

The fourth **Trade Specialised Committee on Services, Investment and Digital Trade**
under the EU–UK Trade and Cooperation Agreement (TCA)

Brussels, Thursday 24 October 2024
10:00 to 15:00 (CEST) / 09:00 to 14:00 (BST)

(in Brussels and via videoconference)

Minutes

Update on regulatory environment for skills and professionals

The UK provided an update on its regulatory environment since last year's Committee meeting, setting out the UK's regulatory environment and the context of regulated professions in the UK, which included the overarching legislative framework and the differences in the regulation of professions at sector and devolved government levels. The UK further outlined how it implements recognition of professional qualifications provisions in trade agreements, covering UK Government support provided to regulators; dialogue with trade partners; and implementing legislative systems under the Professional Qualifications Act 2022. The UK also gave an update on the use of the Regulated Professions Register launched in 2023, including information on trends associated with users from European Economic Area countries. The UK further noted that it would like to have discussions in due course about how recognition of professional qualifications between the UK and the EU can be strengthened.

The EU presented the proposal for a Regulation establishing an EU Talent Pool, which was adopted as part of the EU Skills and Talent Mobility package in November 2023. The EU noted that this proposal seeks to set up the first EU-wide platform aimed at facilitating international recruitment and providing job opportunities for jobseekers from third countries who reside outside the EU and have the skills required to work in EU-wide shortage occupations at all skills levels.

Implementation of the TCA services, investment and digital trade provisions

Following points made in previous meetings, including the 2024 Partnership Council and the 2022 and 2023 Trade Partnership Committee and Trade Specialised Committee on Services, Investment and Digital Trade, the EU raised concerns with regard to the application of the UK's visa sponsorship system to EU service suppliers providing services in the UK under Mode IV. The EU noted that it considers the scheme to be complex, lengthy, expensive and burdensome to comply with. The EU further noted that, in its assessment, the scheme does not seem fit for the purpose for the type of services provided by professionals covered by the UK's Mode IV commitments in the TCA, who are only present in the UK for a short time and are not employed by a UK entity. Finally, the EU noted its view that this significantly restricts market access for EU service suppliers, covered by the TCA, to the UK and its consideration that the UK may be *de facto* nullifying or impairing the benefits that EU professionals covered by the TCA could reasonably expect under the agreement. The EU asked the UK to carve out EU Mode IV services suppliers from the scheme's scope to remove any doubt on the EU's part as to its compliance with the TCA. In that respect, the EU argued that similar requirements have already been lifted by the UK for some third

countries; and that other, less burdensome types of control systems exist to ensure that immigration rules are complied with.

The UK reiterated its views that sponsorship has been a core element of the UK's immigration system since 2008; that it is a reasonable and proportionate way to ensure the immigration system is not abused and that foreign workers are protected; and that the system is subject to ongoing improvement. The UK also noted that it considers the only relevant arrangements for third countries to be those for Switzerland, where commitments waiving sponsorship requirements stemmed from the UK–Switzerland Citizens' Rights Agreement and only applied to those with a written contract that started before the end of the transition period. The UK took note of the EU's concerns and both Parties agreed to further engagement on addressing this issue.

Both Parties commended the progress made on the issue concerning the conditions under which UK lawyers can provide designated legal services in one EU Member State. The Parties will continue to liaise until the relevant measure is implemented.

As in previous Committee meetings, both Parties discussed the implementation of the transparency obligations at Article 145 TCA. The EU presented the EU Immigration Portal, which structures practical information on entering the EU to study or work in the EU for more than 90 days; on entering the EU to provide services in the framework of trade agreements; and on family reunification. In its presentation, the EU focused on the developments since last year's Committee meeting and confirmed its continued commitment to ensure transparency on measures related to the entry and temporary stay of natural persons for business purposes covered by the TCA. The UK recognised the work that the EU is undertaking to keep the Portal up to date and reiterated the importance of EU Member States' guidance being accurate, clear and easy to find.

The UK provided an overview of the immigration routes the UK has to offer for businesspersons, intra-company transferees and service suppliers; and how these routes link with the UK's Mode IV commitments. In its presentation, the UK noted that it publishes detailed guidance on GOV.UK, including information on each visa route for applicants and on how visa applications are assessed (in the form of the guidance provided to UK caseworkers).

Digital trade

Both Parties exchanged information on regulatory matters in the context of digital trade.

On artificial intelligence (AI), the EU presented its AI Act, which entered into force earlier this year, and focused on new developments since last year's Committee meeting. The UK presented AI policy developments in the UK, such as the publication of the UK's AI Opportunities Action Plan; UK plans for AI regulation focused on the most powerful future models; and the establishment of the AI Safety Institute.

On the topic of digital identity, the EU presented the EU Digital Identity Framework, which aims to enable the mutual recognition of national electronic identification schemes (eID) across EU Member States and establishes new rules for trust services. EU citizens will thereby be able to rely on their national eIDs when using online services from other EU countries. The UK presented the

digital identity aspects of the proposed Data (Use and Access) Bill. The Bill aims to establish a statutory footing for digital verification services, which will henceforth be delivered by a new UK Office for Digital Identities and Attributes.

The EU provided an update on the conclusion of an administrative arrangement on 16 May 2024 between DG CNECT (the European Commission's Directorate-General for Communications Networks, Content and Technology) and Ofcom (the UK's regulator for communication services) to support the enforcement of digital services regulations. Both Parties agreed to make full use of the modes of cooperation under the arrangement, including information exchange through technical expert dialogues; the sharing of best practices; joint studies; and through coordinated research projects.

Attachment 1:

Final agenda

1.	Opening remarks and adoption of the agenda
2.	Update on regulatory environment for skills and professionals
3.	Implementation of the TCA services, investment and digital trade provisions
4.	Digital trade
5.	AOBs
6.	Closing

Attachment 2:

List of participants of the fourth Trade Specialised Committee on Services, Investment and Digital Trade under the EU–UK Trade and Cooperation Agreement

EU delegation

- EU co-chair of the Trade Specialised Committee on Services, Investment and Digital Trade
- European Commission officials (DG TRADE; DG HOME; DG CNECT; and SG)
- EU officials from the Delegation of the European Union to the UK
- Representatives of the EU Member States

UK delegation

- UK co-chair of the Trade Specialised Committee on Services, Investment and Digital Trade
- UK Government officials (Department for Business & Trade; Department for Science, Innovation & Technology; Foreign, Commonwealth & Development Office; Home Office; Ministry of Justice)
- UK Government officials from the UK Mission to the European Union
- Representatives of the Scottish Government, Northern Ireland Executive and Welsh Government
