BARBADOS PRIVATE SECTOR TRADE TEAM

A DIVISION OF THE BARBADOS PRIVATE SECTOR ASSOCIATION

REAL ESTATE 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 are designed to answer your questions about providing real estate services to European Community countries using the provisions of the CARIFORUM/EU Economic Partnership Agreement.

Q: What types of real estate services can Barbadian interests invest in or own in the EU under the Economic Partnership Agreement?

A: Under the EPA, Barbadian companies can invest in/establish a legal entity in **Real Estate Services involving owned or leased property** and **Real Estate Services** on a fee or contract basis. There are certain conditions placed on Barbadian real estate services providers by certain countries in the EU. Those conditions are:

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

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

Poland places conditions on the type of businesses Barbadian real estate services firms may invest in or own.

Bulgaria, France, Finland and Italy all have limitations on the types of investments Barbadians are able to make in the real estate services segment, e.g. a maximum percentage for foreign shareholding or voting rights.

Q: If Barbadian real estate services interests are permitted entry in to the EU for investment or business establishment purposes, what members of staff are allowed to work at the business in the EU?

A: Key personnel, that is, intra- corporate transferees such as managers and specialists will be allowed in the EU from Barbados for a period of up to 3 years.

The senior staff from Barbados responsible for establishing a commercial presence in the EU may remain for 90 days in any 12- month period and graduate trainees for one year.

These are the general rules for Barbadian staff working in the EU under the provisions of the EPA in the real estate services sector. These opportunities are subject to conditions in some countries. They are:

For real estate services involving owned or leased properties, **France, Hungary, Italy, and Portugal** impose residency requirements on professionals providing these services, and **Latvia, Malta and Slovenia** have nationality requirements.

In real estate services that are provided on a fee or contract basis, there's a residency requirement in **Denmark** for professionals unless waived by the Danish Commerce and Companies Agency.

France, Hungary, Italy and Portugal all have residency requirements for Barbadians in these services and **Latvia, Malta and Slovenia** have nationality requirements.

Q: Does the EPA allow a Barbadian firm in real estate services located here in Barbados to provide those services to EU clients in Europe?

A: Yes, a Barbadian real estate service provider may operate from Barbados to clients in the EU, with conditions in the following countries:

There is no commitment to permit the supply of real estate services from Barbados, by Barbadian interests to **Bulgaria, Cyprus, Czech Republic, Estonia, Hungary, Ireland, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, & Slovenia**.

Barbadian service providers may provide services to EU clients here in Barbados with limitations placed on the acquisition of land and real estate for those from **Austria, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Spain, Greece, Finland, Hungary, Ireland, Italy, Lithuania, Latvia, Malta, Poland, Romania, Slovak Republic , and Slovenia**.

Q: Are EU real estate services firms permitted to operate in Barbados under the provisions of the EPA?

A: Barbados did not undertake any commitments to provide market access to the real estate services sector or to remove any discrimination that favours domestic services providers. In the absence of such commitments, EU real estate services suppliers are not legally guaranteed the right to:

1) Provide real estate services from the EU to Barbadian consumers located in Barbados.

2) Provide real estate services from the EU to Barbadian consumers temporarily located in the EU

3) Invest in /establish a legal entity in Barbados to provide real estate services.

The Barbados Private Sector Trade Team (BPSTT) is here to answer any questions you may have about conducting trade in the European Community under the terms of the CARIFORUM-EC Economic Partnership Agreement.

If after reading these questions and answers you still have queries, please contact us directly by email at info@tradeteam.bb, or by speaking with one of our Trade Officials at 1-246-430-6541.

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