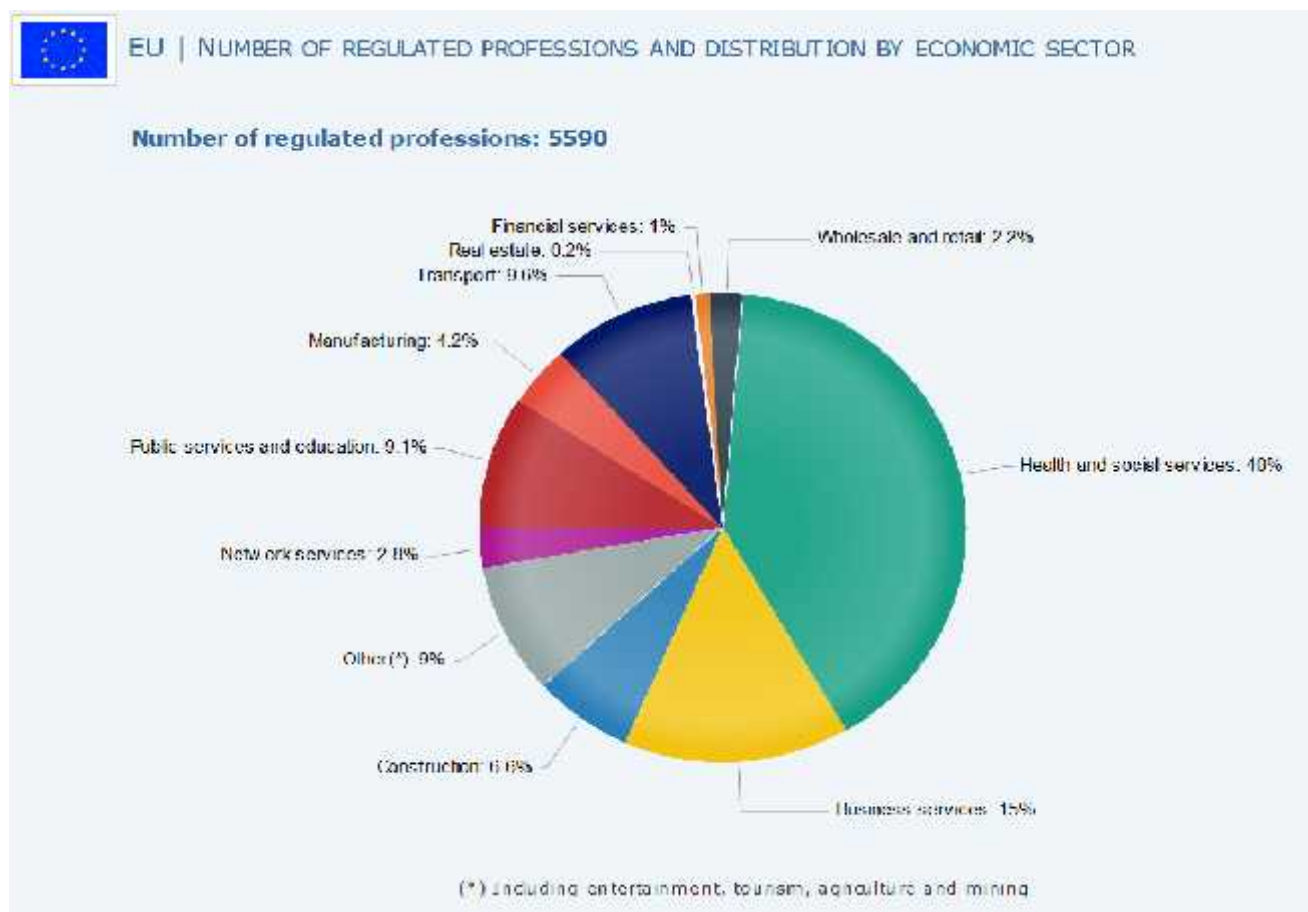


# Reforming Professional Services

Reform recommendations for regulation in  
professional services

Workshop in the European Parliament,  
11 July 2017

# Regulated professions in Europe (5,590)

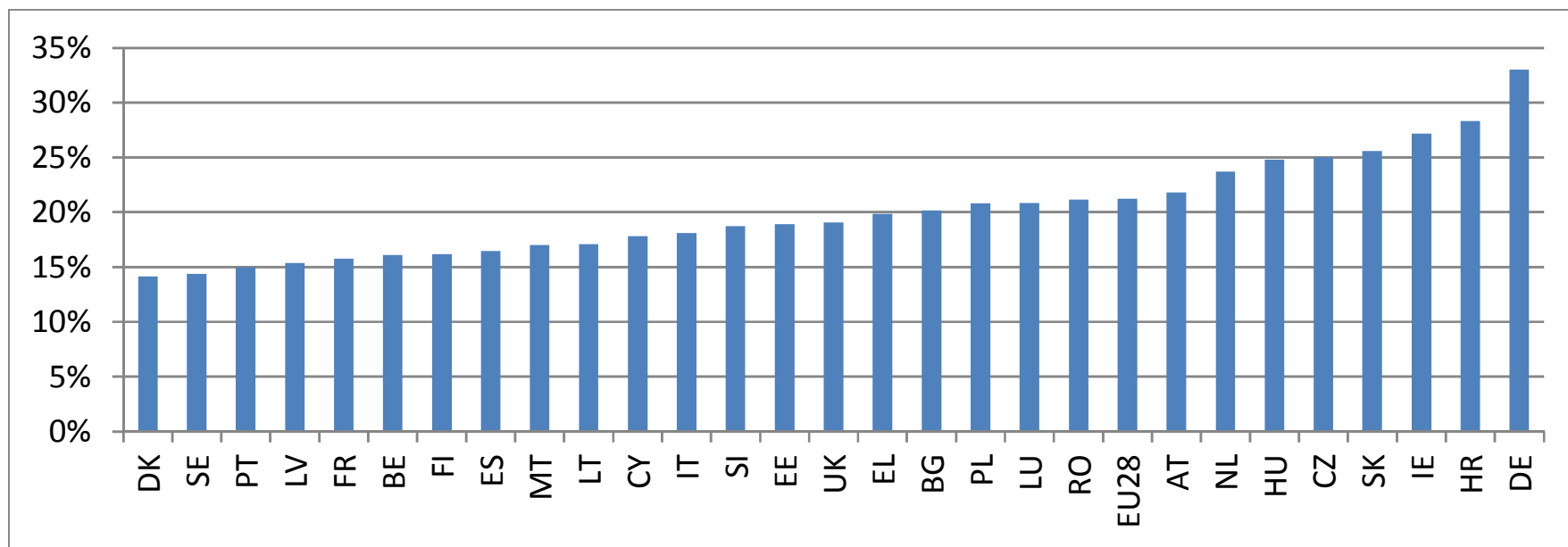


Source: Database of the Regulated Professions – October 2016 data





## Prevalence of occupational regulation



5600 professions in Europe,  
22% of the working population, 47 million people





## Professional Qualifications Directive

- Legal framework for cross-border recognition of professional qualifications
- Transparency and mutual evaluation (art 59):  
assess national rules as to their proportionality
- Objectives
  - Promote mobility and encourage cross-border service development
  - Improve competitiveness and employment in professional services
  - Maintain the best interests of consumers





## Results of the mutual evaluation

- Difficulties with proportionality assessments
  - ❑ Many proportionality assessments missing or superficial
  - ❑ Transparency / regulatory capture / confirmation bias
- National Action Plans by Member States
  - ❑ Some NAPs still missing
  - ❑ Level of ambition varies





## Multiplicity of restrictions – cumulative burden

- Exclusive or shared reserves activities
- Protection of title
- Compulsory membership or registration in professional body
- Quantitative restrictions (quotas, territorial validity, age restrictions)
