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COMMISSION STAFF WORKING DOCUMENT

Access to insurance for services provided in another Member State

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1. INTRODUCTION

This staff working document addresses the issue of insurance which may be imposed as an obligation on service providers, within the scope of the Services Directive (Directive 2006/123/EC¹). The Services Directive sets a framework for establishing a business or providing services cross-border, with the purpose of facilitating the exercise of the Internal Market freedoms.

In 2013 the Commission services engaged with stakeholders through a public consultation to better understand whether the market itself offers sufficient solutions to make the Services Directive work in practice in respect of insurance obligations. The result of this public consultation is that cross-border activities (secondary establishment and even more significantly for cross-border provision of services) still face important obstacles due to disparities in insurance obligations. Solutions have been developed through legislation in certain cases with cross-border implications, such as regarding motor insurance, and insolvency protection obligations for package travel (currently at proposal stage).

This staff working document describes the existing legal framework concerning insurance for services provided in another Member State and the practical problems service providers face. This description should allow for more substantial discussions with stakeholders and contribute to the identification of practical solutions. Pursuant to Article 23 of the Services Directive, the Commission may decide on common criteria for defining when an insurance requirement is appropriate to the nature and extent of the risk covered.

2. THE ISSUE AND ITS IMPORTANCE

Insurance obligations are usually imposed by national legislation in order to ensure the possibility of redress for claims against service providers. Such obligations may be imposed for different objective reasons in the public interest, such as public health, protection of the environment or consumer protection. The existence of insurance for a particular service may increase the trust and confidence of the recipients of services. It also protects the service provider against unforeseen and what can for certain service providers be potentially very high liability claims.

However, insurance obligations imposed by Member States should remain proportionate to the risks which may arise in the particular case. Such obligations can also act as a restriction to the provision of services by service providers from other Member States. Another aspect that should be kept in mind is that even in the cases where the service providers are required by law to be insured, there is currently no obligation for the insurance industry to offer insurance coverage to meet these obligations.

¹ Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (OJ L 376, 27.12.2006, p. 36) ('Services Directive' or 'Directive').

During the mutual evaluation process of the Services Directive, a number of insurance obligations were reported by the Member States and very divergent approaches were reported. In practice, it appears that there is a lack of homogeneity, clarity and predictability from the perspective of the service provider. Performance checks conducted with national authorities in 2011 further revealed that Member States take a very heterogeneous approach. The Communication on the implementation of the Services Directive "A partnership for new growth in services 2012 – 2015"² highlighted that service providers were having problems in finding insurance for cross-border activities. The High Level Group on Business Services³ has also mentioned insurance for cross-border services as one of the issues that need to be tackled by the Commission and the Member States.

As a follow up, the Commission services consulted stakeholders during 2013. Most of the replies concerned two sectors: professional services and construction, as the ones where this type of obligation is most commonly found. The results of this consultation are further detailed below.

3. LEGAL FRAMEWORK IN THE SINGLE MARKET

3.1. Insurance or guarantee obligations under the Services Directive

Article 23(1) of the Directive allows Member States to require service providers to subscribe to professional liability insurance or to provide for some other form of financial guarantee. Such an obligation may, however, be imposed only in a limited number of cases, i.e. in case of service providers whose services present a direct and particular risk for the health or safety of the recipient or of a third person or to the recipient's financial security.

From a practical perspective, it also has to be noted that although the Directive allows the imposition of compulsory professional liability insurance on the service provider, it does not provide that Member States should ensure that appropriate insurance is available, especially for service providers from other Member States. Nor is there an obligation for insurers to provide insurance.

It is noteworthy that when imposing compulsory insurance in general, Member States are prevented from requiring service providers to subscribe to insurance from an insurer established in their own territory (see Article 14(7) of the Services Directive).

Article 23 (2) first subparagraph of the Directive provides that the Member State imposing an obligation to be insured upon service providers from another Member State when establishing in their territory, has to accept as equivalent or essentially comparable similar insurance or guarantee requirements to which the provider may already be subject to in another Member State. The host Member State may not require the provider to take out any additional

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52012DC0261:EN:NOT>

³ http://ec.europa.eu/enterprise/policies/industrial-competitiveness/industrial-policy/hlg-business-services/index_en.htm

insurance or guarantee if the existing insurance or guarantee already covers the territory of the Member State within which the new establishment is envisaged.

Moreover, according to Article 23(2), second subparagraph of the Directive, Member States have to accept attestations of such insurance cover issued by insurers established in other Member States as sufficient evidence of compliance with the insurance obligation.

Whether an insurance or a guarantee is equivalent or essentially comparable has to be assessed by the competent authorities in light of its purpose and the cover it provides in terms of insured risk, insured sum or ceiling for the guarantee as well as possible exclusions from the cover. Where the insurance cover from another Member State is not fully but only partially comparable to the requirements of the Member State imposing the obligation, the latter may ask for a supplementary arrangement (a 'top up') according to its own law.

However, from the implementation work done with Member States it appears that there is no common approach on the determination of equivalence, comparability of insurance cover from other Member States and the assessment of such equivalence or comparability.

Article 23(4) in conjunction with Article 23(1) of the Services Directive, provides that the Commission may establish a list of services which "*present a direct and particular risk to the health or safety of the recipient or a third person, or to the financial security of the recipient*". The Commission may also establish common criteria for defining, for the purposes of the insurance or guarantees referred to in Article 23(1) of the Services Directive, what is appropriate to the nature and extent of the risk.

3.2. Insurance obligations under other Single Market instruments

3.2.1. Professional Qualifications Directive 2005/36/EC ('PQD')

As regards cross-border service provision, Article 7(1) PQD provides that an annual written declaration that includes details of any insurance cover for professional liability may be required from service providers from another Member State. Under the conditions of article 9(f) PQD, the host Member State may additionally stipulate that details of insurance cover be provided to the service provider's client). According to the Code of Conduct⁴ approved by the Group of Coordinators⁵, the above requirement of information is considered as acceptable practice⁶.

⁴ Available under: http://ec.europa.eu/internal_market/qualifications/docs/future/cocon_en.pdf

⁵ The Group of Coordinators for Directive 2005/36/EC is made up of members appointed by national governments and is chaired by the Commission. It reflects on national administrative practices in the fields covered by PQD. It meets several times a year and invites experts and observers to take part in its work.

⁶ Please see point 4.B (a) of the Code mentioned in footnote 7.

