









# CHARTER FOR LIBERAL PROFESSIONS

### // INTRODUCTION

Liberal professions are a key social and economic factor in all Member States of the European Union. Europe is developing into a knowledge-based service society in which liberal professions are becoming more and more important for the state and citizens due to the increasing complexity of society. The European Commission has acknowledged that services are one of the main drivers of the EU economy: they account for over two-thirds of EU GDP and employment and have been the source of all net job-creation in recent years. Approximately one third of this can be attributed to liberal professions.

Despite their growing importance and the fact that liberal professions often provide public services in core areas of general interest, the social significance of liberal professions is still not sufficiently acknowledged at EU level. The specific situation of liberal professions particularly is often not properly taken into account by the European authorities when developing European legislation and policies.

The consequences of the financial and economic crisis have put liberal professions and their professional self-government lately in the focus of the European Union authorities. This might result in initiatives which could compromise the values and the tradition of self-government of liberal professions in many Member States of the EU. The European Commission plays in this regard a key role by strongly pushing for more economic growth in the interest of open markets for services. Liberalization and deregulation of the liberal professions seem to be the solution to generate more economic growth. It is the task of liberal professions to show that a short term gain in economic growth could have on the long run disastrous consequences for the society.

The Charter for Liberal Professions, elaborated and supported by European organisations representing professionals across Europe, aims therefore to set recommendations for the European Institutions to consider possible implications for liberal professions of any new or amended legislation and policies, and to enable the provision of high quality services for every citizen in Europe. The Charter also proposes a definition of the term 'liberal professions' based on the existing case law of the Court of Justice of the EU and outlines the distinguishing characteristics of liberal professions.

## // HISTORICAL BACKGROUND

The European Institutions have emphasised the importance of liberal professions, also for European society, in various ways over the past decade. The following documents either directly or indirectly refer to liberal professions:

- Commission Communication on the 'Report on Competition in Professional Services' (COM(2004)0083),
- Commission Communication on 'Professional Services Scope for more Reform Follow-up to the Report on Competition in Professional Services' (COM(2005)0405),
- Commission Communication on the European semester (COM(2011)0400),
- Commission Communication on a Growth Initiative of the Internal Market (COM (2012)0299),
- Commission Communication on country specific recommendations (COM (2012)0305),
- Resolution of the European Parliament of 5 April 2001 on scale fees and compulsory tariffs for certain liberal professions, in particular lawyers, and on the particular role and position of the liberal professions in modern society,
- Resolution of the European Parliament of 16 December 2003 on market regulations and competition rules for the liberal professions,
- Resolution of the European Parliament of 23 March 2006 on the legal professions and the general interest in the functioning of legal systems,

- Resolution of the European Parliament of 12 October 2006 on the follow-up to the Report on Competition in Professional Services,
- Council Directive 77/249/EEC of 22 Mach 1977 to facilitate the effective exercise by lawyers of freedom to provide services,
- Directive 98/5/EC of the European Parliament and of the Council of 16 February 1998 to facilitate
  practice of the profession of lawyer on a permanent basis in a Member State other than that in
  which the qualification was obtained,
- Council Directive 2002/8/EC of 27 January 2003 to improve access to justice in cross-border disputes by establishing minimum common rules relating to legal aid for such disputes,
- Directive 2005/36/EC of the European Parliament and of the Council of 7 September 2005 on the recognition of professional qualifications Recital 43,
- Case law of the European Court of Justice on competition law and freedom of services in the Community, with particular regard to national provisions on minimum fees, especially case "C-267/99, Adam./.Administration de l'enregistrement et des domaines de Luxembourg",
- Report Study of the Institute for Advanced Studies (IHS) on behalf of the Commission, 'Economic Impact of Regulation in the field of Liberal Professions in Different Member States' of January 2003.

### // DEFINITION OF THE TERM LIBERAL PROFESSIONS

Since the term 'liberal professions' is understood differently in different Member States, a common definition of this term is crucial. In 2001, the European Court of Justice issued a judgment in the case "C-267/99, Adam./.Administration de l'enregistrement et des domaines de Luxembourg" according to which liberal professions are described to be: 'of a marked intellectual character, require a high level qualification and are usually subject to clear and strict professional regulation. In the exercise of such an activity, the personal element is of special importance and such exercise always involves a large measure of independence in the accomplishment of the professional activities.'.

### // PRINCIPLES

The following principles are values shared by all liberal professions.

- <u>Liberal professions accept responsibility and serve the common good:</u> Liberal professions are responsible for important public services in areas such as health, justice, security, language and art. By offering their services in these areas liberal professions fulfill an important role in society and create value for society as a whole.
- <u>Liberal professions protect trust</u>: For the liberal professions the protection of their relationship of trust with their clients/patients has the highest priority. This includes absolute confidentiality by maintaining professional secrecy, acting in the interest of the client/patient and avoiding any possible conflict of interest.
- <u>Liberal professions provide high quality services:</u> Liberal professions provide a high standard of knowledge-based services. Quality is assured through demanding requirements concerning training, continuing professional development and a system of self-regulation by colleagues.
- <u>Liberal professionals are independent</u>: Liberal professions are independent in their area of expertise and from the interests of third parties and practice their professions autonomously. They are independent in arriving at their judgment and in performing their individualized service and bear full professional responsibility for their actions. Professional responsibility is not only relevant in terms of self-regulation, but also in terms of accountability to clients/patients. This balance of autonomy and responsibility is a reflection of a free, democratic society.

