Let the Music Move – A New Deal for Touring

Foreword

Kevin Brennan MP
Chair, All-Party Parliamentary Group on Music

We’re good at music in the UK. We’re really good. I mean we’re really, really good. So good that we’re one of the few countries in the world that is a net exporter of music, and our touring musicians and crews are world class. In other simple fiscal terms, music makes us money as a country.

But of course, it’s much more than that. Walk into a bar in Seoul in South Korea and start singing, ‘I Wanna Hold Your Hand’, and rather than getting thrown out, the locals will join in with you (I’m not revealing how I know that to be true – but it is)!

So you’d think we’d make it an absolute priority to ensure that our musicians could play and tour freely in other countries, and particularly in our own European cultural backyard where for decades that’s been true.

The Government acknowledged this imperative before Brexit, when the then-DCMS Minister Nigel Adams said in the House of Commons:

“Touring is the lifefood of the industry… it is essential that free movement is protected for artists post 2020.”

Sadly, in the tumultuous events that followed, the goal of visa-free touring for UK musicians was not prioritised. But it still can be achieved.

This cross-party report sets out the roadmap that we believe, as Parliamentarians passionate about UK music, the Government should navigate.

Key to making further progress is the appointment of a Minister in Government with the leverage and heft to bring Ministers and Departments together in harmony to clear away the remaining obstacles to seamless touring across Europe.

Through the efforts of campaigners, parliamentarians, unions, industry, opposition and Government, some progress has already been made. But not enough.

On touring it’s time to leave aside the divisions and old arguments and focus on what’s right for UK musicians and the UK music industry. Freshly focussed reciprocal engagement will also benefit our cultural partners and creative colleagues across Europe. It’s worth putting in the effort. As one of our greatest musical exports sang,

“You can’t always get what you want,
But if you try sometimes
You just might find
You get what you need.”

– The Rolling Stones
Executive Summary

The UK is a global leader in music. UK performers like The Beatles, The Undertones, Shirley Bassey, Annie Lennox, Adele and Stormzy have delighted, changed and challenged the world. In the International Federation of the Phonographic Industry (IFPI) Global Top 10 Album All-Format Chart 2021 the UK was joint top on the number of artists alongside the US and Adele’s 30 was at number one globally.¹ In live music, four of the top ten grossing tours of 2019 were headlined by UK artists.² This success extends beyond artists. In evidence to this inquiry British staging technicians have been described as “the best” in the world, and the British haulier fleet was praised for its professionalism and size.³ However, the world beating UK music industry was not covered in the Trade and Co-operation Agreement (TCA). Therefore in 2021, the APPG on Music decided to undertake an assessment into the effect of leaving the EU on UK music workers looking to operate in EU member states. This report is the result of that work, including two evidence sessions, a survey and a written call for evidence.

Our work found that while limited progress has been made, UK music workers are facing more costs, more complications and getting fewer opportunities after leaving the EU. Issues include visa restrictions, a range of new bureaucratic costs, difficulties transporting kit and the exodus of the UK event haulage fleet. There has not been any compensation from improved access to other markets.

Other reports have shown how these issues extend across the cultural sector such as The Artists Information Company and the Contemporary Visual Arts Network England report on the effect of leaving the EU on the visual arts.⁴

Sir Elton John stated to the All-Party Parliamentary Group on Music (APPG on Music) that these barriers could leave UK artists “stranded in Dover”, and these barriers are particularly acute for less established and younger artists. In the long term this threatens the health of the industry, the joy it provides to the UK and the revenue it brings to the Treasury.⁵

As a cross-party group of parliamentarians passionate about UK music we are advocating a bold vision for modern and seamless touring between the UK, the EU and other key live music markets. We need touring that is as paper free as possible, financially viable and simple for all music workers and businesses to navigate.

Three key areas that have been identified as needing improvement.

- Firstly, the UK Government should work more closely with EU institutions and EU member states to improve the TCA.
- Secondly, the UK Government should push for a comprehensive Cultural Touring Agreement (CTA) with the EU, to liberate cultural touring from the bureaucracy that is holding it back.
- Thirdly, the UK Government should work productively with music industry to create and deliver a Music Export Strategy.

The Platinum Jubilee showcased the creativity and ambition of the UK music sector. The Government needs to show that it possesses those same qualities and abilities in tackling the issues that leaving the EU has created.

Recommendations

Improving the TCA

Recommendation 1: The UK Government should agree an exemption for music workers supporting cultural performances in the TCA, and work with individual member states to get all states up to the current 90 in 180 day limit for working musicians.

Recommendation 2: The UK Government should improve the UK border by expanding the number of points where documents like carnets and Music Instrument Certificates can be checked (including Eurostar) and improve Border Force training.

Recommendation 3: The UK Government should secure a return of the on own account exemption and expand the non-commercial use exemption for live cultural road haulage.

Cultural Touring Agreement

Recommendation 4: The UK Government should negotiate a general agreement on cultural touring to end the tax on touring, reduce bureaucracy and allow specialist event hauliers to properly support tours.

A UK Music Export Strategy

Recommendation 5: The UK Government should appoint a Minister to act as a single point of contact for the touring cultural sector.

Recommendation 6: The UK Government should develop institutions to support UK music exports, including instituting a Music Export Office, and launching a website for live music exporters.

Recommendation 7: The UK Government should boost funding for UK music exporters, including creating a Transitional Support Fund to address EU Transition costs and expanding existing programmes such as the BPI-administered Music Export Growth Scheme (MEGS) and the PRS Foundation-administered International Showcase Fund (ISF).

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¹ https://www.bpi.co.uk/news-analysis/1-in-10-songs-streamed-globally-are-by-british-artists
³ 1st APPG on Music Inquiry Oral Evidence Transcript p. 3
⁴ https://cvan.art/news-international-connections/
The All-Party Parliamentary Group (APPG) on Music exists to provide a discussion forum between the music industry and parliamentarians. APPGs bring together Lords and MPs from across the party political divide and act as a point for dialogue amongst decision makers on issues of concern.

