# Craft Post-Brexit

## Report by Patricia Lovett MBE on behalf of the APPG for Craft

There has been much publicity about the challenges in dealing with the EU post-Brexit for musicians, artists and those in the performing arts. However, there has been very little mention, if any at all, about a large sector of the creative industries – Craft (Heritage Crafts alone produced £4·4 billion GVA in just England [2012]).

The All-Party Parliamentary Group for Craft invited responses during a four-week period in August 2023 (not a good time for makers who are attending summer craft fairs!) on experiences post-Brexit from craftspeople through a number of craft-related channels.

All but one response was dispiriting, with details of confusing and time-consuming paperwork, wrong information and advice from officials, work held up in customs on both sides of the Channel, delays and increased cost in tools and materials and in some cases total lack of supply, confusion on VAT and final taxes on artefacts leading to much reduced sales and so on. As most makers are in micro businesses or are self-employed the problems have been exacerbated as advice given seems not to be able to understand the small-scale nature of many craftspeople.

Selling to the EU, supplying and buying tools and materials, teaching and learning, and the international exchange of ideas and techniques has always been part of the craft process. All of these have been greatly inhibited post-Brexit.

## Essentially the points raised are:

## A: Paperwork and tax confusion

- Lack of clarity over paperwork required to export and import, lack of correct advice from officials for very small 'companies' and quantities involved.
- Time taken to deal with complicated paperwork takes makers away from making and reduces their taxable income.
- No indication of how much tax buyers will pay, so EU buyers avoid the UK.

## B: Delays and scarcity

- Transport costs are prohibitive for small batches or individual items which could then be delayed due to paperwork and customs confusion, and many carriers now won't take small quantities because of this.
- Supplies of tools and materials are a problem with variable, lengthier and on occasion non-existent delivery to the UK and vice versa with the EU.

## C: Easy movement between the UK and EU

- Highly skilled craftspeople in the EU are employed to complete a stage in creating a craft item. This 'stage' has to be valued for export and import. The piece may be worth relatively little at this point but the worth to the finished piece is invaluable and the potential for delay frustrating. How to value?
- Teaching and training UK to EU and EU to UK has all but stopped with a resultant loss to all.

• Exchanging ideas, tools, developments, materials etc with our nearest neighbours has just about stopped.

## D: Exhibitions and Competitions

- UK craft exhibited in EU now happens rarely due to delays and costs at customs on both sides of the Channel. Exhibitions have had to be cancelled as a result of these delays of this. EU makers and their craft are stopped at UK customs and in some cases turned away despite the correct paperwork.
- Physical 'support' hardware to exhibit work at craft fairs and exhibitions (often made by the maker) have to be valued for export and import. The actual value is very little but to the maker essential how can this be 'valued'?
- UK makers are now not included in EU exhibitions and competitions because of the challenges and cost in returning work to the UK.

## What needs to be done?

- Broaden the list of occupations in the Creative Sector to include crafts, allowing the Permitted Paid Engagement Visitor route (for up to 1 month).
- Re-negotiate existing Short-Term routes to exempt the immigration skills charge (in line with the Sciences), a reduction in cost for the Certificate of Sponsorship (in line with Sports), and an Immigration Health Surcharge which is based on shorter work durations (0–3 months).
- Re-negotiate greater flexibility for travel for training, study, exhibitions and craft fairs for UK and EU, and for this working time not to count towards the 90-day restriction.
- Greater clarity online and better training for officials giving information and advice on regulations and requirements for micro-businesses and the self-employed in exporting and importing individual and small quantities to the UK/EU and travelling to the EU for work.
- Exemptions from import duty for artefacts exported from the UK for exhibitions and demonstrations and simply being brought back into the country again; this is existing work belonging to the maker, not new imports.

## Bullet Points of Makers' Comments on Post-Brexit Experiences

#### Craft – Ceramics

- Previously 50% of sales each year from EU Craft Fairs.
- Post-Brexit the complexity and costs of exports, re-importing unsold work and obtaining ATA carnet for stand equipment has now stopped this.
- Costs of Merchandise in Baggage system and using a freight forwarder both uneconomic for self-employed.

### Craft - Watchmaker

- Using highly skilled makers in the EU is too complicated.
- No-one understand the problems and can give advice.
- How to value parts for customs value of part when sold as is very low, but cost very high if need to start again.
- Sending small package to be returned in a few weeks prohibitively expensive.

