



Department for
Business, Energy
& Industrial Strategy

The Recognition of Professional Qualifications and Regulation of Professions

Policy Statement



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Any enquiries regarding this publication should be sent to us at: professionalqualifications@beis.gov.uk

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Introduction

There are over 160 professions regulated by legislation across the UK, providing important services that we all benefit from. Consumers value the high-quality services they receive from these professionals, who form a vital part of our world-leading services sectors.

Our regulatory environment for professions is important as we back the recovery from coronavirus (COVID-19). Many of our professionals have supported the UK's response to the pandemic, in particular medical and nursing professionals. Other professions have ensured that social care and education have continued; others again keep the country moving as transport professionals. These examples are some of the many professions regulated by a network of over 50 regulators, and they provide important contributions to our economy and society. We want our professions to continue to attract the skills they need and for everyone to be confident in the professionals providing important services.

Our professionals are drawn from both the UK and overseas. This provides diversity as well as helping us to meet skills demand. We need to have confidence that the professionals delivering core skills are qualified, wherever they developed their expertise. Regulators play a crucial role in assessing whether these professionals have the appropriate skills and knowledge to practise in the relevant part of the UK.

The UK's current approach to recognising professional qualifications gained overseas is largely derived from our previous membership of the EU. Changing the EU derived interim system will require primary legislation, and this Policy Statement outlines proposals that could be delivered using primary legislation. We will keep those parts of the EU-derived system that work well for our professions and professionals' needs and adapt those that work less well. This will mean that people can have confidence when using services which rely on professional qualifications, and trust that the individuals delivering those services are appropriately qualified.

We need to make sure we have the right skills domestically, acknowledging that these needs differ in different nations of the UK. We also recognise that regulation is devolved in many areas. Our proposals will uphold the autonomy of regulators and devolved administrations to determine professional standards and assess who meets these standards in ways they deem fit.

We are proposing a framework that allows highly skilled professionals from all around the world to practise in the UK. This will end the systematic disparity in treatment of professional qualification holders from the EU, Norway, Iceland and Liechtenstein (European Economic Area (EEA)) compared to those from other countries. Instead, the UK Government and devolved administrations can make sure that employers can access suitably qualified professionals from all around the world where there is a demand for their services.

As the UK trades globally, we also want to support professionals to seize the opportunities to deliver their services in overseas markets. In 2020, UK exports of services were £267.1bn,

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representing 46.2% of total UK exports.¹ Practising certain professions overseas can require, among other things, the recognition of professional qualifications. We will continue to pursue reciprocal arrangements on the recognition of professional qualifications with international partners as part of our ambitious trade agenda. This includes equipping regulators to pursue agreements with their counterparts in other countries where they want to do so. We want to facilitate the continued strong reputation of UK professional qualifications, which will support export opportunities, including education exports and the recruitment of international students.

We need professionals to be able to easily navigate the framework and seize the opportunities that professional services offer domestically and overseas. We recognise that it can be difficult for individuals to understand and navigate the regulatory landscape. That is why we are suggesting targeted steps to support professionals in seeking recognition of their professional qualifications, both here and overseas. We also plan to introduce measures that will embed transparency in regulatory practices.

To better understand the UK's current approach to the recognition of professional qualifications from other countries, we conducted a Call for Evidence. Our programme of engagement included detailed discussions with regulators, trade associations, other organisations, and academics from all parts of the UK. We also issued a written [Call for Evidence into the recognition of professional qualifications and regulation of professions](#), which ran from 25 August 2020 until 23 October 2020 and provided valuable insight. A summary of responses to the written Call for Evidence is available [here](#).

The responses submitted to the written Call for Evidence, alongside our discussions and correspondence with stakeholders, indicated a complex regulatory landscape which has been developed to meet the needs of professions. We heard examples of how the regulatory landscape can operate smoothly, recognise expertise and be agile in responding to changing needs; but we also found that there is considerable diversity of approaches and expectations, which can be difficult to navigate.

