

Commissioning Letter

Ecorys UK Limited
Albert House
Quay Place
92-93 Edward Street
Birmingham
B1 2RA

Friday, 1st March 2019

Dear Sirs

**BEIS Research and Evaluation Framework Agreement – Lot 5
Review of EU member states' temporary mobility systems for third country nationals
CR19006**

Thank you for your response to the Specification for the above commission by the Department for Business, Energy and Industrial Strategy (BEIS) (the Customer) through the BIS Research and Evaluation Framework dated 2 January 2016 between (1) Secretary of State for Business, Innovation and Skills; and (2) Ecorys UK Limited (the Framework Agreement).

Appendix A: Review of EU member states' temporary mobility systems for third country nationals
Appendix B: Tender dated 14th February 2019

Annex A: General Data Protection Regulations

This contract shall commence on Monday, 4th March 2019 and shall end on Friday, 24th May 2019.

Department for Business, Energy and Industrial Strategy accepts your Tender (Appendix B), submitted in response to our Specification (Appendix A). Ecorys UK Limited shall undertake the services in alignment with the specification in Appendix A and their bid submitted in Appendix B.

The Call-Off Terms and Conditions for this Contract are those set out in Schedule 5 to the Framework.

The agreed total charges for this assignment are £89,820.00 exclusive of VAT which should be added at the prevailing rate. This contract shall not exceed £89,820.00 in alignment with the following commercial breakdown:



AWS.2 Price Schedule

Please ensure that you do NOT alter this area as BSBK, ADX, BUREAU, may result in your pricing being disallowed.

SOURCING REFERENCE:	CR 19006
SOURCING DOCUMENT TITLE:	Review of EU member states' temporary mobility systems for the county nationals
BIDDER NAME:	Ecorys

Please complete the shaded yellow sections only.

Please note that the staff costs in section 1 call C33, C33 and C44 should equal the staff costs outlined in your proposal around the project term and the distribution of staff usage.

The figure used for calculation is the total cost (ex VAT) provided in Section 1 (call C33). The total cost is the total staff costs (ex VAT) and the total Travel and subsistence, Overhead costs, cost of production of materials and any/all costs associated with the activity of the project (ex VAT).

Section 1: Total Project Costs (Summary)

	Number of Days	Total Staff Cost (ex VAT)	Total Cost (EX VAT)
1. Research - Phase 1			
2. Research - Phase 2			
3. Research - Phase 3			



Notes:
Government for Atr Day

Polatis House, North Star Avenue, Swindon, Wiltshire, SN2 1FF www.ukpbs.co.uk CR19006

UK Shared Business Services Ltd (UK SBS), Registered in England and Wales as a limited company.
Company Number 6330639. Registered Office Polaris House, North Star Avenue, Swindon, Wiltshire SN2 1FF

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audiences, to allow the Department time to consider the request. The Contractor shall only present findings that will already be in the public domain at the time of presentation, unless otherwise agreed with the Department.

Congratulations on your success in being selected to undertake this Commission.

Yours sincerely

[REDACTED] Category Manager
UK Shared Business Services Ltd

BY SIGNING AND RETURNING THIS COMMISSIONING LETTER THE SERVICE PROVIDER AGREES to enter a legally binding contract with the Customer to provide to the Customer the Services specified in this Commissioning Letter and Annexes incorporating the rights and obligations in the Call-off Terms and Conditions set out in the Framework Agreement.

Department for Business, Energy and Industrial Strategy

Name and Title	[REDACTED]
Signature	[REDACTED]
Date	06/03/2019

Signed on behalf of Ecorys UK Limited

Name and Title	[REDACTED]
Signature	[REDACTED]
Date	06/03/2019

- **Appendix A Specification**

1. Background

As part of its preparations for EU Exit, the UK Government is seeking to develop its understanding of the form and operation of EU member states' temporary mobility systems. Understanding the entry requirements and associated costs to UK business of the available temporary mobility routes for third country nationals into EU member states will be important to enable HMG to prioritise the potential barriers¹ that these visa requirements pose when formulating detailed positions for both negotiated and non-negotiated outcomes. The aim of this project is to review EU member states' visa systems with regard to existing temporary mobility routes for third country nationals². Expert knowledge is required to adequately analyse and compare these diverse systems.