Through a series of events and discussions during the political year, the APPG on Music seeks to inform parliamentarians about developments within the music industry as well as engage MPs and Lords on measures that impact on the sector.

UK Music provides the secretariat for the APPG on Music.

The recommendations in this report arise from the work of the APPG and represent its suggestions on the current situation facing UK musicians.

About the Inquiry

The APPG on Music worked closely with the industry to collect the information for this report. This was done in three ways: two formal evidence sessions, a survey of the industry to get data on the views of the sector and finally a call for written evidence to receive more detailed qualitative information from the sector on their experience of working in the EU under the TCA.

1. Formal evidence sessions

These formal evidence sessions involved inviting industry experts to answer questions from Parliamentarians on the pressing issues facing the industry. Two panels were held virtually; one focused on visas and work permits and the other focused on technical issues.

Panel one took place on November 22, 2021 and featured Jeremy Pritchard (bassist, Everything Everything), Paul Crockford (Paul Crockford Management), and Fiona McDonnell (Head of Concerts and Planning at the Academy of Ancient Music).

Panel two took place on February 7, 2022 and featured Harvey Goldsmith (promoter), Mark Pemberton (Chief Executive of the Association of British Orchestra), Craig Stanley (Chair of the LIVE Touring Group), Anita Debaere (Director at Live Performance Europe, PEARLE*) and Silke Lalvani (Head of Public Affairs at Live Performance Europe PEARLE*). A statement from Sir Elton John was also read out at this session.

2. Call for evidence through an industry survey

The APPG on Music call for evidence ran on Survey Monkey between November 4 and November 24, 2021. It was promoted on UK Music and its members social media channels, and a press release was sent to music trade media. The survey ran in parallel to the first evidence session and helped steer the content and participants in the second evidence session.

In total, there were 165 responses from a wide variety of individuals: touring musicians, retired musicians, artist managers, promoters, booking agents, logistic agencies, and sound engineers, among many others.

The full survey findings can be found in the APPG on Music call for evidence paper which is located online.

3. A call for written evidence

This detailed information has provided a foundation for a suite of positive recommendations for how the situation can be improved.
Background: Importance of European Touring

Music is a national asset within the UK economy. Pre-pandemic the sector added £5.8 billion to the UK economy in Gross Value Added (GVA) and employed almost 200,000 people. Live music drives growth, attracting visitors to an area and encouraging them to spend on other local businesses. According to research by UK Music, a small gig can be worth £50,000 to the local economy. Even after the battering that COVID-19 inflicted, the music sector still employs more than the steel and fisheries sectors combined.

International touring is critical to the industry. In 2019, the last pre-COVID year for international touring, the sector secured £2.9 billion in music exports. Four of the top 10 globally grossing tours of 2019 were by British artists. This success has been built on the rapid movement of people (artists, musicians, technical staff) and goods (instruments, kit and event haulage). The promoter Harvey Goldsmith described it:

“We are bubbles…we set up, perform and move on to the next city, the only thing we leave behind is pleasure…we’ve honed the methodology to spend minimal time in a most efficient way.”

A cornerstone of this success has been a powerful and profitable position in the rich, large, highly integrated and cheap to access European live music market. As the European Commission noted in 2019: “UK acts… dominate the European panorama.”

The Featured Artists Coalition (FAC) calculated that pre-pandemic UK artists played four times as many gigs in the EU as the US and the UK Government noted in evidence that it is “a key touring destination for UK artists.” This access provides a key growth route for UK artists and music workers. In evidence to this inquiry Jeremy Pritchard, bassist of the award-winning indie band Everything Everything noted the importance of European touring to “building resonance” and to being taken seriously as an “international band”, helping acts and music workers develop, as well as providing valuable working opportunities. It is important to consider that live performances and the recorded side of the industry are mutually reinforcing. Recorded music can attract someone to a live performance, and a live performance can deepen a fan bases engagement with an artist.

The loss of live performances has an impact up the value chain leading to a loss of royalty payments for composers and songwriters. It is also a key advantage against non-European music industries e.g. the United States, Canada and South Korea. This free-flowing network between the EU and the UK is being choked by a range of restrictions red tape, on music workers looking to tour, on moving kit, and the restrictions on the trucks needed to do the moving, which were brought in by the Trade and Co-operation Agreement (TCA). The industry is very much sounding the alarm.

“The heartbeat and future of our vibrant industry face findings themselves stranded in Dover through no fault of their own.” – Sir Elton John

“This is going to destroy us.” – Harvey Goldsmith, CBE.

“…we are losing income that helps us exist as an organisation in the UK” – Fiona McDonnell, Head of Concerts and Planning at the Academy of Ancient Music.

The barriers are not blocking all UK music work in the EU but they are squeezing it and clogging the arteries of the sector. This is damaging its long-term health by reducing growth opportunities, making the UK live music sector less competitive and dismantling the talent pipeline. As music is a network, this will also damage the sector domestically. In evidence Craig Stanley (Chair of the LIVE Touring Group) stated that a survey conducted by the representative body LIVE found that one in five respondents felt that the effects of the TCA were a key concern for domestic touring.

The following article explains how the barriers are impacting the sector:

The barriers are not blocking all UK music work in the EU but they are squeezing it and clogging the arteries of the sector. This is damaging its long-term health by reducing growth opportunities, making the UK live music sector less competitive and dismantling the talent pipeline. As music is a network, this will also damage the sector domestically. In evidence Craig Stanley (Chair of the LIVE Touring Group) stated that a survey conducted by the representative body LIVE found that one in five respondents felt that the effects of the TCA were a key concern for domestic touring. Yet so far, while the UK Government has done some good work, the scale and urgency of the response has not matched the threat.