- Restrictions on corporate forms (legal form, shareholding/voting rights, joint exercise of professions)
- Incompatibilities of activities for a professional
- Professional indemnity insurance
- Authorisation requirements





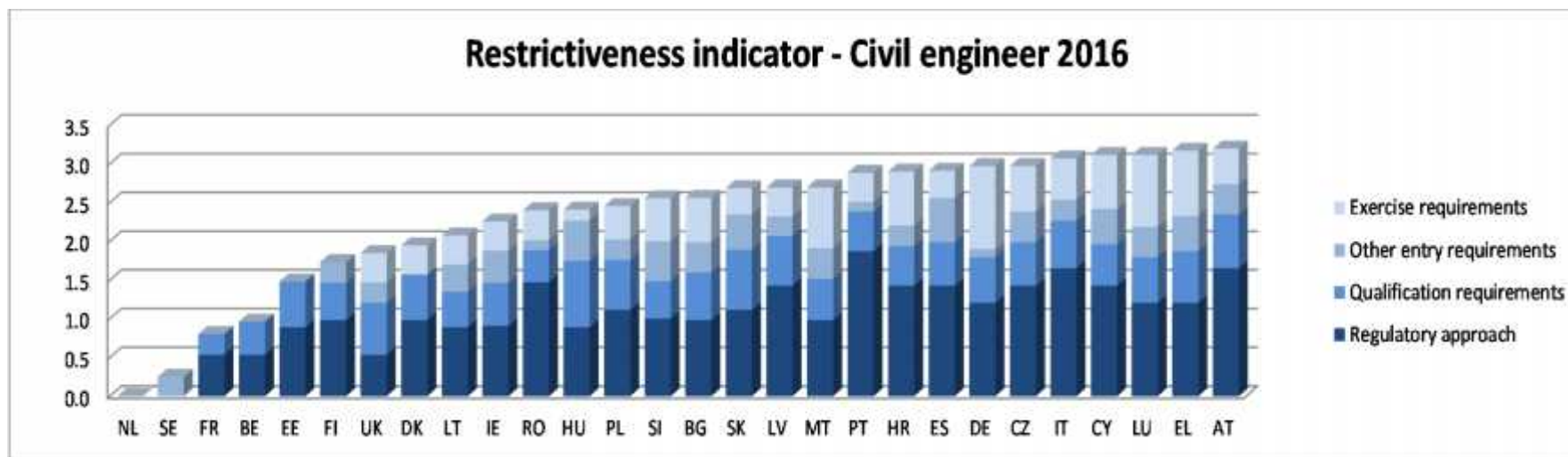
## Guidance on reform needs

- Seven economically significant professions, i.e. accountants, civil engineers, architects, lawyers, real estate agents, tourist guides, patent agents.
- Draw attention to requirements on access and conduct which seem particularly heavy.
- Analysis per profession and by MS.
- Quantitative and qualitative assessment of restrictions:
  - Quantitative: restrictiveness indicator,
  - Qualitative: mutual evaluation, petitions, EP questions, complaints.



# Restrictiveness indicator

## Civil engineers



Source: European Commission 2016







## Examples

### Legal form and shareholding requirements

- 100% shareholding in Cyprus and Malta for architectural or engineering services.

### Multidisciplinary activities

- No other economic or professional activity for accountants in Belgium or patent agents in Austria and Hungary.

### Wide scope of reserve of activities

- In several Member States simple tasks like drawing up of tax declaration forms are reserved to tax advisers.
- Legal advice of any kind is reserved to lawyers in many Member States hindering other legal consultancy services, in particular online services.





Thank you for your attention

