

Arts Council England EU Exit Guide

This document provides information on Brexit for the arts, museums and libraries. It acts as a guide only and makes reference to a number of external sources. It should therefore be read with the understanding that matters contained in this note may be subject to change, and not taken as legal guidance. We recommend that you carry out all necessary due diligence in relation to your organisation and encourage all cultural organisations to seek independent advice on matters that may be specifically relevant to them.

The United Kingdom is due to withdraw from the European Union on 29 March 2019. If a deal is agreed, this will be followed by a transition period lasting until 31 December 2020.

It is important for cultural organisations to assess the risks and opportunities that Brexit poses, so that they can prepare as well as possible.

Below we have sign-posted some of the government's 'No Brexit Deal' guidance which your organisation might find useful as you prepare.

As well as the information below, you are strongly encouraged to visit the Government's <u>website</u> for Brexit preparedness and to use its triage tool, through which you might find extra helpful and relevant information.

Organisations in receipt of EU Funding

- In the event of a 'No Deal Brexit' UK organisations would no longer receive future funding for projects under EU programmes such as Creative Europe, the European Regional Development Fund and Horizon 2020.
- However, if you have successfully bid into EU-funded programmes before the end of 2020, the Government has made a guarantee that you will receive funding, and continue to receive it over the project's lifetime. You can find further information on the Government's funding guarantee <u>here</u>.
- If your organisation is in receipt of the funds listed below, or you have submitted a bid to one of these funds, you will need to register your projects <u>here</u>.
 - o Creative Europe
 - o Horizon 2020
 - European Social Fund
 - European Regional Development Funding
 - Erasmus+



Queries regarding this form can be sent to the relevant Government Department <u>listed here</u>.

- Information and advice relating to current beneficiaries and prospective Creative Europe applicants can be found on the <u>Creative Europe Desk</u> website.
- You can find information on the Horizon 2020 underwrite guarantee and how Government plans to support UK research and innovation in the <u>'Horizon 2020 if there is a no Brexit deal' guidance</u>.
- If you are currently in receipt of European Regional Development Funds or are a prospective applicant, you can find more information on how current and future European Regional Development Fund projects would be affected in the <u>'European Regional Development Funding if there is a no</u> <u>Brexit deal</u>' Government notice.
- If you are currently receiving or applying for European Social Fund (ESF) grants, you can find more information on how grants would be affected in the Government guidance on <u>'European Social Fund (ESF) grants if there is no Brexit deal'</u>.
- In the event of a no deal Brexit, your organisation should also consider its reliance on commercial or philanthropic income through visitor numbers, donations or corporate hire. You should consider modelling the impact that changes might have on your organisation and how you might respond to those scenarios.

Freedom of movement, immigration and citizens' rights

Organisations employing European nationals

- The Government's recently published <u>policy paper on EU citizens' rights in</u> <u>the UK</u> states that **citizens already living in the UK are eligible to stay and continue working** in the UK after Brexit.
- EU nationals will have to register under a new settlement scheme that will open on 30 March 2019 and will be available on the Home Office website. The deadline for applying will be 30 June 2021.



- We recommend that arts and cultural organisations employing EU nationals inform staff about the new settlement scheme and encourage employees to register by the 30 June 2021 deadline. More information about the settlement scheme can be found <u>here</u>.
- The Government published its immigration <u>White Paper</u>, setting out its plans for a new immigration system post Brexit. The Government propose a new single skills-based immigration system, **ending the free movement of people from the EU**. The proposal includes a minimum salary threshold of £30,000 for skilled workers, which the Government plan to undertake a consultation on. The new system will start operating from the end of the Implementation Period and could have implications on future employment of EU nationals.
- Organisations are encouraged to consider what impact this may have on your staff and the support you can offer EU employees in the event of a no deal. More information on EU citizens' rights in the UK can be found here.
- The European Commission will also be implementing a "no deal" Contingency Action Plan that invites Member States to take a generous approach to the rights of UK citizens in the EU, provided that this approach is reciprocated by the UK. The European Commission's "no deal" Contingency Action Plan can be found <u>here</u>.

UK artists or organisations travelling to the EU post Brexit

- Many artists and organisations are involved in tours or other projects which involve travel to EU countries.
- When the UK leaves the EU British passport holders will need to comply with different rules to enter and travel around the European Union. This will apply to organisations currently working inside the EU, touring exhibitions or sending UK employees and artists abroad.
- The EU has confirmed that when freedom of movement ends, UK citizens will be subject to the <u>European Travel Information and Authorisation System</u> (<u>ETIAS</u>) when entering a Schengen Zone country for business or travel up to 90 days. This system is expected to be in place by 2021.



- You can read guidance for British citizens travelling to the EU, before and after the 29 March 2019 in the Government guidance on <u>'Travelling to the</u> <u>EU with a UK passport if there's no Brexit deal'</u>.
- The European Commission has a published a notice on travelling between the EU and the UK after 29 March 2019 in a no deal scenario. See the 'Travel' section of the European Commission's <u>Brexit preparedness</u> webpage. This includes specific information on export of cultural goods and export licencing requirements, which will apply to museums and other organisations exporting objects to EU countries.