### Craft – Bookbinder

- Previous exhibitions and competitions in the EU now impossible.
- Cost of exporting bound books for exhibitions and then re-importing them afterwards prohibitive.
- Supplies of bookbinding paper and materials that used to be easy to get no longer available directly from the EU and from UK suppliers who source from the EU.
- Items now not sold to the EU as orders returned due to buyers refusing to pay duty.
- Leather in the UK prohibitively high as supplier raising prices as sales to the UK have stopped, but much lower in the EU.
- Teaching ceased due to paperwork.

#### Craft - Ceramics

- Increase in charges for all materials, and difficulties of supply and lack of quality.
- Guidance aimed at industrial/corporate style businesses, very little or none for freelancers who teach only a few days in the EU.
- Lack of creative exchange in person which feeds and inspires all on both sides of the channel. Creative exchange needs physical networking.

#### Craft – Furniture maker

- Cost of shipping a table to the EU now £2,000 as English exporter and Dutch importer were learning the system.
- Impenetrable paperwork and very time-consuming to deal with.

#### *Craft – Enamel Artist and Jeweller*

- Specialist products from the EU not available as suppliers not dealing with small UK orders.
- Post-Brexit no sales made to the EU as extra difficulties and paperwork

results in no longer being cost effective.

• Sending work to exhibitions ceased as too complicated to deal with items not sold and to be returned to the UK.

#### Craft – Ceramics

- Sending work to exhibitions now impossible because of time, paperwork and extra duties paid by buyers.
- Far fewer EU buyers as a result, costing thousand of pounds.
- Links with artists and groups declined considerably.

### Craft – Wood & Paper Artworks

- Sending to the EU now prohibitively expensive.
- Exhibiting in the EU too expensive.
- Trade/selling fairs now not feasible, due to exchange rate, travel and accommodation and postage of work to the events costs all increased.
- No work or sales to EU now.

### Craft Gallery

- Post-Brexit import and export of artwork problematic as paperwork endless and prohibitively time-consuming for small business.
- Regular shipper no longer holds an office in France.
- Transport costs have increased.

### *Craft – Pottery*

- Several parcels sent to Europe returned because buyer not notified of arrival to pick them up.
- Royal Mail returned parcels sent to Northern Ireland without notifying the customer: parcels correctly labelled, commodity code and EORI number.
- $\bullet$  Post-Brexit delivery charges increased by around 50% both with Royal Mail and couriers such as UPS and DHL.
- Far more admin, form filling, commodity codes and EORI numbers for sender and recipient.
- Some glaze materials are now unobtainable and some much more expensive.

#### Craft – Furniture making

- Loss of certainty dealing with the EU.
- Unforeseen costs and unpredictability of time, so not worth the effort.
- For design process, specialist components or materials sought from EU; previously 48-hour process, now weeks, which affects production and a few weeks' making becomes months.
- Too much admin and no resources to employ someone to do this.
- If customer refuses to pay taxes etc, then returned at maker's expense.

#### *Craft – Designer Bookbinding (a Bookbinding Exhibition in Brussels)*

- Unable to get right information from HMRC know less than organisation.
- Had to employ fine art shippers and delays as a result.
- Temporary Import Licence required took so long that exhibition had to be

#### cancelled.

- Work prepared, catalogue designed and ready to print all wasted.
- No further selling exhibitions in EU as a result.

#### *Craft – Designs in Wood*

- Post-Brexit exhibiting in the EU significantly more expensive due to customs and transport costs, eg carrier was £350 now £2,000.
- Customs not set up for sole traders carrying craft in their cars only experience of large consignments in big lorries.
- Lack of information about potential taxes and VAT so number of orders from EU considerably smaller.
- No equivalent exhibition in the UK to replace this.
- Many more delays in shipments, was about 48 hours now can take up to 10 days.

#### *Craft – Ceramics*

- Post-Brexit materials more than doubled in price.
- Complexity of the rules resulted in invitation to exhibit in the EU declined.
- An ATA Carnet costing £462 per year is required just to trade with the EU.
- No invitations for workshops now.
- No EU makers now to major UK events bringing new ideas and cultural diversity with work exhibited.

#### Craft - Feltmaker

- Fewer/no exhibition opportunities in EU as many galleries won't deal with forms and import duties.
- Fewer/no opportunities for EU makers to exhibit in the UK. International Feltmakers Association now holds exhibitions online meaning no personal contacts.
- EU suppliers don't deal with UK orders because of forms and customs complications.

#### Craft – Knitwear Designer

- Pre-Brexit knitwear sold to customers in Denmark, Belgium and Germany now stopped completely as customs and duties too expensive.
- Orders sent to the EU returned by customs at maker's expense despite the forms being filled in correctly.
- Because of the above, and initially having to send repeated orders because of non-arrivals (stuck in customs etc), no trade with the EU now.

