

GMS Flash Alert

Immigration Edition

2022-214 | December 2, 2022



Switzerland - Services Mobility Agreement with U.K. Extended through 2025

The Services Mobility Agreement (SMA) between the U.K. and Switzerland, which was due to run out at the end of 2022, has been extended until 31 December 2025.1

WHY THIS MATTERS

The bilateral agreement which has applied since 1 January 2021, facilitates access for service providers despite the U.K.'s withdrawal from the European Union (EU) and serves to alleviate the immediate effects of Brexit on companies and working professionals.

The Service Mobility Agreement

The SMA implemented in 2021² particularly regulates market access and temporary stay for service providers from the U.K. in Switzerland, such as business consultants, IT experts, and engineers. U.K.-based service providers can send their employees to Switzerland for up to 90 days per calendar year using the online notification procedure. Nevertheless, any service provisions exceeding 90 days in a calendar year are still subject to the Swiss work permit requirement. Since 2021 more than 4,000 British service providers have used the notification procedure under the SMA to provide services in the Swiss market.³

Online Notification Procedure – Service Provisions from U.K. to Switzerland for up to 90 Days Per Calendar Year

As a result of the extension of the SMA, service providers located in the U.K. may still send their employees or themselves to Switzerland to provide services for up to 90 days in a calendar year using the online notification procedure.

The following employees can be registered:

- U.K.-citizens employed in the U.K.;
- Non-U.K. citizens employed in the U.K. provided they have been admitted to the U.K. labour market permanently (i.e., for at least 12 months prior to the notification).

Hiring U.K. Citizens on a Local Swiss Employment Contract

The SMA only applies to cross-border service provisions of up to 90 days per calendar year. Any local hires are governed by the Swiss Act on Foreign Nationals and Integration (*Loi fédérale sur les étrangers et l'intégration / Bundesgesetz über die Ausländerinnen und Ausländer und über die Integration*).

Hence, in order to hire a U.K. national locally, a Swiss employer will need to submit a formal Swiss work and residence permit application to the cantonal authorities, which needs to be approved by the local authorities before the individual can take up work and residency in Switzerland. The so-called priority of Swiss and EU nationals applies, which means that the Swiss employer would need to prove that no suitable EU or Swiss national could be found for the post after running authentic recruitment efforts for an adequate amount of time.

FOOTNOTES:

- 1 Eidgenössisches Departement für Wirtschaft, Bildung und Forschung, "<u>Die Schweiz und das UK unterzeichnen Abkommen zur Mobilität von Dienstleistungserbringern</u>" (14.12.2020). For related coverage, see <u>GMS Flash Alert 2020-494</u>, 14 December 2020.
- 2 Staatssekretariat für Wirtschaft, "<u>Schweiz Vereinigtes Königreich: Verlängerung des Abkommens über die Mobilität von Dienstleistungserbringern</u>." See that link for related documentation, such as "Erklärung der britischen Behörden: Clarification on Entry Routes to the United Kingdom for Swiss Service Providers" (21.11.2022).
- 3 See footnote 1.

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RELATED RESOURCE

This article is excerpted, with permission, from "Switzerland and the UK Extend the Services Mobility Agreement Until End of 2025" published in *Swiss Immigration News* (November 20220 by the KPMG International member firm in Switzerland.

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 Switzerland:



Adrian Tüscher Tel. + 41 58 249 28 85 atuecher@kpmg.com



Shirin Yasargil Tel. + 41 58 249 54 36 syasargil@kpmg.com

* Please note the KPMG International member firm in the United States does not provide immigration or labour law services. However, KPMG Law LLP in Canada can assist clients with U.S. immigration matters.

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