



BOLSTERING THE BUSINESS OF LIBERAL PROFESSIONS WORKING GROUP

Session 1 - Filling gaps in the information and support networks

Attendees and venue of meeting

The meeting took place in the S11 meeting room in Berlaymont Building in Brussels, from 9h30 to 16h on May 15 2013. 21 horizontal organizations representing the liberal professions at the European and national levels were invited by the Commission to the Working Group. Among these, 16 were present through one or two representatives, counting 22 participants (see list in the annex).

Summary of key points

Mr. Curavić, Head of Unit D1 – Entrepreneurship 2020 from DG Enterprise and Industry (DG ENTR), welcomed the participants and presented the Commission’s Entrepreneurship 2020 Action Plan aiming to unleash the entrepreneurial spirit in Europe and generate economic growth. The plan has three pillars:

- Pillar1: Entrepreneurial education and training to support growth and business creation
- Pillar2: Create an environment in which entrepreneurs can flourish and grow
- Pillar3: Role models and reaching out to specific groups.

The **Liberal Professions Working Group** is one of the concrete actions foreseen in the Pillar 2 of the Entrepreneurship2020 Action Plan, with the aim of assessing the specific needs of entrepreneurs in liberal professions in relation to issues such as simplification¹, internationalization or access to finance.

Mr. Massimo Baldinato from Mr. Tajani’s Cabinet elaborated on the specificities of the liberal professionals and the various challenges faced by them.

- Objective of the working group - fruitful collaboration with the representatives of the liberal professions at the European and national level in order to promote support activities for them and ensure that their needs are at the base of the European policy in this field.
- First meeting - set the stage for the following sessions, identify the key points participants would like to address in the next meetings; horizontal and interdisciplinary approach, bringing together organisations of liberal professions from different sectors
- The participants welcomed the Commission’s invitation and Entrepreneurship Action Plan, particularly the
 - need to recognize and value liberal professions as such and to disseminate the European perspective of liberal professionals as entrepreneurs

¹ It is important to note that for the purposes of this Working Group (WG), simplification is understood as reduction of red tape hindering self-employed and liberal professionals from developing their businesses. Aspects such as recognition of professional qualifications and the services Directive constitute DG MARK’s area of expertise. Hence, in order to avoid overlapping, this WG will only focus on measures aimed to support the development of liberal profession businesses in Europe and beyond.



- awareness raising on their importance in the European economy and highlighting their resilience during the crisis
- tailored support

- **Smart Regulation**

Mr. Jürgen Tiedje, Head of Unit E4 - Free Movement of Professionals, DG Internal Market and Services (DG MARKT), introduced the Commission's work in the area of liberal professions:

- Services Directive(2006/123/EC)²: specificities and challenges of cross-border activities, efficient methods to facilitate their development and spread in a harmonized single market.
- Qualifications Directive:
 1. EU professional card coming – not a harmonization tool, but a simplification one
 2. Training frameworks – new scheme of automatic recognition of diplomas for some professions
 3. Transparency exercise for all professions – not a deregulation agenda, but an understanding agenda! Workshop on the 17th of June and Communication by the end of 2013.
 4. Online debates are – single market month event (Sept – Oct).
- Discussion on the inclusion of the definition of the liberal professions in the directive - triologue going on, the decision to introduce the definition would need a justification. One of the participants suggested that the Commission analysed first the France decree establishing a definition for liberal professions in order to avoid conflicts between ministries, given the sensitiveness of the subject and the diversity of liberal professions among the Member States.

Discussion

Regulation has some advantages in ensuring the quality of the services provided by liberal professionals, but the liberal professions are very diverse, in terms of how highly regulated various professions are, how mobile they may be etc.

Regulating individuals or the business has significant consequences on the choice to become a liberal professional in some sectors.

Questions brought up include:

- Simplification would determine transparency – difficulty to find the common denominators and harmonize the system
- Possibility for the Network of National SME Envoys, Member States (MS) to check several matters, such as: reporting requirements, technical aspects, recognition of documents (whether translations, apostils etc. are still required), acceptance of e-documents, necessity to register at the police, implementation of e-governance and electronic invoicing and verification mechanisms.
- Impact of the ICT on the simplification processes? How to encourage MS to use the existent and free software solutions for e-governance?
- What is the role of the professional bodies that safeguard the quality? Can some of the tasks from the state administration be delegated to them? Would the provision of competent bodies in the

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32006L0123:EN:NOT>



MS with common instructions be enough to generate an efficient level of regulation and harmonization?

