



ScotlandIS Brexit Survey Results

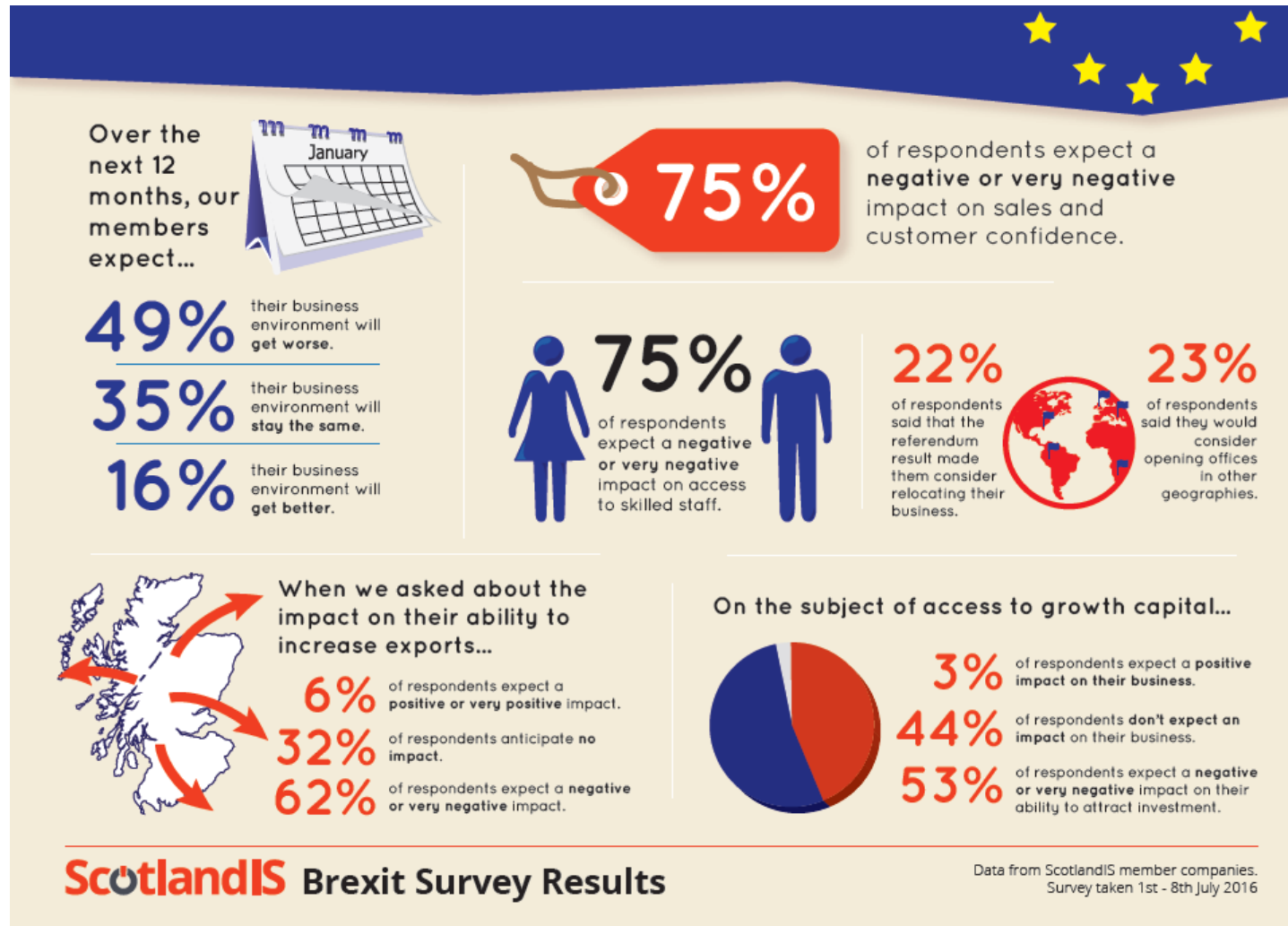
ScotlandIS



Between the 1st and the 8th of July 2016, ScotlandIS conducted an online survey among its members to assess the potential impact of the EU referendum result as well as concerns and hopes related it. Approximately 25% of ScotlandIS members responded to the survey.

