**CEEAC/S6/24/27/1**

**Constitution, Europe, External Affairs and Culture Committee**
**Thursday 5 December 2024**
**27th Meeting, 2024 (Session 6)**

# Review of the EU-UK Trade and Cooperation Agreement inquiry: Part 2

1. The Committee published the UK-EU Trade and Cooperation Agreement: Barriers to trade in goods and opportunities to improve the UK-EU trading relationship report on 10 September 2024, following the first part of our Review of the EU-UK Trade and Cooperation Agreement inquiry.

2. That piece of work focused on trade in goods between the UK and the EU. The second part of the inquiry is currently focusing on trade in services (including the mutual recognition of professional qualifications) and will subsequently cover youth mobility.

3. The Cabinet Secretary's response to CEEACC TCA Report Part I set out the Scottish Government priorities for improving UK EU relations, including its aim to—

    - Seek full participation in relevant EU programmes, with specific priority to request a commitment to open negotiations with the EU Council to discuss options for partial or full association with Erasmus+ and Creative Europe

    - Seek restored opportunities for professionals in sectors across our economy to work in the EU

4. We began the second part of the inquiry on 31 October with a panel representing the legal profession and continued on 21 November with a a panel of academics and think tanks. The witnesses this week are—

    - Vivienne Mackinnon, Director of Veterinary Partnerships, SRUC School of Veterinary Medicine, and Junior Vice President, Scottish Branch, British Veterinary Association

    - Dr Joseph Maguire, Associate Professor, School of Computing Science, University of Glasgow, and Co-Chair of the BCS (the Chartered Institute for IT) Scottish Computing Education Committee

    - Ben Addy, Managing Director, Moxon Architects, and member of the Royal Incorporation of Architects in Scotland (RIAS)

5. A SPICe briefing is provided at **Annexe A** and a written submission from RIAS at **Annexe B**.

**Clerks to the Committee**
**December 2024**

**Annexe A**

# Constitution, Europe, External Affairs and Culture Committee

# 27th Meeting, 2024 (Session 6), Thursday, 5 December

# Inquiry into the review of the EU-UK Trade and Cooperation Agreement – Phase 2: trade in services and mobility of people

This paper for today's Committee meeting includes background briefing on trade in services, mutual recognition of professional qualifications and mobility provisions which were previously highlighted in the SPICe paper provided to the Committee for its meeting on 31 October 2024. A summary of the issues discussed at the meetings on 31 October and 21 November 2024 is appended to this paper along with a summary of issues to discuss in today's evidence session.

**Context**

The first phase of the Committee's inquiry into the review of the Trade and Cooperation Agreement focused on the provisions related to trade in goods reported on 10 September 2024.

At its meeting on 5 September 2024, the Committee agreed to take evidence in relation to—

- Trade in services, such as financial and legal services, (including mutual recognition of professional qualifications), and
- The mobility of people (including youth mobility schemes, Erasmus+, and touring artists and creative professionals).

Both these areas are addressed in the free trade agreement section of the TCA.

## Trade in services as an EU member state

Whilst the TCA provides a number of measures to facilitate the trade in goods, it is more limited in its coverage of trade in services. As a result of Brexit and the UK decision to leave the Single Market, UK service providers lost the right to free movement in the EU and the right to freely provide services across the EU.

For EU member states, the free movement of services covers two elements:

(i) the freedom of establishment for individuals and companies to provide services in another Member State on a 'permanent' basis and

(ii) the freedom to provide cross border services to a recipient established in another Member State on a 'temporary' basis. This may involve cross-border movement by the service provider or the recipient, or, in the case of services delivered online or at a distance, no cross-border movement by either party.

This means that EU based service providers who follow the regulations and rules in their home country can freely provide services elsewhere in the EU Single Market.

Writing for the UK in a Changing Europe, Dr Sarah Hall summarised the possible barriers for trade in services:

> "For services, barriers to trade are so-called non-tariff barriers that regulate both services delivered cross-border and the person delivering them, for example, by specifying the qualifications and work experience of the service provider. Trade agreements in services aim to make delivery of cross-border services easier by reducing (or removing) these barriers, by, for example, recognising qualifications from other jurisdictions so that individuals no longer require checks and paperwork. They also include provisions that make it easier to establish an office overseas."