The above provisions and Code of Conduct have resulted in a majority of Member States requiring a declaration for all professions (covered by the PQD). Only a minority of Member States do not require such a prior written declaration for all professions⁷. Thus, although the PQD does not deal with professional indemnity insurance obligations as such, it allows Member States to make insurance related information mandatory.

The information on insurance cover provided on the basis of the PQD can be used in any case for the assessment of equivalence of insurance cover from another Member State.

3.2.2. *Lawyers' Directive*

With regard to temporary cross-border services, Directive 77/249/EEC neither addresses the issue of professional indemnity insurance directly, nor rules out the possibility for Member States to impose such obligations under their national law. In contrast, for cross-border establishment, Directive 98/5/EC⁸ regulates professional indemnity insurance in the context of deontological rules (see Article 6(3)⁹). The fact that Directive 77/249/EEC does not expressly mention professional indemnity matters (contrary to Directive 98/5/EC) might create some uncertainty for lawyers as to the national rules applicable in case of cross-border provision of services.¹⁰

4. ASPECTS CONCERNING THE INSURANCE SECTOR

Insurers in the EU are often faced with cases of cross-border activity for which insurance coverage is essential. Progress reached in motor insurance (the Motor Insurance Directive

⁷ For details per Member State, see please Part III (Temporary Provision of Services) of the Scoreboard on Recognition of Professional Qualifications Directive, available under: http://ec.europa.eu/internal_market/qualifications/docs/scoreboard_2010_en.pdf

⁸ 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 (OJ L 77, 14.3.1998, p. 36).

⁹ Article 6 deals with rules of professional conduct and in this framework Article 6(3) enables a Member State to require a lawyer practising under the professional title acquired elsewhere (in another Member State) either to take out professional indemnity insurance or to become a member of a professional guarantee fund in accordance with the rules which it lays down for professional activities pursued in its own territory. Nevertheless, Article 6(3) provides for an exemption if the professional can prove that he is covered by an equivalent insurance or guarantee in another Member State. If the equivalence is only partial, the "host" Member State may require that additional insurance or an additional guarantee be contracted. These provisions are thus very similar to the principles set by Article 23 (2) of the Services Directive for other services in general.

¹⁰ At this point it should be mentioned that non-binding rules are also in place aimed to tackle possible legal gaps. So is the Code of Conduct of the Council of Bars and Law Societies of Europe (CCBE), which in its Article 3.9 states that lawyers must be insured against civil legal liability arising out of their legal practice. If that is not possible, the lawyers must inform the client. The CCBE Code of Conduct serves as a recommendation to the members of the CCBE (the Bar Associations in Member States). It can be found here: http://www.ccbe.eu/fileadmin/user_upload/NTCdocument/EN_Code_of_conductp1_1306748215.pdf

2009/103/EC¹¹ foresees for instance a single premium covering the entire EU territory, as well as harmonized minimum amounts of insurance cover), can function as an example for developing insurance mechanisms also for cross-border services in the EU. Another example is the Commission proposal for a new Package Travel Directive¹² which proposes the mutual recognition of financial protection mechanisms against insolvency of the service providers, such as organisers of package holidays, as well as administrative cooperation among Member States via central contact points.

As a follow up to the 2012 Communication¹³, the Commission services engaged with the insurance sector (mainly via Insurance Europe¹⁴). Insurers explained that they are not always able to respond to the insurance needs of service providers. This is especially the case for small, local insurers on the one hand and small service providers on the other. According to Insurance Europe, there are various considerations that determine the decision of insurers to provide cover, including in particular:

- the necessity for insurers to become acquainted with the national laws and the social economics of the other member state to measure the risk exposure;
- the language barrier;
- lacking (claims) statistics relevant for the host MS;
- the additional resources linked to the handling of claims in the other member state;
- the necessity to ensure compliance with the local legal and regulatory requirements (and possibly the need to adjust the contract terms to the requirements of a foreign applicable law) at all time;
- the potential practical difficulties linked to ensuring commercial relationships with policy holders domiciled in another member state;

In spite of the above challenges, it is easier for multinational corporations to get simultaneous cover for several countries; these companies are able to contract global programs with multinational insurers for a very large number of countries. Global programmes covering more than one hundred and fifty countries are not uncommon.

On the contrary, many SMEs and professionals continue to find it hard to obtain insurance cover for more than their country of establishment. Although a large proportion of SMEs operate 'locally', SMEs are active in 'cross-border' sectors such as construction, business services, retail, tourism, etc. and routinely require insurance cover for their operations not only in their home Member State but often also in a host country where they wish to conduct business on a temporary basis. In Member States where cross-border work is common e.g. Luxembourg whose home market is small but whose geographical location gives easy access

¹¹ Directive 2009/103/EC of the European Parliament and of the Council of 16 September 2009 relating to insurance against civil liability in respect of the use of motor vehicles, and the enforcement of the obligation to insure against such liability (OJ L 263, 7.10.2009, p. 11).

¹² http://ec.europa.eu/justice/consumer-marketing/files/com_2013_512_en.pdf

¹³ <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52012DC0261:EN:NOT>

¹⁴ Insurance Europe is the European insurance and reinsurance federation. Through its 34 member bodies – the national insurance associations – Insurance Europe represents all types of insurance and reinsurance undertakings, e.g. pan-European companies, monoliners, mutuals and SMEs.

to at least three neighbouring markets, insurance policies providing cross-border cover are common even for SMEs.

In most Member States, there seem to be significant problems for professionals and SMEs who need cross-border insurance since the market focuses on domestic needs and solutions are only available where there are economies of scale for major companies as regards their needs for global insurance cover.

As the report¹⁵ of the Expert Group on European Insurance Contract Law points out, in case of cross-border supply of insurances, insurance companies have to adapt their contracts which were drafted on the basis of their own law to the mandatory rules of the Member State of the policyholder. This concerns for example rules on pre-contractual information duties, formalities of contracting and the unfairness control of standard contract terms. Contract law differences are one of several (legal and non-legal) problems. These differences increase costs of cross-border provision of insurance, create legal uncertainty or add to legal complexity and make it very difficult for consumers and businesses to take out insurance in other Member States.

5. TYPES OF SERVICE SECTORS CONCERNED

In May – August 2013 the Commission services conducted a public consultation on problems faced by service providers in obtaining insurance cover when providing services in another Member State on a temporary basis¹⁶. The results of the consultation show that the sectors concerned are mainly the professional services and the construction sectors.

