

20 September 2011

# GREEN PAPER ON MODERNISING THE PROFESSIONAL QUALIFICATIONS DIRECTIVE

# Introduction

In 2005, the Professional Qualifications Directive was adopted, setting the rules for mutual recognition of professional qualifications between member states. By doing so, it consolidated the 15 previous Directives covering separate categories of regulated professions.

An evaluation of the transposition of the Directive took place during 2010. Building on the transposition report, the European Commission launched a public consultation on the Directive on 7 January 2011, followed by a green paper published on 22 June. This paper constitutes BUSINESSEUROPE's response to the green paper.

# General comments

Promoting the occupational and geographical mobility of workers helps to improve the functioning of European labour markets and the provision of cross-border services. From a business perspective, removing unnecessary obstacles to the recognition of professional qualifications will contribute to a further completion of the internal market. Companies all across Europe are struggling with skills shortages, for instance of engineers and professionals within the health sector. However, the shortages experienced differ from one country to another. This means that increased intra-EU mobility would contribute to easing the situation by reducing mismatches and filling vacancies.

From a worker's perspective, freedom of movement provides a greater pool of jobs to choose from. Moreover, the value of the knowledge exchange between Member States resulting from such mobility should not be underestimated. To take one example, a greater flow of professionals between Member States' healthcare systems would enable the spread of best practices in medicine, knowledge of how to use new techniques, development of more efficient processes, etc. This exchange of know-how will contribute to economic growth, competitiveness, better service delivery and job creation.

Attitudes to geographical mobility are positive among Europeans, according to a 2009 Eurobarometer study. Among other things, it is associated with better career opportunities. At the same time, very few respondents are envisaging taking the actual step to move. Currently, only one out of ten Europeans actually is considering moving to another Member State in the next ten years. It shows that there is a clear potential to increase this figure.

In order to promote a higher level of mobility among workers in regulated professions, what is needed is first and foremost a simplification of how the 2005 directive functions.



Awareness of the possibilities this directive brings for workers in regulated professions to have their qualifications recognised in another Member State is far too limited. Moreover, there is confusion about how to interpret the directive. More and updated information on how the 2005 directive should be interpreted should be provided.

BUSINESSEUROPE fully agrees with the Single Market Act that modernising the *acquis* on the recognition of professional qualifications is needed. But European employers would only be able to support additional legislation if an in-depth analysis shows that it is the only way to achieve real simplification.

## Specific comments

#### Reducing the number of regulated professions

A systematic screening should be conducted on the need for regulated professions to stay regulated. Over 25% of these 800 professions are in fact only regulated in one single Member State. This is the case for photographers, journalists and chambermaids for instance. Nevertheless, all the other Member States must set up national contact points for handling cases of their nationals moving into the Member State where the profession is regulated.

Not only is this a costly exercise. It could also be questioned whether there are valid reasons to keep such professions regulated in the country in question. An evaluation should be done on whether rules are still justified by the need for consumer protection, or if it would make more sense from the perspective of consumers not to regulate the profession. The latter option might prove more beneficial to consumers as it promotes geographical mobility and thereby could increase access to and quality of the service in countries where there is a shortage. It could also benefit consumers through lower costs.

The need to revise the basis for regulating certain professions also stems from developments on our labour markets; old professions are disappearing, new ones emerging, and most importantly, the content of existing occupations is continuously changing. The skills and competencies required for many occupations are not the same today as they were in the 20<sup>th</sup> century.

A dynamic labour market where the occupational profiles are evolving to match the demands of customers and employers should be embraced. Consequently, we must recognise that the need to regulate or the way in which to regulate a certain profession or not is not set in stone.

Against this background, we suggest an assessment of currently regulated professions to investigate whether the number could be reduced in order to foster mobility between Member States in an effective way. However, the decision of whether individual professions should stay regulated should remain a national competence, but justified on the basis of objective criteria.



At the same time, Member States should be obliged to set clearer and more objective conditions for access to the professions they choose to regulate. The requirements that need to be fulfilled to carry out certain regulated professions are burdensome and sometimes simply not reasonable. As an example, geometers in France have to be able to provide a photo where they are pictured wearing a tie. Although a trivial example, it shows how absurd the system of recognition is in some cases. Such a demand ignores not only the existence of female geometers, it is also completely irrelevant for the capacity of the individual to carry out his or her job.

#### Modernising automatic recognition

The green paper suggests that there is a need to modernise the system for automatic recognition, which covers the following seven professions: doctors, midwifes, nurses, architects, dentists, pharmacists and veterinary surgeons. In particular, a modernisation of the recognition of minimum training requirements is called for.

There are good reasons why these professions are regulated and BUSINESSEUROPE does not question in itself the need to have minimum requirements of education and training, nor do we have an opinion on the duration of these education pathways as such.