## Trade in services under the Trade and Cooperation Agreement

When the UK left the EU, UK service providers such as lawyers, architects, businesspeople or other professionals lost the ability to freely provide services in EU member states. Instead, they are required to abide by the domestic rules, procedures, and authorisations applicable to their activities in the member states where they operate. This means complying with – often varying – host-country rules of each Member State, as they will no longer benefit from the EU's common rules or mutual recognition of standards across the EU.

European Commission guidance on the TCA summarises how the agreement supports trade in services:

> "The EU-UK Trade and Cooperation Agreement (TCA) provides for a significant level of openness for trade in services and investment in many sectors including professional and business services (e.g. legal, auditing, architectural services), delivery and telecommunication services, computer-related and digital services, financial services, research and development services, most transport services and environmental services…

> … The actual level of market access will depend on the way the service is supplied: whether it is supplied on a cross-border basis from the home country of the supplier, e.g. over the internet (‘mode 1'); supplied to the consumer in the country of the supplier, for example a tourist travelling abroad and purchasing services (‘mode 2'); supplied via a locally-established enterprise owned by the foreign service supplier ('mode 3'), or through the temporary presence in the territory of another country by a service supplier who is a natural person (‘mode 4'). In practice, the actual ability to supply a particular service or invest in a certain sector also depends on specific reservations set out in the TCA, which may be imposed on EU service suppliers when supplying services in the UK in some sectors, and vice-versa.”

The World Trade Organisation provides further information on the four modes which are used to define services trade and which are referenced above.

The TCA’s impact on different service providers in the UK is not uniform as the Agreement does not provide a common approach for all services trade.

**Mutual recognition of professional qualifications under the TCA**

A contributor to the way in which the EU has facilitated trade in services is through a process of mutual recognition of professional qualifications.

European Union member states usually regulate access to professions such as medicine, nursing and engineering in their own countries in order to protect the public. However, requiring professionals to re-train if they want to work in another Member State would discourage mobility and limit their freedom of establishment. To avoid this, EU member states agreed an approach to facilitate the mutual recognition of professional qualifications meaning where a professional is qualified in one member state, they are able to freely work in another member state.

The TCA provides very little in the way of supporting continued mutual recognition of qualifications for UK workers in the EU and vice versa. Instead, EU qualified workers wishing to work in the UK and UK nationals wishing to work in the EU must meet the qualification requirements of the UK and each individual Member State respectively.

However, the Agreement includes a commitment from both sides that they may seek to negotiate more detailed reciprocal arrangements on a sector-by-sector basis in the future.

Writing in December 2021, Dr Sarah Hall set out the impact of the TCA on some professionals in the UK:

> “For professional business services such as audit and architecture, the ending of the Mutual Recognition of Professional Qualifications has erected new trade barriers with the EU. The UK had pressed for automatic recognition to continue in the TCA, but the EU refused. Instead, a process similar to that in the CETA was reached, whereby professional bodies will have to separately negotiate mutual recognition agreements. This is likely to be a drawn-out process: so far only the architecture profession has started the process. The

> only exception in the TCA is for lawyers. The TCA allows British lawyers to practise under their UK title and provide advice in the EU on UK and international law.

**Mobility of people under the Trade and Cooperation Agreement**

As referenced above, the UK's decision to leave the Single Market meant that the automatic right to freedom of movement was lost for UK nationals. As a result, EU qualified workers wishing to work in the UK and UK nationals wishing to work in the EU have to meet the qualification requirements of the UK and each individual Member State respectively.

According to Catherine Barnard, Professor of EU law at the University of Cambridge and Trinity College, and deputy director of UK in a Changing Europe and Emilija Leinarte, British Academy Postdoctoral Fellow at the Lauterpacht Centre for International Law at the University of Cambridge, Trinity College, during negotiation of the TCA, the European Commission proposed that a standalone chapter on mobility should be included in the Agreement but this was rejected by the UK Government at the time. As a result, the mobility provisions in the TCA make no commitment as such for visa-free travel instead allowing visa-free travel for short-term visits. From a UK perspective travelling to the EU, the Schengen visa allows people to travel to any members of the Schengen Area for stays of up to 90 days for tourism or business purposes.