The UK is highly connected with EU member states in both goods and services trade as well as investment, all of which are facilitated by temporary mobility³. When the UK leaves the EU, free movement will come to an end. An advanced understanding of the baseline position for third country nationals in Member States' temporary mobility systems will be a crucial starting point for negotiations about the future relationship with the EU, in all scenarios. The project will deliver a report that includes an overview of all available temporary mobility routes for third country nationals. This includes concerns about the permitted activities and durations, including cool-off periods, professional requirements, and visa costs. Expert knowledge will give information about the practical application of these rules for temporary mobility, the administrative burdens (process of obtaining a visa, e.g. can travelling individuals do it themselves or are experts needed?) and how businesses work approach the systems in practice. The project will also contain an estimation of annual administrative and visa costs to a typical business in selected UK sectors. The three parts will be analysed for 26 EU member states⁴ and compared in a summarising report: i.e. a review of what temporary mobility routes exist in each member state for third-country nationals; how these routes are implemented in practice and used by business; and what sorts of costs are incurred by business using these routes.

The main outcome of this project will be a fine-grained understanding of EU member states' visa systems for third country nationals. Regardless of the form of our future relationship with the EU, this detailed knowledge of the third country baseline will inform HMG policy-making and enable it to maximise positive outcomes for businesses.

The project will have three sequential phases (see the methodology section for specification of steps in each phase):

1. A pilot analysis of two selected 'tier 1' (as defined in the scope section below) EU member states (Germany and Italy) will allow BEIS to review the quality of the delivered work and ensure that the results are in line with our expectations.
2. If BEIS is content that the pilot analysis has been successfully delivered, this will trigger the extension of the analysis to the remaining 'tier 1' countries as defined in

¹ Barriers are comprised of the cost of visa, opportunity cost of obtaining a visa (administrative burdens including delays), and professional qualification requirements.

² Third country nationals here are non-EEA citizens who don't have access to freedom of movement within the EU. UK nationals will be treated as third country nationals after EU Exit in the absence of any negotiated settlement covering mobility.

³ We define 'temporary mobility' as outward visits to other countries (in this case UK to EU member states) for business activities, intra-corporate transfers, contractual service provision or investment purposes allow both services and manufacturing firms to provide services in host territories, attend conferences and meetings, facilitate the exchange of personnel between international subsidiaries, and explore new business opportunities.

⁴ This is all EU27 except Ireland, as the common travel area (CTA) will allow unrestricted temporary mobility to Ireland for UK and Irish nationals.

the scope section. The contractor will present interim outputs to BEIS upon completion.

3. After completion of phase 2, BEIS can extend the analysis and the contractor will repeat the analysis for the 'tier 2' (as defined in the scope section below) countries and present the final report to BEIS.

BEIS expects all bidders to treat any of the information included in this invitation to tender as commercially sensitive and not share it any further.

BEIS expects all bidders to abide by the General Data Protection Regulation when handling personal data. This includes ensuring data protection is built into the project by design and by default. BEIS expects all bidders to outline how they will ensure compliance with the GDPR for the duration of the project, as well as for any time beyond the duration of the project when personal information will be retained.

2. Aims and Objectives of the Project

Temporary mobility is an important part of and facilitator of services trade (usually referred to as Mode 4 of trade in services). In the Political Declaration agreed by HMG and the EU, the two parties committed to agreeing reciprocal mobility arrangements including covering temporary entry for business persons. The expert knowledge acquired through this project will inform HMG's plans post-Brexit in every scenario.

Research questions

The precise research questions that the contractor should answer are:

1. Based on national legislations, guidance and any other appropriate sources what are the available routes and connected requirements, costs, application processes, processing times, lead-in times, permitted activities and durations (incl. cool-off phases) for third country nationals to enter the selected EU member states for temporary mobility activities including, but not limited to, business visitors, intra-company transferees, service suppliers (both from a company to a client in a host state in which it has no operations and from a self-employed person), researchers/scientists, students and investors⁵?
 - a. Are there any preferential agreements or arrangements for specific non-EU nationals? What are the differences to the non-preferential temporary mobility systems for third country nationals?
 - b. What are the differences and similarities between the national systems? Are the similarities based on EU regulation? Can EU member states be clustered into similar systems or level of burden?
 - c. How does the Schengen system interact with member states' immigration systems⁶? How do other EU regulations, such as the blue card directive interact with member states' systems?
2. How are the identified routes and the connected requirements, costs, and permitted activities enforced in practice within each country's system?
 - a. Is there any scope and/or demonstration of flexibility in the application of the temporary mobility rules?
 - b. Which agency is responsible for the enforcement (e.g. border force) and how do they operate with reference to 2a?
 - c. What are common ways in which businesses tackle the applied barriers?

⁵ In a typical Free Trade Agreement, Mode 4 provisions for most of these categories will cover short-term business visitors, intra-corporate transferees, contractual service suppliers, independent professionals and investors. These categories may be covered through Member State immigration systems by a variety of different routes and categories.