ScotlandIS

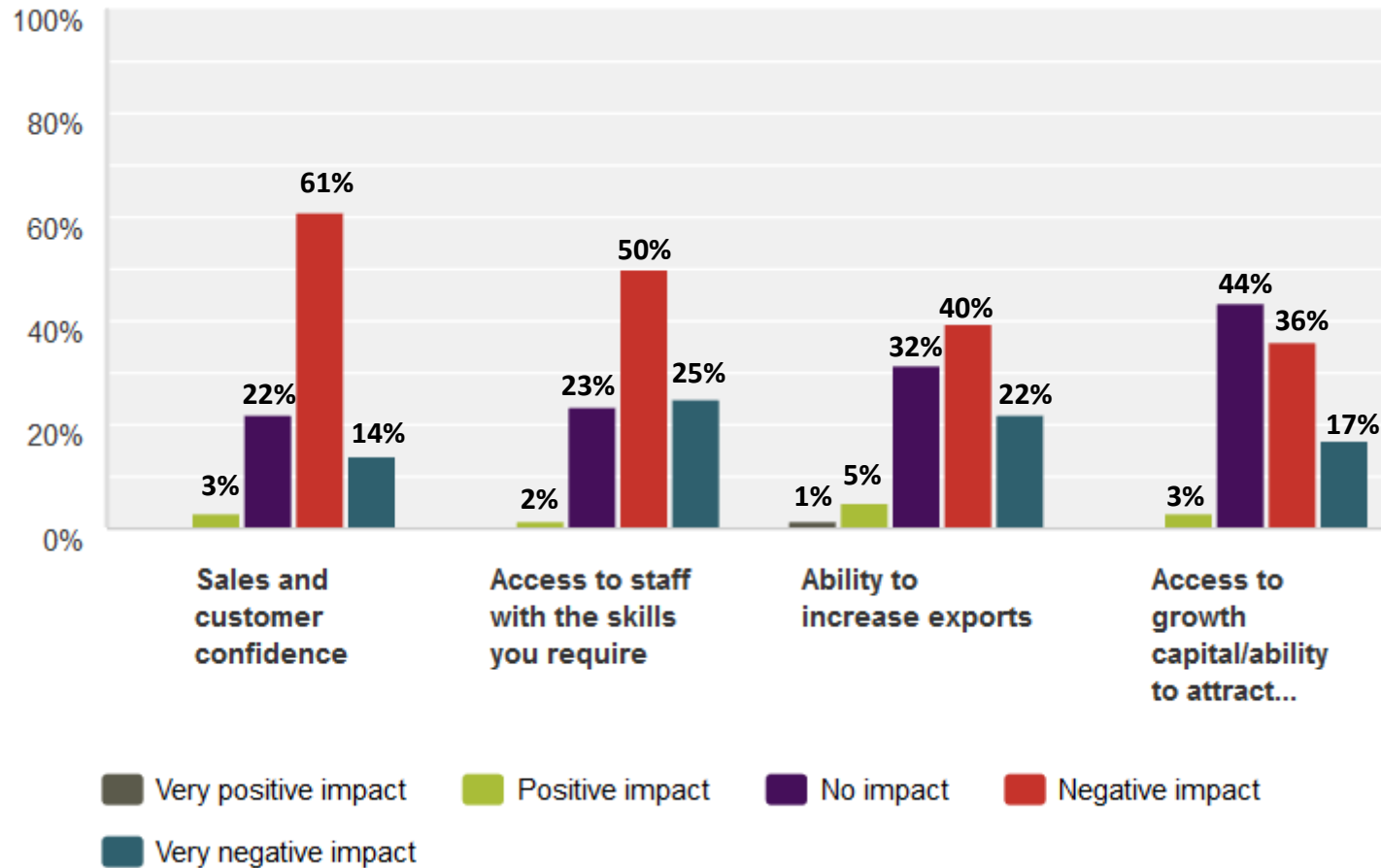
Key Results



ScotlandIS



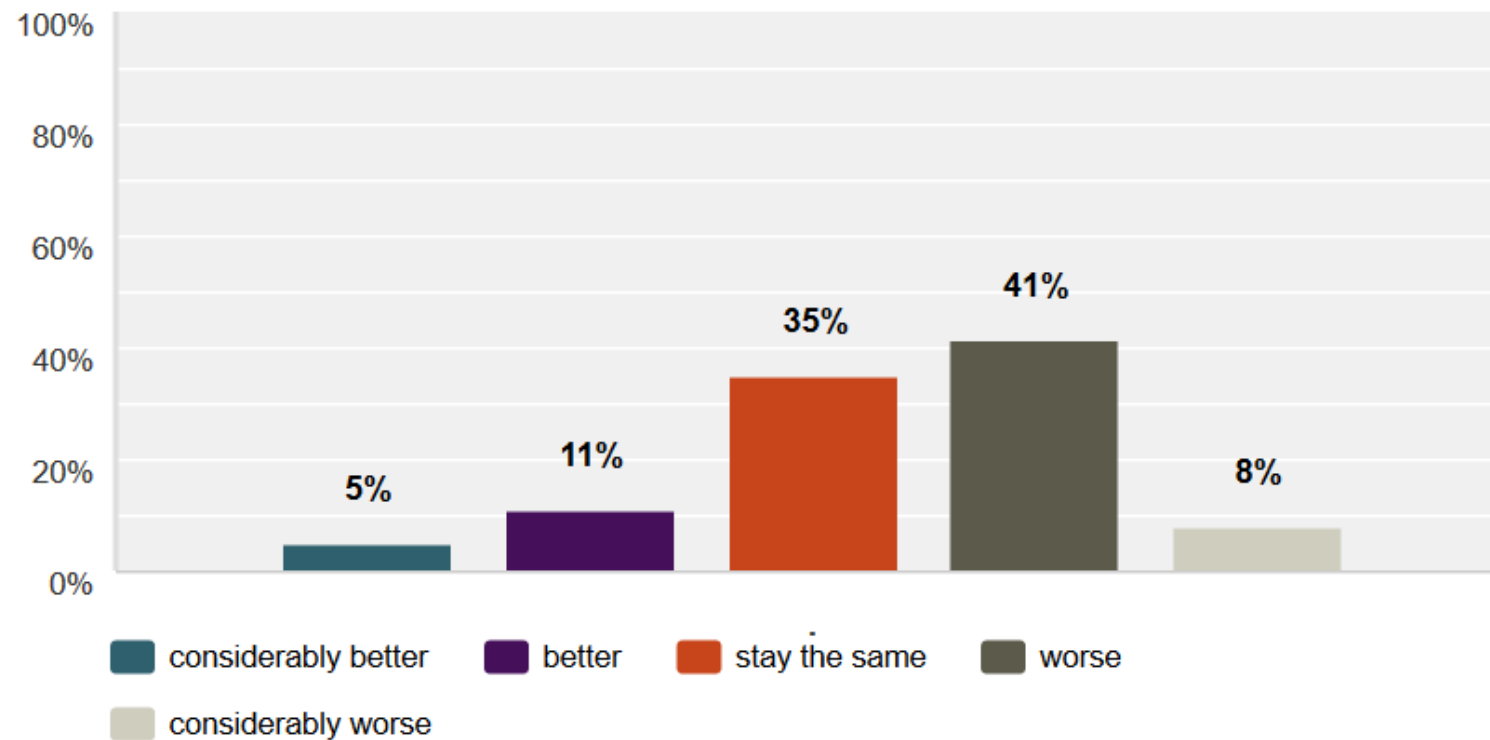
What impact do you expect a Brexit to have for your business in terms of...



