

CEU 03

Senedd Cymru | Welsh Parliament

Pwyllgor Diwylliant, Cyfathrebu, y Gymraeg, Chwaraeon, a Chysylltiadau Rhyngwladol | Culture, Communications, Welsh Language, Sport, and International Relations Committee

Diwylliant a'r berthynas newydd â'r UE | Culture and the new relationship with the EU

Ymateb gan: Opera Cenedlaethol Cymru | Evidence from: Welsh National Opera

Background and Context

1. We welcome the Committee's inquiry into the impact of the UK leaving the EU on the cultural sector. Welsh National Opera (WNO) along with other UK-based opera companies has well-established relationships with opera companies and festivals based in mainland Europe. Prior to the UK leaving the EU, these relationships brought about tours and concerts as well as co-producing and hiring partnerships. It was a delicately balanced situation which worked incredibly well where the European opera houses and festivals supported the UK opera and classical music sector, and vice versa. Brexit has put much of this into disarray through increased costs and bureaucracy around travel, transportation and touring in the EU.
2. We are also acutely aware of the impact that restricted travel for work purposes is having on the talent development of UK-based artists, and what this means for the future of the sector.
3. The UK's exit from the EU has also had an impact on WNO's commercial operation, particularly in terms of our appeal within the European opera market as a co-producer and hiring partner, as well as on the output and operations of WNO's commercial set-building workshop, Cardiff Theatrical Services.

The impact of the new relationship on artists and creative workers touring and working cross-border (including touring and working in Wales)

EU and other artists working in the UK

4. The process involved in engaging guest artists to work in the UK is relatively straightforward. Anyone coming to work for us who doesn't have a right to work in the UK will need either need a Certificate of Sponsorship in order to apply for their Visa to work in the UK which we can provide at relatively low cost (£21 per Certificate for a temporary worker), or a Permitted Paid Engagement letter from us to confirm their engagement if they are only going to be working in the UK for up to one month. Both are fairly quick to provide, with Certificates of Sponsorship granted to us automatically as a sponsoring organisation. These documents allow them to then apply for their appropriate Visa, if needed, for which they cover the costs. In most cases, they will need a Creative Worker Visa (temporary work) which is currently £259 plus a health surcharge. If they are only going to be working in the UK for up to one month, they can apply for a Permitted Paid Engagement Visitor Visa which costs £100.
5. If their contracts are for less than three months, then artists from most countries won't need a visa, and their Certificate of Sponsorship will cover their contract period, so they won't incur the additional personal cost of a Visa. However, if their contract goes beyond 3 months, they may need to apply for a Visa to avoid issues at border control when they are returning to their home country.
6. Despite it being relatively straightforward to engage guest artists, we are finding that the UK is a less attractive place for international artists to work than mainland Europe. We have recently experienced a situation where we had engaged an Antipodean guest artist to work with us, but he pulled out. He wanted to relocate to Europe with his family and when looking at the requirements for EU citizenship saw that there was no benefit for him to work in the UK and it would be preferable for him to find work in mainland Europe instead.
7. More generally, EU-based opera houses are able to offer higher wages to freelance artists than they would receive in the UK. In the event that one of their artists cancels their contract for whatever reason, freelance artists are naturally attracted by the possibility of a higher fee, even if that means cancelling an existing agreement with WNO at short notice, something we are now beginning to experience. This has multiple knock-on effects for us, including finding a replacement at short notice, adjusting our rehearsal schedules and making replacement costumes. Last-minute replacement costumes must factor in the length of time for the purchase of materials. It's taking longer to get fabrics from EU countries such as Germany because of bureaucracy around customs and tax, and in many cases, it's becoming easier to source them from areas such as South-East Asia, particularly if we're on a tight schedule.
8. WNO's Music Director is based in the Czech Republic, and since the UK leaving the EU, he has experienced many issues and delays at border control. Despite his ongoing employment with WNO, for every visit to the UK for work purposes

and engagements, he needs to travel on a Letter of Permitted Paid Engagement or a Certificate of Sponsorship, and for most seasons a Certificate of Sponsorship doesn't cover the whole of the period he is required to be in the UK for. He also needs to travel with his contract of employment and with a copy of a current bank statement. Prior to Brexit, he was able to move freely between the Czech Republic and the UK to work.