Mobility under the TCA is temporary in nature and is limited to those who are engaged in trade in services. However, as Catherine Barnard and Emilija Leinarte have highlighted, under the TCA significant groups of persons will be excluded from the TCA even if they are engaged in the provision of services. One such group is musicians and other creative professionals.

The UK Government's decision not to include participation in the EU's youth mobility programme Erasmus+ within the TCA also means that young people from the UK do not have opportunities to live, study and work in the EU in the same way as they enjoyed when the UK was a member state.

For persons wishing to undertake business in the EU or the UK, the mobility rights in the TCA are slightly more expansive:

> "The EU-UK TCA includes limited mobility rights for natural persons intended to facilitate certain categories of business and professional mobility, in the context of trade in services: business visitors for establishment purposes, intra-corporate transferees, short-term business visitors, independent professionals and contractual service providers. However, these persons are subject to eligibility criteria and conditions as regards their experience, professional status, remuneration and allowed length of stay. Additional restrictions are found in the reservations made by Member States and the UK."

More detail on the TCA's approach to temporary business travel is available in this House of Commons Library briefing.

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## Summary of issues discussed with the legal services panel on 31 October 2024

At the meeting on 31 October 2024, the Committee took evidence from:

- Dr Ross Anderson (Faculty of Advocates)
- Professor David Collins (City St George's, University of London)
- Dr Adam Marks (Law Society of Scotland)

Legal services provision as an EU member state and under the TCA

Members discussed the opportunities to provide legal services in the EU when the UK was a member compared to the situation under the TCA with witnesses from the legal profession. The witnesses told the Committee that when the UK was a member of the EU, Scottish lawyers could provide advice on EU law, had the right to appear in EU courts, and could register in another EU country to eventually provide advice on national law. The ability to give advice on EU law and the right of audience in EU courts have been lost.

Opportunities presented by the TCA

The panel indicated the recent reset of relations between the UK Government and the European Commission is seen as a positive development, and could potentially lead to a more constructive approach to trade relations. Professor David Collins indicated that the express mention of legal services in the TCA is a positive sign, and signals recognition of the importance of legal services to the economy. The panel also positively remarked that the TCA allows legal services providers to offer "designated legal services" concerning "home state law, public international law, and arbitration", and includes new categories (such as inter-corporate transferees and business visitors for establishment purposes) not mentioned in WTO's GATS.

Challenges Arising from the TCA in Relation to Legal Services Provision

The Committee heard that the TCA has many reservations at the member state level, which may limit the liberalisation of legal services beyond what is established under the WTO's General Agreement on Trade in Services. The panel indicated that greater clarity from member states about what service activities are possible under the TCA is crucial. Similarly, the panel agreed that some issues, such as the definition of "designated legal services" in the TCA, need to be addressed at the EU-UK negotiating level and are beyond the influence of individual professional bodies.

The panel indicated that the upcoming implementation review process presents an opportunity to address current limitations. However, members of the panel noted that there are issues (e.g., the transparency and clarity of information from Member States required by Article 145 of the TCA) that could be addressed outside of the review process and as part of wider EU-UK relations.

Mobility and Fly-In/Fly-Out (FIFO) legal work

Specifically, the panel indicated Article 126 of the TCA, which commits both sides to review permitted activities for short term business visitors, could be addressed

through the implementation review. The panel indicated that the mobility of professionals has been severely reduced as the legal services sector must now navigate 27 different legal regimes post-EU exit. The panel discussed how lawyers can provide legal advice on UK or Scotland-related matters and international legal matters if they have the appropriate visa. However, the need for country-specific visas complicates this process. Dr Adam Marks suggested that adding legal services to the list of permitted activities for short-term business visitors under Article 126 of the TCA could simplify this process.

The Committee also discussed the lack of comprehensive data on the extent to which Scottish lawyers provided advice on the laws of EU member states when the UK was a Member State. Panel members indicated it is generally believed that this was relatively infrequent because, in practice, law firms often collaborate with local professionals in EU member states. The panel indicated that clients generally prefer to be represented by lawyers who are recognised and familiar with the national courts and legal systems. This preference may reduce the frequency of Scottish lawyers appearing in foreign national courts and mitigate some of the challenges to service provision under the TCA.

