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BARBADOS
PRIVATE SECTOR
TRADE TEAM
A DIVISION OF THE BARBADOS PRIVATE SECTOR ASSOCIATION

ENGINEERING SERVICES & INTERGRATED ENGINEERING SERVICES UNDER THE ECONOMIC PARTNERSHIP AGREEMENT (EPA)

The Economic Partnership Agreement (EPA) signed between CARIFORUM (the Caribbean Community and the Dominican Republic) and the European Community (EC) came into effect on January 1, 2008. Among other things, the Agreement covers issues such as market access for trade in goods, services and investment as well as other areas such as intellectual property rights, e-commerce, innovation and development cooperation.

These Questions and Answers will assist those engaged in Engineering Services & Integrated Engineering Services to explore issues regarding access to the EC from Barbados as wells as access to Barbados from the EC business in Barbados.

Q: Are Barbadian companies engaged in Engineering Services allowed access to the European Community under the EPA?

A: Yes. Under the CARIFORUM/EC Economic Partnership Agreement, Barbadian companies may invest in or establish a legal entity in the EU, with certain conditions.

Q: What are the conditions for Barbadian Engineering Services firms wishing to enter EU countries?

A: Those conditions vary from country to country in the EU. For example, in Bulgaria, if a Barbadian Engineering Services firm's project is deemed to have national or regional significance, the investors in the project must act as sub- contractors in partnership with local Bulgarian investors.

In other countries, there are limitations on the activities of Barbadian Engineering Service providers within the country. The following chart lists the conditions by country:

Austria, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Spain, Greece, Finland, Hungary, Ireland, Italy, Lithuania, Latvia, Malta, Poland, Romania, Slovak Republic, and Slovenia: There are limitations imposed on the acquisition of land and real estate.

Estonia, Finland, Italy, Romania and Sweden: There are limitations requiring local citizenship or residency of senior management or Board of Directors.

Poland: There are limitations on the type of business permitted.

Bulgaria, France, Finland and Italy: There are limitations on the type of investment e.g. a maximum percentage for foreign shareholding or voting rights.

EC: Limitations on the treatment extended to branches and agencies.

Q: Are there requirements for licensing and qualifications in the EU for Barbadian Engineering Service providers wishing to provide services there?

A: Yes, there are.

The first requirement to provide services in an EU country is that the qualifications or business license has to be recongised in the country in which the service is provided. The Economic Partnership Agreement contains a process for the private sector to negotiate the terms for mutual recognition of qualifications and licensing requirements with their European counterparts. Once these negotiations have been finalised, the professional bodies will make recommendations to the CARIFORUM- EC Trade and Development Committee, which will finalise the mutual recognition agreements.

Q: Provided that our Engineering Service company here in Barbados has been given permission to invest in or establish a business in one of the countries of the EU, what are the rules under the EPA for personnel wishing to work overseas?

A: Generally, key personnel (those persons described under the EPA as managers and specialists) are allowed to remain in EU countries for up to three years. Those senior staff members that the Barbadian firm will need to establish its commercial presence in the EU will be allowed to work for 90 days during any 12- month period. And if you are planning on sending graduate trainees to the EU, they may remain for one year. Remember that these persons are subject to the normal visa and immigration requirements of the host country.

There are a few countries that place specific conditions on Barbadian Engineering Services staff. These are:

- Estonia - At least one responsible person (project manager or consultant) must be an Estonian resident.
- Bulgaria – All Barbadian Engineering Services Specialists wishing to work in Bulgaria must have at least two years experience in the construction field.
- Greece, Hungary and Slovakia – all require that Engineering Service suppliers must have residency.

Q: Ok, I understand the requirements for Engineering Services firms wanting to invest in or open businesses in the EU, but I am an independent Engineering Services professional and I want to enter into a contract in a member country of the EU. I don't want to open a business or invest there, just service my contract. Under the EPA, am I allowed to travel there to work on the contract if I sign?

A: As an independent Engineering Services professional, you are