

New round of Brexit talks: European businesses call for progress in face of ongoing COVID crisis

The President of EUROCHAMBRES, Christoph Leidl, has urged negotiators to seek solutions to mitigate the impact of Brexit when they reconvene for the next round of formal talks on Monday. The association of European Chambers of Commerce & Industry recognizes that new trade barriers are inevitable, but underlines that these must be kept to a realistic minimum and that businesses should have adequate opportunity to prepare.

With the EU economy forecast to contract by over 8% in 2020 and Britain's shrinking by more than 20% in the previous quarter, COVID-19 has put the Brexit process in a new perspective. President Leidl stressed that this does not reduce the need to pursue an orderly outcome at the end of the transition phase: *"Brexit is not currently on the radar for most companies struggling to cope with the hugely damaging impact of the crisis. But the pandemic certainly should not be used as political cover for the economic impact of the UK's departure from the EU; it must drive negotiators to seek an agreement that will mitigate disruption for businesses and provide a basis for constructive future relations."*

Minimizing trade barriers

While underlining the depth of EU-UK commercial relations and thus the need to minimize new tariff and non-tariff barriers between the economies, EUROCHAMBRES reiterates that this cannot be at the expense of a well-functioning single market, which has come under considerable pressure during the pandemic.

Chambers will continue to work with businesses to prepare for the additional requirements that are an inevitable consequence of the UK leaving the EU's customs union and single market. *"New procedures will create friction for traders, but this is a price worth paying if it protects the integrity of the single market. We are not expecting miracles, but our businesses need to know where they stand and to be able to prepare. An economically disorderly Brexit would be mutually harmful,"* added President Leidl.

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