5 https://www.ukmusic.org/research-reports/music-by-numbers-2020/
6 UK Music, This is Music 2021, p. 37 https://www.ukmusic.org/wp-content/uploads/2021/10/This-is-Music-2021-v2.pdf
7 128,000 vs 45,000 | UK Music, This is Music 2021, p. 8 https://www.ukmusic.org/research-report/this-is-music-2021/
8 https://researchbriefings.files.parliament.uk/documents/SN02788/SN02788.pdf
9 2nd APPG on Music Inquiry Oral Evidence Transcript, p. 2
11 https://www.bbc.co.uk/news/entertainment-arts-57574807
12 APPG on Music Inquiry Evidence Session 1, p. 20
13 2nd APPG on Music Inquiry Oral Evidence Transcript, pgs. 3 and 15
14 2nd APPG on Music Inquiry Oral Evidence Transcript, p. 9
15 APPG on Music Inquiry Evidence Session 2 p. 15
Impact: How Leaving the European Union Has Damaged Music Industry Growth

To discuss this threat, we need to understand the relevant aspects of the TCA that were provisionally implemented on January 1, 2021 and laid out the new relationship between the UK and the EU. While the music industry welcomed the fact there was a deal, transient services were mostly not covered, meaning live music tours face a range of new restrictions. This was raised at the time by the industry including, in an industry letter signed by Ed Sheeran, Radiohead and Nicola Benedetti, and a petition that reached 300,000 signatures.

The key issues are:

1. New complicated restrictions on short-term working in the EU for UK music workers.
2. New bureaucracy and red tape for the movement of kit and merchandise.
3. The inability to use UK trucks to carry UK European tours.

The initial Government response was rhetorically strong. The Prime Minister Boris Johnson stated in March 2021 that: “We [the Government] must fix it [issues around touring].” This provided a large amount of hope to the sector. While the COVID-19 pandemic was devastating for the live music sector, by suspending live music touring, it did at least theoretically buy some time to resolve some of the issues. A degree of progress has been made. Industry and Government have worked together to loosen restrictions in Spain, and the UK Government has secured clarification that accompanied instruments do not need certain documentation and “splitter vans” have been confirmed as working under the same rules as they did prior to leaving the EU.

Many in the industry, such as the Musicians’ Union, have also worked to get clarification on a number of issues. The sector and Government have also worked together in forums like the DCMS-led Touring Working Group, and the APPG on Music has welcomed the pledge from the Government given in written evidence to “engage closely with the music industry” on this.

Transport has brought forward vital proposals for dual registration to allow some event hauliers to continue to move between Great Britain and the European Union. In evidence to the APPG on Music Inquiry, the Minister for Media, Data, and Digital Infrastructure Julia Lopez noted the work that had been done to ease the transition. This included noting that the number of points of entry where documents relating to instruments could be certified had increased from 24 to 36.

Yet key issues are unresolved and there is a feeling in the sector, as expressed by Sir Elton John in a statement read out to our second evidence session, that the interlude COVID-19 granted was “allowed to slip.” Even allowing for the strains the COVID-19 crisis placed on Government, the feeling across the music industry is that actions have been too slow to implement. For example, there was a five-month delay between the Secretary of State Oliver Dowden announcing that DCMS had established the EU countries where touring was allowed permit-free and a list being published.

It is impossible to quantitatively disentangle the effect of the COVID-19 crisis that effectively blocked touring for much of 2020 and 2021 (the sector lost £2.7 billion in GVA and 69,000 jobs in 2020), but the APPG on Music survey found a widespread view among those in the music sector that the lack of flexibility in the TCA was costing opportunities and job. Survey respondents described the current situation as:

“...extremely difficult and confusing…”

“Not commercially viable…”

“...absolutely killer to the touring business…”

The Government position as set out in evidence is that “the current situation for UK music workers looking to work in the EU and vice versa is “workable”.” This report suggests that while it will be “workable” for some, it will be the end of the show for others, hit profits for everyone, and ultimately disadvantage a key national asset in its most important live market.

New issues are continually arising, for example the Musicians’ Union highlighted challenges relating to ferries charging musicians with instruments as freight as opposed to passengers.

UK music workers playing, selling, and working as much as possible across the EU is good for all. In this report, we will set out our vision for how the UK can be ambitious in resolving issues with the implementation of the TCA and build towards a new deal for touring, to ensure the UK music industry does not only survive but thrives.

26 https://fatemusimove.org/
29 Minister Julia Lopez, Written Evidence 5, p. 4
Improving the TCA

Restrictions on People

UK music workers are the heart and soul of the UK music industry. This includes headline artists, backing musicians, staging technicians, event haulage drivers and technical workers, that have been described as some of the “best” in the world.40 Without them there is no music to play and no way of staging live tours.

The TCA left them all out in the cold. The TCA allows visa-“ free business visits to conduct market research or attend a trade fair but there is no specific allowance for UK music workers to work for pay in the EU or vice versa.41

A UK music worker looking to tour Europe must work out if the countries they want to play are in the Schengen Area.35 They can travel to those countries for up to 90 in 180 days and 23 EU member states are part of this. Bulgaria, Croatia, Cyprus and Romania each have their own 90 in 180 day limit which is counted separately. Non-EU Schengen States are another issue. The TCA only allows the right to work for certain activities. The question of work rights for non-EU citizens is mostly a matter for individual member states. This means a confusing range of restrictions are now in place; three EU member states (Portugal, Malta and Cyprus) may require work permits for musicians and performers for any commercial performance in their countries. Costs can quickly escalate. Malta, for example, requires a €150 employment licence to work as a self-employed musician.34 The UK Government are correct to say that the 24 other countries permit some work permit free touring. However, this covers a range of restrictions, from Sweden that only allows 14 days, to Spain where the industry and Government worked together successfully to get the Spanish Government to allow music work up to the 90 in 180 day visitor limit.30

Spain offers a model for how bilateral negotiations can see an unpromising situation for UK music workers give way to an understanding of the importance of flexibility for music workers to the local economy.

However, even where a formal visa or work permit is not needed, national restrictions can still require a lot of paperwork. Fiona McDonnell (Head of Concerts and Planning at the Academy of Ancient Music) flagged that even where a visa was not needed there might be other restrictions. The Netherlands does not require a visa but for their visa waiver you need to be able to access the documentation you might require for that visa on request.35 This means while a British music worker could go to Amsterdam at short notice for a gig, in practice they are unlikely to be able to gather the necessary proofs (income, travel insurance etc.) in time.