From the 462 responses received to the public consultation, as regards the question whether insurance from the home Member State is valid in other Member States, 197 responses (42.5%) were affirmative, 127 responses (27.5%) were negative, whereas the other 138 respondents (30%) stated that their insurance cover was not clear in that respect (see table 5 in Annex 1). It thus follows that, for cross-border situations, the majority of respondents encountered difficulties or lack of legal certainty relating to insurance cover.

The majority of respondents (55%) confirmed that they provided or attempted to provide services in another Member State in the last five years (table 9). The reason why the remaining 45% did not attempt to do this may be linked either to a lack of interest or to the difficulties encountered, including lack of insurance cover. In many cases (38%), insurance cover was mandatory in the Member State of destination (table 11).

In addition to this consultation, the Commission services had already looked at the cross-border dimension of the construction, business services and tourism sectors, including insurance issues, in the context of the performance checks.¹⁷

¹⁵ http://ec.europa.eu/justice/contract/files/expert_groups/insurance/final_report_en.pdf

¹⁶ http://ec.europa.eu/internal_market/consultations/2013/temporary-insurance/index_en.htm.

For a detailed presentation of the answers to the public consultation, see please Annex 1.

¹⁷ Commission Staff Working Document on the result of the performance checks of the internal market for services (construction, business services and tourism) Accompanying the document Communication

5.1. Professional Services in general

The performance checks in 2011 and the public consultation in 2013 revealed a diverse picture for professional services.

Recent information collected from Member States on the occasion of the *peer-review* on legal form, shareholding and tariffs¹⁸ for accountants, architects, patent agents, tax advisers and veterinarians confirmed the variety of situations with regard to insurance obligations as well as to approaches as concerns equivalence assessments. The answers received illustrate well the lack of homogeneity in insurance requirements for different professions across the EU (see Annex 2).

5.2. Tax advisors

The CFE (*Confédération Fiscale Européenne*), an umbrella organisation representing the tax profession in Europe, noted that in certain Member States, Europe-wide cross-border professional indemnity insurance is available as a result of framework agreements that have been concluded by professional bodies with insurance companies. The main reason is that professional indemnity rules are applied in different ways by different Member States, some of which require professional indemnity insurance for tax advisers established in their territory as well as regards temporary services provided from other Member States. In its response to the 2013 consultation, CFE suggested that solutions should be sought by professional bodies at national level rather than by individual professionals as the professional bodies have more bargaining power towards the insurance companies. The Commission services will continue this dialogue with the tax advisors because it appears that no satisfactory solution has been found to date.

5.3. Lawyers

A study¹⁹ was recently conducted at the behest of the European Commission to examine the question of the free movement of lawyers ("Lawyers' Study"). As mentioned above, lawyers' services are covered by two directives, dealing respectively with temporary cross-border services (Directive 77/249/EEC) and with cross-border establishment (Directive 98/5/EC).

from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of the Services Directive. A partnership for new growth in services 2012-2015 – available under:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52012SC0147:EN:NOT>

¹⁸ Commission Staff Working Document on the outcome of the peer review on legal form, shareholding and tariff requirements under the Services Directive

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52013SC0402:EN:NOT>.

The insurance requirements were not subject of this peer-review, but information on insurance requirements for the professions concerned was also gathered in this context.

¹⁹ Evaluation of the Legal Framework for the Free Movement of Lawyers (28/11/2012), available under: http://ec.europa.eu/internal_market/qualifications/docs/studies/2013-lawyers/report_en.pdf

Double insurance costs can be avoided if professional associations in different Member States come to an agreement on mutual recognition: according to the Lawyers' Study, the mandatory insurance of lawyers registered with the Paris bar has for example been recognized since 2008 by the Solicitors Regulation Authority as being broadly adequate in order to work in England and Wales.²⁰

The Lawyers' Study indicates that, in practice, lawyers often avoid taking out specific insurance cover in the case of temporary cross-border services, and that Member States are often not aware of temporary cross-border activities provided by lawyers from another Member State.²¹

Differences between Member States concerning: the amount of cover and premium, privately negotiated and Bar negotiated insurance, the "claims made" or "acts occurred" triggers, individual claims and annual aggregated approach are relevant factors that need to be taken into account when an equivalence assessment has to be made according to Article 6(3) of Directive 98/5/EC.²² Similar difficulties resulting from differences between national requirements are likely to be encountered by lawyers when negotiating for temporary cross-border insurance cover. Collective negotiation by Bar Associations as well as the mutual recognition of home country cover by professional organisations would appear to be a solution to be explored in this regard.

5.4. Construction

Service providers active in the construction sector used the opportunity of the public consultation organised by the Commission services. 105 respondents (22,7%) active in this area answered the questionnaire, which indicates the relevance across the EU of the issue of access to insurance for construction cross-border services.

Insurance obligations in the construction sector differ among Member States, given the different duration of liability for construction services and the different understanding of the public safety concept. In specific cases, market-led solutions for insurance cover of cross-border construction services were developed, e.g. German insurers offer insurance cover that is compatible with the French rule of the decennial liability ("garantie décennale").²³

²⁰ See page 162 of the Study mentioned in footnote 19. In the specific case of the Paris Bar, the Law Society agreed that the Paris Bar insurance would be deemed equivalent to that required in England and Wales on condition that the premium is increased by 1,000 euro/year (thus, Members of the Paris Bar who wish to practice in England must pay an optional top-up). In addition, the lawyers should sign a statement that they will not carry out trust work, which they are not allowed to do in France, whilst practicing in the UK (because the insurance policy covered all the activities of a solicitor).

²¹ See page 230 of the Study mentioned in footnote 19 above.

²² These issues were raised during the Conference "A Single Market for Lawyers: valuing achievements, tackling remaining challenges" organised on 28 October 2013 in Brussels by the Commission staff:

http://ec.europa.eu/internal_market/conferences/2013/1028-a-single-market-for-lawyers/index_en.htm

²³ <https://www.vhv.de/vhv/firmen/Branchenloesungen-Bauhauptgewerbe-Bauen-in-Frankreich--RC-Decennale.html>

In order to develop a more systematic approach to insurance challenges in the construction sector, the ELIOS project was initiated with the support of the European Parliament to facilitate access to insurance across borders by building contractors, especially the self-employed and small firms. ELIOS stands for “European Liability Insurance Organisation Schemes”.²⁴ The project will, inter alia, analyse the conditions for greater mutual recognition of the construction insurance regimes and will identify the criteria and modalities for the development of insurance schemes that support cross-border services. The Project team includes leading general insurers as well as construction insurance specialists. The project is expected to last throughout 2014 until early 2015. The developments in this context should be monitored with a view to determine whether the experience gained from this pilot project in the construction sector could be valuable for other sectors dealing with the issue of insurance in a cross-border context.