ScotlandIS



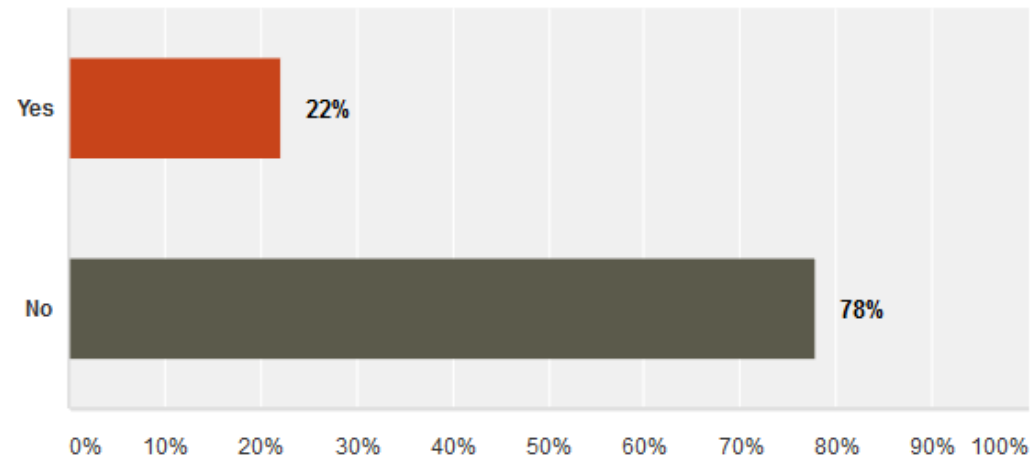
Over the next 12 months, do you think the business environment for your company will get...