These restrictions cause a range of issues for UK music workers. Their complexity is creating confusion and the potential for costly mistakes. The restrictions themselves limit the kind of work that UK music workers can take on in Europe and raise costs. Finally, they hamper the competitiveness of UK music workers vis-à-vis their EU counterparts. It is now simpler for EU tours to hire EU workers rather than UK workers.

It is not surprising UK music workers are confused. An individual music worker must now track the number of days in the last 180 that they have spent in a Schengen State, and track if that state is a member of Schengen on top of knowing national restrictions, where previously they could just tour.

This is particularly an issue in Europe, as unlike other large music markets (e.g. the US) the EU crosses 27 highly integrated but still legally distinct jurisdictions.

30 2nd APPG on Music Inquiry Oral Evidence Transcript p. 3

31 APPG on Jazz, Written Evidence 1, p. 1

Minister Julia Lopez, Written Evidence 5, p. 1


36 https://www.ism.org/visa-guide-europe/vwp-malta


This creates confusion and increases the scope for more mistakes, as well as discrimination against less established and diverse artists. Paul Crockford, manager of British singer-songwriter and former Dire Straits frontman Mark Knopfler, stated:

"...you are very much at the mercy of turning up at Calais at two o'clock in the morning and a French immigration officer or custom officer saying your paperwork is wrong."

That immigration officer might not even be right, but it could still crash a tour.

While mistakes in immigration enforcement create issues for those on tour, the additional costs of these new restrictions can make a tour unviable. Countries that require documentation for any work often charge for it which can price small, emerging acts out of certain markets.  

The time limits also create issues, potentially making certain UK music career paths unviable. Theatre orchestras and operas often need to be in Europe for an extended period. 90 in 180 days is insufficient to sustain a career in that line of work.

One survey respondent outlined that this exact situation had already happened to them:

"As I approached 90 days within 180 I had to turn down the offer of work in Sweden."

UK music workers working in European musical theatres, theatre orchestras and operas often need to be in Europe for an extended period. 90 in 180 days is insufficient to sustain a career in that line of work. One respondent directly linked the new visa restrictions to their decision to leave the UK:

"I can only work a limited amount in the EU. This means I am currently going through the process of moving out of the UK permanently."  

The restrictions also make UK music workers less competitive vis-à-vis European rivals. For a start, in an industry where short notice opportunities are often key, UK music workers have been made much less flexible, as one respondent to our call for evidence wrote:

"When a performer is unable to perform, a replacement is often flown in at short notice. This is no longer possible for British artists."

EU promoters are also becoming more reluctant to engage UK music workers. Silke Lalvani, Head of Public Affairs at Live Performance Europe (PEARLE*) noted in her evidence that these restrictions will make booking UK acts and music workers "more expensive and costly."

The Incorporated Society of Musicians (ISM) in their written submission, quoted an anonymous cellist, who noted a shift against UK music workers in Europe:

"...my work in both Poland and Germany fizzled out in favour of the ensembles using musicians from the rest of Europe and locally."

These restrictions on music workers are creating issues across the sector. Craig Stanley stated in evidence that 90% of surveyed workers in the sector felt that leaving the EU had made a negative impact on their ability to do their job.

Paul Crockford concluded:

"There's the immediate impact that's happening now, where I'm deciding not to take a band into the EU had made a negative impact on their ability to do their job."

"I can only work a limited amount in the EU. This means I am currently going through the process of moving out of the UK permanently."

The UK Government, EU members states and the European Commission should look again at expanding the visa exemption that currently exists in the TCA. A music worker could be allowed to travel to the EU and the UK for the purposes of cultural touring as an Independent Professional under the TCA on the same basis as advertisers and architects currently are. How to define a music worker would be a matter for negotiation, but should extend beyond artists. The ISM stated in evidence:

"A bespoke visa waiver agreement with the EU for the creative and cultural sector would solve one key area of red tape."

If this cannot be negotiated, the UK Government should step up its country-to-country efforts. We understand that the Government is focusing on those countries that currently do not allow visa free touring. The focus should be broader and the aim should be to get every country that is below the 90 in 180 day limit up to the full amount allowed for under the TCA. This will provide clarity and consistency to music workers. It should also ensure that this goal is understood as a priority in our diplomatic discussions across the EU.

**Recommendation 1:** The UK Government should agree an exemption for music workers supporting cultural performances in the TCA, and work with individual member states to get all states up to the current 90 in 180 day limit for working musicians.

## Restrictions on the Movement of Goods

Touring does not just need musicians and music workers, it also needs instruments and a way to get from one city to another. New rules around the movement of goods are also causing issues. The three key areas of new restrictions are:

1. **Restrictions on merchandise sales with live tours.**
2. **New documentation required for instrument and kit.**
3. **Restrictions on UK trucks working in the EU.**

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36 ISM, Visa and Work Permit Requirements for UK Musicians Working in EU/EEA countries p. 15  
37 1st APPG on Music Inquiry Oral Evidence Transcript p. 3  
38 APPG on Music Barriers to Touring the EU for the UK Music Industry Call for Evidence  
40 APPG on Music Barriers to Touring the EU for the UK Music Industry

41 APPG on Music Barriers to Touring the EU for the UK Music Industry  
42 2nd APPG on Music Inquiry Oral Evidence Transcript p. 10  
43 ISM, Written Evidence 2, p. 2  
44 2nd APPG on Music Inquiry Oral Evidence Transcript  
45 1st APPG on Music Inquiry Oral Evidence Transcript, p. 12  
46 The EU – UK Trade and Co-operation Agreement, Annex 21, B (e)  
47 The EU – UK Trade and Co-operation Agreement, Annex 21, B (h)  
48 ISM, Written Evidence 2, p. 5  
49 https://parliament.uk/parlates/10202-02-21/debations/1C647519-70F4-4101-827F-39C3A949BC24/CreativeProfessionalEU#tourcontrib- 77D6878B-739F-4E5E-949F-FF41280D185  
50 https://questions-statements.parliament.uk/written-questions/detail/2022-02-21/126759
Merchandise

Currently for merchandise, export declarations apply for all shipments of goods into the EU above €1000 (the UK limit is €1500). A person would need to register as an exporter, get an Economic Operators Registration and Identification (EORI) number and potentially face additional customs duties and VAT charges.\(^{54}\)

While larger acts can absorb the staff hours and additional costs these require, the inquiry received evidence that smaller acts were finding it prohibitive to take merchandise for sale on tour, thus preventing some bands from touring, as merchandise sales are often necessary to break even.\(^{55}\) The Government has encouraged music businesses to engage custom intermediary companies, but this is often expensive.

