

<p>Title: The Services of Lawyers and Lawyer's Practice (Amendment) (EU Exit) Regulations 2019</p> <p>IA No: MoJ029/2019</p> <p>Lead department or agency: Ministry of Justice</p> <p>Other departments or agencies:</p>	<div style="background-color: #333; color: white; padding: 5px; font-weight: bold; font-size: 1.2em;">Impact Assessment (IA)</div> <p>Date: 07/03/2019</p> <hr/> <p>Stage: Final</p> <hr/> <p>Source of intervention: EU Exit</p> <hr/> <p>Type of measure: Secondary legislation</p> <hr/> <p>Contact for enquiries: james.mcgoay@justice.gov.uk</p>
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Summary: Intervention and Options	RPC Opinion: N/A
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Cost of Preferred (or more likely) Option				
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Total Net Present Value	Business Net Present Value	Net cost to business per year (EANDCB in 2014 prices)	One-In, Three-Out?	Business Impact Target Status
n/a	n/a	n/a	n/a	Out of Scope

To ensure an orderly exit from the EU, the government has signed a Citizens' Rights Agreement with Switzerland. Government intervention is needed to introduce these arrangements into UK law – ensuring that deficiencies in retained EU law are appropriately remedied and that retained European law operates effectively – if a Withdrawal Agreement with the EU is not agreed before 29 March 2019. If the UK leaves the EU without a deal, the Directives granting EU lawyers practise and establishment rights (the Lawyers Services Directive and the Lawyer Establishment Directive) and the EU-Swiss Free Movement of Persons Agreement extending these Directives to Swiss nationals will cease to apply to the UK. The UK-Switzerland Citizens' Rights Agreement preserves recognition and establishment rights for UK/Swiss lawyers subject to certain conditions being met. This instrument provides an appropriate remedy to a deficiency in the relevant retained EU law taking into account the UK-Switzerland Citizens' Rights Agreement.

What are the policy objectives and the intended effects?

This Statutory Instrument (SI) implements provisions of the UK-Switzerland Citizens' Rights Agreement concerning lawyers and legal services, by amending the legislation that removes practice rights for Swiss lawyers in a No EU Deal scenario, ensuring deficiencies in retained EU law are appropriately remedied and that it operates effectively. It will enable Swiss nationals who have Swiss legal qualifications recognised by a UK regulator to apply to join within 4 years of Exit Day the professions of solicitor or barrister in England and Wales or Northern Ireland under current terms. It will enable Swiss lawyers who are already registered and practising under their Swiss professional title within England and Wales or Northern Ireland to continue to do so under the current terms whilst they remain registered or for Swiss lawyers who are not already so registered up to 4 years after exit day to do so. It will also enable Swiss lawyers (and others in scope of the Agreement) the right to continue providing up to 90 days temporary services in a year, for at least 5 years, where this is under a contract to provide such services agreed and started before Exit Day.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

- **Option 0.1/Static acquis** – A pre-EU Exit position where Swiss lawyers have the right to practise in England & Wales or Northern Ireland on a temporary basis using their Swiss title or to practise permanently subject to registration.
- **Option 0.2/Do Nothing** – Omit to reinstate the lawyer-specific rights within of the UK- Swiss Citizens Rights Withdrawal Agreement that are removed by the original instrument.
- **Option 1** - Legislate to correct a deficiency in retained EU law and which would introduce the arrangements agreed as part of the UK-Swiss Citizens Rights Withdrawal **Citizens' Rights** Agreement, providing legal certainty and continuity for Swiss lawyers and firms with interests in the UK, and their clients.

The Government's preferred option is option 1 as this is the only approach that meets the policy objectives. Not introducing this legislation creates legal uncertainty for individuals and businesses.

Will the policy be reviewed? It will not be reviewed. **If applicable, set review date:** n/a

Does implementation go beyond minimum EU requirements?	n/a			
Are any of these organisations in scope?	Micro Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? n/a	Traded: n/a		Non-traded: n/a	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: _____ Lucy Frazer _____ Date: _____ 07/03/2019 _____

Summary: Analysis & Evidence

Policy Option 1

Description: Legislate to remedy deficiencies in retained EU law and which would introduce the arrangements agreed as part of the UK-Switzerland Citizens' Rights Agreement, providing legal certainty and continuity for Swiss lawyers and firms with interests in the UK, and their clients.