9. Outside of freelance work, we can recruit from the EU but there are costs involved. We now have to pay visa charges to recruit anyone who comes from the EU to work with us as a member of staff – e.g. as an ensemble member. Prior to the UK's exit from the EU, there were some conditions involved, but no costs.

UK-based artists working in the EU

10. UK-based artists in the opera and classical music world have historically relied on being able to work freely in the EU. As well as for opera performances, this includes concert work where singers and players travel in and out much more frequently. Earnings in mainland Europe are generally higher than in the UK, so even if artists want to be predominantly based in the UK and support their home country, they have needed to work abroad in order to keep their careers viable. European opera houses and concert halls also bring a breadth of experience that is far greater than what artists can receive from the UK alone, which helps to develop their skills and maintain the high standard within the sector.
11. It is, however, now much more restrictive for UK-based artists to work in the EU. Under EU restrictions, they are limited to working 90 out of 180 days abroad in EU countries (on a rolling basis), and this time period starts from the moment they arrive in that country, rather than on their first day of work. They can apply for a visa to work somewhere for longer, but there are associated costs and bureaucracy with this, as well as time involved. The knock-on effect of this is that the employment potential for British artists in the EU is much reduced from what it previously was, and the associated costs also make UK-based artists less attractive to EU-based organisations.
12. Anecdotally, we are hearing that EU opera houses are less likely to book UK-based young singers simply because of the increased bureaucracy; it is easier and cheaper for them to book EU-based counterparts instead.
13. Our concern is that in a sector that is already under pressure, the difficulties associated with being able to work in the EU make a career within the sector for a young artist much less attractive, and even more so if they are from a lower income background. As a company we are committed to increasing diversity and

opportunities for all within the sector, and these challenges are a growing concern for the future.

The impact of new trading arrangements relating to cultural activity

Hiring and co-producing within the EU

14. One of our income streams is the hire of our productions to other European opera houses. As well as being a commercial venture, this function gives our productions longevity and is part of our commitment to sustainability. Since leaving the EU, there has been an increase of at least £5,000 for a European opera house to hire one of our productions which is incurred in the transportation of sets, costumes and other equipment.
15. To transport one of our productions into the EU, we now need to use an ATA carnet; a document which allows for temporary import into the EU and simplifies the customs system. Previously, we may have used our own vehicles, but rules around cabotage (see paragraph 18) make this restrictive and an ATA carnet is more flexible. However, an ATA carnet is costly - incurring up to £5,000 in increased costs – and the preparatory administration work needed to compile information for the form can take up to a week with an additional two days needed to complete the form itself. We need to pass those costs on because it is not commercially practical for us to fully absorb them. This means we become more expensive and less attractive to European opera houses as a hiring partner.
16. Another way in which we work collaboratively with other opera houses and partners is to co-produce with them. This allows us to share the costs of creating a new production whilst benefiting from being able to premiere said production at each of our venues. Co-producing involves sharing resources such as set building and costume making and transporting these between the various co-producing venues for their performances. For similar reasons to hiring, this now makes us less attractive as a co-producer to EU-based opera houses because of costs, time and bureaucracy associated with storing productions, sending productions to co-producing partners, and receiving them back.
17. Since leaving the EU, we are now also exposed to increased bureaucracy around customs. In our Summer 2023 season, we hired a stage curtain from France for our production of *Candide*. The company which looked after the customs process for us went out of business while the curtain was in transit back to France, which meant that the curtain was stuck at the port in the customs process. This will likely result in increased hire costs for us due to the extension of time that the curtain has been in our possession, as well as an additional import cost and the administration time on our side to try and resolve the

situation. This wouldn't have happened when the UK was an EU member because the bureaucracy around customs wouldn't have existed.