ScotlandIS



Has the referendum result made you consider relocating your business?

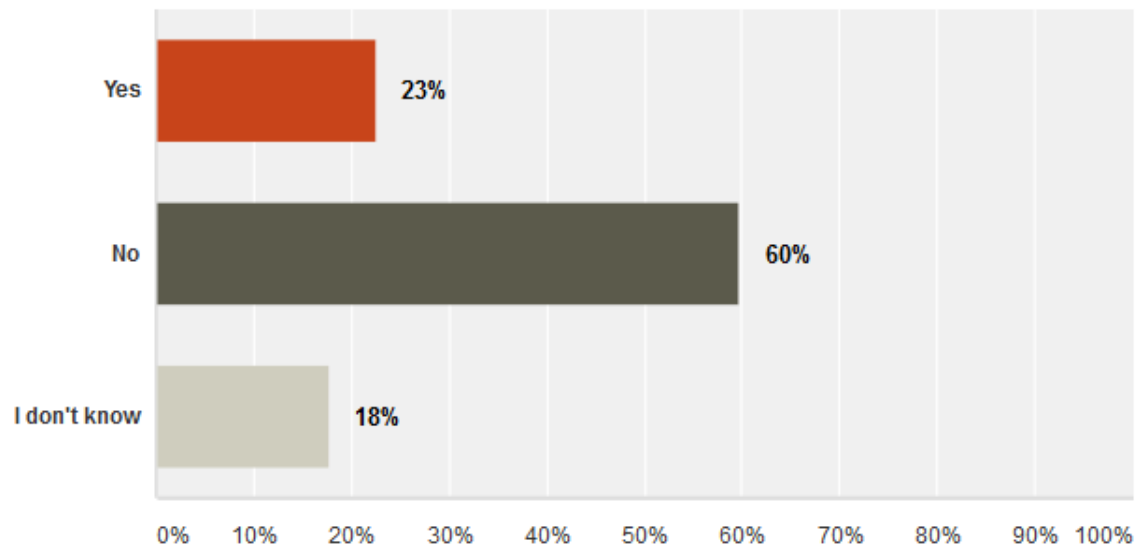


The new locations for HQs mentioned were the US, EU countries particularly Ireland, but also the Netherlands, Belgium, Germany, France and Poland. A few respondents consider relocating to another part of the UK in case of Scottish independence.

ScotlandIS



Has the referendum result made you consider opening offices in other geographies?