#### *Craft – Sculpture & Decorative Plasterwork*

- Post-Brexit selling to the EU massively more difficult.
- Paperwork baffling for a small company as freight forwarder must be used resulting in shipping costs disproportionately high.
- Options for sending lower value parcels direct through Parcelforce not reliable enough to use.

#### *Craft – Furniture Makers*

Number of nationalities employed much reduced as EU nationals do not

feel welcome and returned home post-Brexit.

- Brochures posted returned as EU customs requires import duties.
- Exports have to be sent to Germany for onward dispatch from there.
- Heavy-duty reusable bags used to be returned to the UK, now UK import duty complications mean they are not.

### Craft businesses

#### Direct online sales

• No B2C EU market (previously 20% of turnover) as price now subject to import duty.

#### **Events Business**

 $\bullet$  Exhibitors from EU less likely to apply, only 1% 2023 when 20% previously. Potential delays at the borders mean that cannot risk it.

#### **Gallery Business**

- Whole exhibition arrived the day it was due to be hung, previously no problem.
- Deliveries took 2–3 days, now a month.

#### *Craft – Textiles*

- Increased bureaucracy in sending work to EU for exhibition.
- Increase cost in delivering work to EU.
- Increased time involved in delivery and return of work from EU.
- Pieces longer away from studio for much longer so little opportunity to exhibit and sell elsewhere.
- Majority of exhibiting now within the UK so loss of EU trade.

#### Craft – SteamPunk Glass

- Fewer tourists to the UK so income down.
- Post-Brexit almost every parcel significantly delayed.
- Shipping costs increased as items now have to be sent tracked.
- Increase costs of one-third to customer.
- Importing supplies almost impossible; a number of companies in EU no longer sending to UK.

#### Craft – Qualified Bench Saddler

- Extremely hard to import materials and tools to the UK without costing far more than Pre-Brexit.
- Taxes and customs paperwork have increased 90% Post-Brexit.
- Costs mean that cannot travel abroad to further knowledge of the trade trained so hard in.

#### *Craft – Jewellery artist and maker, Crafts educator*

- Materials ever more difficult to source and more costly.
- Tools ever more difficult to source and more costly.
- Teaching Visa and employment restrictions if longer than 90 days.
- Post-Brexit import/export costs so galleries in Munich, Germany, and Lille, France, no longer import and sell work.

• 86 days spent in Germany as an Artist-in-Residence = no family travel in Europe.

Craft – Traditional stained glass (now listed as an Endangered Craft by Heritage Crafts), mouth blown cylinder glass

- Supply of raw materials real problem availability and soaring costs.
- Germany company manufacture glass files but no longer dealing with the UK because of difficulties with import licences.

#### Craft -

- Many logistical difficulties in shipping to EU customers due to import taxes, duties and inbound customs delays.
- Pricing issues due to EU taxes and duties under the new VAT regime.
- Ongoing logistical and financial difficulties with returns/repairs from EU customers.
- Decreased wholesale enquiries from EU-based retailers.

### Craft – Illustrator

- EU accounted for about 20% of sales and rising Pre-Brexit. Post Brexit account for less than 5%.
- Sourcing materials (paper and packaging) now more limited and many of UK suppliers have had difficulty sourcing items too.

## Craft – Jewellery & silversmithing

- Post-Brexit sending items for a fitting back and forth to Belgium much more complicated.
- Import duty in Belgium, and UK duty on return for completion.

## Craft – Stone lithography

- Range of materials available in the UK reduced.
- Materials manufactured in the EU can be bought in the UK but now with substantial premium (£50 instead of 16 euros).

#### Craft – Stonemason

- Post-Brexit easy movement of makers and journeymen UK/EU now almost stopped.
- Process for achieving Sponsorship and allocating defined certificate not that difficult, but not cheap; Sponsor Licence £536, certificate £1291, and each individual needs this not easy for self-employed and micro businesses.
- Travel an integral part of heritage skills education and professional practice. Pre-Brexit, EU Journeymen/women regularly visited the UK, bringing solid foundation of specialist skills enabling them to find work easily and add real, measurable value to the UK Heritage sector.

#### Craft – Jewellery

Ordering materials from Europe incurs custom charges and makes material

costs higher.

- Exhibiting in EU Galleries now almost impossible, as sending much more complicated involving more paperwork and customs costs.
- Post-Brexit teaching in EU now incurs daunting paperwork, confusion about current visa requirements, and complications of moving stock and tools to the EU from the UK.
- Selling jewellery and skills in teaching and speaking about jewellery-making curtailed by additional difficulty and costs of travelling and posting to EU Post-Brexit.

