

Rt Hon Alok Sharma MP  
Secretary of State  
Department for Business Energy and Industrial Strategy  
1 Victoria Street  
London SW1H 0ET

26<sup>th</sup> May 2020

Dear Secretary of State

I am writing to you on behalf of the EURIS Taskforce, a body of trade organisations representing UK manufacturing worth £148 billion in turnover. We have read with great interest the draft legal text recently published for the UK-EU FTA. As you will appreciate, the primary concern of our member companies from the UK-EU FTA and indeed all future FTAs is that technical barriers to trade are avoided and in particular that wherever possible UK manufacturers are able to trade on a basis of one standard, one test, accepted everywhere. This is the greatest benefit that the UK's participation in the EU Single Market has provided and the removal of that benefit would be a severe blow to UK business competitiveness, inward investment and ability to trade into to our largest and most valuable export market

We therefore very much welcome the commitment in Article 25 of the draft legal text to Good Regulatory Practices such as publication, consultation and impact assessment for proposed Regulations for both Parties. One item of particular interest to us, and to all manufacturing industry, is Article 25.10 on Regulatory Cooperation. We were disappointed that, as currently drafted, this presents a low level of ambition for such cooperation between the EU and UK on regulatory matters. In particular that rather than being a routine and structured activity with the aim of achieving mutually beneficial results for manufacturers to achieve compliance in both the UK and EU markets, it is presented as an ad hoc activity where participation is entirely voluntary. It is fully understood that there will be no treaty obligations to align on regulations but a structure which will, whenever possible, achieve equivalence and mutual recognition would seem an essential feature of this FTA.

We therefore very much welcome the determined drive of HM Government to achieve mutual recognition of conformity assessments in the UK-EU FTA and would encourage the EU Commission to drop their current position to refuse this mutual recognition. We would however note that in practical terms, regulatory cooperation and conformity assessment are aspects of an FTA that work effectively when taken together. This risk in the UK-EU FTA is that where regulatory divergence occurs, and is not mitigated by a cooperation mechanism leading to an equivalence decision, any mutual recognition of the conformity assessment becomes of minimal value as the product will need to be tested twice to show compliance with both regulations. In many cases it will also mean re-design and the introduction of multiple production lines, at prohibitive cost for exporters.

For manufacturers with factories in Northern Ireland, this is even more urgent in that they will be potentially required to comply with both UK and EU regulation for products and so any regulatory



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divergence without agreement on mutual recognition and equivalence will make compliant manufacturing impossible.

EURIS has produced a paper (attached) with outline ideas for how regulatory cooperation structures could operate between the UK and EU for technical products, with full industry support. We would ask that this is considered as an approach and that in the future draft texts for this Article regulatory cooperation is proposed as a requirement for the Parties.

I look forward to hearing from you.

Yours sincerely,



**Dr Howard Porter**

EURIS Chair

[howard.porter@beama.org.uk](mailto:howard.porter@beama.org.uk)