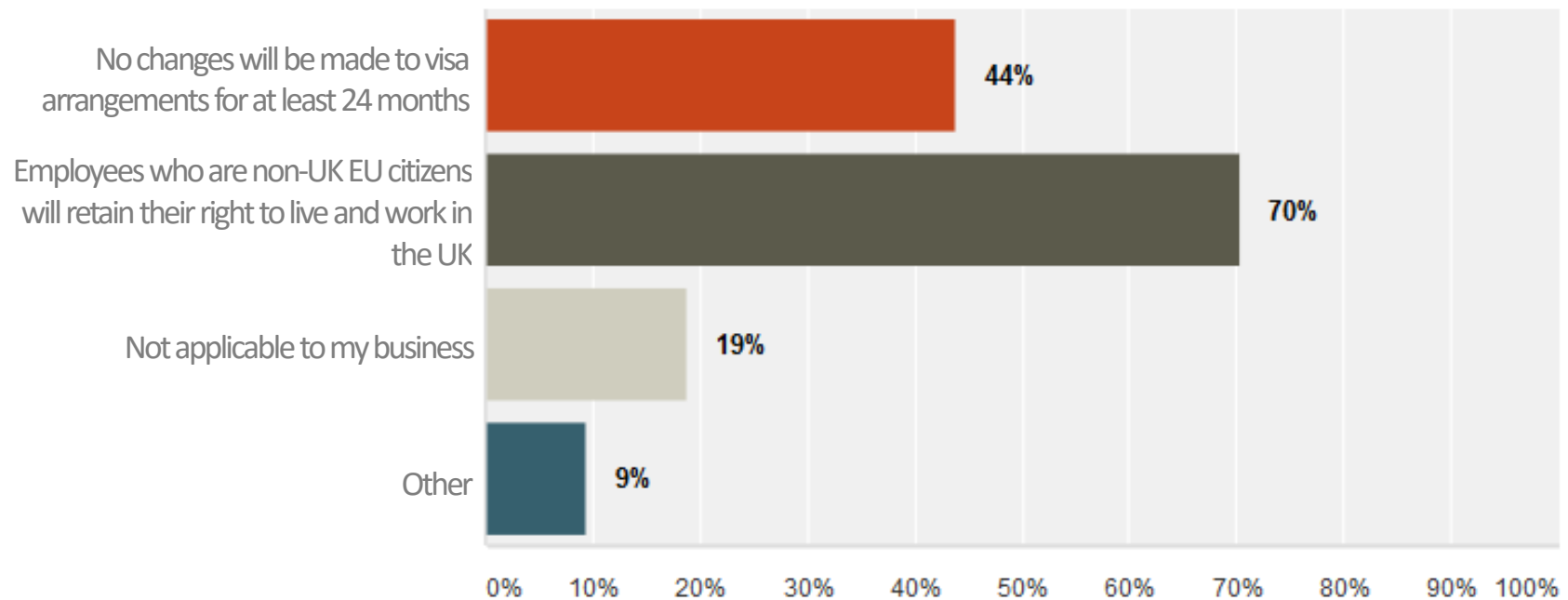


Respondents consider opening new offices either in other parts of the UK (out of concerns that Scotland might leave the UK) or in other EU countries such as Ireland, the Netherlands, Belgium, Germany or France. One respondent said that the referendum result made his business abandon plans to open an office in another EU country due to increased risk and uncertainty.

ScotlandIS



What reassurance do you need as an employer for current staff and hires you make in the next 24 months who are not UK citizens?



ScotlandIS



Scenarios for the future of Scotland and the UK to the EU

ScotlandIS members were asked to indicate how preferable four scenarios would be in providing the best operating environment for their business.

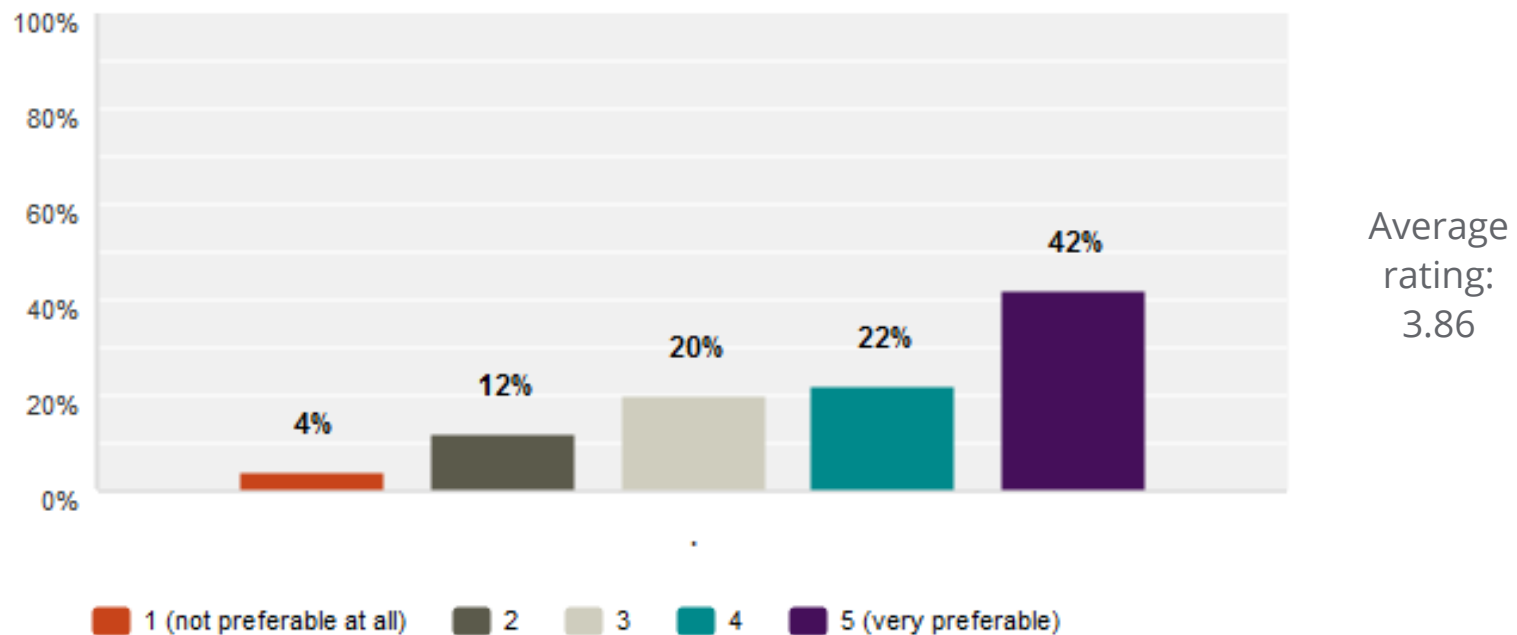
Average rating	Scenario
3.86	A Norway model
3.43	D Independent Scotland in the EU
2.15	B Canada model
1.35	C No trade deal

