



Six Principles Essential to the Growth and Expansion of the Product Suppliers Industry and the Competitiveness of UK Manufacturers after Brexit

2018

The EURIS Taskforce is an advisory body for the potential impacts of the changing relationship between the UK and EU for the UK Government, manufacturers and the media. EURIS represents industrial product suppliers covered by the Single Market representing sectors with a turnover of over £110 billion and covers sectors responsible for over 25% of total UK goods imports and exports.

EURIS has 13 trade association members: BEAMA (representing manufacturers of electrical infrastructure products and systems), GAMBICA (representing instrumentation, control, automation and laboratory technologies), the Engineering and Machinery Alliance, the Renewable Energy Association, the Catering Equipment Suppliers Association, the Federation of Environmental Trade Associations, the Manufacturing Technologies Association, the British Fluid Power Association, the British Pump Manufacturers Association, the Lighting Industry Association, the British Compressed Air Association, the British Plastics Federation and the British Cables Association.

EURIS is looking to the future and is determined to ensure that manufacturers and suppliers in the UK are able to realise new growth potential through the Brexit process. In order to achieve this, we have developed the following six principles which will help to provide certainty in relation to regulations and standards - enabling UK manufacturers to continue to trade, innovate and grow.

EURIS is calling on the UK Government to acknowledge these principles and ensure they are an integral part of the ongoing negotiations with the EU.

- 1. EU-UK Regulatory Alignment:** Adopting or mirroring EU technical product regulations for the long-term is essential for product manufacturers to import and export from the EU post Brexit. Any deviation has the potential to cause considerable confusion, uncertainties and costs. This may result in companies leaving the European markets, at significant economic cost to the UK.
 - *EURIS proposes a new industry-Government plan to develop the right policies and approaches to ensure no regulatory divergence for product regulations. This would facilitate access to European markets and the vast array of global markets that also look for compliance with European legislation and standards as the basis for trade.*
- 2 Post Brexit Industry and Government Liaison:** EURIS welcomes and fully supports the UK Government's proposal for a transition period. However, in addition to the proposed two-year period, it is essential that there is a long-term mechanism to confirm and recommend for adoption aspects of European legislation that specifically impact on the products covered by EURIS members, to ensure no new non-tariff barriers to UK-EU trade. EURIS suggests this mechanism is delivered through a permanent industry/Government organisation or that it is part of Sector Deals. If this arrangement is not put in place, and EU regulatory product requirements cannot be





effectively mirrored in UK structures, a five-year transition period is required to deal with regulation already in train and product cycles already underway.

- *The industrial product supply industry operates in long-term, multi-stage cycles for both regulation and product design. Putting such a considered Sector Deal mechanism on regulation in place would enable industry to continue to place products on the market and remain competitive.*
- 3 UK Market Surveillance Operations:** EURIS is calling for the maintenance and enhancement of existing UK market surveillance and enforcement operations, in co-operation with the EU, to eliminate unsafe and non-compliant products from the market. There is a considerable risk that if there is any regulatory divergence on safety or environmental performance, the UK could become a 'dumping ground', for non-EU compliant product.
- *The maintenance and enhancement of existing UK market surveillance and enforcement operations, in co-operation with the EU, will eliminate unsafe and non-compliant products from the market.*
- 4 Frictionless Borders:** Frictionless trade across borders would allow both the product supply industry and those industries we supply parts to, such as the aerospace and automotive industries, to remain competitive in the modern world economy. The UK is the EU's biggest trading partner, so it is in the interest of both parties that we reach a positive agreement on customs arrangements. Frictionless borders would involve no significant additional tariffs, no greater administrative burdens and no delays at the border.
- *EURIS believes the UK should remain in the Customs Union unless an agreement can be reached that does not represent significant tariffs, additional direct costs, lost trade or delays and will not add border controls between Ireland and Northern Ireland. Current proposals as they stand, with the limited detail so far provided on how a replacement to the customs union would work, do not meet those criteria.*
- 5 Trade Negotiations Prioritised:** Trade is the key driver of growth and prosperity and is crucial to both the future of the product supply sector, and the competitiveness of those sectors to which we supply, as our supply chain involves both imports and exports.
- *Negotiating new trading arrangements between the UK and the EU is an exceptional challenge and EURIS believes negotiations on trade must be prioritised and start as soon as possible. For non-EU markets, there are considerable opportunities for growth, but this will require close working between industry and the Department for International Trade, alongside targeted Tradeshow Access Programme funding.*
- 6 Access to Skilled Labour:** The UK is a hub for international talent and this must carry on post Brexit with the UK continuing to attract the brightest and the best employees from around the world. Recruiting the finest talent possible, without bureaucracy and delays, will ensure that small and large businesses across the UK are able to continue to invest and grow.
- *To ensure this remains the case, EURIS is calling for the continuation of the current rights of EU nationals in the UK and an immigration system that does not deter talent from the EU coming to the UK.*





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