

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

The EURIS Taskforce represents the industrial product supply sector in the changing relationship between the EU and UK. We represent industrial product suppliers representing sectors with a turnover of £148 billion and cover sectors responsible for over 25% of total UK goods imports and exports.

EURIS is determined to ensure that manufacturers and suppliers in the UK are able to realise new growth potential through Brexit and are engaging with Government directly ahead of negotiations with the EU on a FTA. We are calling on the UK Government to acknowledge the Five Principles, outlined below, that we have developed to ensure the growth and expansion of our industry. We believe these principles must be an integral part of the new UK-EU FTA.

- 1. EU-UK Regulatory Co-operation:** Close co-operation between UK and EU technical product regulations for the long-term is essential for UK product manufacturers to import and export competitively with the EU post Brexit. Inconsistency has the potential to cause considerable confusion, uncertainties and costs.
 - *EURIS believes that in accordance with the Political Declaration, the UK and EU should work in close co-operation on regulatory matters affecting Goods and ensure that products manufactured in either the UK or EU should be subject to equivalent regulations, meet the same internationally agreed standards and be subject to a single test process to assure compliance for both markets.*
- 2 Post Brexit Industry and Government Liaison:** It is essential that there is a long-term mechanism to review and consider for adoption any changes to European legislation that specifically impact on the products covered by EURIS members. This is to ensure that UK businesses also benefit from any advantages and that no new non-tariff barriers to UK-EU trade are created. EURIS suggests this mechanism is delivered through a permanent sector-by-sector industry/Government organisation.
 - *The industrial product supply industry operates in long-term, multi-stage cycles for both regulation and product design. Putting such a considered mechanism on regulation in place would enable industry to continue to place products on the market and remain competitive. Negotiating new trading arrangements between the UK and the EU is an exceptional challenge and in order to ensure the best possible outcome from these negotiations, EURIS believes the Government must liaise closely on a sector by sector basis with UK industry. For non-EU markets, there are considerable opportunities for growth, but this will require close working between industry and Government.*
- 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



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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 Cross-border trade:** 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 and rules of origin processes. This would allow 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.
- *EURIS believes any new customs arrangements with the EU must ensure zero tariffs and quotas, no significant administrative burdens and no delays at the border.*
- 5. Service Exports:** The importance of service exports to manufacturers should not be overlooked. In particular, UK firms need to know that they will be able to continue to offer project and service engineering services to their customers. These make up a significant and increasing amount of the value of the sector's transactions.
- *EURIS believes it is imperative that UK firms are able to continue to offer services through deploying UK based staff ('natural persons' or Mode 4) such as service and project engineers across the EU – and that UK manufacturers are able to access the same from their EU suppliers.*

About EURIS

- 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 Foodservices Equipment 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.

For further information on EURIS and the Five Principles please contact the EURIS Secretariat

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