The panel indicated that Scottish lawyers working in the EU tend to be concentrated in locations like Brussels and Luxembourg due to economic interests and significant legal institutions. Dr Adam Marks also indicated that challenges arose in geographical clusters. Luxembourg and Greece were specifically mentioned, due to the respective countries' legal frameworks not anticipating the TCA.

Mutual recognition agreements

The panel indicated that the EU currently seems unwilling to negotiate mutual recognition agreements for services, despite the UK's interest.

The Committee heard from Dr Ross Anderson that there is no mutual recognition between Ireland and Scotland. Dr Ross Anderson explained that Scottish lawyers often acquire dual qualifications in England and then use the appropriate route to qualify in Ireland. The primary reason for registering in Ireland is its EU membership, which grants lawyers rights of audience before EU courts and the ability to provide advice on EU law with legal professional privilege. Professor David Collins highlighted the complexity of Northern Ireland's situation, given its status within the EU single market, and suggested that Northern Ireland-based lawyers might still have rights of audience before the European Court of Justice.

Youth mobility

Members also discussed youth mobility and mobility of legal scholars with the panel. The discussion highlighted the significant impact of withdrawing from Erasmus on opportunities for law students and young lawyers, the potential benefits of the Turing scheme as a replacement, and the importance of youth mobility for professional development in the legal sector. Dr Adam Marks expressed support for rejoining a programme like Erasmus. Dr Ross Anderson cited the ending of the EuroDevil Scheme after 40 years due to uncertainty around freedom of movement and visas post-Brexit. Professor David Collins acknowledged the benefits of the Erasmus

programme but indicated his view that the UK Turing scheme replacing the Erasmus scheme is “just as good”.

**Summary of issues discussed with the panel of academics on 21 November 2024**

At the meeting on 21 November 2024, the Committee took evidence from:

- Professor Catherine Barnard, Professor of European and Employment Law, University of Cambridge;
- Professor Sarah Hall, Deputy Director, UK in a Changing Europe;
- Mike Buckley, Director, Independent Commission on UK EU Relations;
- Professor Jonathan Portes, Professor of Economics and Public Policy, King's College London.

The Official Report from the meeting is published on the Scottish Parliament website.

Lack of clarity on the impact of the TCA on trade in services

The panel highlighted significant uncertainties regarding the specific impacts of the TCA on trade in services compared to goods. Much of the Committee’s discussion focussed on the lack of disaggregated data for the constituent nations and regions of the UK, making it difficult to identify which sectors are most affected. Mike Buckley stated:

> We are missing data on the regional impacts. Before Brexit happened, research was done into what the regional impacts would be. Essentially, the determination was that areas such as London and other high-performing areas of the UK would not be particularly badly affected, but that the regions of the UK that were already poorer, such as Northern Ireland, the north-east, the poorer parts of Wales and south Yorkshire, would be much more badly impacted. [...] We simply do not know whether that has been borne out. I suspect that it probably has been, but I am not aware of anybody who has the capacity or the choice to do that research [...] there is some evidence from the regional GDP figures, which show that Northern Ireland has jumped from being bottom of the pile in every survey pre-Brexit to being consistently number 2 after London. London is not doing too badly [...] it sounds as if the rest of the UK, including Scotland, is doing worse.

The panel indicated the lack of data on trade in services is particularly problematic for new and emerging sectors (such as Financial Technology, FinTech) that are not well-represented in the Office for National Statistics’ existing data categorisations. Professor Hall stated:

> There are some activities where the data clearly shows that Scotland does very well—I am thinking of fintech, which is at the intersection between financial services, technology and consultancy—but that do not fit neatly into the Office for National Statistics categorisations. When the ONS set up the business codes, something like fintech did not exist as an activity. We do not

> accurately know how those new and emerging activities are playing into our economy, so that is still an area of uncertainty.