Touring within the EU

18. Touring within the EU is now much more restrictive for UK-based companies than it was when we were an EU member due in part to cabotage rules. Cabotage is the loading and unloading of goods within one country with a vehicle registered in another country. Cabotage rules within the EU mean that UK vehicles are limited in the number of stops they can make to load/unload equipment. Under EU rules, a UK registered vehicle can only engage in cabotage within the EU for a maximum of three times within seven days. A workaround would be to engage an EU-based freelance trucker to continue the tour after we reach mainland Europe, but this limits our flexibility, increases our costs, and there is an increased risk of complications.
19. As well as restrictions, costs and bureaucracy around cabotage and carnets, transport costs are now far higher which, although not necessarily directly attributable to Brexit, is a result more generally of higher energy costs and the continuing war in Ukraine. We recently quoted for an Orchestra tour to Spain, but the transport and trucking costs alone meant the tour was unviable.
20. Since leaving the EU, musical instruments are now subject to import and export permits under CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora). This specifically relates to materials used in the composition of instruments, such as endangered woods or protected animal materials (most commonly, ivory). For recent WNO Orchestra visits to Brno and Prague, we had to get all of the Orchestra's instruments assessed for their materials, at cost to the Company. A luthier was engaged to assess the string instruments, and wind instrument musicians were asked to seek the advice of their dealer and manufacturers. If instruments were deemed to be CITES free, we obtained exemption letters to clear them for travel. If endangered species were found in an instruments' composition, we had to apply for a Musical Instrument Certificate. While there is no fee for musical instruments, these certificates took 30 days to be approved and returned from the Animal and Plant Health Agency (APHA), and the whole process involved a huge investment of work and time.

Cardiff Theatrical Services (CTS)

21. Cardiff Theatrical Services (CTS) is a scenery building workshop owned by WNO which constructs theatre sets and exhibition scenery for companies throughout the UK, Europe and beyond. Clients of CTS include opera houses, theatre production companies and large-scale events, and these clients often approach

us to build sets and productions for transport to Europe. Our exit from the EU has made it significantly more difficult for CTS to compete on the European market because an EU-based client would now need to pay import tax on goods from us. As an example, we recently lost out on a job to the value of around £500k because we were too expensive. Raw material costs have also generally increased. Timber, for example, which is used by CTS when building sets, is now cheaper to purchase from the US than from Scandinavia because of tax on EU items and the ease of import.

22. We continue to look for solutions that mean we can continue to service the EU market in the most cost-effective way for both us and them, but there is limited guidance available on ways in which this can be done sustainably. In many ways, it has now become easier for us to supply to the US market rather than the EU market, despite the geographical closeness of the EU in comparison to the US.

The availability of guidance and support for the sector relating to the new relationship between the UK and EU;

23. When sourcing guidance and support, we have mainly looked to the sector for this which offers more practical guidance and support than is available from official UK Government sources. Organisations we would look to include the Association of British Orchestras and the London Chamber of Commerce and Industry.
24. What is considerably lacking in terms of information and guidance is whether there are easier, less restrictive ways for us to operate overseas than the carnet system.

The impact on access to funding programmes and networks

25. Whilst we don't have any explicit examples of being refused funding, or of funds being inaccessible to us because of Brexit, what has become apparent is that both individuals and businesses now have less disposable income. We have noticed that Trusts not only have less money to give, but also that there is more and more competition for this money.
26. This wider impact on purse strings could be linked to a range of factors including the cost-of-living crisis, but it is generally accepted that this has been in some part exacerbated by Brexit.

Any changes to the UK-EU relationship that might improve cross-border working for the culture sector

27. We fully support the call for a visa waiver agreement with the European Union (and bilateral agreements with individual EU states) so that artists do not need work permits to work in the EU. As outlined in paragraph 10, this would in turn support the cultural sector here in the UK.

28. We would encourage and support exemptions for theatrical productions to be shipped to the EU as long as they are being returned to the UK – e.g. for the hire of a production.

29. We would welcome discussion and solutions for a less restrictive way of touring and transporting productions in EU countries than the current available options (ATA carnet or cabotage).

Additional information

30. The UK's exit from the EU has hindered not only opera companies, but the entertainment industry as a whole from performing easily in Europe. Any theatrical or performance company with the ability to tour is now facing increased costs, time and bureaucracy, and this naturally shifts the focus to other areas such as Asia and the US. It also means the UK entertainment market is becoming increasingly difficult to service.

31. We are also particularly concerned about the impact this is having on young people and those from lower-income backgrounds trying to establish careers within the arts sector. Coupled with leaner music education resources within schools and the cuts to arts funding more generally, we fear that this is making the sector viable as a career choice only to the few who can afford to support themselves.