Tankus the Henge, one of the first UK bands to tour the EU following the UK’s exit from the European Union, has stated to the media that the additional costs meant they missed out on around £2,500 worth of merchandise sales on their tour of France in the summer of 2020.\(^{56}\)

One respondent stated that this was helping to make tours:

"Not commercially viable, even for artists with an average audience of 1500 people"\(^{57}\)

We already have a European example for how this could play out long term. Paul Crockford pointed out these kinds of export declarations and charges have always existed when working in non-EU Switzerland and acts have often simply decided against bringing merchandise into Switzerland, or not gone.\(^{58}\)

Various acts have stated that they do not intend to sell items directly to EU-based customers due to spiraling costs and issues for individual sales.\(^{59}\) One respondent to our call for evidence stated:

"My merch sales, however, have dropped off the cliff."\(^{60}\)

New Documentation Requirement

Music Instrument Certificates (MIC) and carnets are documentation that certify instruments for travel to a third country. You need MICs to move across an international border any instrument containing materials from animals or plants covered by the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), such as ivory and rosewood. These are currently free from the Animal and Plant Health Agency, but the lack of cost cannot be guaranteed going forward.

A carnet is effectively a refundable bond to prove to border officials that you are bringing in music instruments or equipment for work use and are not going to sell them. This is effectively a tax on touring.\(^{61}\) The London Chamber of Commerce charges £310 + VAT for carnets, however one respondent noted:

"...after additional insurance costs and VAT [the carnet] came to £660."\(^{62}\)

The deposit for the carnet is relative to the value of the instruments being moved, and can only apply to one shipment for 12 months (therefore cannot be amended and needs to be renewed annually). Costs can quickly spiral, particularly for orchestras.\(^{63}\) One respondent to the call for evidence highlighted them as a key cost:

"Expensive carnets (between £2000-£5000 depending on the size of the orchestra and equipment transported)."\(^{64}\)

The UK Government did clarify that instruments that are accompanied (being brought in musician’s hand luggage or own vehicle) do not need a carnet.\(^{65}\) But this does not help many music workers because their instruments or equipment cannot be transported in this manner. While this documentation has always been needed for other jurisdictions it places a new barrier on what was a previously uniquely accessible live music market for UK music workers.

The additional documentation has knock on effects, for example, there are examples of ferry lines insisting that music workers with unaccompanied kit need to register for a freight ticket, which can be three times more expensive than a passenger ticket, adding to costs.\(^66\) These upfront costs hamper many music workers and orchestras ability to make a profit on tours, or in some cases break even and may well price them out of the live EU music market. The loss of these tours has an impact on the broader ecosystem; songwriters and composers lose out when work that they have contributed to is not performed (particularly as composers often get a proportion of hire fees for performances) and singer/songwriters effectively lose out on performance licensing revenue twice.

Beyond additional monetary costs, the time cost of navigating these restrictions is important to consider. A carnet requires you to sign in and out of a country, and CITES require a check on entry and exit. Both of these can only be done in certain ports of entry, effectively barring the bearer from certain forms of transport e.g. Eurostar.\(^67\) While the Government has increased the number of ports of entry, the demand placed by huge volumes of people needing paper work certified has at times outstripped Border Force’s ability to promptly process them.\(^68\) One musician set out their experience of navigating using carnets:

"Massive delays at customs… (three hours in UK, two hours in Calais on the outbound leg, then just five minutes in Calais on the return leg but still three hours in UK)."\(^{69}\)

The penalties for not sticking to these rules can be severe; a CITES breach can carry up to a seven-year jail sentence.\(^70\)

On a tour time is money. Every additional day of travel raises costs and loses money. These delays may not even be your fault, as Jeremy Pritchard said in evidence:

"I have had personal experience of having to cancel a UK show because of delays in the US where we have a carnet arrangement because of the relative inexperience of border guards with carnets."\(^71\)

There is also an opportunity cost; each day lost in an airport terminal is a day not spent working elsewhere, which is critical for a mostly freelance sector.\(^72\)

Therefore, building in extra time is very costly and can render a tour loss-making. Fiona McDonnell in evidence pointed out this would also affect the current business model of musicians and music workers travelling to Europe the day before a one-off performance and make it “unviable” given the risk of delays.\(^73\)

The UK music industry has dealt with these restrictions elsewhere and found them to be a barrier to touring and working short term. Therefore, all avenues for avoiding and reducing them must be explored.

UK Government and EU member states should work to make carnets and CITES exit points more manageable and flexible, such as agreeing with France, Belgium and the Netherlands to make Eurostar terminals entry and exit points for CITES. \(^{74}\)

Individual countries and the industry need to work together to ensure Border Officials are properly trained to handle carnets, CITES and other paperwork to minimise mistakes, and prevent discrimination against less conventional acts.

The UK Government can also commit to supporting artists by committing to keeping MICS free at the point of sale and reviewing the costs of carnets, with view to providing a relief scheme for younger artists.

Recommendation 2: The UK Government should improve the UK border by expanding the number of points where documents like carnets and Music Instrument Certificates can be checked (including Eurostar) and improve Border Force training.