FULL ECONOMIC ASSESSMENT

Price Base Year n/a	PV Base Year n/a	Time Period Years n/a	Net Benefit (Present Value (PV)) (£m) n/a		
			Low: n/a	High: n/a	Best Estimate: n/a
COSTS (£m)		Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)	
Low	n/a	n/a	n/a	n/a	
High	n/a	n/a	n/a	n/a	
Best Estimate	n/a	n/a	n/a	n/a	

Description and scale of key monetised costs by 'main affected groups'
None

Other key non-monetised costs by 'main affected groups'
Baseline: Option 0.1/Static acquis
 As this instrument continues rights that were removed in the original instrument, the main affected groups will not incur any non-monetised costs.
Baseline: Option 0.2/Do nothing:
 The cost to Swiss lawyers relative to the original SI is the removal of rights to practise in the same way as now on a temporary basis, in the absence of a contract extant on Exit Day. This may result in a loss of anticipated income for Swiss lawyers and firms. The instrument also ends access to permanent registration under home title, and admission to an English & Welsh profession on the basis of 3 years' experience, 4 years after Exit Day (though admission via tests remains possible).

BENEFITS (£m)	Total (Constant Price)	Transition Years	Average (excl. Transition) (Constant Price)	Annual (Constant Price)	Total (Present Value)	Benefit
Low	N/A		N/A		N/A	
High	N/A		N/A		N/A	
Best Estimate	N/A		N/A		N/A	

Description and scale of key monetised benefits by 'main affected groups'
None

Other key non-monetised benefits by 'main affected groups'
Baseline: Option 0.1/Static acquis
 This instrument does not introduce any new benefits for the main affected groups relative to the static acquis.
Baseline: Option 0.2/Do nothing
 This instrument restores significant benefits for Swiss lawyers in the UK (as part of a reciprocal agreement which will also benefit UK lawyers in Switzerland), compared to a scenario without a negotiated separation. It means recognition and establishment rights for Swiss lawyers are preserved, provided they have transferred into a UK legal profession before Exit Day. It protects the rights of Swiss lawyers who are established, registered and providing services under their home title (subject to continued registration) and provides a transition period of 4 years for lawyers to register or transfer under these arrangements. Finally, it allows lawyers and law firms to continue to provide temporary services for up to 90 days per year for 5 years, where the provision of such services is under a contract agreed and started before Exit Day (with scope for extension in 5 year periods, in accordance with the UK-Swiss Citizens Rights Withdrawal Agreement). This legislation ensures these lawyers avoid compulsorily incurring costs to adjust their business models and working arrangements, as would be necessary otherwise.

Key assumptions/sensitivities/risks	Discount rate	n/a
None		

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			Score for Business Impact Target (qualifying provisions only) £m
Costs: n/a	Benefits: n/a	Net: n/a	
			n/a

Evidence Base (for summary sheets)

A. Background

The UK Legal Services Regulatory Landscape

1. The UK has three separate legal jurisdictions, England and Wales, Scotland and Northern Ireland. Each jurisdiction has different legal professions, different qualifications, routes to qualify and different regulatory regimes. In terms of legislative responsibility, the regulation of legal services is devolved in Scotland and Northern Ireland.
2. This impact assessment (IA) applies to the legal jurisdictions of England and Wales and Northern Ireland. Scotland plans to take forward their own legislation in this area.

Regulation of Legal Services in England and Wales

3. The regulation of legal services in England and Wales is based on a mix of 'reserved' activities and professional titles. The 'reserved' legal activities, as set out in the Legal Services Act 2007, can only be undertaken by 'authorised persons,' i.e. only those qualified and holding certain regulated professional titles. The reserved activities are:
 - the exercise of a right of audience
 - the conduct of litigation
 - reserved instrument activities
 - probate activities
 - notarial activities
 - the administration of oaths
4. Lawyers who do not seek to undertake these reserved activities are not required to be regulated. This includes the provision of general legal advice. However, lawyers wishing to practise under a protected title such as "solicitor", regardless of what legal services they provide, must be regulated.
5. Non-lawyers may own legal businesses falling under the definition of an Alternative Business Structure (ABS) subject to regulatory approval. An ABS is where one or more of the owners or managers is a non-lawyer. They can attract external finance and management expertise, and operate as a 'one-stop' shop, providing a mix of legal and other professional services in innovative ways.