⁶ For example, what does a Member State permit a business visitor to do on a Schengen Visa? Is a work permit required as well as a Schengen visa? For which activities?

3. Based on the (i) theoretical and (ii) applied immigration rules, what are the economic costs (cost of visa, administrative cost of obtaining visa,) and indirect costs (including added time at immigration control and delays in obtaining a visa) for (different) third country businesses?

Scope

The temporary business mobility routes that will be covered should cover temporary mobility activities including, but not limited to, business visitors, intra-company transferees, service suppliers (both from a company to a client in a host state in which it has no operations and from a self-employed person), researchers/scientists, students and investors⁷. To ensure the timely delivery of the results for key EU member states, we intend to split the geographical scope into two tiers. The selected 'tier 1' EU member states will be Germany, France, the Netherlands, Belgium, Italy, Spain, Denmark, Sweden and Poland. 'Tier 2' of the EU member states will be the remaining EU member states, excluding Ireland.⁸

The analysis of each country, summarised into a detailed report, will include three elements:

1. A desk review of the national legislative texts, government websites, trusted third party sources and information on stock will form the *review of the source material*. This will form a theoretical legal understanding of the available temporary mobility routes including associated costs, requirements and permitted activities. Legal advice should be obtained if uncertainty persists.
2. An *expert judgement* about the practical application of the national visa facilitation systems including any known workarounds for third country nationals.
3. An *economic appraisal* of the costs for an average UK business of changing from free movement of people to third country status.

We would envisage the three parts of the project to be intrinsically linked and would favour a contractor who can deliver them together. However, we would also be interested in hearing from bidders who could provide the review of the source material and the expert interviews, but don't have the necessary expertise to perform specific parts of the project, such as an economic appraisal. Generally, we invite contractors in such cases to sub-contract the part of the analysis where they lack specialisation, with any sub-contracting to be clearly declared in their bid. We would still be willing to consider bids that are not able to include the economic appraisal, but this needs to be clearly cleared in the bid and will impact the scoring.

3. Methodology

The detailed methodology will be defined by the contractor in the bid and scrutinised by BEIS before the start of the contract. However, we suggest the following broad steps:
Step 1: The contractor will start with the desk review of relevant source material of an EU member states' temporary mobility systems to answer the first research question listed above (see 2. Aims and Objectives of the Project). This will include finding the appropriate sources and mapping the available information regarding research question 1. We expect the contractor to follow a transparent and replicable methodology. This will include elements such as a framework for analysis, established search terms, proposed search terms, websites and databases to be searched, and criteria for judging quality of material. This step will build the basic theoretical understanding and lexicon of the temporary mobility routes. If uncertainty due to a lack of (robust) information persists, we advise the contractor to make use of (internal or sub-contracted) legal advice for a due diligence.⁹
Step 2: The contractor will use the findings of the desk review, i.e. visa application process, theoretical requirements, costs and permitted activities as a basis for qualitative interviews to be conducted with experts, such as visa facilitation agencies, immigration lawyers or

⁷ In a typical Free Trade Agreement, Mode 4 provisions for most of these categories will cover short-term business visitors, intra-corporate transferees, contractual service suppliers, independent professionals and investors. These categories may be covered through Member State immigration systems by a variety of different routes and categories.

⁸ We exclude Ireland from this analysis, as the common travel area (CTA) will allow unrestricted temporary mobility to Ireland.

⁹ Nonetheless, information that is poor or impossible to find are also useful findings to record and communicate, but evidence should be provided to justify the poor quality or lack of information provided when relevant.

similar. We would encourage the contractor to make use of seasoned experts in this field. The contractor is expected to build the sample. We expect the contractor to apply standard qualitative techniques – purposive sampling, development of a topic guide, transcription of responses, thematic/content analysis – and would engage BEIS social researchers to provide oversight and quality control of this aspect of the contract. In the course of the interviews, the contractor will investigate the practical application of the systems, answering research question 2 from above. We assume that the contractor will be able to obtain the required information on average in 0.5 days' worth of interviewing per country. Step 3: The contractor will use the information obtained from step 1 and 2 to estimate the cost of obtaining a visa for an average business from a selected UK sector, as specified in research question number 3. We suggest an economic appraisal using a standard cost model. This would include setting out the assumptions, itemised costs, evidence used both to identify the category of cost (e.g. direct vs. indirect) and the financial impact. The steps required to obtain the necessary visa and the according cost factors could be presented in a stylised journey. Although we are open for methodological suggestions from bidders, e.g. use of in-house model, we expect the contractor to adhere to Government Economic Service standards which are outlined in the Green Book.

