BCC comments on the triggering of Article 50 and the start of Brexit negotiations

On the day Article 50 is triggered, Dr Adam Marshall, comments on the start of the Brexit negotiations.

29 March 2017

Commenting on the triggering of Article 50 by the Prime Minister, Theresa May, Adam Marshall, Director General of the British Chambers of Commerce (BCC), said:

"Now that Brexit negotiations are set to begin, businesses across the UK and their trading partners in Europe want answers to practical questions, not political posturing. A pragmatic and grown-up dialogue on the real-world issues, rather than verbal volleys between London and Brussels, would give firms greater confidence over the next two years.

"In the early weeks of the negotiation process, businesses would like to see an effort to secure simultaneous exit and trade talks. Concluding exit and trade negotiations at the same time would moderate adjustment costs for UK businesses, and enable trade between UK and EU firms to continue with less disruption."

On business expectations beyond Brexit, Marshall added:

"It is crucial for the Prime Minister and her government to remember Brexit is not the only thing on the minds of UK businesses. Issues here at home, from the training system to sky-high business rates and up-front costs, still need to be addressed.

"Businesses would not look kindly on a government that treats Brexit as its only job. Getting the fundamentals right here in the UK is as important, if not more important, than any eventual Brexit deal."

Ends

Notes to editors:

The British Chambers of Commerce have published a <u>Business Brexit Priorities</u> report. The key recommendations in the report are:

• On the **Labour Market**, the government should provide certainty for businesses on the residence rights of their existing EU workers, provide clarity on hiring from EU countries during the negotiation period, and avoid expensive and bureaucratic processes for post-Brexit hires from the EU

- On **Trade**, the government should aim to minimise tariffs, seek to avoid costly non-tariff barriers, grandfather existing EU free trade agreements with third countries, and expand the trade mission programme
- On **Customs**, the government should develop future customs procedures at the UK border in partnership with business, seek to maintain the UK's position as an entry point for global businesses to Europe
- On **Tax**, the government should guarantee that HMRC is appropriately resourced to help businesses through the transition process, and provide clarity on whether VAT legislation will continue to mirror current core VAT principles
- On **Regulation**, the government should ensure stability by incorporating existing EU regulations into UK law and maintaining these for a minimum period following Brexit, and ensure that product standards are aligned with, and recognised by, the EU to keep UK products competitive
- On **EU funding**, the government should maintain UK access to the European Investment Bank, and ensure there is no funding 'cliff-edge' for areas in receipt of EU funding
- On **Northern Ireland**, the government must avoid any return to a hard border, so that businesses can move people and goods as freely as possible.

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