We value the expertise of regulators of professions across the UK, and their input to these proposals has been essential. Regulators play a vital role in facilitating access to professions while making sure that high standards are maintained. That is why all our reforms are designed to comprise an overarching framework, within which regulators can operate and make decisions autonomously. Our proposals set the foundations for all these policies, enabling approaches to the recognition of professional qualifications that meet the needs of all parts of the UK.

¹ Department for International Trade. '[Trade and investment core statistics book](#)', (viewed on 28 April 2021)

Context

Across the UK there are over 160 professions that are regulated by legislation, by more than 50 regulators, in addition to a range of other professions regulated voluntarily. These professions, such as nursing and teaching, provide a wide range of employment opportunities. A regulated profession is one in which there are restrictions to pursuing the activities or a subset of activities of the profession, such as for doctors, and/or restrictions for using a professional title, such as the use of 'architect'.

The most common example of a professional regulation is where an individual is required by law to register with a regulator in order to practise within that profession. This usually requires members to gain a qualification or carry out specialised training to demonstrate their capability in their chosen field. Regulation can also be done on a voluntary basis, for example where chartered professional bodies grant individuals the right to use a particular professional title, such as 'chartered accountant' in the UK.

Professions can benefit from distinct approaches to regulation, attuned to the needs of the profession and the territory covered by the relevant regulator. The regulation of some professions is underpinned by specific legislation, such as nursing. The regulation of some other professions is managed voluntarily, without underpinning legislation, such as professions that are regulated by some Chartered Bodies.

There are different arrangements in place in different parts of the UK for the regulation of certain professions, for example for solicitors, primary and secondary school teachers, and social workers. The distinctive approaches to the regulation of some professions in different parts of the UK reflect the differences in, for example, the justice and education systems.

The UK's world-leading services sectors rely on both the skills and expertise of UK professionals, and on attracting and retaining talent from overseas to meet demand. Effective recognition of professional qualifications, including from overseas, maintains the high standards of regulated professions. In turn, this supports the delivery of services, including important public services, across the UK.

Currently, the framework to recognise professional qualifications in the UK is largely derived from EU law. The EU Mutual Recognition of Professional Qualifications Directive 2005 (MRPQ Directive) forms the basis of the UK's system to recognise professional qualifications gained overseas. Following the UK's exit from the EU, and the conclusion of the transition period on 31 December 2020, the Government put in place an interim system of recognition which retained elements of the MRPQ Directive.² This was to provide certainty to UK businesses and maintain workforce supply for professions such as nursing and teaching.

² Department for Business, Energy and Industrial Strategy. '[Recognition of professional qualifications: guidance for regulatory bodies](#)' (viewed on 28 April 2021)

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This has resulted in what may be perceived as preferential treatment to professionals with Swiss and EEA qualifications, as regulators are not generally obliged in law to have recognition routes for professional qualifications from elsewhere. In practice, many regulators do have these arrangements in place with their counterparts in other countries. Nonetheless, the interim system can mean that professionals with qualifications from outside the EEA or Switzerland face hurdles if seeking recognition of their qualifications in the UK, such as higher application fees compared to their EEA or Swiss counterparts, or in some cases, no means to seek recognition at all. This could limit the pool of professionals available to the UK.

The recognition of qualifications is important in making sure the UK maintains its commitments to uphold the Common Travel Area (CTA). Under the CTA, UK and Irish citizens can move freely and reside in either jurisdiction and enjoy associated rights and privileges, including the right to work. The UK and Ireland signed a Memorandum of Understanding (MoU) in 2019, which reinforced both parties' existing commitments to the CTA as the UK prepared for exiting the EU. The MoU states that recognition of professional qualifications is "an essential facilitator of the right to work" and therefore, both the UK and Irish Governments have agreed to make sure there are adequate routes to recognition for qualified professionals across the UK and Ireland.