Craft – Verre eglomise (painted, gilt, carved, etc), antiqued mirror, cast glass, lacquers, scagliola, crackled gesso, embossed leathers, resin, patinated metals, trompe l'oeil murals, wood graining, faux marbling, etc.

- Few learning UK establishments in the UK so most employees from the EU. Recruitment pool dramatically reduced; young graduates stay in EU as entry-level salaries do not allow for a UK visa.
- Long-term impacts on craftsmanship in the UK.
- Sourcing EU materials much harder and longer delivery times eg cylinder glass France and Germany, gold leaf Italy and Germany.
- UK-based companies offering smaller selection to EU than before and more expensive.
- Office staff now spend more time planning each project, costing more.
- Collaborating with other makers on multi-finish projects now much less as additional paperwork puts EU-based craftspeople off.
- Companies closing down UK offices in favour of European locations.

Craft – Glass artist, engraving and cutting glass blown to own design.

- Couriers do not understand requirements (EORI numbers and ATA Carnet requirements) for sending exhibition artwork to EU; import tax and export causes endless trouble.
- Couriers often overcharge as result of above.
- Pre-Brexit cost £45 to send a fully insured box with single piece of work by courier to Germany, now costs £450+.
- EU Galleries in Europe reluctant to deal with paperwork and duties.
- Post-Brexit a disaster for higher-end makers who have always been international.
- USA alternative market but currently weak and particularly difficult to penetrate with modern glass as they protect their own.

#### Craft – Glass

- Lack of understanding by officials in UK and EU in how system and tariffs operate for sale or return work.
- Shipping cost of sending work more expensive and often increased as couriers/shippers cover themselves for delays, rejection of paperwork, goods being held up in customs etc.

- EU galleries wary of more administration and costs with UK makers resulting in not wanting UK work.
- Items shipped for temporary exhibition under a Carnet less likely to be sold as items have to be returned to the UK and then re-exported.
- Artists/makers not VAT registered have problems with work originally shipped out on the CPC code 10 00 001 when returned to the UK unsold. Customs decide that VAT should be paid on its return into the UK and the makers have to pay for it to be released from Customs. Makers not registered for VAT cannot claim the VAT back it seems.
- Courier/shipping companies not wanting to carry work as shipment can be stopped as a temporary export so redirected to warehouse to be processed by 3rd party broker, incurring additional costs
- Lack of clarity over how shipments sent and processed. Package to same gallery 3 times over a 5 month period with the same commercial invoice and details, only difference being artworks. Two arrived within 2 days without charge, third sent to a warehouse for inspection and a broker needed to process the shipment taking 3 weeks and a 440 Euro processing fee.
- Carnet shipment issues cost of carnet £1450 for £92,000 of work, increase due to extra work by all parties. Items sold have to be returned to the UK under the carnet and then re-exported.

#### *Craft – Potter*

- Pre-Brexit 60/70 % of Ceramic Fairs, Festivals and Potters Markets in the EU.
- Told too small and had to go through shipping agent but they refused as too small.
- Duplicate List system for Sole Traders on EU borders with Switzerland, not for UK.
- Customs don't have an appropriate system for Sole Traders.
- The Customs Agents have bigger fish to fry with greater volume and lorries.
- The Duplicate List is too onerous for individual makers.

#### And responses from makers in the EU

#### *Craft – Potter working from the Netherlands*

- Import and Export of work, work opportunities, exchange of ideas, international teaching and ability to maintain international friendships amongst colleagues are now problematic.
- All the result of the virtual impossibility to attend ceramics and craft fairs for UK craftspeople coming to the continent and for EU craftspeople to the UK due to heavy import duties.

#### *Craft – Ceramics from the Netherlands*

- Post-Brexit too complicated and too expensive to travel to UK.
- Invited to Potfest in the Park and had all paperwork but not stopped at customs to check, so concerned about 'importing' craft without paying duties.
- Paperwork and financial costs main problems.

• Import tax and VAT means EU makers do not cover costs. In EU an agreement for small businesses to pay VAT in the country where based and applied for the UK Pre-Brexit, although most makers do not earn enough for VAT.

## Craft – Fine furniture making in Germany

- No German institutions for learning specific carpentry skills for furniture making. Academies (boat building) and private schools Not Tier 4 registered so not possible to send German nationals to train in UK.
- Student visas do not apply because of above. Valuable training and income to the UK lost as a result.

### And the only one reply that was positive!

## Craft - Printmaking

- Pre-Brexit trade with EU small, so no effects Post-Brexit.
- Vast increase in business to the US.
- Sales to EU now stopped due to compliance and EU taxes.