6. AN UNSATISFACTORY SITUATION

6.1. Situation in Member States

It seems that Member States have, in many instances, simply carried over the insurance requirements they had in place before the Directive entered into force, without sufficiently assessing them in the light of the conditions set by Article 23(1) of the Services Directive: health, safety and financial security. An examination of insurance obligations for their compatibility with the criteria mentioned is therefore imperative in each Member State, in particular with regard to SMEs in the construction sector and with regard to professional service providers. It would also be useful if accurate and updated data on insurance obligations in each Member State (possibly with information about damages awards against service providers when their liability is engaged) were readily accessible in each Member State.

In the event that insurance is not available, the service provider may consider being active in another Member State as a sub-contractor to a local service provider. In this manner the insurance of the main contractor would potentially cover the sub-contractor. This could, however, imply a loss of profit for the service provider concerned, potentially also as regards turnover and reduced reputational gain.

Service providers may decide to take the risk of not complying with the insurance requirement if it proves difficult too difficult to obtain such cover. Such behaviour may be driven by a need or a decision to take up the business irrespective of the risks involved. This could be a particular issue during times of economic hardship when service providers are forced to 'become' more mobile in view of fewer opportunities at home.

In view of the above, there is a need for more systematic, comparable and consistent information on the insurance obligations imposed by Member States in the ambit of the Services Directive. This could for example be done on the basis of a questionnaire.

²⁴ For detailed information see please the project's website: <http://www.elios-ec.eu/>

6.2. Lack of information for service providers

6.2.1. Information provided by insurers

Insurance policies are not always sufficiently clear as regards potential geographical restrictions of the insurance cover in order to enable service providers to communicate this to their clients. This is particularly the case as regards policy renewals. It seems thus that many existing insurance contracts have not been updated to clarify their geographical coverage. This problem of transparency was particularly highlighted by the public consultation. There is currently no obligation in the EU insurance legislation²⁵ obliging insurers to clearly indicate geographical limitations in writing at the time of the issuance of the original policy as well as at the moment of any modification, extension or renewal thereof.

Lack of clarity on the geographical limitations of existing insurance cover creates significant risks for the client and also for the service provider who is under an obligation to inform the client about such insurance coverage. The absence of clear information creates the risk that the service provider may (wrongly) believe that the existing insurance policy cover extends beyond national borders. It also creates the risk of contracting double insurance. In the absence of clarity, there may be an assumption made by the service provider that an existing policy does not extend to another Member State and the service provider may adopt the 'safest' option i.e. securing additional insurance even if this would imply unnecessary double insurance and higher costs.²⁶

6.2.2. Information provided by points of single contact

The Points of Single Contact ('PSC')²⁷ often provide information on the requirements of insurance as part of the requirements for exercising an activity. They do not, however, go into details of either how any existing insurance cover could be assessed for equivalence or how adequate insurance could be obtained in the instance of non-equivalence or partial equivalence. A number of websites of the points of single contacts were tested. Although in some cases there are some indications as to the requirements for insurance, there is very little

²⁵ Article 31 of the Third Non-Life Insurance Directive 92/49/EEC of 18 June 1992 (OJ L 228, 11.8.1992, p. 1) only provides that insurers have to inform the policyholders of the law applicable and of the complaints handling procedures. This obligation of the insurers only applies where the policyholder is a natural person.

²⁶ In this context, it is noteworthy that the ECON Committee of the European Parliament in January 2014, in its position on the draft revision of the Insurance Mediation Directive, favored a "Product Information Document" to provide key pre-contractual information to customers on non-investment-related insurance contracts.

²⁷ The Points of Single Contact (PSCs) that Member States had to set up under the Services Directive are meant to become fully fledged e-government portals allowing future entrepreneurs and existing businesses to easily obtain online all relevant information relating to their activities and to complete electronically the relevant administrative procedures. The services offered by the PSCs need to be available not only in the country of the administration but they must also be accessible for businesses from other countries, across borders.

or in most cases no information on equivalence or guidance on how the relevant insurance can be obtained. .

6.3. Establishing solutions for particular activities or sectors

In specific sectors, interesting initiatives have already been launched in order to ensure practical solutions in the field of professional indemnity insurance for cross-border services, such as for tax advisors, lawyers and in the construction sector.

As presented previously under section 3, tax advisors believe that solutions should be sought by professional bodies at the national level rather than individual professionals as the professional bodies have collective bargaining powers towards the insurance companies.

With regard to lawyers, as already mentioned above, in order to avoid double insurance for cross-border activities, the Professional Associations in different Member States may come to an agreement on mutual recognition of the national insurance cover. Such an agreement was reached, for instance, between the Paris and London bars. Since 2008, the mandatory insurance of lawyers registered with the Paris bar has been recognized as broadly adequate by the Solicitors Regulatory Authority in England and Wales.

In the construction sector, the ELIOS project has identified the need for “insurance access guides” such as the one produced by the French insurance federation to help construction enterprises established outside France understanding the French legal framework and how to comply with it. This guide provides a description of how insurance works²⁸ locally and of the administrative documents needed to be insured²⁹. However, it does not address possible equivalence criteria.

The above initiatives respond to the insurance-related difficulties encountered in specific sectors. A broader approach would however facilitate access to insurance for a wider range of services; this would eventually encourage service providers to venture cross-border. Interested professionals interested in being active cross-border, including as regards professions beyond the ones mentioned above, are therefore encouraged to consider joint initiatives.

7. CONCLUSION

A sectorial approach, with a focus on professional services and construction, will be pursued over the next 12 months.

Discussions will be conducted with Member States on the implementation of the provisions of the Services Directive in respect of insurance, in general, and on setting up mutual recognition

²⁸ http://www.ffsa.fr/sites/jcms/c_51299/how-decennial-liability-insurance-works?cc=fp_7202
²⁹ http://www.ffsa.fr/sites/jcms/p1_663116/how-decennial-liability-insurance-guide-designed-for-european-builders

or equivalence procedures, in particular. The Commission services are in the process of preparing a questionnaire intended for Member States focusing on a selected number of services. When replying to this questionnaire, Member States will be invited to clarify what insurance obligations they impose in accordance with the Services Directive. This questionnaire will also serve to determine the extent to which Member States have an equivalence assessment mechanism in place. Bilateral contacts with Member States will be pursued, in order to address potentially unjustified and disproportionate insurance obligations.