The UK has an ambitious international trade agenda, which is aided by our agreements with trade partners. The recognition of professional qualifications is often an important component in these agreements, as a lack of recognition routes can equate to a non-tariff barrier to trade in services. Free trade agreements – for example, the UK-EU Trade and Cooperation Agreement – often contain provisions designed to facilitate the recognition of professional qualifications between trading partners. Within and outside of free trade agreements, regulator-to-regulator recognition arrangements can also make it easier for professionals to have their qualifications recognised, and thus provide services, beyond the jurisdiction in which they qualified.

The UK is, of course, no longer bound by the MRPQ Directive and it is time to consider the right long-term arrangements to replace the EU-derived interim system. While many parts of the systems in place to support the recognition of professional qualifications and the regulation of professions work well, it is timely to review and update them so they continue to work effectively in the future.

Our Proposals

We are proposing a framework for the recognition of professional qualifications and regulation of professions. The framework will set high-level expectations within which regulators will retain the autonomy to work in the interests of their professions and devolved administrations. The steps we are proposing will support businesses and professionals alike.

We need these changes now because our interim system cannot run in perpetuity. We want a framework for the recognition of qualifications that enables the UK to attract the best talent and that reflects the UK's global trade agenda. We can also take advantage of the flexibility that the UK has being outside of the EU.

We are proposing a new recognition framework that equips the UK Government, devolved administrations and regulators with the tools to put in place recognition routes that meet the demands of individual professions in different parts of the UK. This will include the ability to attract highly skilled talent from around the world to practise in the UK and to pursue reciprocal arrangements with counterparts from other countries.

Our proposals will make sure professions can access the talent they need from all countries, and support UK professionals to take advantage of the opportunities of global trade. These proposals are part of our wider ambitions for regulated professions, including to:

- Ensure that the way we recognise qualifications from other countries is fair, complements the needs of the UK workforce and maintains high levels of quality and consumer protection.
- Promote a regulatory environment that supports jobs, social mobility and access to professions for individuals from all backgrounds.
- Ensure the regulation of professions is innovative, adaptive, proportionate; and meets the needs of consumers as well as protects public safety.
- Strengthen the UK's ability to negotiate international trade agreements on recognition of qualifications.

The UK's new recognition framework for professional qualifications

Individuals who gain professional qualifications and experience overseas play an important role in delivering public and private services across the UK. We want to be able to attract qualified professionals from around the world to meet the needs of the UK labour market and professions. Regulators play a vital role in making sure that is the case.

The UK's professions have different needs. Some are in short supply, and we have an opportunity to make sure that our new framework can facilitate addressing shortages. Other

professions, which may not already have reciprocal recognition arrangements with counterparts from other countries, could benefit from such relationships.

Meeting skills demands

There are several professions which have high demand for labour supply, and which require professionals from overseas to deliver important domestic services. This demand can change over time. Where it is the case that there is a skills need which cannot be fully met within the UK's field of qualified professionals, our proposals will require regulators of those professions to have processes to assess whether the qualifications that professionals have gained overseas meet their qualification standards. To make sure that high standards across the UK are maintained, regulators will be able to make assessments on whether the standards have been met in whichever ways they see fit.

Our proposed framework is intended to enable professions to meet the demands placed on them in all parts of the UK without undue cost or delay. The UK Government and devolved administrations will be able to identify and specify in regulations a priority set of professions where there is demand for skills from overseas. The UK Government and, where applicable, devolved administrations will be able to make their own determinations of these overseas skills demands. Considerations for those priority professions will include: whether the profession is on the shortage occupation list; vacancy levels; workforce modelling and skills forecasting; and whether there are other ways that professions might address shortages, such as arrangements already in place to recognise qualifications from other countries.³ We will allow for these determinations to evolve in line with future needs of different sectors and parts of the UK.

UK Government Ministers and Ministers in Northern Ireland, Scotland and Wales can specify priority professions where their regulation is within their legislative competence. This will be done through secondary legislation, and therefore be subject to the appropriate parliamentary scrutiny and processes. We will also make sure that our trade agenda is supported in identifying the priority set of professions.