Regulation of Foreign Qualified (third country) Lawyers in England and Wales

6. Foreign-qualified lawyers (other than those within scope of the current EU framework for lawyers) are, generally, not permitted to undertake reserved legal activities in England and Wales. However, there are routes for foreign-qualified lawyers to transfer into the English/Welsh profession without entirely re-qualifying, in the form of transfer or aptitude tests. The Solicitors Regulation Authority (SRA) offers the Qualified Lawyers Transfer Scheme (QLTS), managed by private providers, and the Bar Standards Board, the Bar Transfer Test (BTT), managed by BPP Law School, another private provider.
7. Once admitted as a solicitor or barrister, those lawyers are subject to the same regulatory regime as all others who have qualified as solicitors or barristers. In addition, foreign-qualified lawyers registered with the SRA - Registered Foreign Lawyers (RFLs) - can participate in the ownership of a legal business with domestically qualified lawyers, although they cannot undertake reserved legal activities.

Regulation of Legal Services in Northern Ireland

8. There are two branches of the legal profession in Northern Ireland. The regulation of legal services in Northern Ireland is undertaken by the Law Society of Northern Ireland for solicitors, and by the Honourable Society of the Inn of Court of Northern Ireland for barristers. A statutory framework is in place for the regulation of solicitors, underpinned by the Solicitors (NI) Order 1976, and the Law Society acts as the regulatory authority governing the education, accounts, discipline and professional conduct of

solicitors. For barristers, a similar, non-statutory, framework of regulation is undertaken by the Inn of Court and the Bar Council of Northern Ireland.

9. ABS are not permitted in Northern Ireland, nor is the external ownership of law firms.

Regulation of Foreign Qualified (Third Country) Lawyers in Northern Ireland

10. Foreign-qualified lawyers (other than those within scope of the current EU framework for lawyers) cannot practise as either a solicitor or a barrister in Northern Ireland without first re-qualifying through the normal channels, although there are slightly different requirements for applicants from certain Commonwealth countries applying to practise as a solicitor.

Current European Framework and the Regulation of Swiss & EEA lawyers

11. As an EU Member State, the UK is required to implement two European Directives for legal services, as well as the provisions to Switzerland the EU-Swiss Free Movement of Persons Agreement (FMOPA) which, amongst other things, extends these two Directives to Switzerland.

- Under the Lawyers Establishment Directive (Directive 98/5/EC) (LED) (implemented in England and Wales and Northern Ireland by the European Communities (Lawyer's Practice) Regulations 2000) particular EU and EFTA lawyers can practise activities normally reserved to UK advocates, solicitors and barristers (with limited restrictions), under their home state professional title, or gain a UK professional title on the basis of three years of practice in the law of the relevant UK legal jurisdiction. To exercise these practice rights under the LED, EU and EFTA lawyers must register with a UK regulator as Registered European Lawyers (REL). Additionally, EU and EFTA lawyers may practise jointly with UK solicitors, or be sole owners of legal businesses in the UK, providing reserved activities.
- Under the Lawyers Services Directive (77/249/EEC) (LSD) (implemented in the UK by the European Communities (Services of Lawyers) Order 1978) certain EU and EFTA lawyers are entitled to provide temporary services across EU and EFTA states, including the UK. They are not required to register with a UK regulator to do so. EU and EFTA lawyers providing temporary services in England, Wales or Northern Ireland, can provide reserved legal activities (with some restrictions). Estimating the total number of lawyers exercising these rights is difficult, as lawyers providing services on a temporary basis do not need to register, meaning no data exists to quantify their activity. In terms of lawyers exercising their rights to establish permanently, data from the Solicitors Regulation Authority (SRA) shows that there were 10 Swiss RELs registered with the SRA as of June 2018, whilst there were 235 English & Welsh solicitors with their primary business address in Switzerland. As at January 2019, there are no Swiss RELs currently registered with the Bar Standards Board (BSB).s at January 2019 there are no Swiss RELs currently registered in Northern Ireland.