Discussions will be held with the Expert Group on the Services Directive and the EUGO Network³⁰ in the next six months in order to facilitate the exchange of best practices as regards the delivery of information on insurance requirements and information that would simplify securing appropriate insurance cover, including equivalence assessment procedures where they exist.

Transparency as regards conditions of insurance coverage is of utmost importance. In the next six months, the dialogue with insurers will continue in order to develop best practices in terms of clear information being provided to policy holders as far as the conditions of the insurance coverage are concerned, in particular in relation to professionals and the construction sector.

The Commission services will initiate discussions between interested professional associations or associations representing the construction sector and insurers within the next three months in order to explore the possibilities of finding solutions of collective insurance coverage in a cross-border context. For sectors or professions, such as lawyers, who benefit from a specific EU legal framework which to some extent addresses insurance issues, discussions could be conducted within the context of existing frameworks.

With a view to making decisions as regards the next steps, the various questions raised in this document will also need to be addressed in the light of the discussions organised with stakeholders by the end of 2014.

³⁰ EUGO Network is a network of the Points of Single Contact from all Member States and European Economic Area. It serves as a platform for sharing experiences and best practices between the Member States on the Points of Single Contact. It undertakes also promotion, communication and benchmarking activities.

ANNEX 1

Public Consultation

In addition to exchanges with businesses as well as Member States, the Commission ran an internet based consultation that was designed for businesses, mainly SMEs. The consultation ran for twelve weeks from 27 May 2013 to 16 August 2013 and provided the following responses:

- Table 1

Respondents	Number of responses	% of responses
An individual professional	243	53%
An enterprise	163	35%
A business association	9	2%
A chamber of commerce	5	1%
Other	42	9%
Total	462	100%

The consultation was kept deliberately simple to encourage the target group of SMEs and individual professionals. A ‘green paper type’ of consultation was considered inappropriate as it would use up too much time and resource for the target group. Interestingly, however, business associations and chambers of commerce have also responded. For the purpose of these results, we have not given them additional weighting to factor in the number of members they represent.

Although equal efforts were made by the Commission in eliciting responses from all Member States, there have been no responses from Bulgaria, Estonia, Ireland, Cyprus and Portugal. This contrasts significantly with Germany and Luxembourg with over a hundred responses each, followed by Italy and France. The level of responses from other Member States is quite low.

Table 2

Member State in which the respondent is 'based'	Number of responses
Belgium	7
Bulgaria	0
Czech Republic	4
Denmark	3
Germany	129
Estonia	0
Ireland	0
Greece	1
Spain	7
France	41
Croatia	2
Italy	91
Cyprus	0
Latvia	2
Lithuania	6
Luxembourg	124
Hungary	2
Malta	4
Netherlands	3
Austria	2
Poland	4
Portugal	0
Romania	14
Slovenia	7
Slovakia	2
Finland	2
Sweden	1
United Kingdom	4
	462

The variation in responses could be attributable to various reasons: the extent of information disseminated at the national level, interest from stakeholders and the importance of cross border work for businesses in a particular Member State.

Cross-border services are either a function of 'accompanying' existing 'home' clients into another Member State ('host' Member State) or of securing business directly with clients based in another Member State.

The following table shows the respondents by activity:

Table 3

Business Activity of the respondent	Number of responses
Accountants and book keepers	12
Tax advisers	12
Patent agents	2
Veterinary services	5
Architects	77
Facility maintenance	7
Catering	3
Other business services	72
Construction (non-specified)	38
Masonry	10
Carpentry	8
Roofing	4
Electrician	17
Heating engineer	15
Other construction related activity	13
Tourism activity other than tour operator and guide	4
OTHER	163

On the specific questions related to insurance cover, the following responses provide insight into the practicalities of ensuring that service providers have insurance cover for their cross border activity. These questions have been reproduced from the internet consultation.

Table 4

<i>Have you got insurance for your activity?</i>	Number of responses
Yes	402
No	60

Table 5

<i>Is this insurance valid in other Member States that you may wish to also do business in?</i>	Number of responses
Yes	197
No	127
It is not clear	138

Table 6

<i>Does your insurance policy clearly stipulate any geographical limitations of your cover?</i>	Number of responses
Yes	213
No	249

Table 7

<i>Does your insurance policy clearly stipulate any liability limitations?</i>	Number of responses
Yes	295*
No	167

Table 8

<i>*If so, at the time of any renewal (mainly annual) of your insurance policy are you clearly reminded of any such limitations?</i>	Number of responses
Yes	143
No	112

The above responses indicate a lack of information for policy holders. Not knowing the limitations of one’s existing insurance cover creates an unacceptable risk for both the provider as well as the recipient of services. It also creates the perverse risk of double insurance; there may be an assumption made by the service provider that an existing policy does not extend to another Member State.

Table 9

<i>In the last five years, have you provided or attempted to provide your services in another Member State?</i>	Number of responses
Yes	253
No	209

The above demonstrates that the prerogative of venturing into other Member States remains entirely with the service provider. Not all service providers envisage venturing beyond their ‘home’ Member State.

From amongst the service providers for whom providing services in another Member State is part of their overall business activity, the following table demonstrates that Belgium, Germany and France are particularly important ‘destination’ markets in this regard. This combined with the earlier table that demonstrated that a large number of respondents were based in Luxembourg, France and Germany points towards the geographical proximity and, potentially in the instance of Luxembourg, the relative size of the home market when compared to another Member State.

Table 10

<i>Please indicate in which other Member States you provided services</i>	Number of responses
Belgium	104
Bulgaria	4
Czech Republic	21
Denmark	11
Germany	135
Estonia	8
Ireland	14
Greece	15
Spain	50
France	136
Croatia	8
Italy	72
Cyprus	3
Latvia	6
Lithuania	4
Luxembourg	51
Hungary	6
Malta	7
Netherlands	34
Austria	41
Poland	23
Portugal	11
Romania	22
Slovenia	13
Slovakia	9
Finland	12
Sweden	15
United Kingdom	66
not applicable	110

We also consulted on the nature of insurance requirements for the activities of respondents in other Member States. This is of particular relevance as Article 23 of the Service Directive (2006/123/EC) allows Member States to impose compulsory insurance requirements. The following tables provide some insight into the practical implications of such insurance requirements. It is to be noted that a ‘*not applicable*’ response covers cases such as the service provider who has not provided or attempted to provide services in another Member State, the instance where there is no mandatory requirement for insurance for a particular activity as well as the case where there is a lack of knowledge about any insurance requirement.