(scale from 0 for not preferable at all to 5 for very preferable)



Scenario A: The “Norway model”

Scotland remains part of the UK and the UK negotiates membership of the European Economic Area (EEA), similar to Norway. This would secure access to the European Single Market but would require the UK to accept the free movement of people and follow automatically all new legislation related to the Single Market.

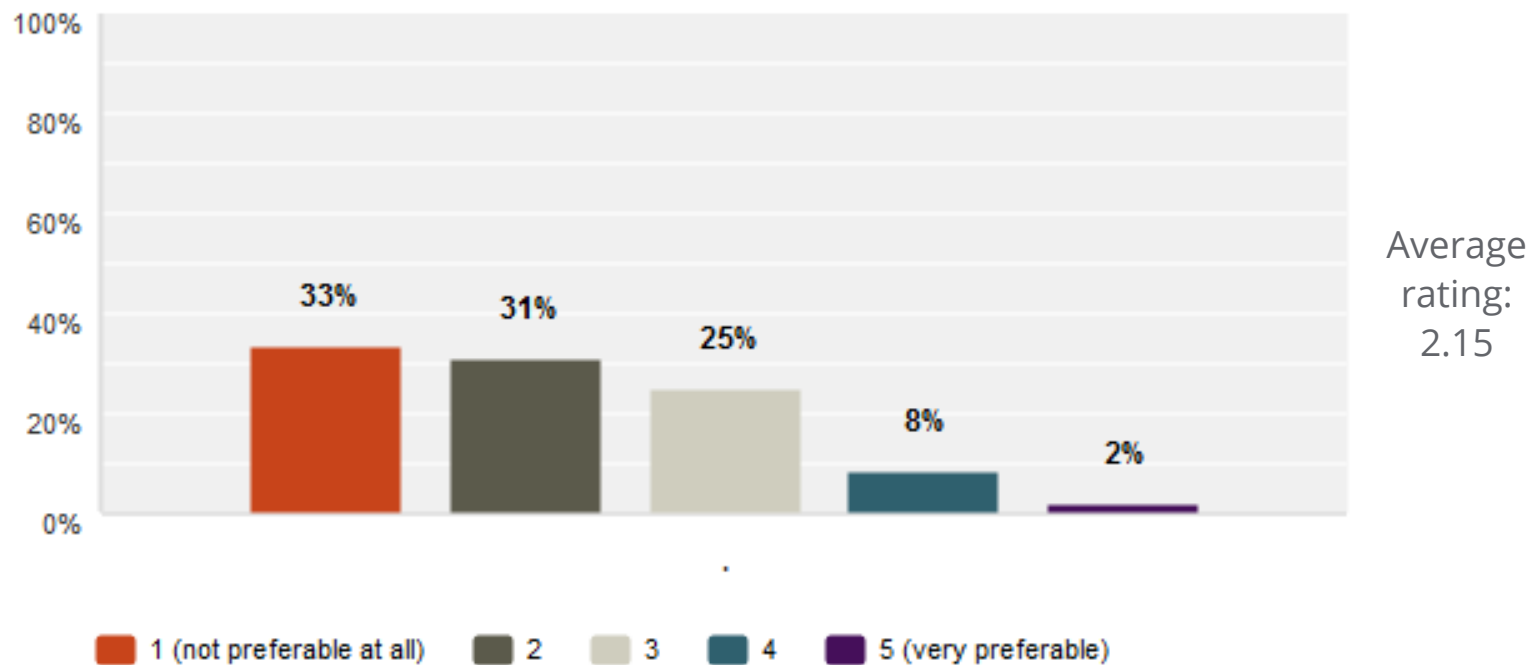


ScotlandIS



Scenario B: The “Canada model”

Scotland remains part of the UK and the UK negotiates an economic and trade agreement similar to the CETA agreement with Canada (which is not yet in force). This would give the UK partial access to the EU single market without free movement of people. Most trade tariffs would be eliminated but the services sector would be only partially covered.