- <u>Liberal professions perform their services personally:</u> Liberal professions always provide their services to their clients/patients personally. They are only able to delegate a small part of these services to other persons but even then bear the full responsibility for these services.
- <u>Liberal professions are reliable partners:</u> Liberal professions have a professional ethos. It includes
  moral standards for the best quality delivery of liberal professionals' services. In carrying out their
  services the liberal professionals are not primarily motivated by commercial considerations, instead
  they are guided by their professional ethos. This distinguishes them considerably from purely
  commercial service providers.
- <u>Liberal professions support transparent self-regulation</u>: Liberal professions and self-regulation as a principle of liberal professional organization belong together. Self-regulation should be protected and optimized in the interest of clients/patients. It should be efficient and transparent and aimed at benefitting the society.
- <u>Liberal professions invest in training:</u> Liberal professions fulfil an important responsibility towards society in that they offer young people training opportunities in professions with above-average prospects in the labour market. In this way they contribute to skill enhancement and job creation in Europe.
- <u>Liberal professions support an innovative Europe:</u> Liberal professions form a key sector of the
  European economy. As a driving force behind innovation they make an important contribution to
  the realisation of the Europe 2020 goals. The medium-sized structure of the liberal professions
  enables them to ensure the future of high quality services in Europe. Due to their direct interaction
  with their clients/patients, liberal professions can react flexibly to changing needs.

This is a model that should be reinforced rather than weakened.

### // RECOMMENDATIONS

Taking into account all the above, we urge the European Union authorities to:

- strengthen the role of liberal professions and support these professions within their competences.
- respect the added value of the liberal professions to European society and make sure that the liberal professions are not assessed solely on the basis of market-economy criteria.
- respect the self-governing structures of liberal professions as they exist in many Member States. Following the fundamental principle of subsidiarity Member States shall have the freedom to choose their way of organising the professional structures of liberal professions.
- acknowledge that a decision to deregulate liberal professions, without considering all possible consequences, could lead to a decline in quality and in the full coverage of supply, as for example with health services.
- guarantee that specific impact assessment on the consequences of legislative proposals on liberal professions is carried out before and after European legislation is adopted. In this regard the European legislator shall especially take into account the negative effects of bureaucratic burden on liberal professions.
- guarantee that services provided by liberal professions, which are individual solutions on a highly creative basis, shall not be subject of standardisation on European level.
- guarantee that the special trust relationship between members of the liberal professions and their clients / customers / patients is fully protected.

# The Charter for Liberal Professions was elaborated and is supported by the following organisations of liberal professions:

**Council of European Dentists (CED):** The <u>Council of European Dentists</u> (CED) is the representative organisation of the dental profession in the European Union, representing over 340,000 practicing dentists from 32 national dental associations and dental chambers in 30 European countries. Established in 1961, the CED promotes high standards of oral healthcare and effective patient-safety centred professional practice across Europe and contributes to the safeguarding and the protection of public health.

Standing Committee of European Doctors (CPME): The Standing Committee of European Doctors (CPME) represents national medical associations across Europe. We are committed to contributing the medical profession's point of view to EU and European policy-making through proactive cooperation on a wide range of health and healthcare related issues.

We believe the best possible quality of health and access to healthcare should be a reality for everyone. To achieve this, CPME promotes the highest level of medical training and practice, the safe mobility of physicians and patients, lawful and supportive working conditions for physicians and the provision of evidence-based, ethical and equitable healthcare services. We offer support to those working towards these objectives whenever needed.

We see the patient-doctor relationship as fundamental in achieving these objectives and are committed to ensuring its trust and confidentiality are protected while the relationship evolves with healthcare systems. Patient safety and quality of care are central to our policies.

We strongly advocate a 'health in all policies' approach to encourage cross-sectoral awareness for and action on the determinants of health, to prevent disease and promote good health across society.

CPME's policies are shaped through the expertise provided by our membership of national medical associations, representing physicians across all medical specialties all over Europe and creating a dialogue between the national and European dimensions of health and healthcare.

**European Council of Engineers Chambers (ECEC):** The <u>European Council of Engineers Chambers</u> (ECEC) is the umbrella organisation of European Engineers Chambers. It represents the professional interest of Chartered Engineers on European level. Its <u>members</u> are national Chambers or other legally established public bodies representing authorized Chartered Engineers. Currently the ECEC represents 16 Chambers and over 300.000 highly qualified European Chartered Engineers who are members in these Chambers.

**Federation of Veterinarians of Europe (FVE):** The European Veterinary profession, embodied by the <u>Federation of Veterinarians of Europe</u> (FVE), strives to promote animal health, animal welfare and public health across Europe. Together with its members, FVE aims to support veterinarians in delivering their professional responsibilities at the best possible level, recognised and valued by society. Further to their high education and training, and through the application of their specific knowledge of animals and related technical skills, veterinarians contribute - in a unique way - to the prevention and control of health and welfare issues in animals, including wildlife and related human health problems. Veterinarians therefore are experts in the field of animal health, animal welfare and public health.

"Veterinarians care for animals and people"

Pharmaceutical Group of the European Union (PGEU): The Pharmaceutical Group of the European Union (PGEU) is the European association representing more than 400,000 community pharmacists. PGEU's members are the national associations and professional bodies of pharmacists in 32 European countries.

Community pharmacists are recognised within national health systems as key health professionals making a dynamic and evolving contribution to improving the health of the communities they serve. Our mission is, as a rigorous, pro-active and constructive stakeholder:

- To promote and develop cooperation in Community Pharmacy among the European nations;
- To advocate for the contribution community pharmacists make to health systems and to public health through the provision of health services and the promotion of the rational and appropriate use of medicines;
- To ensure our vision of Community Pharmacy is reflected in EU policy and legislative developments.