

OUR RED LINES ON BREXIT

Creative Industries Federation



The creative industries are the fastest growing part of the UK's economy. They contribute £87bn in GVA - more than oil and gas, life sciences and aerospace combined - and employ 1 in 11 people. They are world-beating, attract top international talent, and unlock innovation. They are the country's calling card to the world.

The free movement of goods, services, capital and people enjoyed as a result of EU membership have underpinned the sector's success. Our current ability to attract talent, tour freely, and trade on our doorstep is vital to the creative industries. This is why 96% of our members voted to Remain ahead of the referendum.

We appreciate the country's decision to leave the European Union, but reject the political rhetoric that 'no deal is better than a bad deal'. Both a 'no deal' and 'bad deal' option would be disastrous for the creative industries. We also reject a 'hard Brexit', which we believe will be damaging to the sector.

Any deal must embody an international and domestic vision. Britain must become a global-facing nation that inspires creativity and imagination worldwide. At home, it must enable its people and their communities to flourish. We believe that the creative industries are fundamental to achieving this vision.

As Britain negotiates its way out of the European Union, our red lines are as follows:

A HUB FOR GLOBAL TALENT: The success of the UK's creative industries is down to the people who work within it. Britain has a longstanding reputation as an open nation that attracts diverse global talent, and it is because of this that our creative sector is world-beating. If the UK loses easy access to people, it loses its competitive edge. If it loses its creative talent, it also loses its reputation as an attractive destination for work and play.

We therefore call on government to:

- 1. Guarantee the rights for EU nationals currently working in the UK.** 75% of our members - who range from fashion and theatre through to creative tech and architecture - employ non-UK EU nationals and most say that these jobs cannot be filled by British workers. A reciprocal rights deal for UK citizens in the EU must also be agreed.
- 2. Retain freedom of movement for (a) EU workers, (b) those in education, and (c) touring exhibitions, shows, musicians and their support teams,** to continue to showcase creative talent and keep costs down.

A CREATIVE TRADING POWERHOUSE: Britain's creative goods and services - films, games, design and more - are loved worldwide. Almost 10% of the UK's services exports come from the creative sector, delivering £19.8bn to the country's economy. More than half of this is generated from trading in Europe. Leaving the EU's single market will threaten these returns. But more than this, it will hamper the UK's ability to influence the trade agenda in the EU and worldwide.

We therefore call on government to:

- 3. Remain part of the EU single market and customs union.** Should these options not be possible, a free trade agreement with the EU that replicates the single market's relatively frictionless trading arrangements for goods

and services as far as possible should be pursued.

- 4. Continue to influence the shape of the EU's Digital Single Market (DSM).** When introduced, the Digital Single Market will impact on the way that the UK sells its digital content - from videogames to film and music - to European countries. A key issue yet to be resolved in DSM negotiations is clarification that online platforms must secure licences for use of content. The existing flexibility for creative businesses to license their content on a territory by territory basis must also be retained.

A STRONG REGULATORY FRAMEWORK: The UK has ensured that across Europe and around the world the market rewards imagination. Britain has led the way in creating and enforcing laws and regulatory frameworks that enable creatives to thrive. Intellectual Property (IP) is the lifeblood of the creative industries. It is the way that creators turn their ideas into revenue. When we leave the EU, we will lose our influence on the development of these regulatory frameworks. We will also lose access to a number of vital protections such as those currently afforded by the EU Design and Trademark framework, which by default will no longer extend to the UK. Existing regulatory arrangements governing audio visual services, data and professional qualifications must also be taken into account.

We therefore call on government to:

- 5. Maintain a robust and properly enforced IP regime.** Regulations which underpin rights including copyright, EU trademarks and designs (including unregistered designs), should be preserved fully within the UK, without imposing regulatory burdens or costs on rights owners. Access to the EU's strategic resources, such as the EU Intellectual Property Office, should be maintained.
- 6. Maintain reciprocal market access for the distribution of UK and EU Member State film and TV productions and audio-visual services.** This includes continued recognition of the Country of Origin regulatory principle from the Audiovisual Media Services Directive. The ability to exchange data without onerous restrictions must also be retained.

SUCCESSFUL EUROPEAN PARTNERSHIPS: The UK's creative industries are renowned for innovation, but this would not have been possible without working in partnership with other countries, businesses and cultural institutions. Collaborating with others gives us access to expertise from all around the world, as well as to new markets. Co-produced films are one example of where working with others has enhanced our opportunity to innovate and export. In any future arrangements, we must make it as easy as possible for UK businesses to find and establish partners in the EU and beyond.

We therefore call on government to:

- 7. Continue to participate in EU programmes, such as Creative Europe, Horizon 2020 and Erasmus+.** These programmes have been pivotal in facilitating partnerships, as well as providing investment, that have enabled the UK's creative industries to innovate and thrive.

The **Creative Industries Federation** is the national body for the UK's creative industries, arts and cultural education. Our 'red lines' should be read in tandem with our Brexit report, which can be downloaded from our website [here](#). For more information about our 1,000+ members and wider policy work, contact **Caroline Julian**, Deputy Head of Policy and Public Affairs, at caroline@creativeindustriesfederation.com or on **020 3771 0350**.