- What types of innovative contractual forms between professionals and enterprises exist in Europe?
- Overview of the existent codes of conduct in the MS (both compulsory and voluntary) for boosting liberal profession's visibility and giving certainty to consumers moving abroad³?
- What are the top 10 most burdensome business operations for liberal professions?
 - The procedure of checking qualifications? Distinction between the permanent residence and the place the liberal professional will carry out the service, language problems
 - How to deal with national laws which relate to a particular profession and do not grant access to exercise the profession?
 - Public procurement – in certain fields, national providers are preferred. What could be done?

Access to finance

Some of the most urgent problems identified are costs and taxes, the delayed payments and unpaid fees that determine many liberal professionals to shut down. The participants agreed that access to finance should be made easier, but should have no impact on the freedom and autonomy of the liberal professionals when exercising their profession.

Proposals made:

- 1) Use of pension funds – e.g. Italian mutual cooperatives offer guarantees to the banks in favour of liberal professionals; possibility to use the ESF to offer guarantees to these funds.
- 2) Specific, tailor-made services to accompany liberal professionals along their career
- 3) Targeted financing instruments for start-up and market analysis, business development, research and innovation⁴, capitalization
- 4) Direct loans with reduced fees and interest rates
- 5) Specific mechanisms for financial support during and after traumatic events - invalidity, market shocks, job loss, start-up problems
- 6) “Welfare to work” when entering in the labour market - links with universities and facilitation of the payment of providential contributions - the schooling years need to be valorised so that students can make contributions for the social security, use of the structural funds (e.g. for Youth Guarantee scheme) to support liberal professions .
- 7) How can the portability of social security rights and contributions in other Member States be enhanced? Eurelpro has been working on a guideline providing the answer to 10 questions of what a liberal professional needs to know regarding his/her pension rights (including when undergoing cross-border activities).
- 8) Could an integrated social investment package with adaptation mechanisms that take into account the liberal professions be a feasible option at the European level?

³ See DG MARKET's work on the Code of Conduct in the field of recognition of qualifications:

http://ec.europa.eu/internal_market/qualifications/directive_in_practice/useful_documents/index_en.htm

⁴ Statistics show that companies that invest 5 to 15% in R&D are four times more successful. Nevertheless, since most of the liberal professionals create micro-enterprises, the possibility to capitalize and invest in R&D is very limited.



Young people and liberal professions

Generally, two motives drive people into business: seizing an opportunity or need.

Proposals and questions:

- Raise awareness on liberal professions as a career option: financial opportunities, opportunity to be your own boss and organize your time⁵, reconcile the professional and private life
- Professional counselling - direct young people towards liberal professions, but also cover the shortages in certain sectors and avoid unemployment in overpopulated sectors.
- Creation of a common training framework - high-quality training of the liberal professional is key criterion for the consumer
- Mix theoretical learning, work-based learning, experience and launch of a business.
- Support package for a starter - different from one targeting an entrepreneur who has already established a business?
- Young People are attracted by a career as consultants – are they liberal professionals? Will they be regulated or not?

What instruments could be used to inspire youth and lead them towards this sector at the EU level?

Examples of good practice from the Member States:

- Various targeted exercises to attract young people to choose a career in the health sector (physician, midwife, nurse) through synergies between school and sectorial organizations – following the EC's green paper on the EU workforce for health⁶
- Former alumni who are exercising the profession talk to the 1st-year students and motivate them⁷
- University – sectorial organizations partnerships - students in the 4th and 5th year contacted by law firms and invited for job interviews
- Creation of a comic strip book illustrating the profession of a surveying engineer for children of 10 to 14 with the aim of raising their interest in technical courses
- In the UK, universities employ professionals to go and talk to A-level students and present their profession in order to awaken their interest and enthusiasm for such a career
- Austria, Go international encourages young people to go abroad and open cross-border businesses
- In Germany, the dual system with business / entrepreneurship studies incorporated achieved good results –thus, no shortage in the technical sector.
- In order to tackle the lack of business knowledge among the liberal professionals in the dentist sector in Germany, people were provided with a brochure explaining different ways of working together. As a follow-up, women dentists got together and created a form of enterprise that allows them to achieve a better work-life balance by taking turns.

Internationalization

⁵ Which prove to be one of the top motivations for starting-up a business, according to the 2012 Eurobarometer. survey on entrepreneurship. See page 135: http://ec.europa.eu/public_opinion/flash/fl_354_en.pdf

⁶ COM(2008) 725 final. http://ec.europa.eu/health/ph_systems/docs/workforce_gp_en.pdf

⁷ Trainees could be involved as well.



The lack of information regarding the regulatory framework and other business-relevant issues are considered some of the main challenges.

