
Royal Institute of British Architects response to Department for International Trade consultation: Trade with Japan

The Royal Institute of British Architects (RIBA) is a global professional membership body that serves its members and society in order to deliver better buildings and places, stronger communities and a sustainable environment. We provide the standards, training, support and recognition that put our members – in the UK and overseas – at the peak of their profession. With government and our partners, we work to improve the design quality of public buildings, new homes and new communities.

The RIBA welcomes this consultation. British architecture is a global success story – at over £500 million last year, UK architects' revenue from international work far exceeds that of architects in any other European country, with the majority of exports going to countries outside the EU.

As the UK negotiates a new relationship with the rest of the world, one in five architects plans to respond to Brexit by exporting more overseas – opening new markets via trade agreements is critical.

In December 2017, the RIBA published [Global Talent, Global Reach](#), a major new economic analysis of how architecture contributes to the UK economy through exports, and estimate the impact on the sector of Brexit.

In June 2018, the RIBA published [Boosting Britain's architectural exports](#), a policy note with 10 recommendations to Government, drawing on feedback from RIBA members across the country, that would create the right circumstances for small to medium sized practices to seek international opportunities.

Not all parts of the consultation are relevant to the work of the RIBA; our response focuses on those questions of relevance to our work.

For further information or if you have any questions on this response, please contact Phoebe MacDonald, Senior Policy & Public Affairs Advisor:

Phoebe.MacDonald@riba.org

0207 307 3271

Is your organisation aware of the Economic Partnership Agreement that came into force between the EU and Japan in February this year?

Yes.

Which areas of the Economic Partnership Agreement between the EU and Japan are important to your organisation and in what ways are they important?

Services trade

For professional business services like architecture, a lack of a services trade agreement between two countries acts as a suppressor on bilateral trade; economic analysis of OECD trade data in the RIBA's report Global Talent, Global Reach shows that services trade agreements can potentially boost trade between countries by around 36%. For architecture the most significant non-tariff barrier to trade is a lack of mutual recognition of professional qualifications; 59% of our members believe this is a top priority for boosting trade in architecture.

Regulations and standards

Both Japan and the UK are members of the International Organisation for Standardisation, via Japanese Industrial Standards Committee and the British Standards Institute respectively, which supports international trade in the wider construction sector through promoting high and common standards. Common product standards reduce barriers to overseas competition in the construction sector and facilitate the entry of new participants into the market – an economic partnership agreement represents an opportunity to strengthen and deepen bilateral cooperation in this area.

Small and Medium Enterprises

83% of UK architecture firms employ less than 20 people; however, feedback from our members indicates that the costs associated with working internationally can be a significant barrier for small practices. Larger practices can absorb the costs associated with visa applications, obtaining local recognition of their qualifications and other fixed costs, for smaller practices these are often insurmountable. There is a clear appetite among the sector to expand internationally – 1 in 5 architects we surveyed told us that they plan to respond to Brexit in part by exporting more of their services overseas. Supporting more small and medium-sized practices to take the first steps to international expansion is therefore a vital objective for the sector from any international negotiations.

Which areas of the Economic Partnership Agreement between the EU and Japan do you think the UK government should consider improving during future trade negotiations with Japan and why?

The EU-Japan EPA does not provide for mutual recognition of professional qualifications. Instead, the EPA creates a committee that in the future will provide recommendations as to where opportunities exist for mutual recognition and encourage competent authorities to engage in negotiations.

Any future agreements with Japan should go further on mutual recognition of professional qualifications and create a framework for professional qualifications to be recognised; as is the case in the EU-Canada Comprehensive Economic and Trade Agreement (CETA).

The CETA leaves it to the relevant authorities or professional bodies in both the EU and Canada to negotiate a proposal on mutual recognition that can then be integrated into the CETA.