Differential impact of the TCA on certain sectors

The panel indicated that physical presence and therefore mobility is crucial for certain sectors, such as the creative industries, and this may mean that they are likely to be more adversely affected by the TCA. Professor Barnard stated:

> The first thing to understand is that the trade and co-operation agreement is not EU law minus; it is actually World Trade Organization law with a tiny bit plus. [...] The reason why that is relevant is because there are categories of individuals who are allowed to move, and the three categories that are most relevant for the purposes of creative professionals are short-term business visitors, contractual service suppliers and independent professionals.
>
> From those three titles, you might think that it is obvious that creative professionals would probably fall into one of those. The problem is that the TCA operates based on what is called a positive listing system, which means that you enjoy the rights under those three headings—short-term business visitors, contractual service suppliers and independent professionals—only if your activity, profession or sector is listed in one of the annexes to the TCA. The problem is that none of the creative industries is listed in those annexes. Under those annexes, consultants and academics can physically move but cannot be paid for their work if they go as a short-term visitor. The big difference between the creative industries and those providing the other business services that we have been talking about is that the creative industries require physical presence.

The panel also discussed how other business services that do not require professional qualifications or memberships (e.g., consultancy) can more easily adapt by setting up operations remotely or without needing a physical presence in an EU member state. This means that sectors requiring mutual recognition of qualifications are more likely to face challenges in trading services. Professor Portes stated:

> I and, I suspect, others are strongly of the view that the data on the services trade is also significantly more inaccurate, because it is very hard to measure some of the trade that happens remotely. However, we know that organisations under the general category of other business services—in other words, legal, consultancy and accounting services—have been doing extremely well. That has particularly been the case for consultancy services, broadly defined, as there are relatively few trade barriers of any sort.

Professor Hall stated:

> The barriers to trade in services are not tariffs; they are essentially about regulatory alignment between the two trading parties. In many ways that regulation is sensible and important. I think that we would all agree that we want to be certain about a medic's qualifications before they operate in our country—there is a really good rationale for that. However, that means that, for services such as consultancy, which have much lower regulatory

> standards—I could set up as a consultant with no professional qualification if I had the capital do to that—it is much easier to sell services into another country. It is not like being an architect, where you need to have a professional qualification.

Challenges for seeking mutual recognition agreement(s) with the EU

The panel suggested that the UK may face unique challenges in securing MRPQ or mobility agreements with the EU given that the UK's perceived baseline for negotiations is the UK's previous EU membership. Members of the panel suggested that this may be perceived by the EU as giving the UK an unfair advantage if it can secure similar arrangements post EU exit. For example, this situation could be seen by the EU as prejudicial to EU professionals, as the UK might achieve favourable terms that were available during its EU membership, potentially creating an imbalance. The recent proposal for a UK-EU mutual recognition agreement for the professional qualifications of architects (and its comparison with the recent mutual recognition agreement adopted by the EU and Canada) was mentioned by Professors Hall and Barnard. Professor Hall explained:

> I want to follow up on the case of architecture, which is one of the impacted sectors, because a professional qualification is required to practise as an architect. Catherine Barnard is exactly right that the EU and the UK can try to agree an MRPQ that follows the Canadian deal.[...] under the proposal, UK architects would have had a level of recognition similar to that which they enjoyed when the United Kingdom was a member state. That points to the difficulty of translating an agreement that the EU has with Canada to an agreement that the EU might have with the UK, because of the proximity of the UK to the EU [...] —and because of the UK's relative strength in services. The really important point is that the EU met a lot of its negotiating ambitions on its strategically strong goods sector, but, arguably, the UK did not meet as many of its negotiating objectives around the UK's strategic strengths in services.

**Supplementary information on the EU and Canada's adoption of a Mutual Recognition Agreement on the professional qualifications of architects**

As explained earlier in this paper, the TCA provides for a similar procedure to that provided for under the Canada-European Union Comprehensive Economic and Trade Agreement (CETA). The EU and Canada recently concluded the EU's first bilateral mutual recognition agreement (MRA) on 10 October 2024. The MRA relates to the professional qualifications of architects on 10 October 2024. This adoption took place by decision at the CETA Joint Committee on Mutual Recognition of Professional Qualifications.

The MRA for professional qualifications of architects was first proposed by the requisite professional bodies in the EU and Canada in 2017 with negotiations concluding in 2022. From proposal to adoption, the process has taken 7 years. Although the MRA has been formally adopted by both parties, the agreement is not yet in force. It will come into force "once the EU and Canada have completed their internal approval procedures".