Proposals made:

- The single points of contact in some countries are well hidden, not standardized and do not offer services in foreign languages. What role could liberal profession organizations have in determining them to be more visible, use the EC EUGO trademark, offer similar types of services (and what kind) etc.? Would the provision of services in 23 languages be feasible? – DG MARKT developed an EU portal to search by country for the national points⁸.
- How much cross-border services are provided online? How can we measure and promote the online activity?

Proposals on other issues

- Gather statistical data on liberal professions and the type of existing rules regarding qualifications to analyse the type of regulation needed - academic support and synergies between research institutes⁹ and liberal profession organizations.
 - The EESC is launching a study to map the situation of liberal professions in EU27, including both regulated and non-regulated professions (ready by the end of 2013).
 - DG MARKT has already developed a database of the regulated professions as a tool for the transparency exercise¹⁰.
- Creation of a European Charter for Liberal professions, like the one for Small Enterprises see the Draft Charter¹¹ of the Council of European Dentists.

Conclusions and Planning for next meeting

Vice-President Antonio Tajani, responsible for Enterprise and Industry, highlighted the importance of liberal profession entrepreneurs for Europe's economy and pinpointed that through this Working Group the Commission wants to work with the professionals to find solutions to their problems and establish a joint action plan. The results of the working group will be a report proposing concrete action lines for bolstering the business of liberal professions and an awareness-raising event in Brussels in the first quarter of 2014.

In order to reach this objective, during the next meetings key aspects concerning the issues discussed during the first session should be further analysed and solutions proposed: e.g. scope of support, concrete actions in support of the liberal professions, model projects that could be replicated at the European level and policy proposals that can be taken to the governments. First series of contributions from the representatives of the liberal profession organisations: to be sent by mid June 2013.

Dates of the following sessions: to be communicated in June 2013.

⁸ http://ec.europa.eu/internal_market/eu-go/index_en.htm

⁹ Like the Center for Liberal Professions in Germany

¹⁰ http://ec.europa.eu/internal_market/qualifications/regprof/index.cfm?action=homepage

¹¹ <http://www.eudental.eu/index.php?ID=2741>



ANNEX

BOLSTERING THE BUSINESS OF LIBERAL PROFESSIONS WORKING GROUP	
Session 1 - Filling gaps in the information and support networks	
List of Participants	
NAME AND FIRSTNAME	ORGANISATION
Federico Diomeda	European Federation of Accountants and Auditors for SMEs (EFAA)
Elena Córdoba Azcárate	Union Professional (UP)
Peter Swindlehurst	United Kingdom Inter-professional Group (UKIPG)
Stephanie Bauer	Bundesverband der Freien Berufe (BFB)
Horia Neamtu	Union des Professions Libérales de Roumanie (UPLR)
Rudolf Kolbe	Die Freien Berufe Österreichs (FBÖ)
André Michielsens	Council of the Notariat of the European Union (CNUE)
Clarisse Martin	Council of the Notariat of the European Union (CNUE)
Gaetano Stella	Confprofessioni
Giovanna Ventura	Confprofessioni
Gert Peeters	Federatie voor Vrije en Intellectuele Beroepen (FVIB)
Jan Sap	Federatie voor Vrije en Intellectuele Beroepen (FVIB)
Jacques Reignault	Conseil européen des Professions libérales (CEPLIS)
Madeleine Schavoir	Association Européenne des institutions de retraite des professions libérales (EURELPRO)
Eric Thiry	Union Nationale des Professions Libérales et Intellectuelles de Belgique (UNPLIB)
François Blanchecotte	Union Nationale des Professions Libérales (UNAPL)
Sandra Viard	Union Nationale des Professions Libérales (UNAPL)
Andrea Camporese	Associazione degli enti previdenziali privati (Adepp)
Francesco Verbaro	Associazione degli enti previdenziali privati (Adepp)
Hartmut Kilger	Arbeitsgemeinschaft berufsständischer Versorgungseinrichtungen (ABV)
Katharina Göbel	Arbeitsgemeinschaft berufsständischer Versorgungseinrichtungen (ABV)
Jeremiah Carroll	Irish Inter-professional Association (IIPA)
European Economic and Social Committee	
Fausta Palombelli	European Economic and Social Committee (EESC)
Florian Lemor	European Economic and Social Committee (EESC)
European Commission	
Marko Curavić	European Commission, DG ENTERPRISE AND INDUSTRY
Jürgen Tiedje	European Commission, DG INTERNAL MARKET
Ioana Mazilescu	European Commission, DG INTERNAL MARKET
Emmanuelle du Chalard	European Commission, DG INTERNAL MARKET
Laura Catana	European Commission, DG ENTERPRISE AND INDUSTRY
Massimo Baldinato	European Commission, CABINET ANTONIO TAJANI
Antonio Tajani	European Commission, COMMISSIONER FOR ENTERPRISE AND INDUSTRY