Routes to transfer into the UK profession for EU and EFTA lawyers

12. Some routes to transfer into the UK profession already exist for Swiss lawyers. Until Exit Day, Swiss RELs can qualify as a solicitor or barrister by demonstrating three years' experience under their home professional title, and jointly practice in, or wholly, own legal businesses. Transitional arrangements provided under the Services of Lawyers and Lawyer's Practice (Revocation etc.) (EU Exit) Regulations 2019 grant Swiss RELs registered in the UK before Exit Day the right to join an English & Welsh or Northern Irish profession providing an application is made before 31st December 2020, in line with all other EEA RELs registered with regulators in England & Wales or Northern Ireland (and only partially implementing the UK-Switzerland Citizens Rights Withdrawal Agreement, for lawyers). Alternatively, Swiss lawyers may also currently opt to take an aptitude test under the EU framework relating to the mutual recognition of professional qualifications.

B. Policy Rationale and Objectives

13. The purpose of this statutory instrument is to remedy a deficiency in retained EU law, in order to retain appropriate regulatory provisions for those in scope of the UK-Swiss Citizens' Rights Agreement and to ensure retained EU law functions effectively. It will do so by preserving modified provisions of the European Communities (Services of Lawyers) Order 1978 and European Communities (Services of Lawyers) Order 1978. This will provide certainty and short-term continuity for Swiss lawyers and legal firms with interests in England & Wales and Northern Ireland. Separate legislative arrangements are being made in Scotland.
14. The policy objectives of this statutory instrument are to implement the UK-Switzerland Citizens' Rights Agreement for lawyers. It amends the Services of Lawyers and Lawyers Practice (Revocation etc.) (EU Exit) Regulations 2019 in order to:
- grant Swiss nationals who have Swiss legal qualifications recognised by a UK regulator (Registered European Lawyer status) before Exit Day the right to transfer into an English & Welsh or Northern Irish profession. It will prevent the revocation of REL status for Swiss lawyers who are (and who remain) registered with a regulator in England and Wales or Northern Ireland immediately before exit day and enable two groups - Swiss lawyers qualified as of Exit Day and those who have started to obtain their qualifications as Swiss lawyers before Exit Day - the right to start recognition procedures or to apply to join a legal profession in England & Wales or Northern Ireland within 4 years of Exit Day;
 - grant Swiss lawyers (or other nationals established or permanently employed, and professionally recognised in Switzerland) the right to continue providing services in the England and Wales or Northern Ireland, in the service of contracts that are extant on Exit Day, for up to 90 days per year, for the duration of the contract (though limited to 5 years in the first instance, with scope for extension in 5-year periods).

C. Affected Stakeholder Groups, Organisations and Sectors

15. This statutory instrument will apply to England and Wales and Northern Ireland. The groups most likely to be affected by the options in this IA are as follows:
- Swiss lawyers
 - Businesses employing such lawyers
 - The legal sector & wider society
 - Legal regulators and administrators

D. Description of Options Considered

16. In order to meet the policy objectives, the following options are assessed in this IA:
- **Option 0.1/Baseline:** Static acquis – A pre-EU Exit position where Swiss lawyers have the right to practise in England & Wales or Northern Ireland on a temporary basis using their Swiss professional title or to practise permanently under their Swiss professional title subject to registration.
 - **Option 0.2/Baseline:** Do nothing - Omit to implement the lawyer-specific rights within of the UK-Swiss Citizens Rights Withdrawal Agreement, whilst the Services of Lawyers and Lawyer's Practice (Revocation etc.) (EU Exit) Regulations 2019 removes rights afforded under the EU Directives, as extended to Switzerland under the Free Movement of Persons Agreement.
 - **Option 1** – Legislate to introduce the arrangements agreed as part of the UK-Switzerland Citizens' Rights Agreement, providing legal certainty and continuity for Swiss lawyers and firms with interests in the UK, and their clients.