Table 11

<i>Was insurance cover mandatory for the exercise of your activity in the Member States mentioned above?</i>	Number of responses
Yes	177
No	113
not applicable	172

Table 12

<i>Did you encounter any difficulties in obtaining insurance cover for those Member States?</i>	Number of responses
Yes	47
No	177
not applicable	238

Certain respondents reported that they had faced difficulties in securing insurance cover. The majority of these respondents provided answers to the following (further) questions:

Table 13

<i>Which of the following situations applied to you?</i>	Number of responses
I checked my insurance cover and I was not covered to work in that Member State	19

I assumed that my insurance was valid in the other Member State, without checking	11
none of the above	14

The following two tables need to be read in conjunction. It would appear that of the 19 respondents who were unable to secure insurance cover, 16 abandoned the project. It is unclear if the other three found solutions other than the ones listed in the previous table. The 24 respondents who did not abandon the project found alternative solutions.

Table 14

<i>How did you address the lack of insurance cover?</i>	Number of responses
I got additional cover with my current insurer at no additional cost	3
I got additional cover with my current insurer but I had to pay more	6
I got insurance with another insurer	12
I got insurance but first I had to enrol in a chamber of commerce / business register in the member state where I wanted to work	4
I could not find any insurance cover for the territory of that member state	19

Table 15

<i>If you were unable to secure insurance cover for the other Member State did you abandon the project?</i>	Number of responses
Yes	17
No	24

ANNEX 2³¹

1. Insurance requirements for ACCOUNTANTS (not auditors)

	1. <u>In case of establishment</u>, is there a requirement for professional indemnity insurance before accountancy services can be provided on your territory?	2. <u>In case of temporary cross-border provision of services</u>, is there a requirement for professional indemnity insurance before accountancy services can be provided on your territory?	3. In case a requirement for professional indemnity insurance exists for <u>temporary provision of services</u> for accountants, is the insurance obtained in another Member States accepted and under which conditions?	4. In case the equivalence of insurance obtained in another Member States has to be assessed, please describe briefly how this is done.
AT	yes	yes	yes, if issued by an insurer authorised to operate in Austria	No assessment is required.
BE	yes	yes	yes, no conditions	Copy of insurance contract/declaration of insurance company. No assessment is required.
BG	No	No	n/a	n/a
CY	No	No	n/a	n/a
CZ	No	No	n/a	n/a
DE	No	No	n/a	n/a

³¹ Based on recent information collated from Member States on the occasion of the *peer-review* on legal form, shareholding and tariffs – see please section 5.1 of the document above.

DK	Yes, for registered public accountants and state-authorized public accountants.	No	n/a	n/a
EE	No	No	n/a	n/a
EL	no	no	n/a	n/a
ES	No	No	n/a	n/a
FI	No	No	n/a	n/a
FR	yes	yes	yes	n/a
HR	No	No	n/a	n/a
HU	No	No	n/a	n/a
IE	No	No	n/a	n/a
IS	No	No	n/a	n/a
IT	yes (as of 15/08/2013)	yes	yes, if equivalent	not assessed (for the moment)
LI	yes	yes	yes	the applicant has to provide an appropriate confirmation by his/her/its insurance company.
LT	Companies and individuals providing accounting services in Lithuania are required to insure their civil liability with general liability insurance (sum insured - 10 000 LTL) (2896	yes	yes	no assessment is foreseen

	EUR).			
LU	No	No	n/a	n/a
LV	No	No	n/a	n/a
MT	yes	yes	yes	Equivalence will be judged as per subsidiary legislation
NL	No	No	n/a	n/a
NO	No	No	n/a	n/a
PL	yes	yes	yes, no conditions	n/a
PT	yes	yes	yes	The professional has to prove in the professional association that is covered by insurance that meets national requirements.
RO	yes	No	n/a	n/a
SE	No	No	n/a	n/a
SI	No	No	n/a	n/a
SK	No	No	n/a	n/a
UK	No	No	n/a	n/a

Source: DG MARKT, based on the replies of Member States sent in December 2012

2. Insurance requirements for ARCHITECTS

	1. <u>In case of establishment</u>, is there a requirement for professional indemnity insurance before architectural services can be provided on your territory?	2. <u>In case of temporary cross-border provision of services</u>, is there a requirement for professional indemnity insurance before architectural services can be provided on your territory?	3. In case a requirement for professional indemnity insurance exists for <u>temporary provision of services</u> for architects, is the insurance obtained in another Member States accepted and under which conditions?	4. In case the equivalence of insurance obtained in another Member States has to be assessed, please describe briefly how this is done.
AT	no	no	n/a	n/a
BE	yes	yes	yes	Attestation of insurance for professional liability, including the legal 10 years liability for architects no older than 3 months. This attestation can be delivered by insurance companies established in another MS. It has to mention that the insurance company applied all legal prescriptions applicable in Belgium concerning nature and extent of the

				coverage.
BG	yes	yes	yes	missing info
CY	For firms: yes; For individuals: no	For firms: no; For individuals: no	n/a	n/a
CZ	yes	yes	Yes, it is accepted if such insurance was obtained on the basis of Frame indemnity insurance contract which is valid for all over EU and hence it is valid in the Czech Republic.	Frame indemnity insurance contract must be submitted for control by the Chamber.
DE	Professional liability insurance is a legal requirement in such a case. The type of obligation is different in different Länder. It is a professional obligation enforced by penalties in some Länder, while in the other Länder it is actually a condition for registration.	Foreign architects must observe the professional obligations, including the obligation to provide proof of adequate professional liability insurance.	Insurance from other Member States is accepted if it provides cover in the domestic location of the service.	The essential criterion for comparison purposes is the amount covered for insured losses according to the corresponding Chamber rules at Land level.