Movement of goods/Customs and borders

- Numerous artists and organisations are planning exhibitions or performances which involve taking instruments, equipment, artworks, or other physical objects into EU countries
- In a 'no deal' scenario the Government's planning assumptions indicate there will be reduced access across the straits at Dover and Folkestone for up to six months. This could affect organisations and individuals working in the creative industries sector, including those taking a performing arts group, production or exhibition to an EU country.
- Cultural organisations are advised to refer to the Government's <u>Partnership</u> <u>Pack</u> which will help you prepare for the **new procedures around crossborder activity** in a no deal scenario.
- You should also refer to the Government notice on trading with the EU if there is no deal, which applies to organisations that require **moving objects in or out of the EU**.
- Organisations should evaluate the impact of goods or **items being delayed at borders** and consider ways to minimise reliance on these routes.
- If relevant, you may also wish to contact your existing shipping and logistics agents to **review potential costs associated with these delays**, as well as identifying any assets held across EU member states and those you will have outside the UK on the 29 March.
- The EU Registrars Group has published a <u>Brexit: Customs and Transport</u> <u>Update</u>, which includes information on **fine art transportation**.



 If you are a museum or cultural organisation trading or moving endangered species or their products across the EU, you should refer to the Governments guidance on 'trading and moving endangered species protected by CITES if there's no Brexit'. This guidance outlines how the UK would continue to comply with its international obligations under the Convention in International Trade in Endangered Species of Wild Fauna and Flora (CITES) in a no deal scenario.

Export and import of cultural property

• If your organisation **exports objects of cultural interest into the EU**, you can find further information on the new procedures in the following <u>guidance</u> published by Government.

Data protection

- The EU has an established mechanism to allow the free flow of persona data to countries outside the EU, namely an **adequacy decision**. It is highly unlikely the European Commission will have made adequacy decisions regarding the UK at the point of exit in March 2019.
- UK and EU organisations and citizens can take steps to mitigate the impact of this by implementing alternative transfer mechanisms to send personal data from the EU to the UK. Details of what the alternative transfer mechanisms available are, and how to make use of them are set out in the technical notice issued by the Government and in Information Commissioner's Office guidance.
- It is important for organisations, as a priority, to review whether they would be affected. For those that would be affected, early action may be advisable, given changes may take some time to implement.

Geo-blocking of online content

- Some artists or organisations will own, or make available, artistic content which can be accessed online.
- The Government released the following <u>guidance</u> on how restricting access to online content (geo-blocking) between the UK and EU member states would be regulated if the UK leaves the EU with no deal.



• The guidance provides information for consumers, business customers, traders and regulators, and is relevant for online traders who change the content of their websites depending on the physical location of the customers viewing them.

Copyright and Intellectual Property Rights

- European legislation currently provides the legal framework for the work of artists and arts and cultural organisations. This includes issues such as intellectual property, copyright, and artist re-sale rights.
- The Government's guidance '<u>Copyright if there's no Brexit deal'</u> contains information on how cross border copyright would be affected in the event that the UK leaves the EU without a deal.
- The Government published a notice regarding the <u>exhaustion of intellectual</u> <u>property rights if there is a no Brexit deal</u>. If no deal is agreed, organisations may need the right holder's consent to export intellectual property-protected goods that have been legitimately put on the market in the UK to the EU. You may wish to seek legal advice on how this arrangement could affect your intellectual property rights.
- The Intellectual Property Office has also published a <u>factsheet on</u> <u>intellectual property rights and EU exit</u>.

Broadcasting and on demand services

- In case of a 'no deal Brexit', the EU's Audio-Visual Media Services Directive, which coordinates national legislation of audio-visual media, ondemand services and the country of origin principle, will no longer apply to services under UK jurisdiction that are broadcast into the EU.
- Before the UK leaves the EU in March 2019, the Government recommends assessing whether your current licence would continue to be accepted in the EU countries where the service is made available and seek independent local advice if necessary.
- More information on how the rules would change for broadcasters and providers of video on demand services can be found in the Government notice on <u>Broadcasting and video on demand</u>.



Money and Taxes/Tax relief

- In the case of a no deal Brexit, there will be some specific changes to the VAT rules and procedures that apply to transactions between the UK and EU member states.
- If your organisation trades with EU countries, you should refer to the Government <u>guidance on VAT for businesses.</u> This guidance summarises the main VAT issues that will affect UK businesses trading with the EU in goods and services.

The Arts Council will continue to update this guide as further information becomes available and we therefore recommend that you continue to check this webpage for further information.

If you have any further queries regarding the information provided in this guidance, please use the <u>contact form</u> to contact our enquiries team who will do their best to answer your questions.