17. The Government's preferred option is option 1 as this is the only option which meets the policy objectives.

Option 0.1/Baseline: Static acquis

18. Under existing EU law and the EU-Swiss Free Movement of Persons Agreement (see paragraph 11), Swiss lawyers would be able to continue practising in England & Wales or Northern Ireland on a permanent or temporary basis.
19. Swiss lawyers would be able to continue practising on a permanent basis by exercising rights under the Lawyers Establishment Directive (Directive 98/5/EC) (LED), implemented in England and Wales and Northern Ireland by the European Communities (Lawyer's Practice) Regulations 2000. These provisions allow a Swiss lawyer to be registered with an English & Welsh or Northern Irish regulator under the status of a Registered European Lawyer. This registration confers the same practice and ownership rights on Swiss lawyers as English & Welsh or Northern Irish solicitors and barristers, with some exceptions. Registered European Lawyers can apply to join an English & Welsh or Northern Irish profession after three years of qualifying practice.
20. Swiss lawyers would be able to continue practising on a temporary basis under the Lawyer's Services Directive (77/249/EEC) (LSD), implemented in the UK by the European Communities (Services of Lawyers) Order 1978. This allows Swiss lawyers to practise reserved legal activities and provide general legal services in the UK under their "home title" (Swiss or EEA professional status) on a "temporary" basis for up to 90 days per year, without registering with a UK regulator.

Option 0.2/Baseline: Do Nothing

21. If we do not proceed with this SI, those in scope of the relevant provisions of the Swiss Agreement who are providing services in England & Wales or Northern Ireland on a temporary basis, will not have a legal basis to perform reserved legal activities, from Exit Day. Further, Swiss lawyers will be unable to have their qualifications permanently recognised by English & Welsh and Northern Irish regulators after Exit Day, (on the basis of 3 years' practice in England and Wales or Northern Ireland, and in English and Welsh or Northern Irish law) unless they are already a Registered European Lawyer by Exit Day.
22. This means the UK would not have fully implemented the UK-Switzerland Citizens' Rights Agreement, which could lead to the Agreement not being ratified, thereby losing the reciprocal protections for UK nationals in Switzerland.
23. Failing to implement the Agreement would create legal uncertainty, and would have an adverse impact on individuals and businesses attempting to use provisions made under the UK-Switzerland Citizens' Rights Agreement. Individual and businesses affected may incur costs taking mitigating action where it is possible, for example by obtaining a UK qualification via a cost bearing, examination based route (e.g. the Qualified Lawyers Transfer Test), or by changing their ownership structure of their firms. In instances where there is scope for individuals and businesses to take mitigating action, there may not be sufficient time for mitigations to be completed by Exit Day.

Option 1: Legislating to implement the UK-Switzerland Agreement

24. This option proposes bringing forward this statutory instrument to implement the UK-Switzerland Citizens' Rights Agreement for lawyers, by amending the legislation that removes practice rights for Swiss (and EEA) lawyers in a No EU Deal scenario (the Services of Lawyers and Lawyers Practice (Revocation etc.) (EU Exit) Regulations 2019). This option would:
- i. Grant Swiss nationals who have Swiss legal qualifications recognised by a UK regulator (Registered European Lawyer status) before Exit Day the right to transfer into an English & Welsh or Northern Irish profession. It will prevent the revocation of REL status for Swiss lawyers and enable two groups - Swiss lawyers qualified as of Exit Day and those who have started to obtain their qualifications as

Swiss lawyers before Exit Day - the right to start recognition as a Registered European Lawyer or apply to join a legal profession in England & Wales or Northern Ireland within 4 years of Exit Day.

- ii. Grant Swiss lawyers (or other nationals established or permanently employed, and professionally recognised in Switzerland) the right to continue providing services in the UK, in the service of contracts that are extant on Exit Day, for up to 90 days per year, for the duration of the contract (though limited to 5 years in the first instance, with scope for extension in 5-year periods).