DK	no	no	n/a	n/a
EE	no	no	n/a	n/a
EL	no	no	n/a	n/a
ES	No but some professional associations include professional insurances in their college fees.	No but a professional has to communicate if he has a civil insurance in its annual declaration.	n/a	n/a
FI	no	no	n/a	n/a
FR	yes	yes	Yes, a translation of the professional indemnity insurance certificate is required.	The insurance certificate must indicate that all professional acts executed on behalf of the architect are covered
HR	yes	yes	yes	
HU	no	no	n/a	n/a
IE	yes	yes	Yes. As part of the application process the professional must confirm that the insurance provides protection for activities undertaken in the Irish State.	The specific policy is not generally assessed as it is the responsibility of the professional to confirm that it meets requirements.
IS	yes	yes	yes	Assessed on a case by case bases.
IT	yes (as of 15/08/2013)	yes	yes, if equivalent	not assessed (for the moment)

LI	yes, The minimum insurance sum of the professional indemnity insurance amounts to 1.5 million Swiss Francs.	yes	Yes under the conditions of the Act and Ordinance mentioned under point 1. The insurance certificate must indicate that it is also applicable for Liechtenstein.	The applicant has to provide sufficient evidence that the conditions referred to in Article 17 of the Act of 9 December 1992 on patent agents are satisfied. For this purpose the applicant has to provide an appropriate confirmation by his/her/ its insurance company.
LT	yes	yes		
LU	yes	yes	yes	n/a
LV	no	no	n/a	n/a
MT	not yet but legislation pending	no	n/a	n/a
NL	no	no	n/a	n/a
NO	yes	yes	yes	no information
PL	yes	yes	yes	a written declaration containing the following information: the type of professional activities to be pursued and the insurance or other means of individual or collective professional indemnity insurance shall be submitted to the appropriate district chamber

				council before starting a cross border activity
PT	no	no	n/a	n/a
RO	no	no	n/a	n/a
SE	no	no	n/a	n/a
SI	yes	yes	yes if covering the territory of the Republic of Slovenia.	
SK	yes	yes	yes if the insurance is valid for the Slovak republic, no matter where it was obtained.	
UK	yes	yes	Yes provided it provides appropriate cover.	When applying for entry to the temporary register or for establishment, architects are asked to provide evidence that they hold professional indemnity insurance which covers services provided in the UK.

Source: DG MARKT, based on the replies of Member States sent in December 2012

3. Insurance requirements for PATENT AGENTS

	1. <u>In case of establishment</u>, is there a requirement for professional indemnity insurance before industrial property services can be provided on your territory?	2. <u>In case of temporary cross-border provision of services</u>, is there a requirement for professional indemnity insurance before industrial property services can be provided on your territory?	3. In case a requirement for professional indemnity insurance exists for <u>temporary provision of industrial property</u> , is the insurance obtained in another Member States accepted and under which conditions?	4. In case the equivalence of insurance obtained in another Member States has to be assessed, please describe briefly how this is done.
AT	yes	yes	yes	There is no provision for an assessment of equivalence.
BE	no	no	n/a	n/a
BG	yes	yes	Yes, if the insurance covers activities in Bulgaria.	n/a
CY	yes	no	n/a	n/a
CZ	yes	yes	Yes, it is accepted if such insurance was obtained on the basis of Frame indemnity insurance contract which is valid for all over EU and hence it is valid in the Czech	No, it doesn't have to be assessed.

			Republic, too.	
DE	yes	no	n/a	n/a
DK	no	no	n/a	n/a
EE	yes	no	n/a	n/a
EL	no	no	n/a	n/a
ES	yes	yes	yes	n/a
FI	no	no	n/a	n/a
FR	yes	yes	yes	n/a
HR	No, unless these services are provided by attorneys-at-law or law firms.	No, unless these services are provided by attorneys-at-law or law firms.	Yes, provided that the conditions of such insurance correspond to minimum insurance requirements for Croatian attorneys-at-law and law firms.	The assessment is done by the Croatian Bar Association within the registration process (in cases when registration with the Croatian Bar Association is required).
HU	yes	yes	yes, a patent attorney when making the declaration to the Chamber proves that he possesses a professional guarantee (as required by the legislation of the state of establishment)	n/a, there is no provision for an assessment of equivalence.
IE	yes for the members of the Association of Patent and Trade Mark Attorneys	no	n/a	n/a

IS	no	no	n/a	n/a
IT	yes (as of 15/08/2013)	yes	yes, if equivalent	not assessed (for the moment)
LI	yes	yes	yes	The applicant has to provide sufficient evidence that the conditions referred to in Article 17 of the Act of 9 December 1992 on patent agents are satisfied. For this purpose the applicant has to provide an appropriate confirmation by his/her/ its insurance company.
LT	no	no	n/a	n/a
LU	No	No	n/a	n/a
LV	yes, as from 2014	missing info	missing info	missing info
MT	no	no	n/a	n/a
NL	no	no	n/a	n/a
NO	no	no	n/a	n/a
PL	yes	yes	yes	The National Board of Patent Attorneys is authorized to assess the equivalence of the insurance obtained in another MS.
PT	no	no	n/a	n/a
RO	no	no	n/a	n/a

SE	no	no	n/a	n/a
SI	yes	yes	missing info	Bar Association of Slovenia examines the document from which the obligation of concluded insurance contract should be evident.
SK	yes	yes	yes if the insurance is valid for the Slovak republic, no matter where it was obtained.	
UK	yes	yes	yes	n/a

Source: DG MARKT, based on the replies of Member States sent in December 2012

4. Insurance requirements for TAX ADVISERS

	1. <u>In case of establishment</u>, is there a requirement for professional indemnity insurance before tax advice services can be provided on your territory?	2. <u>In case of temporary cross-border provision of services</u>, is there a requirement for professional indemnity insurance before tax advice services can be provided on your territory?	3. In case a requirement for professional indemnity insurance exists for <u>temporary provision of services</u> for tax advisers, is the insurance obtained in another Member States accepted and under which conditions?	4. In case the equivalence of insurance obtained in another Member States has to be assessed, please describe briefly how this is done.
AT	yes	yes	yes, if issued by an insurer authorised to operate in Austria	No assessment is required.
BE	Yes, for a registered tax advisor.	no	n/a	Copy of insurance contract/declaration of insurance company. No assessment is required.
BG	no	no	n/a	n/a
CY	yes, in the case where legal advice on tax issues is provided by lawyers	no	n/a	n/a
CZ	yes	yes	Yes, it is accepted if such insurance was obtained on the basis of Frame indemnity insurance contract	it doesn't have to be assessed.

			which is valid for all over EU incl. the Czech Republic. Frame indemnity insurance contract must be submitted for control by the Chamber.	
DE	Yes	yes	Yes, provided that the liability insurance meets the requirements which apply in Germany. If it is not equivalent to that in Germany, there is also the possibility of taking out an additional policy to make up for the shortfall vis-à-vis the domestic insurance requirements.	An insurance policy taken out in another Member State will be considered to be equivalent if it has the same terms and conditions of cover as the relevant German insurance policy.
DK	n/a	n/a	n/a	n/a
EE	no	no	n/a	n/a
EL	no	no	n/a	n/a
ES	no	no	n/a	n/a
FI	no	no	n/a	n/a
FR	yes	no	n/a	n/a
HR	Yes	It is not regulated in the Law, but we assume that it is covered with	It is not regulated in the Law, there is not such a possibility.	It is not regulated in the Law, there is not such a possibility.