50 https://www.gov.uk/government/publications/arrays-brexit-transition-communications-resources/travellers-communication-pack-plain-text-
51 travelling-from-the-uk-to-another-country
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60 APPG on Music Barriers to Touring the EU for the UK Music Industry Call for Evidence
61 https://www.londonlame.co.uk/international-trade/trade-documentation/dta-carnet/
62 If I had 4 visas and an obo in a shipment on one journey to France in May, if in June I wanted to take 5 violins I would need to pay to amend the carnet.
63 APPG on Music Barriers to Touring the EU for the UK Music Industry Call for Evidence
64 Minister Julia Lopez, Written Evidence 5, p 1
65 Minister Julia Lopez, Written Evidence 5, p 2
66 APPG on Music Barriers to Touring the EU for the UK Music Industry Call for Evidence
68 https://www.gov.uk/guidance/1st-appg-on-music-barriers-to-touring-the-eu-for-the-uk-music-industry-call-for-evidence
70 1st APPG on Music Inquiry Oral Evidence Transcript p. 5
Road Haulage

A key issue for the sector is the new restrictions on UK event hauliers working in the EU, and specifically the cabotage regulations. These rules mean that UK trucks of above 2.5 tons may make no more than three laden stops in the EU and no more of two of those in the first country. The truck may make one further stop in another country. Alternatively, it may make three stops in three different countries. But it cannot make a first stop in one country followed by a second and third stop in another country. As Craig Stanley stated in evidence to the Committee:

“Three stops and you have to be out of Europe.”

To comply with the regulations, if a UK truck wanted to support a tour of Northern Europe it could stop at Calais (France), Lille (France) and Brussels (Belgium) or Calais (France), Brussels (Belgium) and Rotterdam (the Netherlands) but NOT Calais (France), Brussels (Belgium) and Antwerp (Belgium), and would have to return to the UK after the three stops were completed - an economic and environmental absurdity.

Our witnesses were clear that the stringent application of this legislation to UK event haulage vehicles is a massive issue for music tours that rely on extended periods on the road and multiple stops. Mark Pembridge, Chair of the Association of British Orchestras, stated that the wording of the relevant legislation was so tight that it was “effectively impossible” to do multi day EU tours with UK vehicles.

“I would say it [the cabotage regulation] is an existential threat” – Craig Stanley, Chair of the LIVE Touring Group.

These regulations were designed to stop the under-cutting of national EU hauliers by restricting the number of stops vehicles from another jurisdiction can make, and during the UK EU membership there were a range of exemptions and lax application. For instance, if you used your own vehicle cabotage rules did not apply under the own account exemption, but this exemption was not transposed into the TCA. This means the City of Birmingham Orchestra now cannot use in Europe the specialist haulage vehicle for which they received £250,000 from Arts Council England.

These event hauliers are often highly specialised (needing special internal temperature regulation and a trained handler) and are neither cheap nor easy to replace. In evidence, Mark Pembridge related that the Scottish National Orchestra paid £200,000 for a replacement hire vehicle when they realised they could not use their own due to cabotage restrictions, which made that tour a loss-maker.

The solution has been to give up the UK’s leading position in the European event haulage sector. The UK Government has encouraged the movement of UK specialist event hauliers to the EU, and then unilaterally loosened UK cabotage rules to allow their entry into the UK. Craig Stanley stated in evidence that the major UK event hauliers had now opened depots in the Republic of Ireland and the Netherlands and “split the fleets” for this purpose.

This combined with the impact of many hauliers leaving the sector due to COVID-19 has meant that there are now not enough UK-based hauliers to service the domestic UK market, particularly at peak times, e.g. during Glastonbury Festival.

“I spoke to one of the biggest trucking companies that we have in England on Thursday... There are simply not enough trucks to start with... the whole thing is complete mess.” – Harvey Goldsmith

This highlights a key truth, music touring is not something that happens “over there”, it is a part of an interconnected economic system. If the music cannot move the whole system will start to block up and break down.

Combined, these restrictions are tour killers. The manager of the band Squid stated in the media, after pulling a tour from Spain in 2021:

“All the costs that weren’t there before are just adding up.”

There are a range of steps that could be taken to mitigate this situation. Cabotage rules were not intended to be a block on event hauliers, and certain exemptions already exist (e.g. for the transport of damaged motor vehicles).

Firstly, the UK Government could approach the Directorate Generale Move (DG Move – the European Commission body responsible for rules on transport in the EU) about returning the own account exemption. This is a common sense exemption that exists in EU law and would allow orchestras to operate their own vehicles without being treated like potential smugglers.

Existing exemptions could also be expanded, for example, exemptions for non-commercial haulage could include all whose purpose was primarily in support of live cultural performances.

On the urgent cabotage situation, we welcome the Department for Transport proposal to allow the dual registration of non-Great Britain (GB) trucks due to be implemented in August 2022 as set out in the Governments written evidence – the proposal will undoubtedly help. However, the industry would have welcomed more clarity on this sooner. This proposal will allow what were GB hauliers to relocate to the EU, become EU registered and therefore avoid cabotage rules. They can then revert back to being GB trucks when they are in GB, thereby allowing them to be British for UK cabotage purposes and EU flagged for EU purposes.

This may well be sufficient to stave off some of the more dire predictions of shortages. But this will have significant short-term costs for hauliers in relocating to the EU, and may reduce the availability of their vehicles for the domestic UK market. These reforms do not help organisations like orchestras that operate their own vehicle and do not have the capacity to establish a base in the UK and the EU for registration purposes, furthermore it is concerning that it took two years for these proposals to be approved.

It is also worth noting that vehicles will only have six months to transfer without having to pay Vehicle Excise Duty (VED) and to be registered requires the company to have a base in the EU and the UK. While this form is helpful to large haulage companies, smaller companies that are UK-based only will still be bound by the restrictions. This will again impact emerging artists and smaller acts by reducing the overall pool of vehicles are available to tour the EU from the UK.

Furthermore, it is worth considering that the movement of specialist event hauliers to the EU will cause long term issues for the music sector. The location of haulage vehicles often dictates where high end kit will be located and where high-profile tours will be based. In the long term the diminishing of the UK specialist event haulage fleet may well reduce the number of tours based in the UK from outside Europe and therefore opportunities for UK-based technical staff.

