

24 July 2009

Series on Cariforum-European Communities Economic Partnership Agreement Issues: Part 12

Construction and Related Engineering Services

1. A Caribbean business can establish a company to provide construction and related engineering services in any EC country:

These opportunities are subject to:

- General reservations¹.

Country-specific reservations:

- ◆ Bulgaria: For projects of national or regional significance, foreign investors have to act in partnership with, or as subcontractors of, local investors.

2. A Caribbean business can secure permission for Caribbean staff to work in the company (their commercial presence) in Europe:

Key personnel (e.g. managers and specialists) and graduate trainees on intra-corporate transfers for a period of up to 3 years.	Senior staff responsible for establishing a commercial presence for 90 days in any 12-month period.	New graduate trainees for one year.
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These opportunities are subject to:

- General reservations².

3. Contractual Service Suppliers³ can travel to Europe to provide site investigation work in all EC countries.

Country-specific reservations:

- ◆ Bulgaria: Foreign specialists must have at least 2 years experience in the field of construction.
- ◆ Malta: Nationality condition applies.

These opportunities are subject to:

- The terms and conditions as outlined in the introduction to this guide.
- Economic needs test applies in:
 - ◆ Austria, Bulgaria, Czech Republic, Finland, Hungary, Latvia, Lithuania, Romania, and Slovak Republic;

- ◆ Belgium except when contractual service suppliers annual wage is above the amount defined by the relevant laws and regulations;
- ◆ Denmark except when contractual service suppliers stay up to 3 months.

4. A Caribbean business can provide construction and related engineering services from their home country to consumers in Europe.

5. Caribbean business may have new opportunities where foreign investment has been liberalised for construction and related engineering services sector in the following countries:

Antigua and Barbuda, Barbados, Dominica, Dominican Republic, Grenada, Guyana, Jamaica, St Christopher and Nevis, Suriname and Trinidad and Tobago.

¹ General reservations:

i) Limitations on the acquisition of land and real estate (in Austria, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Spain, Greece, Finland, Hungary, Ireland, Italy, Lithuania, Latvia, Malta, Poland, Romania, Slovak Republic, and Slovenia).

ii) Limitations requiring local citizenship (Romania) or residency of senior management or Board of Directors (in Estonia, Finland, Italy and Sweden), or persons authorised to act on behalf of the entrepreneur (Slovak Republic).

iii) Limitations on the type of business e.g. limited liability company, limited partnership in Poland.

iv) Limitations on the type of investment e.g. a maximum percentage for foreign shareholding or voting rights (in Bulgaria, France, Finland and Italy).

v) Registration, licensing and qualification requirements apply in all EC countries.

vi) The scope of operations of a representative office may only encompass advertising and promotion of the foreign mother company represented by the office (in Bulgaria, Poland).

² General reservations

i) Austria: managing directors of a company have to be resident in Austria. The person responsible for compliance with the Austrian Trade Act must be resident in Austria.

ii) Bulgaria: applies economic needs test for graduate trainees. The number of transferred staff is not to exceed 10% of the average annual number of the European citizens employed. If the company has less than 100 employees, the number of transferred staff may exceed 10% with authorisation.

iii) Finland: imposes nationality condition and residency requirements for the managing director of a limited company.

iv) France: the managing director of an industrial, commercial or artisanal activity, if not holder of a residence permit, needs a specific authorisation.

v) Hungary: applies economic needs test for graduate trainees.

vi) Romania: requires a company's auditors and their deputies to be Romanian.

vii) Sweden: requires the managing director of a company to reside in Sweden.

³ Employees of a Caribbean company that does not have a commercial presence in Europe but which does have a contract to supply services in an EC country.

⁴ An economic needs test is a measure used by regulatory authorities to limit the new entry of service suppliers into a market taking into account the existing capacity.