

EUA COUNCIL MEETING

BREXIT UPDATE

For information

Background note

Universities need to be prepared for the risk of the UK leaving the EU without a deal at the end of March this year. To this end, EUA has produced an overview (see annex below) of the main areas where the relations between individual universities in the EU and their partners in the UK could possibly change, and what would be potential consequences.

It is not possible to give comprehensive guidelines, as the 'no deal' scenario would disrupt relations in a vast number of areas with different member states implementing the changes in different ways. However, it is necessary that universities and EUA ensure that authorities at national and EU level give the necessary guidelines so that it will be possible to work with UK partners in the closest possible way, even in the absence of a Withdrawal Agreement.

EUA will continue to work with its member and in close dialogue with the European Commission in order to minimise the damage and retain a good and close relationship between universities in the EU and the UK.

Brussels, January 2019

BREXIT: HOW UNIVERSITIES CAN PREPARE FOR A NO-DEAL SCENARIO

State of play

The Brexit negotiations have produced a Withdrawal Agreement about the issues to be solved as the UK leaves the EU, and a Political Declaration about the future relationship. Formally, the negotiations have ended, but it is not certain that the UK can agree to the two documents as they stand. Due to the short time before the UK will leave the EU (30 March 2019), it is necessary to plan for the consequences of a so-called “no-deal scenario” in which the UK leaves without a separation agreement.

In this scenario, the UK would go from being an integral part of the EU on 29 March 2019, to being a third country the day after – without a transition period. This would imply no certainty in the way in which exchanges across the channel would continue, potentially affecting areas from trade to travel and information exchange. Every relation with the EU would have to be redone, and even if the UK does not change its laws overnight, from a legal point of view UK rules would not be considered equivalent with EU rules, for example for data protection.

It is important to underline that a no-deal is a worst-case scenario; if there is an agreement, the EU and the UK have already agreed that the Horizon 2020 and the Erasmus+ programmes will continue without changes to UK participation until 2020, and that there will very likely be a transition period so that other areas such as trade and regulation are not immediately affected.

What should universities do in a no-deal scenario?

In practice, a no-deal scenario would have consequences for universities both in the EU and the UK that have relations across the channel. In order to continue collaboration between EU and UK universities, it is important that universities:

- 1) identify and compile an overview of potential problem areas;
- 2) seek answers to questions that arise in these areas, be it from national authorities, the European Commission or other legal advice;
- 3) find solutions with their partners on the other side of the channel to face challenges.

EUA has identified four major areas of importance for universities that are likely to be affected by a no-deal scenario. These areas provide a framework for identifying problems, however, the examples given are not exhaustive, and EUA advises universities to identify any other area that might be relevant for their specific context and type of collaborations.

The four areas are:

- 1) **people**: students and staff affected by Brexit;
- 2) **cooperation**: the future of EU-funded activities;
- 3) **data**: shared information between the UK and the EU;
- 4) **trade**: goods and services passing between the UK and the EU.

People

- Legal status and residence permits: Concerning the consequences for students and staff, it is important to have answers to the question of their status as of 30 March 2019. What will they need in terms of residence permits and what are their rights as third country citizens? Here, universities must consult national authorities to see what the eventual procedure is for the transition from EU to third country citizens.
- Tuition fees: Regarding fees, UK students in some countries would move from a national to a third-country fee regime. It would need to be clarified whether these students need to pay fees, and if so for what period as the change would in many cases happen mid-semester. The decision might be different from system to system, but it is likely that the question would need to be raised with national authorities in good time.

Cooperation and Erasmus+ mobility

- EU programmes: There are a number of uncertainties that would need to be resolved in the case of a no deal, for example, UK partners would not count towards the minimum number of EU partners

required in a consortium, which means that some consortia would no longer fulfil the eligibility criteria. In the case of a no-deal situation the UK would become a third country. Under the Horizon 2020 rules, third countries should not be excluded from coordinating and fully participate in Horizon 2020 projects, once the minimum eligibility conditions are met. In a no-deal scenario the UK financial contribution would be met from the UK government. There might in some cases be specific limitations for third countries in the original call as well, where consortia with UK partners could be affected.

Erasmus+ is potentially more complicated due to the decentralised nature of parts of the programme. Again, the UK government would pay for UK partners and students, but how these payments will be done in practice is not clear, nor is the status of UK partners regarding their Erasmus Charter and the status of the UK National Agency. Similar challenges will exist for the payment of Erasmus+ scholarships to mobile students. It is not clear if National Erasmus Agencies in the EU will be able to pay for mobile EU students in the UK, and if and how the UK National Agency would be able to pay UK students going to the EU. As mentioned, issues regarding residence permits for UK students will also have to be dealt with.

For the management of EU programmes, answers should come from the European Commission, its respective executive agencies responsible for programme implementation, the Erasmus National Agency (notably for decentralised actions) or the National Contact Points for the EU research framework programme.

Data

- Data protection rules: In the case of a no-deal scenario, the UK would by definition not be compliant with the EU General Data Protection Regulation (GDPR), even if the UK does still have the same rules as the EU. It will be relevant for universities to see what data is shared with UK partners, if any is sensitive, and if practices need to be changed. Affected areas could, for instance, be the exchange of research data or student and staff data. In some cases, this will not be necessary, but EUA recommends having an overview.

Here, answers to questions about managing the change should come from universities' legal experts.

Trade

- Tariffs and standards: Rules regarding buying goods and services from the UK will change radically with the framework of the relationship changing from the EU Customs Union and Single Market to the rules of the World Trade Organisation (WTO). This will relate to physical goods that might be subject to tariffs or other restrictions depending on their nature, or goods that will require phytosanitary checks (for example animal products), which might be particularly difficult due to the necessity to set up a system for these checks in a very short time.

It will also be relevant to see how services bought in the UK would be affected and how the rules for procurement would change if the UK becomes a third country over night.

Conclusion

It is important to keep in mind that while the questions raised by a no-deal scenario may seem numerous and complicated, the issues should be resolvable once the appropriate answers have been found. The university sector remains relatively uncomplicated compared to many other sectors, and even a no-deal Brexit should not prevent universities on our continent from cooperating in the years to come.