E. Cost and Benefit Analysis

25. This IA follows the procedures and criteria set out in the IA Guidance and is consistent with the HM Treasury Green Book.
26. Where possible, this IA identifies both monetised and non-monetised impacts on individuals, groups and businesses in England and Wales and Northern Ireland with the aim of understanding what the overall impact on society might be from the options under consideration. EU exit IAs are normally compared to a “static acquis” baseline, as well as a “do nothing” baseline. This approach involves baselining all costs and benefits against the UK statute book as expected to be before EU exit in March 2019, including all existing domestic and EU legislation, as well as understanding the impact of not introducing this instrument.
27. This IA concerns a number of variables that relate to individual choices and actions as a result of the statutory instrument coming into force. This IA indicates where there are likely to be financial implications for individual lawyers in a number of categories, whilst it considers non-monetary costs, benefits, trends and risk factors that may arise in terms of individuals, firms, the legal sector and wider society.

Cost and benefit analysis, of Option 1 against Option 0.1/Static acquis:

Option 1 – Legislate to remedy a deficiency in retained EU law and to introduce the arrangements agreed as part of the UK-Switzerland Citizens’ Rights Agreement, providing legal certainty and continuity for Swiss lawyers and firms with interests in the UK, and their clients.

Benefits of Option 1

Swiss lawyers, & businesses employing Swiss lawyers

28. Relative to the static acquis, this instrument introduces no new benefits for Swiss lawyers or Swiss firms with interests in the UK.

Costs of Option 1

Swiss lawyers, & businesses employing Swiss lawyers

29. There are two changes to the rights of Swiss lawyers that could incur costs for Swiss lawyers and businesses employing Swiss lawyers as a result of this statutory instrument, relative to not amending the original instrument:
 - a. Swiss lawyers and Swiss law firms will be unable to provide reserved legal services temporarily in the UK under contracts signed after Exit Day. Their rights will be limited to servicing contracts extant on Exit Day for no more than 90 days per year, for up to 5 years, subject to extension under the terms of the Agreement. The cost of this change cannot be quantified as no data exists showing the number of Swiss lawyers providing regulated services in the UK on a temporary basis.
 - b. Swiss lawyers will be unable to have their qualifications recognised in the England & Wales or Northern Ireland by acquiring Registered European Lawyer status after 4 years from Exit Day. Similarly, Swiss lawyers will be unable to join an English & Welsh or Northern Irish profession on the

basis of 3 years' practice as a Registered European Lawyer, after 4 years from Exit Day. Swiss lawyers will still be able to join an English & Welsh profession by undertaking transfer tests at cost; this option is not available in Northern Ireland.

Regulators and administrators

30. The direct monetary cost to regulators is not quantifiable. Applications to become a Registered European Lawyer and/or join an English & Welsh or Northern Irish profession are chargeable, and reflect the cost of administration.

The legal sector & wider society

31. Individuals and businesses seeking reserved legal services from a Swiss lawyer in England & Wales or Northern Ireland after Exit Day – on account of expertise or experience – will no longer be able to receive such services unless the lawyer is permanently established in the UK, and holds Registered European Lawyer status or has joined an English & Welsh or Northern Irish profession. It is not possible to quantify the cost to wider society of reduced access to Swiss legal expertise in relation to reserved legal activities.

Cost and benefit analysis, of Option 1 against Option 0.2/Do Nothing:

Option 1 – Legislate to remedy a deficiency in retained EU law and to introduce the arrangements agreed as part of the UK-Switzerland Citizens' Rights Agreement, providing legal certainty and continuity for Swiss lawyers and firms with interests in the UK, and their clients.