The European Commission summarised the provisions of the CETA MRA as follows:

> "The EU-Canada Comprehensive Economic and Trade Agreement (CETA) already makes the provision of architectural services easier for EU professionals, by providing guarantees on the conditions under which they can temporarily go to Canada to provide their services or set up a business there. The MRA will supplement these guarantees with a straightforward process for EU architects to obtain a Canadian licence, provided they meet the conditions in the MRA.
>
> Specifically, once the MRA for architects enters into force, architects with a minimum of twelve years of combined education, training and practice (including four years of practical experience) will be able to apply online for recognition of their professional qualifications by the authorities of the jurisdiction where they wish to practice. EU architects will also need to complete a one-off 10-hour online course. Both EU and Canadian architects will have to register with the relevant local authorities in order to get permission to work".

Proposal for a mutual recognition agreement for architects under the Trade and Cooperation Agreement

The sole recommendation for an MRA under the TCA to date has been for architects. However, during the meeting on 21 November 2024 the Committee was told that the agreement was recently rejected by the European Commission. The decision notes that the proposal creates an "asymmetry", requiring EU-qualified architects to take professional exams in the UK, while UK-qualified architects would not face the same requirement in the EU.

**Today's evidence session**

Today's evidence session is an opportunity for Members to discuss with witnesses what the provisions in the TCA mean for trade in services and how the process might be developed further in the context of the TCA review.

In addition to looking at trade in services, Members may also wish to discuss the challenges for professional sectors in reaching mutual recognition agreements and provisions around the mobility of UK professionals seeking to provide a service in an EU member state.

**Iain McIver and Courtney Aitken**

**SPICe Research**

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# Briefing For the Constitution, Europe, External Affairs and Culture Committee

## Review of the EU-UK Trade and Co-operation Agreement

## 2 December 2024

## Introduction

This briefing collates experiences and views of RIAS members concerning implementation of the post Brexit UK Trade and Co-operation Agreement and its effects on architectural services.

### Background

From 1985 until January 2021, EU Directive EEC 85/384, also known as the European Architects Directive, regulated the legal position of Scottish architects working in the European Union. This provided mutual recognition of qualifications in architecture in EU Member States – although some variation did exist such as protected title only (basic UK approach) and fully protected function (Germany, Belgium. Luxembourg and Portugal). These regulations safeguard the freedom of movement of architects within the EU and guaranteed that architects from the different member states including the UK could work across national jurisdictions. For Scottish architects this freedom and recognition ended after Brexit.

Post Brexit, a Joint Recommendation for a mutual recognition agreement has been submitted by the Architects Registration Board (ARB) and the Architects Council of Europe and has been acknowledged within the formal governance structures of the EU-UK Trade and Cooperation Agreement. Retained EU recognition law has been revoked.

The ARB are now working to put new arrangements with the EU in place under the terms of the UK/EU Trade and Cooperation Agreement, but this is likely to take time. The ARB agreed, to maintain the existing ‘interim’ arrangements that have been in place since 1 January 2021 which unilaterally recognises the qualifications of EU architects for a further period. This is being kept under review, but it means there is no long-term certainty for Scottish architects and studios seeking EU work.

For most Scottish based architects, working in Europe is uncommon and based on specific niche design competencies and partnerships. It does not form a regular pipeline of work but does offer useful experience and learning. The additional time and cost investment post Brexit is an obvious deterrent in relation one off projects.

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## Critical Issues for Scottish Architects

*Loss of status*

- Whilst it's possible to compete for work in the EU the loss of recognition under EU Directive EEC 85/384 necessitates working with a partner in a sub-contracting agreement.
- UK recognition of EU registered architects means countries like Denmark can promote their design sector here. Without reciprocal recognition it is very difficult for Scotland to break into EU markets.
- Scotland is also reliant on the ARB (and to a lesser extent the Royal Institute of British Architects) in managing international relations from London, handling negotiations with the Architects Council of Europe. RIAS is ineligible to sit at the top table as a national representative. Arrangements across the UK nations, post devolution remain informal and underdeveloped.

*In summary*
Brexit offers the worst of all worlds for Scottish Architecture, at a time where the sector is reeling from austerity and constrained home markets.

## Wider concerns, unknowns, and risks

*Finding partners and niche opportunities*

- Scottish Practices can win work in the EU through partnerships, (e.g., Moxon Architects bridge work) but this far from a common business model.
- The few Scottish based practices attempting to pursue work in the EU face uncertainties, risk and a lack of coordinated institutional support. For example, there is no specific sector programme from either Scottish Enterprise or Architecture and Design Scotland.