To support the transition to the new framework, the legislation that we are proposing will revoke the interim system which is in place for the unilateral recognition of qualifications from the EEA and Switzerland. Where sector-specific legislation has established similar interim systems following EU exit, such as for healthcare professionals, our proposed legislation will enable those arrangements to be revoked at an appropriate time and as directed by the relevant Minister (UK, Northern Ireland, Scotland, or Wales).

Outside those professions on the priority list, regulators will have the flexibility to consider professional qualifications from overseas, but they will not be required to have those arrangements in place for all countries across the world in the same way as some regulators will for priority professions.

³ UK Visas and Immigration. '[Skilled Worker visa: shortage occupations](#)' (viewed on 28 April 2021)

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Some professions are regulated voluntarily, such as some regulated by certain Chartered Bodies. Once the interim system is revoked, those Chartered Bodies that regulate professions not subject to law will be free to establish recognition pathways of their own choosing.

Taken together, these proposals will equip regulators to act in the best interests of their profession and part of the UK.

Maximising international opportunities

We want to support the UK's world-leading regulated professions by making sure that regulation of professional qualifications supports and enhances the opportunities for UK professionals and businesses to deliver their services overseas. In 2020, UK exports of services were £267.1bn, representing 46.2% of total UK exports.⁴ The recognition of professional qualifications is a facilitator for trade in services, while obstacles to recognition are non-tariff barriers to trade.

Our proposals will support the UK's trade agenda and UK professionals' access other markets. We want the UK to be able to implement its commitments on the recognition of professional qualifications in international agreements. We also want to make sure any reciprocal arrangements on the recognition of professional qualifications in future international agreements can be implemented.

Meeting our international commitments

Our proposals act alongside the UK's existing commitments in international agreements. This includes the UK-EU Withdrawal Agreement, the EEA EFTA Separation Agreement, and the UK-Swiss Citizens' Rights Agreement.^{5 6 7} These measures will also work alongside the UK's Common Travel Area (CTA) commitments, and the Government is encouraging regulators to engage with their counterparts in Ireland to agree bilateral arrangements for the recognition of qualifications. Finally, the proposals are compliant with the UK's obligations as a World Trade Organisation member, including the General Agreement on Trade in Services.

We will support regulators' autonomy and ability to act internationally by introducing a power to authorise them to enter into regulator-to-regulator recognition arrangements. This power is intended for use where regulators do not have existing authority to enter into recognition arrangements with their overseas counterparts on professional qualifications. Regulators will be able to make recognition arrangements for the benefit of their profession and professionals, supporting and supplementing the Government's trade agenda.

We are proposing an information sharing requirement to support professionals who are regulated here to gain entitlement to practise overseas. Regulators will be asked to provide

⁴ Department for International Trade. '[Trade and investment core statistics book](#)' (viewed on 28 April 2021)

⁵ UK-EU Withdrawal Agreement. '[Withdrawal Agreement & Political Declaration](#)' (viewed on 28 April 2021)

⁶ EEA EFTA Separation Agreement. '[EEA EFTA Separation Agreement](#)' (viewed on 28 April 2021)

⁷ UK-Swiss Citizens' Rights Agreement. '[Swiss Citizens' Rights Agreement](#)' (viewed on 28 April 2021)

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reasonable information to help recognise specific individuals' ability to practise in another country or territory when requested. This will help UK professionals bid for, win and provide professional services overseas, and help maintain the attractiveness of UK qualifications to overseas markets and students.

The Department for Business, Energy and Industrial Strategy has already set up a Recognition Arrangements team which will support regulators and professional bodies to pursue recognition arrangements with their counterparts from other countries. We have launched [technical guidance](#) which helps regulators and professional bodies to identify, develop and agree recognition arrangements both within and outside the UK-EU Trade and Cooperation Agreement and further Free Trade Agreements. The team is already working with regulators to facilitate these types of arrangements, including encouraging engagement with Irish counterparts to uphold the UK's commitments under the Common Travel Area.

