

BCC and six national Chambers across Europe urge politicians: move talks to transition and trade now

- *Unprecedented joint statement from national Chamber organisations bordering the North Sea*
- *Leading business organisations representing businesses in seven countries that account for 70% of EU-UK trade*

The British Chambers of Commerce (BCC) has today joined with national Chamber organisations from six countries bordering the North Sea, on the United Kingdom and the European Union to swiftly move to talks on transition and the future EU-UK trade relationship now that sufficient progress in the first phase of the Brexit negotiations has been made.

This landmark joint statement, from Chambers of Commerce representing businesses in seven countries that accounts for 70% of EU-UK trade in both directions, calls on both sides to provide clarity on what the future relationship will look like as soon as possible, and to strive for a trade-friendly agreement with a realistic transition period.

The statement reads:

The British Chambers of Commerce, Chambers Ireland, the Danish Chamber of Commerce, the French Chamber of Commerce and Industry, The German Chambers of Commerce and Industry, the Netherlands-British Chamber of Commerce and the Federation of Belgian Chambers of Commerce represented by Voka- Flanders Chamber of Commerce and BECI -Brussels Chamber of Commerce, call on the United Kingdom and the European Union to keep on striving for sufficient progress in the first phase of the Brexit negotiations to ensure talks on transition and the future EU-UK trade relationship can start as soon as possible.

- *This is a joint statement by Chambers of Commerce of seven countries, altogether accounting for 70% of EU-UK trade in both directions*
- *We need clarity on what the future relationship will look like as soon as possible and call on negotiators to strive for a trade-friendly agreement*
- *A realistic transition period, maintaining the status quo until the new agreement is implemented, is highly desirable*
- *No deal is extremely undesirable for all sides*

Countries from the northern European coastal area have always maintained exceptionally good trade ties. Trade between the United Kingdom and the other 6 EU countries in this area amounted to 344bn EUR in 2016, accounting for 70% of the total EU-UK trade. The English Channel, located in the middle of the North Sea area, is the world's busiest shipping lane, with more than 500

vessels passing through the strait on a daily basis, as well as being a key transport link between the EU and Ireland.

Many companies are embedded in supply chains spread over several northern European countries that depend highly on tight 'just in time' management cycles, which can be severely disrupted by even the slightest unforeseen regulatory changes. All these companies that engage both directly and indirectly in EU-UK trade and EU-EU via the UK trade, most notably in the case of Ireland, need to start taking the necessary actions to prepare for new EU-UK trading arrangements as soon as possible.

However, most of the big issues that are of concern for our businesses have not yet even been touched on by the EU and UK negotiators. Issues like future customs procedures, the extent of regulatory alignment between the UK and the EU and the mutual recognition of standards- and safety checking agencies are just a few critical areas in which companies need clarity.

We therefore call on EU and UK negotiators to create clarity on the outlines of a future trade friendly EU-UK relationship in the following months. As it is in the interest of the EU and the UK to have a united and open Europe, the new relationship should fully respect all aspects of the integrity of the Single Market.

Given the monumental changes Brexit will bring, a realistic transition period is needed to provide time for companies to adapt to the new EU-UK trading relationship. A status-quo like transition period – announced with sufficient notice – ensuring the UK remains in the customs union and the Single Market for the duration of the transition period, with all the appropriate rights and obligations, would be best to provide business with the highest possible degree of certainty and predictability.

We are increasingly concerned about continued rhetoric on a no-deal scenario. A 'no deal' scenario would be extremely undesirable for business as this would mean they will be faced with higher tariffs, more burdensome customs procedures and longer delays than under a negotiated separation.

We therefore urge both the British negotiator David Davis and the EU chief negotiator Michel Barnier to start discussing the outlines of a future EU-UK trade friendly relationship as soon as possible now that sufficient progress has been made in the first phase of the Brexit negotiations.

Dr Adam Marshall, Director General of the British Chambers of Commerce (BCC), said:

"Last week's breakthrough in the negotiations was a welcome relief for business communities. Trade thrives between the UK and Europe, and all sides benefit from reaching a business-friendly deal.

"It's clear that companies in the UK and in Europe all want talks to move forward to the future trade relationship without delay. There is a real clamour for the negotiations to start on the practical issues that will affect firms, from regulation and customs, to tariffs and taxes.

“Businesses trading between UK and Europe have done their best to focus on the potential impact of Brexit on their operations, rather than on the day-to-day political noise. However, businesses both in the UK and around the world want clarity on the key political issues, and it is up to the negotiators to provide that clarity.”

Ends

Notes to editors:

The British Chambers of Commerce (BCC) sits at the heart of a powerful network of 52 Accredited Chambers of Commerce across the UK, representing thousands of businesses of all sizes and within all sectors. Our Global Business Network connects exporters with nearly 40 markets around the world. For more information, visit: www.britishchambers.org.uk

Chambers Ireland is Ireland’s largest business organisation with a network of Chambers of Commerce in every major town and region in the country, representing over 10,000 businesses. For more information: <http://www.chambers.ie/>

Danish Chamber of Commerce (Dansk Erhverv) is the network for the service industry in Denmark. It is one of the largest professional business organisations in Denmark with more than 200 employees, offices in Copenhagen, Aarhus and in Brussels. For more information visit: <https://www.danskerhverv.dk/engelsk/>

The Umbrella Organisation of French Chambers of Commerce and Industry (CCI France) is the voice of 125 regional and local Chambers in France supporting the development of more than 2,900,000 beneficiary and voting companies of commerce, services and industry. CCI France is the spokesperson of French Chambers of Commerce and Industry and represents the interests of French companies. For more information: www.cci.fr

The German Chambers of Industry and Commerce (Deutscher Industrie- und Handelskammertag – DIHK) is the umbrella organisation of 79 Chambers in Germany (IHKs) and the worldwide network of 130 business representations abroad. All companies registered in Germany, with the exception of handicraft businesses, the liberal professions and farms, are required by law to join a Chamber. Thus, the DIHK speaks for more than 3.6 million enterprises: www.dihk.de

The Netherlands British Chamber of Commerce. For more information visit: <http://www.nbcc.co.uk/?lang=nl>

The Federation of Belgian Chambers of Commerce is the umbrella organisation of the chambers in Belgium. For more information visit: <http://www.belgianchambers.be/en/>

– **Voka – Flanders Chamber of Commerce and Industry** is particularly concerned with Brexit as Flanders accounts for roughly 88% of Belgium-UK trade. Voka represents 18.000 companies that together are responsible for 70% of the private employment and 66% of the added value in Flanders. For more information visit: <https://www.voka.be/eng>

– **The Brussels Chamber of Commerce and Industry (BECI)** aims to develop a positive business environment and promote entrepreneurship. As a private employers' organisation, the Brussels Chamber represents 35.000 Brussels based companies and independent entrepreneurs or about 80% of the economy and 66% of the employment in the Brussels' Capital Region. As Brussels is an important trade partner of the UK and seat of numerous company headquarters that trade with the UK, BECI is highly concerned about the Brexit. For more information: <http://www.beci.be>

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