*Wider Brexit symptoms and consequences*

There are significant impacts for Scottish Architectural practices winning and delivering work in the UK. These include:

- Costs and complexity in terms of residency, as they must apply to 'short stay' visas that only allow them to stay in EU countries for a maximum of 90 days. If they wish to stay longer, they will have to apply for the long-term visa.
- Recruiting and keeping talented students (part 2 qualified) architects from EU countries – who may not be able to stay / pursue a career in the UK as result of VISA rules. The UK government does not recognize architecture on its skills shortage list, but average salaries (outside of London) are well below skilled visa qualifying levels.

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- Practices and staff face expensive and uncertain processes around sponsorship, which can allow talented designers to be retained post study. This affects EU graduates from Scottish Architecture schools.

*European experience and connections*

- The barriers to recruiting and retaining EU nationals with native language ability and cultural and local knowledge act as further barrier to accessing new markets.
- Nor can Scottish native graduates easily pursue experience in continental Europe either in terms of work or study.
- The long-term prospects for Scottish Architecture schools are also threatened by the uncertainties around post study employment – given this forms part of gaining a qualification and route to chartered status.
- The Scottish Government has frozen funding for profile-raising exercises such a Scottish presence at the Venice Biennale. This has further reduced Scottish abilities to gain profile and network with contemporaries.

*Knock on impacts on the construction trade Bexit impacts*

- Architects specify elements of buildings but are reliant on specific systems and components which may only be available from certain EU suppliers. These supply chains have become less dependable, and prone to delays with longer overall lead in times.
- The overall lack of construction skills, previously secured from Europe, makes projects slower to get on site, delays reach stage boundaries and creates cashflow issues. This depresses the market for architectural services and results in downward pressure on fees.

**Supporting the Scottish Architecture sector**

*Unfavorable home market and procurement rules*

- In Scotland, an inflexible interpretation and application of former EU procurement rules stifles the architecture sector and aligned to austerity is driving fees down to unsustainable levels. Many practices do not have the cash flow or surpluses to pursue risk based foreign ventures.
- Most Scottish architects believe the architecture sector is better recognized and supported by EU states such as Denmark or Sweden. Procurement is more proportionate, and outcome focused, than Scotland's process driven approach. Meanwhile municipal design competitions offer another point of access for smaller and younger practices.
- Without reform at home and a vibrant home market the prospect of more Scottish architecture practice trading abroad is very limited. Addressing these challenges are within the power of the Scottish Government to address.

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## Scottish Architecture and Europe: The Way Forward

Scottish architecture is still economically significant, and a viable global brand based on Edinburgh and Glasgow's architecture heritage, world-renowned structures, and luminaries such as Charles Rennie Mackintosh. Securing work abroad develops skills, drives innovation, and diversifies income received by studios. Successfully completing new buildings and structures at home and abroad is a significant advertisement for Scottish design talent and technical skills. These opportunities can only be pursued by the sector if:

1. The Scottish Government signals its commitment to Scottish architecture and creates a sustainable home market via a reformed procurement environment, that values design and designers.
2. Scotland has a greater voice in the mutual recognition agreements being led by the ARB and RIBA though negotiations with the Council of European Architects. The Scottish Government needs to work with the Scotland Office and UK departments to help RIAS in a more coordinated four nations approach.
3. The Scottish Government actively plans for the architectural workforce, including the fair treatment of EU nationals qualifying through Scottish Architecture Schools. It should be easier to keep the best talent today via reformed visa rules. However, longer-term a skills plan is needed that overcomes the reliance on foreign students to subsidize Scottish architectural education provision.
4. Enhanced partnerships with EU practices are developed. More support is needed from Government to develop these connections and develop the visibility of Scottish Practices abroad. Modest levels of seed corn support are needed from Government such as travel costs to conferences and trade events.
5. Stronger relationships are forged with the Royal Society of Ulster Architects (RSUA) and Royal Institute of Architects Ireland (RIAI) – given their enhanced access to EU markets. Other windows to explore include alliances with prominent regions in Europe who have sub-national architectural associations.