



# UK-Switzerland Services Mobility Agreement

The UK and Switzerland have secured a far-reaching agreement for service suppliers to trade in each other's markets. This forms part of the government's strategy to place the UK at the centre of a modern network of free trade agreements with dynamic economies. This deal will enhance the UK's status as a global hub for services, while supporting trade in vital sectors such as finance, consultancy, legal services, the tech sector and the creative industries.

Under the Services Mobility Agreement (SMA), UK suppliers will be able to do business in Switzerland as they do now. There will be no economic interest tests, no work permits and no lengthy processing times needed for the first 90 days. This offer will be open to businesses of all sizes, including the self-employed. The SMA also contains provisions on the recognition of professional qualifications. The agreement will last for two years to ensure continuity immediately after the transition period, though the UK and Switzerland may jointly decide to extend it.

## Trade between the UK and Switzerland

Switzerland was the UK's tenth largest trading partner last year. Total bilateral trade was worth £37.1 billion in 2019, of which £17.3 billion (47%) was services.<sup>1,2</sup> In 2019, the services types with the most exports to Switzerland were other business services<sup>3</sup> (£6.3 billion), financial services (£2 billion) and transportation services (£0.9 billion). In the same year, the UK imported £2.6 billion of other business services, £0.7 billion of travel services and £0.4 billion of financial services from Switzerland.<sup>4</sup>

## Providing certainty for services suppliers

The SMA will ensure that the UK and Swiss economies are open to service suppliers from 1st January 2021. By maintaining market access between these two countries, it will help UK firms do business in Switzerland, while ensuring that our economy continues to benefit from Swiss talent.

The SMA builds on the UK-Switzerland free trade agreement from 2019, which secured vital continuity for trade in goods, air services, road transport, non-life insurance and citizens' rights.

## Facilitating mobility between the UK and Switzerland

The SMA will allow UK professionals to work in Switzerland for up to 90 days without a work permit. In return, Swiss professionals will be able to deliver contracts in the UK in skilled sectors through the Tier 5 International Agreement visa.

In 2019, UK residents made 383,000 business visits to Switzerland and Swiss residents made 229,000 business visits to the UK. In addition to their general economic value, direct spending associated with business visits between the two countries totalled £280 million in 2019.<sup>5,6</sup>

The SMA also establishes a working group, through which the UK and Switzerland aim to develop a comprehensive agreement on the recognition of professional qualifications for service suppliers working in each other's markets. This will complement the 2019 UK-Switzerland Citizens' Rights Agreement.

<sup>1</sup> Source: ONS, UK Trade: all countries, non-seasonally adjusted, April to June 2020

<sup>2</sup> The total figure also includes £19.7 billion of goods, of which £6.2 billion is unspecified goods, predominantly non-monetary gold. Source: ONS, UK Trade: September 2020

<sup>3</sup> "Other business services" include: research and development; legal, accounting and management consulting; advertising and market research; and technical and trade related services

<sup>4</sup> Source: ONS, UK trade in services by partner country, April to June 2020

<sup>5</sup> Source: ONS, Travel trends estimates 2019: UK residents' visits abroad

<sup>6</sup> Source: ONS, Travel trends estimates 2019: overseas residents in the UK