Business leaders call for 'honest dialogue' on improving trade with Europe

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he <u>British Chambers of Commerce</u> (BCC) has warned that a significant number of businesses are still struggling with the UK-EU trade deal.

The business organisation is calling on the <u>Government</u> to look again at how trade with <u>Europe</u> can be improved, two years on from the deal agreed by Boris Johnson.

The UK <u>Brexit</u> deal came after years of often fraught negotiations between London and Brussels, with the economic impact of the UK's exit still a divisive issue.

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Last month, the Office for Budget Responsibility (OBR) said Brexit had caused a "significant adverse impact" to trade volumes and business relationships between UK and EU firms.

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Shevaun Haviland, director general of the BCC, called for an "honest dialogue" on improving the UK-EU trading relationship.

"Businesses feel they are banging their heads against a brick wall as nothing has been done to help them, almost two years after the TCA was first agreed. The longer the current problems go unchecked, the more EU traders go elsewhere, and the more damage is done," she said.

The body is calling for a supplementary deal with the EU that can eliminate or reduce the complexity of food exports for small and medium-sized firms, as well as a Norway-style deal that would exempt smaller businesses from the requirement to have a fiscal representative for VAT in the EU.

Among a number of proposals, it is also calling for side deals with the EU and member states to allow UK firms to travel for longer and work in Europe.

The BCC, echoing the concerns of other business groups, has urged the Government to find an agreement to the ongoing row over post-Brexit arrangements in Northern Ireland.

Ms Haviland said: "Businesses want political leaders on both sides to move on from the debates of the past and find ways to trade more freely.

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"This means an honest dialogue about how we can improve our trading relationship with the EU. With a recession looming, we must remove the shackles holding back our exporters so they can play their part in the UK's economic recovery.

"If we don't do this now then the long-term competitiveness of the UK could be seriously damaged. "It is no coincidence that during the first 15 months of the TCA we stopped selling 42% of all the different products that we used to.

"There are clearly some structural problems built into the TCA which cannot be addressed until it is reviewed in 2026."