In response to a written parliamentary question about the number of UK specialist event hauliers moving to the EU, the Department for Transport stated that it did not track this information. It is important that the Government tracks the effects of dual registration and other policy changes on the number of specialist event haulage vehicles, to assess the availability of vehicles for the domestic touring market.

Recommendation 3: The UK Government should secure a return of the on account exemption and expand the non-commercial use exemption for live cultural road haulage.

The Chair of the LIVE Touring Group, Craig Stanley noted in evidence that dual registration does not entirely resolve the issues and has called for a broader agreement to address the root cause of the problem.

“We now look forward to working with government on options to permanently resolve this issue, such as the negotiation of an EU-wide cultural exemption.”

This quote sums up the position of this report so far. These are short term and less than perfect fixes that will help address some issues. However, to properly address and resolve these issues we feel that a comprehensive agreement is needed.
It is in everyone’s interest that people in the EU can enjoy British musicians live and vice versa. To achieve this will require both improving the implementation of the TCA in favour of cultural industries and building towards a general Cultural Touring Agreement (CTA).

A CTA should contain: a waiver on carnets and CITES for UK-EU travel, which would end the tax on touring, an exemption from cabotage restrictions for registered specialist event hauliers travelling in the UK and the EU to free up orchestras, and a mutually recognised Musicians’ Passport - a visa and work permit waiver for a defined group of musicians and music workers to participate in tours and short-term engagements across Europe. This could be negotiated as an additional agreement to the TCA, as the TCA itself explicitly provides for. It could also sit outside the TCA and cover the EU plus the European Free Trade Association (EFTA) members.

Live music touring is a temporary movement of people and goods to perform, it is not the permanent movement of people or goods. It is “a bubble”, and allowing its regulated flow to be as free as possible will benefit the UK and the EU, and would not cross EU red lines on the importance of maintaining the integrity of the European Single Market or UK Government red lines on controlling immigration.

We recognise that there has been little appetite for further extensive negotiations as both the UK Government and the EU have made clear. But, this should not necessarily be a particularly onerous task, as both sides have been clear that their aims are the same, and offers were made during the TCA negotiations. To get the most out of leaving the EU we must be willing to negotiate with our largest market when it is in our interest to do so – as it clearly is in this instance.

This is the best way to resolve these issues set out in this report and unleash UK music exports to the EU. Harvey Goldsmith was clear that a comprehensive solution would have the most value to the sector:

“We would like to see a cultural touring agreement covering geographic Europe.”

We would also note that discussions between the UK and the EU continue on a range of topics and the UK Government has not been shy in calling for reforms and changes to parts of the TCA that it perceives as not working. The TCA is up for review in 2025, therefore the UK will be discussing the document regardless. If the UK Government is to be taken seriously in its commitment to fixing EU touring for the cultural sector, then it must give prominence at every opportunity for the need to reform the TCA in relation to touring.

Therefore, the Government should be bold in opening negotiations on a reciprocal agreement covering all aspects of cultural touring with the EU. It could also provide a blueprint for similar agreements on cultural touring with other major economies – putting the UK at the centre of liberalising cultural touring globally.

Recommendation 4: The UK Government should negotiate a general agreement on cultural touring to end the tax on touring, reduce bureaucracy and allow specialist event hauliers to properly support tours.
A consistent complaint from the sector has been the perception that there is no one Government department holding the pen on tackling the EU touring issues facing the music industry. In the initial negotiations with the EU on the TCA, the Business Energy and Industrial Strategy Department (BEIS) was handling the question of what short-term work would be explicitly allowed to be visa-free under the TCA. DCMS has often been the contact point for the industry but issues have often been referred on to the Home Office, BEIS, HMRC and the Department for Transport, as Craig Stanley stated in evidence: “That’s part of our problem, that we’ve had to deal with so many departments.” Too often live music touring issues are being left to hit the ground because of a lack of clarity on who should be catching them. To solve this and to promote the other recommendations set out in this report a single point of contact and responsibility should be created in Government. This Minister would co-ordinate existing infrastructure such as the Live Touring Working Group, steer cross-departmental working and ensure the delivery of a positive vision for live music touring. This would also help take advantage of opportunities with other Governments as and when then arise. The UK should also be more proactive in promoting its music sector. Many other nations are strident in supporting their music sectors. We should not be afraid to do the same to help secure the UK music sectors globally prominent position in the form of launching the UK as a powerful force for emerging artists looking to build their export profile. This office could work in partnership or in a supporting role to the work of the devolved governments in the space. We would also recommend providing seed funding for a one-stop-shop that would simplify the information that Europe-bound musicians need to navigate touring the EU. An easy-to-navigate and free-at-the-point-of-use online service would be immensely useful, particularly to the many freelance music workers who lack administrative support and would highlight that the Government were supportive. The Musicians’ Union and the ISM have already done a lot of work to create online resources to support music workers but we would welcome government funding to provide an official point of information.

The Government must also look at fiscal stimuli to help live music exporters recover and overcome the new barriers. This could include a Transitional Support Fund to provide targeted support to music exporters, that the UK music industry has been calling for. As Paul Crockford highlighted in evidence, the new barriers are imposing transitional difficulties: “...we need some support, we need the transitional support package.” The UK Government did set up the Small and Medium Brexit Support Fund of £20 million to help, but this focused on goods and tax, not the issues around touring. We would welcome funding to future proof the sector, similar to the £23 million the fishery industry received. Another avenue that could be explored concurrently is boosting support for the already successful schemes such as the BPI-administered Music Export Growth Scheme (MEGS) and the PRS Foundation-administered International Showcase Fund (ISF). They have a high return on investment (£12 and £15.20 for every £1 invested respectively) and would be an excellent conduit for additional funding.

Recommendation 5: The UK Government should appoint a Minister to act as a single point of contact for the touring cultural sector.

Recommendation 6: The UK Government should develop institutions to support UK music exports, including instituting a Music Export Office, and launching a website for live music exporters.

Recommendation 7: The UK Government should boost funding for UK music exporters, including creating a Transitional Support Fund to address EU transition costs and expanding existing programmes such as the BPI-administered Music Export Growth Scheme (MEGS) and the PRS Foundation-administered International Showcase Fund (ISF).