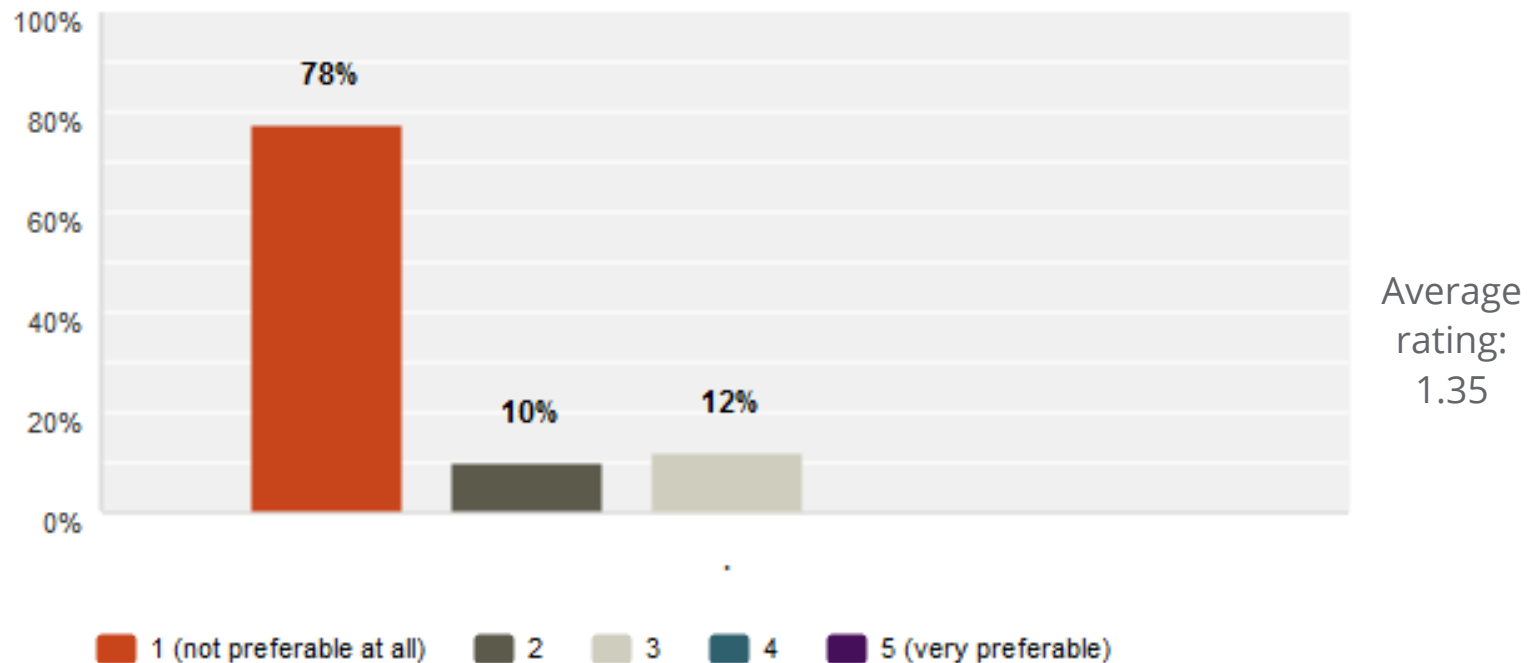


ScotlandIS



Scenario C: No trade deal

Scotland remains part of the UK and the UK does not negotiate a trade deal with the EU. The UK and EU would be obliged to apply to each other the tariffs and other trade restrictions they apply to the rest of the world.

