



GMS Flash Alert

Immigration Edition

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United Kingdom – Work Restrictions for Croatian Nationals to Expire in June

The Home Office has announced that as of 1 July 2018, Croatian nationals will have the same rights to work in Britain as other European Union (EU) citizens.¹

WHY THIS MATTERS

Certain categories of Croatian nationals in the United Kingdom will no longer be subject to working restrictions listed in the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013.² Starting 1 July 2018, they will not have to obtain a certificate granting them permission to work in the United Kingdom, which has been the requirement. The non-European Economic Area (EEA) family members of all Croatian nationals, as of 1 July 2018, will receive U.K. residence cards instead of accession residence cards.

Background

Restrictions Since Croatia's Accession to EU

Croatian nationals have been able to freely move and reside in other EU member states since their country joined the EU on 1 July 2013.³ Several member states have since imposed transitional restrictions on Croatian nationals seeking to access their labour markets. The United Kingdom, alongside Slovenia, Austria, and the Netherlands, are the last member states to currently enforce such restrictions.

Croatian nationals, since 1 July 2013, have been required to obtain authorisation from the Home Office to work in the United Kingdom, unless they are exempt from doing so. Categories of Croatian nationals who do not require permission to work in the United Kingdom under the transitional restrictions include those with permission to work in the United

Kingdom before Croatia's accession to the EU, as well as partners and spouses of British nationals or other settled nationals in the United Kingdom.

Requirements for Non-Exempt Croatians

Croatian nationals who are not exempt under the transitional restrictions have needed to obtain a blue, yellow, or purple registration certificate on the basis of their circumstances. Blue registration certificates are issued to Croatian nationals who are either highly skilled or not subject to working restrictions; yellow registration certificates to students and self-employed and self-sufficient persons; whereas purple registration certificates are for Croatian nationals seeking to work in the United Kingdom but requiring work authorisation.

Non-EEA family members of Croatian nationals needing authorisation to work (those holding a purple registration certificate) have obtained accession residence cards during the transitional period, as opposed to U.K. residence cards issued to non-EEA family members of most EU nationals residing in the United Kingdom.

Penalties for Non-Compliance

It is an offence under the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013 to employ a Croatian national who does not have authorisation to work in the United Kingdom.⁴

KPMG LLP (U.K.) NOTE

From 1 July 2018, employers will no longer need to verify whether a Croatian national has the necessary authorisation to work in the United Kingdom. Since 1 July 2013, it has been an offence for employers to employ Croatian nationals who require authorisation to work, in the form of a purple registration certificate, or are undertaking work other than that specified in their registration certificate.

In the absence of the required authorisation, employers can face a maximum fine upon conviction of £5,000 per worker and employees may be convicted for up to three months' imprisonment. The Home Office's announcement means that as of 1 July 2018, all Croatian nationals will benefit from the same working rights other EU nationals have in the United Kingdom.

FOOTNOTES:

1 See: <https://www.gov.uk/government/news/restrictions-on-croatian-workers-to-expire-in-june> .

2 See: https://www.legislation.gov.uk/ukxi/2013/1460/pdfs/ukxi_20131460_en.pdf .

3 For prior coverage, see KPMG's *Flash International Executive Alert* 2012-194 – *United Kingdom: Altered Immigration Rules to Impact Croatians Following EU Accession* (25 October 2012). To obtain a copy of this newsletter, please contact your local KPMG GMS or People Services professional.

4 See: <https://www.gov.uk/government/publications/guidance-for-croatian-nationals-on-getting-permission-to-work-in-the-uk>; and https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/410464/CR_Employer_guidance_v_03-15.pdf .

Contact us

For additional information or assistance, please contact your local GMS or People Services professional* or one of the following professionals with the KPMG International member firm in the United Kingdom.

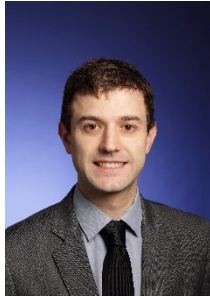
The KPMG Legal Services – Immigration Team has a wealth of experience in transactional, advisory, and compliance assurance services. We will be able to advise your business in relation to practical considerations in light of the above changes, as well as what this means for your long-term recruitment and compliance strategies.



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