A navigable system for professionals

Professionals and businesses can find it difficult to navigate the UK's regulatory landscape. They need clear and accessible information about how professional qualifications can be recognised. Improved transparency and information-sharing between regulatory counterparts, where appropriate, will support better decision-making and more informed use of the framework.

The assistance centre (currently the UK Centre for Professional Qualifications)

We want to make sure that professionals can easily understand and utilise the new framework. We are therefore proposing to maintain a designated assistance centre to provide advice and assistance to professionals who qualified overseas and are interested in working in the UK, and to UK professionals seeking to practise overseas. The UK has an existing contract with the [UK Centre for Professional Qualifications](#) to be the designated assistance centre.

For businesses and professionals wanting to practise in the UK, the assistance centre will make sure that they understand the steps they need to take, and that they can contact the appropriate people to do so.

For businesses and professionals in the UK wishing to broaden their international reach, the assistance centre will act as the point of contact for information on gaining qualification recognition overseas. It will provide signposting, contact information and guidance on the steps to gain recognition overseas, in collaboration with the relevant international assistance centres or the equivalent.

The assistance centre will also play a coordinating role in data collection to support the UK Government and devolved administrations to continue to develop and deliver effective, evidence-based policy for regulated professions.

The right information in the right places

We are proposing a requirement on regulators to ensure they provide information about how individuals can enter and remain in their profession. This will support transparency and help individuals navigate the regulatory landscape. We will also provide a power enabling the UK Government and the devolved administrations to lay secondary legislation to require regulators to publish further information regarding their professions in the future. For example, if it emerges that certain important information, such as diversity and inclusion data, is insufficiently available, the UK Government or the devolved administrations will be able to require that the information is made publicly available.

A framework for all the UK's nations

In line with the devolution settlements, some professions are regulated in different ways in different parts of the UK. This is an important part of national and regulator autonomy, supporting all UK nations to meet their priorities. We want to ensure that this continues to work well and does not introduce barriers for professionals working in the UK.

The UK Internal Market Act 2020 established a system for UK residents for the recognition of certain professional qualifications and experience received in one part of the UK in another part of the UK.⁸ ⁹ Certain professionals can use compliance with the requirements in one part of the UK to comply with the requirements in another part of the UK. This means that UK residents with certain qualifications received in one part of the UK do not face unnecessary barriers to work in other parts of the UK.

To support effective regulation across the UK, we are proposing to make sure that regulators in the UK have access to necessary information to recognise professional qualifications. Some regulators in different parts of the UK currently share information on a voluntary basis which supports effective action, for example, if there is evidence of malpractice. We plan to give this voluntary activity a legislative underpinning. For example, a regulator in one part of the UK could ask an equivalent regulator in another part of the UK for information relating to an individual's fitness to practise, and, where applicable, any instances of professional sanctions. This would always be within UK data protection laws and any confidentiality obligations by which the regulator is bound. This will ensure that regulators in all parts of the UK have access to vital information that will help them fulfil their obligations.

⁸ Legislation.gov.uk. '[UK Internal Market Act](#)': Part 3 UK Market Access: professional qualifications and regulation (viewed on 28 April 2021)

⁹ The Legal Services professions and professions of school teaching are not included in the scope of the UK Internal Market Act's provisions on the recognition of qualifications or experience.

A framework that works for professions today and tomorrow

Taken together, the measures that we are proposing will make sure that regulators and professionals alike are able to operate effectively, confidently and with the relative autonomy that means their professions are ably supported today and in the future. At home, the new framework will make sure that we have the skills we need, and that our citizens accessing those skills and services can trust in their quality. Overseas, our proposals will support our professionals to seize the opportunities of international trade and deliver our world-leading professional services in markets around the globe.

The proposals are an important step in establishing a regulatory landscape for professionals and the services they deliver that works for all parts of the UK. We will continue to work with all involved in the regulatory landscape, developing and improving good practices which will ensure our regulators and professions can succeed today and tomorrow.

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