

**The second Trade Specialised Committee on Services, Investment and Digital Trade
under the EU-UK Trade and Cooperation Agreement**

Brussels, 20 October 2022

13:30 – 16:00 (BST) / 14.30-17.00 (CEST)

Borchette Center and via videoconference

Joint Minutes

The second meeting of the Trade Specialised Committee on Services, Investment and Digital Trade (TSC) under the Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part (TCA), took place on 20 October 2022 in Brussels and via videoconference.

Agenda Item 2: Recognition of Professional Qualifications: implementation of Article 158 – follow-up of the discussions on the 1st Trade Specialised Committee on Services, Investment and Digital Trade on 11 October 2021

The Parties followed up on the discussions in the first TSC, on 11 October 2021, where they agreed to exchange on how to perform, in accordance with the TCA, the joint preparatory technical work for reviewing any joint recommendation submitted by the professional bodies or authorities. The Committee noted the discussions held at technical level on a workable process, including on ways to inform and involve professional bodies and authorities.

In addition, the Parties took note of the receipt of the Joint Recommendation for a Mutual Recognition Arrangement for Architects from the Architects Council of Europe and the Architects Registration Board. The Parties took note of the relevant procedures on professional qualifications in Article 158 of the TCA, also noting that the TCA requires the Partnership Council to review the consistency of a joint recommendation with the Services and Investment Title within a reasonable period of time.

Agenda Item 3: Entry and temporary stay of natural persons for business purposes: implementation and transparency

The Parties updated each other on the stage of implementation of the commitment in Annex 21 of the TCA to remove, at the latest on 1 January 2023, any charge, fee or tax imposed by a Party (other than fees associated with the processing of a visa, work permit, or residency permit application or renewal) on the grounds of being allowed to perform an activity or to hire a person who can perform such activity as an intra-company transferee. Both Parties confirmed their intention to lift the respective

relevant measures by the due date and agreed to exchange this information after 1 January 2023.

The Parties also updated each other on the stage of implementation of the transparency commitment in Article 145 of the TCA concerning measures that pertain to the entry and temporary stay of natural persons of the other Party. The EU explained the progress undertaken in gathering Member States' relevant information at the EU Immigration Portal. The UK outlined several enhancements made to its guidance, giving examples of recent improvements following stakeholder feedback. The UK noted positive examples of Member State best practice and also raised the challenges faced by UK nationals when navigating some Member State sites. The UK emphasised the importance of accessible guidance and the desire to work together with EU authorities to ensure respective guidance reflects the needs of stakeholders.

The EU expressed its concern that the UK sponsorship system is a strong disincentive to UK companies considering the hire of EU service suppliers to provide contracted services in the UK. The UK set out how the sponsorship system works and explained that, in its view, the system is out of scope of the TCA's Mode IV disciplines due to the carve-out at Article 123(4) of the TCA. The EU argued that while the parties may take measures *"to regulate the entry of natural persons into, or their temporary stay in, its territory, including those measures necessary to protect the integrity of its borders and to ensure the orderly movement of natural persons across them"* that should be done in a way that does not nullify or impair the benefits accruing to EU service suppliers in a manner that is not consistent with the non-discrimination obligation in the Agreement. Therefore, the EU argued that these measures are subject to the disciplines of the TCA. The UK reiterated its position that this is not an issue of TCA compliance.

Agenda Item 4: Digital trade - update on regulatory developments in the EU and UK and implementation

The UK presented the latest developments concerning (i) the Online Safety Bill; (ii) the Digital Identity Trust Framework; and (iii) its proposed pro-competition regime for digital trade. The EU in turn provided an update regarding (i) the Digital Services Act; (ii) the Digital Markets Act; and (iii) recent developments on the legislative process regarding the proposed European Digital Identity Framework as well as the development of the toolbox for the European Digital Identity Wallet and electronic trust services.

The UK asked questions about the French public procurement measures concerning cloud computing services and their compatibility with TCA's provisions on digital trade and services and investment. The EU stated that the French measure is connected to the fulfilment of public procurement contracts. However, it took note of the UK's questions regarding digital trade and services and agreed to discuss them, alongside public procurement issues, in detail at the Trade Specialised Committee on Public Procurement on 27 October 2022.

AOB

The UK raised the entry requirements that UK touring artists now face when travelling to the EU and the clarity of Member States' guidance regarding these requirements. The UK also reiterated that it is ready to implement the Memorandum of Understanding on financial services regulatory cooperation. The EU noted the UK's comments on both issues and set out its opinion that neither of them is covered by the TCA.

Finally, the UK noted its continued interest in the implementation of Article 194(1) of the TCA. It raised concerns about the conditions under which UK lawyers could provide designated legal services in one Member State, while recognising that this issue has been addressed and solved in another Member State. The EU expressed readiness to follow up on the issue if the UK can provide more specific information.

Attachments

1. Final agenda
2. List of participants

Attachment 1 – Final agenda

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Final Agenda

(Brussels and via videoconference)

1.	Opening remarks and adoption of the agenda
2.	Recognition of Professional Qualifications: implementation of Article 158 – follow-up of the discussions on the 1st Trade Specialised Committee on Services, Investment and Digital Trade on 11 October 2021
3.	Mode 4 - Entry and temporary stay of natural persons for business purposes: implementation and transparency
4.	Digital trade - update on regulatory developments in the EU and UK and implementation
5.	AOB
6.	Closing

Attachment 2 - List of participants of the second Trade Specialised Committee on Services, Investment and Digital Trade under the EU-UK Trade and Cooperation Agreement

EU Delegation (43 participants)

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

UK Delegation (33 participants)

- UK Co-chair of the Trade Specialised Committee on Services, Investment and Digital Trade
- UK Government Officials (BEIS, FCDO, DCMS, Home Office, Ministry of Justice)
- UK Government Officials from UK Mission to the European Union
- Scottish Government Official
- Northern Ireland Executive Official
- Welsh Government Official