90 2nd APPG on Music Inquiry Oral Evidence Transcript, p. 6
91 1st APPG on Music Inquiry Oral Evidence Transcript, p. 12
92 1st APPG on Music Evidence Session Transcript p. 8
93 128,000 vs 45,000 | UK Music, This is Music 2021, p. 8
https://www.ukmusic.org/research-reports/this-is-music-2021/
94 1st APPG on Music Evidence Session Transcript p. 8
96 1st APPG on Music Evidence Session Transcript p. 19
98 https://www.bpi.co.uk/news-analysis/music-export-growth-scheme
Minister Julia Lopez, Written Evidence 5, p. 4

A UK Music Export Strategy

Paul Crockford in evidence pointed out this has been a repeated ask from the sector:

“...we’ve often asked for a Music Export Office...”

The UK Government and the three devolved Governments were generous in their support for the live music sector during the COVID-19 crisis, but that was an entirely different question of ensuring the industry did not collapse due to a short-term crisis. We now face the question of if there is more the governments can do to ensure that the UK music sector can be as successful as possible. We will all benefit (including the Treasury) as this national asset and global icon flourishes. This strategy should aim to provide a single point of information for touring the EU, a Transitional Support Fund to help the sector adapt to the new barriers and long-term funding to promote UK music exports. The UK music sector employs more than the steel and fisheries industries combined, therefore, the UK Government should be serious about treating the music industry as a national asset and be more systemic in its support. A UK Music Export Office coordinating with UK embassies or providing a central hub of information would be a powerful force for emerging artists looking to build their export profile. This office could work in partnership or in a supporting role to the work of the devolved governments in the space. We would also recommend providing seed funding for a one-stop-shop that would simplify the information that Europe-bound musicians need to navigate touring the EU. An easy-to-navigate and free-at-the-point-of-use online service would be immensely useful, particularly to the many freelance music workers who lack administrative support and would highlight that the Government were supportive.

“...we need some support, we need the transitional support package.”

The Government should also be more proactive in promoting its music sector. Many other nations are strident in supporting their music sectors. We should not be afraid to do the same to help secure the UK music sectors globally prominent position in the form of launching a Music Export Strategy. The actions needed to put this in motion are reliant on the willingness of the UK Government, not EU member states.

“A Music Export Office, transitional support... these are things the Government can do now and make a very good effect now.” — Craig Stanley
The UK music industry faces a touring crisis in Europe. Access to a key market has been restricted due to the red tape that music workers need to wade through to get themselves and their kit around the EU. Time restrictions block them from vital opportunities and new costs and charges are a tax on touring. This situation is reducing the tours and work opportunities available to UK music workers and will have an impact on the broader music ecosystem - costing songwriters and composers in lost royalties and hitting performers’ abilities to develop their fanbases, which fuel recorded sales and streams.

While we respect the UK Governments’ position that the situation is “workable” for artists, we would argue that this report has shown that these issues will badly hit the competitiveness of UK music workers in a market they used to dominate. These issues will also stunt the careers of developing artists, and block smaller acts and many music workers from accessing a key market, in the long-term dragging growth and development across the sector. We need to make sure the best musicians in the UK are playing Paris, Berlin and Amsterdam and are not “stuck in Dover.” Without action the UK music sector will be at a disadvantage when competing with the rest of the world.

These issues are not confined to music, with the recent International Connections report commissioned by The Artists Information Company and the Contemporary Visual Arts Network England, highlighting very similar issues of rising costs, increased complexity and dwindling opportunities.

A crisis can be a catalyst for positive action. It is important that the UK Government looks at the example of what industry-Government collaboration achieved in Spain and pursues more proactive and strategic support for the music sector. This should involve being relentless in looking to improve the TCA, being ambitious in aiming for a CTA with the EU and other key music markets, as well as being proactive in setting up and pursuing a Music Export Strategy.

We want to let the music move but to do that we need a new deal for music - one that is as ambitious and creative as the UK music sector itself.

99 Minister Julia Lopez, Written Evidence 5, p. 4
100 https://cvan.art/news-international-connections/
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Glossary

All-Party Parliamentary Groups (APPGs) – informal parliamentary groups that bring together Lords and MPs from across the party-political divide and act as a point for dialogue on countries and subjects.

Caboitage – A subset of road haulage rules governing the number and kind of stops a loaded vehicle that falls within the regulations can make.

Carnets – A document to certify that the bearer is not intending to sell imports.

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) – A multilateral agreement between countries to control the trade in endangered wildlife.

Cultural Touring Agreement (CTA) – A suggested comprehensive agreement between the UK and the EU to liberalise rules on cultural touring.

Directorate Generale Move – A subsection of the European Commission that is in charge of regulating rules around transport in the EU.

European Free Trade Area (EFTA) – Intergovernmental organisation and free trade area covering Iceland, Liechtenstein, Norway and Switzerland.

European Commission – One of the three governing bodies of the European Union, the European Commission can instigate and implement EU legislation and regulations, it represents the bloc in negotiations with external countries.

Hauliers – Companies and vehicles engaged in the freight movement of goods.

International Showcase Fund (ISF) – PRS Foundation-administered export support fund.

Music Export Growth Scheme (MEGS) – BPI-administered administered export support fund.

Music Instrument Certificates (Music Instrument Certificate) – Certification of the content and provenance of an instrument.

Schengen Area – A free travel area of 26 countries which have abolished internal borders and have established a common border comprising of Austria, Hungary, Norway, Belgium, Iceland, Poland, Czech Republic, Italy, Portugal, Denmark, Latvia, Slovakia, Estonia, Liechtenstein, Slovenia, Finland, Lithuania, Spain, France, Luxembourg, Sweden, Germany, Malta, Switzerland, Greece and the Netherlands.


Visa – Documentation proving that the bearer may enter, leave, stay or conduct specific activities for a specified period of time in a country.

Work Permit – A document proving that the bearer has the right to work for a specified period in a country.