However, the main issue when assessing whether there is a need to upgrade minimum requirements overall should not be on the number of hours spent sitting on a school bench. Instead, it should be on the outcome in terms of skills and competences acquired from the studies undertaken.

Currently, a development is underway in national credit and qualifications systems to shift the emphasis from input-based measures to an output based approach. This will facilitate for employers to assess what an individual is actually capable of doing after graduation, regardless of *where* the studies were undertaken or for how long. It will also make it easier for educational providers in different Member States to evaluate how far into an education a student has come into when transferring from a foreign system.

BUSINESSEUROPE therefore welcomes that the green paper sees a potential in making use of the European Credit Transfer and Accumulation System (ECTS), a transparency tool developed for the transfer of credit points in the higher education sector across Member States, to facilitate automatic recognition in the future.

#### The Professional Qualifications Directive and the development of transparency tools

Exploring the potential of the various transparency tools developed within the Bologna and Copenhagen processes to facilitate recognition of professional qualifications should not be limited to the seven professions covered by the system of automatic recognition. The co-existence of the general system of the Professional Qualifications Directive on the one hand and in particular the European Qualifications Framework (EQF) on the other should be given more attention by the Commission. There is a need to clarify how this framework could impact on the mutual recognition of regulated professions. The EQF creates a system for comparing qualifications across different education and training systems. To this end, eight levels of qualifications have been established for the categorisation of education pathways.

At the same time, the general system as set out in the Professional Qualifications Directive defines five levels of qualifications for comparison of qualifications.

By the time of the launch of the Professional Qualifications Directive, it was stated that the EQF levels should not be taken into account when applying the Directive. However, the confusion that reigns among workers, learners, employers, education providers and other stakeholders when it comes to interpretation of the Directive and the implementation of the EQF is in itself enough to show that there is a need to outline how their future co-existence is envisaged.

The EQF has also been followed by a number of complementary tools, like the European Credit System for Vocational Education and Training (ECVET) and the European Quality Assurance in Vocational Education and Training (EQAVET). Likewise, a quality assurance tool for the higher education sector has been developed; the European Quality Assurance Reference Framework (EQARF).

A common approach to quality assurance of educations and training (including quality of teaching, ways to measure learning outcomes, etc.) would contribute to a smoother recognition of qualifications stemming from education providers across EU27. However, many regulated professions fall outside the scope of the transparency tools. This further points to the need to make use of the Copenhagen and Bologna processes as a source of inspiration for how to increase transparency and trust between national education systems, also for regulated professions.

## Introducing a Professional Card

Ensuring that the mobile worker holds the correct qualifications and satisfies other conditions to be allowed to practice is crucial. Inevitably, this requires certain administrative procedures in both the sending and receiving country. This being said, the administrative burden put on the mobile worker and his or her employer should be kept to a minimum. The additional paper work required to have one's qualification recognised in each new receiving country that a mobile worker wishes to practice in obviously tarnishes the attractiveness of moving between Member States.

The aim should be to make sure that those competent authorities for issuing professional qualifications in the *sending country* pursue their accreditation in a way that is trustworthy and transparent for corresponding competent authorities within the entire single market. Duplication of the work done by the sending country's competent authorities should thereby be avoided in the receiving countries.

However, according to the Commission's transposition report of the 2005 Directive, Member States currently do not trust foreign qualifications, even for occupations where harmonised minimum standards already exist. Instead, they make extensive use of their possibilities to verify them through compensation measures, for instance



adaptation periods during which the professional is required to work on an inferior level than the one attested by his or her qualifications.

In principle, BUSINESSEUROPE supports the idea to give a status to someone based on his or her qualifications and making sure that this status can be easily proven throughout Europe, at any time. However, employers are not convinced that the introduction of a professional card is the best approach to this problem. It needs to be addressed at the root, by improving trust between receiving and sending countries in terms of how the qualifications are issued in the first place. As explained in the previous section, a common approach to quality assurance could help in this respect.

#### Language skills

In the existing legislation (Article 53 of the Professional Qualifications Directive), it is stated that professionals must have the language knowledge necessary for exercising a particular activity in a Member State. Language requirements should be justified and proportionate, in view of the activity that the professional wishes to carry out. Thus, they may vary according to the activities to be exercised, in line with the proportionality principle. Moreover, the Directive does allow for language testing in exceptional and justified cases.

BUSINESSEUROPE considers that the possibilities for Member States to ensure that professionals have the necessary language skills are sufficiently covered in the existing legislation and should not be strengthened. In addition, the European Commission should be vigilant against systematic language testing as a way to keep non-national professionals outside the labour market through time-consuming and complicated procedures.

\*\*\*\*\*