

Museums Association Briefing on Brexit

1. The General Outlook

The Museums Association (MA) is concerned about the impact of Brexit and the associated political and funding uncertainty on the UK's museums. The museum sector has a wide range of direct links to and relationships with the EU. These are covered in more detail below, and we will update this briefing as the situation develops. At this stage, the MA also has a number of general concerns:

- The financial impact on the sector is likely to be substantial. Further tightening of public spending is probable. Given that museums in the UK are already facing a very difficult public funding environment, Brexit is likely to make this situation worse. The experience of the 2008 recession shows that corporate and philanthropic giving is also likely to decrease. The depreciation of the pound may encourage additional tourist spending, but the overall global image of the UK might dissuade others from visiting. In this context, museums will need to revise existing plans in order to make the sector more sustainable.
- The MA is concerned about the impact of Brexit on the communities that museums work with and serve. Museums are well placed to play a role as a forum for debate and a place for communities to come together, and must endeavour to take up this challenge more than ever as the Brexit process continues.
- There is also a concern that the valuable cultural and scientific links that support much of the work that museums do could be severed. In particular, we are concerned that the tone of the referendum debate has made many museum workers, volunteers and visitors from ethnic minorities and/or other European countries feel unwelcome in the UK. This is not the tone that we want to set for a diverse and vibrant cultural sector in terms of either workers or audiences and risks motivating talented individuals to leave for other destinations. The potential loss of free movement with the EU will make this situation worse.
- Brexit will have an impact on all four nations of the UK and has already resulted in calls
 for independence in some nations. In this context, UK-wide organisations, including
 the national museums, will have to consider their role and the partnerships they form
 across all four nations of the UK. There could also be an impact on English devolution
 and the "northern powerhouse" in this context.

2. Cultural Funding

The **Creative Europe Programme** is worth a total of €1.46bn during the current EU budget period of 2014-2020. Over £40m of this total has been spent in the UK since 2014, with substantial further funding due over the next four years.

The Creative Europe Programme has been a rich source of funding for museum projects involving European partners. This includes projects at the <u>Museum of Archaeology and Anthropology in Cambridge</u> and the <u>National Galleries of Scotland</u>.



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At present, the Creative Europe Programme has published a statement which notes that "EU law continues to apply to the full to and in the United Kingdom until it is no longer a Member. This therefore also applies to the projects financed through the Creative Europe programme." This means that projects with a UK applicant can still continue with applications, including for October deadlines for the Programme's Platform and Cooperation rounds. However, there is now a question mark over what will happen to projects in receipt of funding when the UK finally leaves the EU. Clarity on this may not be achieved for some time.

The Creative Europe Programme also funds the <u>Creative Europe Desk UK</u>, which helps UK based organisations to access EU funding. They are due to publish a Brexit statement on 29th June 2016.

In the longer term, it is possible that the UK will continue to participate in the Creative Europe programme's successor after 2020. The current legislation allows for non-EU countries such as Switzerland to participate in the programme if they wish, on the condition that they pay their share of the funding into the EU pot.

The <u>Europe for Citizens</u> programme, which has funded a substantial number of Remembrance, civil society and town-twinning projects is still open to UK applicants at present, but is also at risk from Brexit.

3. Regional Funding

The European Regional Development Fund (ERDF) brings £2.9bn to the English regions over the current budget period (2014-2020), with separate and substantial funding arrangements for Cornwall, Scotland, Wales and Northern Ireland. The loss of these funds will affect regional economies in general, but will also have a specific impact on some museums. Many museums access ERDF funds or help to direct the use of funds through their involvement in Local Economic Partnerships (LEPs) in England and equivalent bodies in the devolved administrations. The loss of this funding will therefore affect some museum projects as well as undermining local tourism initiatives.

These projects tend to be long-term in nature and therefore applicants are in a period of uncertainty about whether they will be able to continue to benefit from funds for the duration of proposed projects. At present there has been no statement from the Commissioner for Regional Policy on the future of these funds, or the position that UK applicants should take towards them.

4. University and Research Funding

The EU supports research through its Horizon 2020 programme. Universities have been the principal beneficiaries of this funding, but museums have also managed to secure partnerships and project funding from this source. The Cultural Co-operation strand of funding has been particularly useful in this respect. Those museums that have Horizon 2020-supported partnerships are now facing uncertainty. It is not yet clear how long these funds will continue to be available, or whether existing partnerships will be able to draw down the entirety of their funding. The Erasmus+ Programme, which supports education and training for EU citizens, is in a similar position.



5. Legal Issues

Free Movement:

It is still unclear what the impact of Brexit will be on the free movement of people in the EU. Attempts to reduce free movement would have a serious negative effect on the free exchange of ideas and talent, and the formation of constructive cultural networks in the UK.

Trade in Cultural Objects:

The trade in cultural objects is governed by a complex mix of UK and European legislation. Much UK legislation has been implemented as a result of EU Directives, particularly regarding preventing the illicit trade in objects, returning cultural property amongst Member States, and export licensing. There is no suggestion at present that any of this legislation would be amended following Brexit, but the government will have the power to enact these laws itself. It is notable that some in the antiquities trade are calling for the slackening of some rules around the art trade, including Export Licensing, Artist Resale Rights and VAT. Museums will need to remain vigilant to such changes and ensure that they are behaving ethically at all times.