Phases of the analysis

The analytical timescales will be defined by the contractor in the bid and scrutinised by BEIS before the start of the contract. However, we expect the supplier to stick to the following phases:

Phase 1 (anticipated 04/03 – 15/03/2019): In the first phase, the contractor will conduct steps 1 to 3 of the analysis looking at Germany and Italy. Upon completion of this pilot phase, the contractor will present the interim output in form of a report and presentation for the two analysed countries (without including policy advice) to relevant officials in BEIS. The report and presentation should include a summary of the findings from the review of the source material, expert interviews and economic appraisal. BEIS will then review the output and decide if the project will be extended. BEIS reserves the right to terminate the full contract or specific elements of the project, e.g. the economic appraisal, if they prove unsatisfactory.

Phase 2 (anticipated 25/03 – 12/04/2019): If BEIS decides to proceed with the project, the contractor will repeat steps 1-3 for the remaining 'tier 1' EU member states (as defined in the scope; see section of 2. Aims and Objectives). As in phase 1, upon completion of the analysis, the contractor will produce a report and presentation, summarising the outputs from the three parts of the analysis for all 'tier 1' countries (including the two pilot countries), without including policy advice. The contractor will share this interim output with BEIS by the date specified in the contract (likely early April).

Phase 3 (anticipated 12/04 – 24/05/2019): After completion of phase 2, BEIS reserves the right to terminate the contract if the outputs prove unsatisfactory or due to a change of external circumstances. If BEIS decides to continue the commission, the contractor will repeat steps 1-3 and summarise the results for the 'tier 2' EU member states in a report. The contractor will combine all findings of the project in the final report and present this (including slide pack) to relevant officials from BEIS and other government departments.

4. Deliverables

BEIS expects the bidders to provide a comprehensive overview of their bids. This should allow suppliers to showcase their understanding of the environment and objectives as well as innovative and methodologically robust approaches to tackle the analytical tasks. In particular, we would expect bidders to provide full information about:

- A staff list including CV outlining relevant expertise, number of days each person will spend on the project and which tasks, their day rate and total project costs
- Their methodological approaches for each of the steps 1-3, e.g. how the bidder plans to identify organisations/individuals to approach for the expert interviews

- Their presentational approaches for each of the steps 1-3 (e.g. summarising tables for review of source material, highlights from interviews, stylised “journeys” for economic appraisal)
- The sub-contracted parts (if any) and the name and methodological approaches of the sub-contractors
- Their preliminary project plan, including proposed timelines for the phases of analysis

BEIS reserves the right to reduce the scale of the project in light of the bids received, though the core objectives will remain. We will discuss the overall scale of the project with the contractors before the start of the project.

BEIS expects the contractor to provide a variety of (interim) outputs during and after completion of the project. We would like to comment on at least one draft version for each of the required outputs and discuss the structure with the contractor beforehand. The expected outputs will include:

- A methodology paper that clearly outlines the proposed research strategies for the three steps of the analysis. We expect a draft to comment on and a final version. Specific sections of the paper should address:
 - Methodology of the review of the source material including, but not limited to, proposed search terms, databases to be searched, quality judgement
 - Methodology for the qualitative interviews including, but not limited to, sampling strategy, topic guide, etc.
 - Methodology of the economic appraisal including, but not limited to, assumptions, itemised cost, evidence to identify cost categories (e.g. direct vs indirect) and financial impact
- Fortnightly written updates (2-page summary sent via email) on emerging findings and project progress
- Interim output for analysis of Germany and Italy including
 - Dataset of the review of the source material
 - Anonymised transcripts of expert interviews
 - Draft report to comment on and final report including results from review of source material, expert interviews and economic appraisal
- Interim output for analysis of tier 1 EU member states (if the project is extended to this phase)
 - Dataset of the review of the source material
 - Anonymised transcripts of expert interviews
 - Draft report to comment on (including structure) and final report including results from review of source material, expert interviews and economic appraisal
- Final quality assured output for all countries in tier 1 and 2 of EU member states (if the project is extended to this phase)
 - Dataset of the review of the source material
 - Anonymised transcripts of expert interviews
 - Draft report¹⁰ to comment on (including structure) and final report including results from reviews of source material, expert interviews, and economic appraisal
- Presentation of the analysis using PowerPoint slides summarising the key findings, including draft slides to comment on and final version.

¹⁰ BEIS will provide an example of an appropriate published BEIS report to the successful contractor as a quality guideline.