		obligatory insurance		
HU	no	no	n/a	n/a
IE	no however, the Irish Tax Institute requires its members in private practice, whether solely or in partnership or in corporate practice, to ensure that adequate professional indemnity insurance or self-insurance cover is held by them or by the business entity through which they practise.	no	no	n/a
IS	no	no	n/a	n/a
IT	yes (as of 15/08/2013)	yes	yes, if equivalent	not assessed (for the moment)
LI	yes	yes		
LT	no	no	n/a	n/a
LU	No	No	n/a	n/a
LV	n/a	n/a	n/a	n/a
MT	no	no	n/a	n/a
NL	no	no	n/a	n/a
NO	not for tax advisers but yes if it includes legal	not for tax advisers but yes if it includes legal	yes	n/a

	advice	advice		
PL	yes	yes	yes if the same conditions, if not a person is obliged to conclude a supplemental insurance contract	Authorities entitled to check this are the minister of public finance and the National Chamber of Tax Advisers. It is determined on the basis of the policy or other insurance document confirming the conclusion of a contract of this insurance, issued by the insurance company.
PT	yes	no	no	n/a
RO	yes	yes	Yes. No restrictions apply.	n/a
SE	no	no	n/a	n/a
SI	no	no	n/a	n/a
SK	yes	Yes, If a foreign insurance policy is not sufficient, it must be complemented to meet the requirements.	It has to be valid for the whole territory of the Slovak Republic.	It has to be valid for the whole territory of the Slovak Republic.
UK	no	no	n/a	n/a

Source: DG MARKT, based on the replies of Member States sent in December 2012

5. Insurance requirements for VETS

	1 – In case of establishment, is there a requirement for professional indemnity insurance before veterinary services can be provided on your territory?	2 – In case of temporary cross-border provision of services, is there a requirement for professional indemnity insurance before veterinary services can be provided on your territory?	3 – In case a requirement for professional indemnity insurance exists for temporary provision of services for veterinarians, is the insurance obtained in another Member States accepted and under which conditions?	4 – In case the equivalence of insurance obtained in another Member States has to be assessed, please describe briefly how this is done.
AT	no	no	n/a	n/a
BE	not for the moment but there are plans to change it	no	n/a	n/a
BG	no	no	n/a	n/a
CY	no	no	n/a	n/a
CZ	yes	yes, but a veterinarian as an entrepreneur doesn't have to be registered in Chamber of Veterinary medicals	Insurance obtained in another MS on the basis of Frame indemnity insurance contract valid for all over the EU is accepted. Frame indemnity insurance contract must be submitted for control by the Chamber.	No, it doesn't have to be assessed.
DE	Professional liability insurance is required in the	In certain Länder (e.g. Berlin, Hamburg,	In certain Länder (e.g. Berlin, Hamburg, Bremen	In the majority of Länder (e.g. Berlin, Brandenburg, Bremen

	Länder under codes of professional conduct or healthcare professions acts.	Bremen etc.) there are no specific rules. In other Länder (e.g. Brandenburg, Lower Saxony) veterinarians providing cross-border services do not belong to the respective Chamber, but are under the obligation of having professional liability insurance.	etc.) there are no specific rules. In other Länder (e.g. Brandenburg, Lower Saxony) the insurance obtained in another Member States is accepted.	etc.) there are no specific rules. In certain Länder (e.g. Saxony) an equivalence assessment is done as to the geographical scope and to the amount of the cover.
DK	no	no	n/a	n/a
EE	no	no	n/a	n/a
EL	no	no	n/a	n/a
ES	no the professional associations include professional insurances in college fees.	no but the professional has to communicate if he has such civil insurance in its annual declaration.	n/a	n/a
FI	no	no	n/a	n/a
FR	yes	yes	the insurance policy must cover procedures performed in France, regardless of whether the policy was taken out in another EU	at the request of the professional veterinary association, a document must be submitted to certify that the provider's services performed on national territory (or

			Member State.	without any geographical limitation) are covered by an insurance policy covering his/her professional civil liability.
HR	yes	yes	Yes, provided it covers all the professional activities of service provider at the territory of Republic of Croatia.	In general, it is a responsibility of service provider to guarantee validity of all information he provided in written declaration. However, if needed, service provider would be asked to submit the original document of insurance.
HU	yes	no	n/a	n/a
IE	not for the moment but there are plans to change it	yes	yes, self-declaration by the veterinarian.	Self-declaration by the veterinarian.
IS	no	no	n/a	n/a
IT	yes (as of 15/08/2013)	yes	yes, if equivalent	not assessed (for the moment)
LI	Law obliges veterinarians to conclude professional indemnity insurances covering losses up to 3 Mio. Swiss Francs for general	yes	Yes, under the condition, that protection, guaranteed by the insurance meets the requirements of the member state the veterinarian is	Competent authority of the other member state would be asked about the requirements for professional indemnity insurance via its single point of

	veterinarians, up to 5 Mio. Swiss Francs for specialists respectively.		coming from.	contact.
LT	no	no	n/a	n/a
LU	yes	yes	yes	At the first declaration, the service provider has to submit an insurance policy covering his/her professional civil liability.
LV	no	no	n/a	n/a
MT	yes	yes	Yes, as long as it covers the indemnity of that professional in the Maltese territory.	Services providers have to provide evidence with their prior declaration that they have an insurance providing professional indemnity covering their activities in the Maltese territory.
NL	no	no	n/a	n/a
NO	yes	yes	There are no detailed rules for insurance	
PL	no	no	n/a	n/a
PT	no	no	n/a	n/a
RO	yes	yes	yes	Before obtaining the right to practice, the applicant must submit to the College of Romanian

				Veterinarians a copy of the professional indemnity insurance.
SE	no	no	n/a	n/a
SI	no	no	n/a	n/a
SK	yes	yes	Yes, under general requirements	The law does not specify details, so general requirements apply.
UK	yes	Yes	The insurance policy must be adequate to cover all professional activities carried out in the UK, regardless of whether the policy was taken out in another EU Member.	A copy of the policy may be requested, but only as part of regulation, not registration

Source: DG MARKT, based on the replies of Member States sent in December 2012