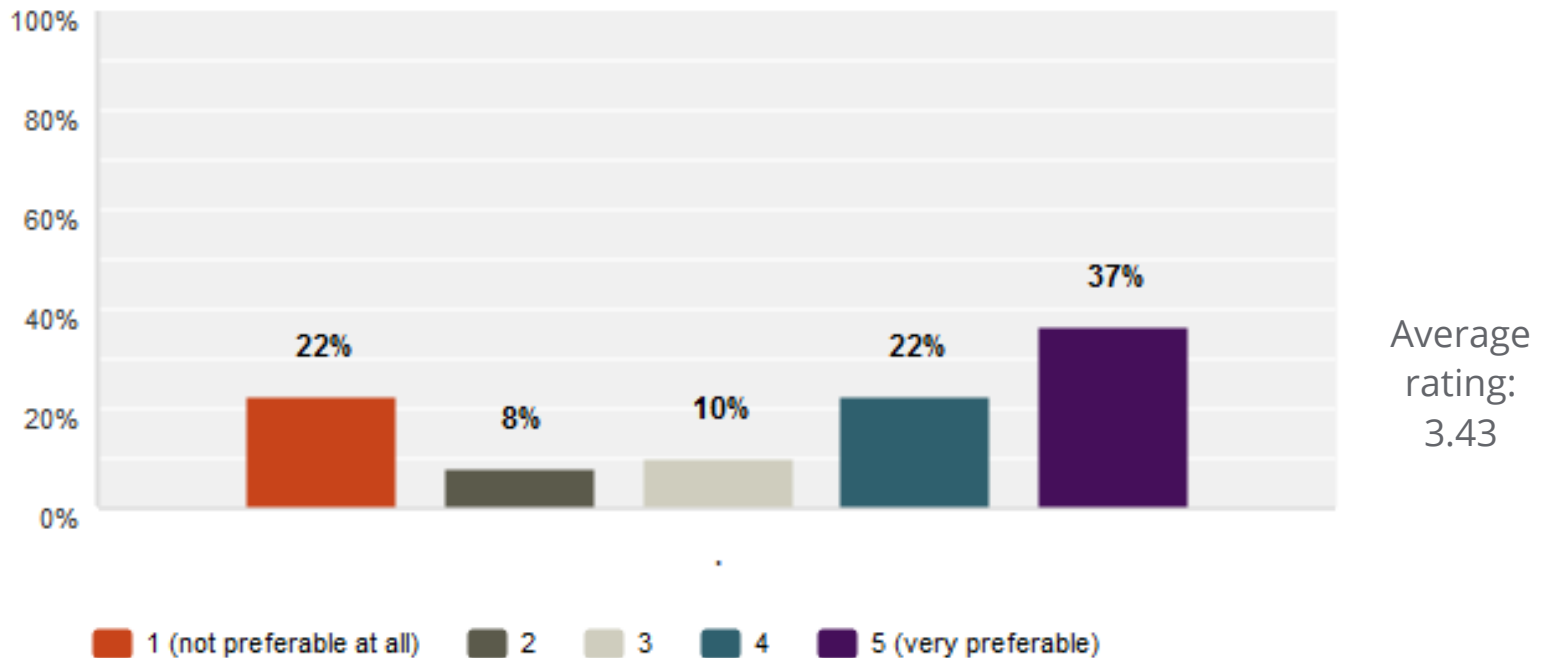


ScotlandIS



Scenario D: Independent Scotland in the EU

Scotland becomes an independent country and negotiates to remain part of the European Union with all current rights and obligations, including free movement of people.



ScotlandIS



The concerns and hopes of respondents for their business in relation to Brexit (summary)

Concerns	Hopes
Decreased ability to attract staff	Hope that procurement will be simpler
Uncertainty about workings rights for non-UK EU citizens and workers from outside EU.	Hope that EU, non-UK, staff are given assurances and information about their future as soon as possible.
Decreased willingness/ability of clients to invest in new products and services and overall instability in economy	Hope that UK & Scottish governments use this opportunity to be more positive about supporting the private sector and unite to strengthen trade within the UK.
Concerns about access to EU market and uncertainty about potential trading restrictions and the status of offices in EU countries	Hope that Scotland will be able to forge a direct relationship with the EU.
Concern about effect of EU regulations, for example on data services, without UK being able to input into those	
Concern about isolation of Scotland due to unpopularity of the UK in EU countries	
Concerns about unpreparedness of UK government for Brexit and rushed negotiations and arrangements	

ScotlandIS



Further information

If you have any questions about the survey results or would like to have further information about ScotlandIS' position regarding Brexit, please get in touch with our Research and Policy Manager Svea Miesch at svea.miesch@scotlandis.com.

ScotlandIS



ScotlandIS...

... the trade association for the digital technology industries - software, digital agencies, telecoms, and IT services

ScotlandIS