

Businesses 'banging their heads against a brick wall' over improving trade with EU

A significant number of firms are still struggling to increase sales or grow their business under the UK-EU trade deal, the British Chambers of Commerce (BCC) has warned.

It is calling on the government to look again at how trade with Europe can be improved two years after the deal agreed by Boris Johnson.

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

Shevaun Haviland, director general of the BCC, said: "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."

The BCC is calling for an additional deal with the EU to eliminate or reduce the complexity of food exports for small and medium-sized businesses, along with a Norway-style deal that would exempt small firms from needing a fiscal representative for VAT in the EU.

It is also calling for deals with the EU and member states that would allow UK firms to travel for longer and work in Europe.

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And it has urged the government to find an agreement to the ongoing row over post-Brexit arrangements in Northern Ireland.

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Food, farming and fisheries minister Mark Spencer told Times Radio that there is “always more” that the government could do to reduce trade friction.

He said that the UK had made progress, citing an increase in the number of seasonal worker visas available in the horticulture industry next year.

“We’re a free and open trading nation. We want to work closely with our EU colleagues, we want to try and reduce that red tape if there is any red tape on their side of the channel, so of course we want to keep those channels of trade open in both directions.”

Ms Haviland suggested that business wants politicians “to move on from the debates of the past and find ways to trade more freely”.

“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.”

The Trade and Co-operation Agreement was agreed in December 2020 and allowed goods and services between the UK and EU to remain tariff-free.

But extra checks and requirements at borders have impacted the moving of goods and the prices charged.