Benefits of Option 1

Swiss lawyers, & businesses employing Swiss lawyers

32. In a 'Do Nothing' scenario, Registered European Lawyer status will cease to exist when transitional arrangements provided under the Services of Lawyers and Lawyers Practice (Revocation etc.) (EU Exit) Regulations 2019 end on 31 December 2020. After this time, Swiss lawyers wishing to practise reserved legal activities would need to apply to join an English & Welsh profession by undertaking a transfer test. To become a solicitor via this route costs £3510 + VAT (Qualified Lawyers Transfer Test), whilst the tests for Bar admission cost between £940 and £2335. No equivalent route is available in Northern Ireland. Relative to the 'Do Nothing' position, this instrument provides a number of significant benefits for Swiss lawyers and law firms with interests in the UK.
- a. **Registered European Lawyer status will continue to be recognised for Swiss nationals covered by the provisions of the agreement.** The status of Registered European Lawyer (for Swiss nationals only) will continue to be recognised in law, whereas under the 'Do Nothing' position this status will cease to exist on 31 December 2020. This means that existing Swiss Registered European Lawyers would not need to exercise provisions in the original instrument requiring them to join an English & Welsh or Northern Irish profession before 31 December 2020 to continue having their qualifications recognised. Under Registered European Lawyer status, they will be able to continue practising reserved legal activities under their Swiss professional title.
 - b. **Transitional arrangements will grant Swiss lawyers 4 years from Exit Day to apply to become a Registered European Lawyer.** These provisions will extend to Swiss nationals who are working towards qualification. Under the 'Do Nothing' position, Swiss lawyers who wish to practise reserved legal activities in England & Wales after Exit Day would have to join an English & Welsh profession by taking transfer tests.
 - c. **Transitional arrangements allowing Registered European Lawyers to join an English & Welsh or Northern Irish profession on the basis of experience will be extended for Swiss nationals.** Swiss Registered European Lawyers will be able to apply to join an English & Welsh or Northern Irish profession following 3 years' relevant practice using their Registered European Lawyer status, providing an application is made within 4 years from Exit Day. This route into an English & Welsh or Northern Irish profession does not require transfer tests.

- d. **Some rights to provide services on a temporary basis will be maintained.** Swiss lawyers (and other nationals who own or are employed permanently by a Swiss firm) with contracts to provide services extant on Exit Day will continue to be able to provide reserved legal activities in England & Wales or Northern Ireland, for up to 90 days per year, initially for up to 5 years, subject to extension in 5-year periods in accordance with the Agreement. Swiss nationals (and other nationals permanently employed by a Swiss firm) will be able to provide these services on the basis of their Swiss qualification, without registering with an English & Welsh or Northern Irish regulator.
33. Swiss lawyers and businesses employing Swiss lawyers that were intending to change their business structure to achieve regulatory compliance in England & Wales - whether before Exit Day or the end of transitional arrangements provided under the Services of Lawyers and Lawyer's Practice (Revocation etc.) (EU Exit) Regulations 2019 - may no longer need to incur the cost of doing so:
- a. a Swiss Registered European Lawyer who owns a firm in the England & Wales and was intending to become Registered Foreign Lawyer or change the legal structure of their firm (to an Alternative Business Structure, for example), no longer needs to do so, so long as they remain registered as a Registered European Lawyer;
 - b. a Swiss Registered European Lawyer who was not intending to join an English & Welsh profession and instead enter the unregulated market (by ceasing to undertake 'reserved legal activities') before 31 December 2020 can now opt to remain registered and continue to provide a full range of services including reserved legal activities.

The legal sector & wider society

34. The sector may be more likely to retain Swiss lawyers and particularly specialists relative to the 'Do Nothing' position, which may help England & Wales and Northern Ireland retain the attractiveness of their jurisdictions for the provision of legal services. This also represents a benefit for UK businesses and individuals using the services of a Swiss law firm, particularly where this service is high specialised.

Costs of Option 1

Swiss lawyers and businesses employing such lawyers

35. There are no known direct costs. This instrument will not mandate any Swiss lawyers to adjust their services, practice or business model relative to the static acquis at Exit Day because it exclusively reintroduces provisions that were removed for Swiss lawyers under the Services of Lawyers and Lawyer's Practice (Revocation etc.) (EU Exit) Regulations 2019.

Regulators and administrators

36. The direct monetary cost to regulators is not quantifiable. Applications to become a Registered European Lawyer and/or join an English & Welsh or Northern Irish profession are chargeable, and reflect the cost of administration.

F. Wider Impacts

37. This instrument does not amend, repeal or revoke any provision or provisions in the Equality Act 2006 or the Equality Act 2010 or subordinate legislation made under those Acts, or in section 75 of the Northern Ireland Act 1998.
38. We have had due regard to the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010 or section 75 of the Northern Ireland Act 1998.

G. Implementation

39. The Instrument will come into force immediately before Exit Day, in the event of No-Deal between the UK and EU. Practitioners are advised to contact their relevant regulators for further detail.

H. Monitoring and Evaluation

40. As this instrument is made under the European Union (Withdrawal) Act 2018, no review is required.

I. Business Impact Target

50. This measure is out of scope of the Business Impact Target.