



## British American Business

### Brexit

### Updated Position – October 2017

#### **The transatlantic business community remains committed to a strong UK that provides the best possible access to the EU**

In a survey conducted pre-referendum by BritishAmerican Business (BAB) in March 2016, 95% of our transatlantic businesses who responded wished for the UK to remain part of the EU. It is with that mandate that we advocate for a negotiation outcome that best serves both the UK and the EU economies, its citizens and our members; many who operate daily across borders. We are committed to a strong UK that provides the best possible access to the EU.

#### **We welcome proactive UK Government stakeholder engagement**

We welcome the opportunities provided UK Government to present our members' concerns and priorities. As negotiations continue, it is important to keep lines of communications open and demonstrate that Government is taking business views into account.

#### **We have serious concern about a lack of progress on critical business issues**

Although the risk of a 'cliff-edge' scenario has decreased, and positive developments made on a transition period, we remain concerned about the lack of progress made in negotiations and continued lack of solutions in difficult areas that matter to business. As we approach the March 2019 deadline, the largest areas of concern remain the decision over a transition period and its length, and the overall lack of clarity about the kind of economic integration the UK wants to build with the EU post-Brexit.

#### **Brexit is already impacting investment decisions**

The UK's decision to leave the EU and the uncertainty around its future relationship with the EU has already used up substantial human and economic capital for businesses trying to mitigate its effects. The continuing uncertainty over the UK's future attractiveness as a destination for business is already impacting our members' decisions to invest in UK operations. The prospect of additional financial costs, administrative burdens, increase in supply chain times, and restrictions on accessing foreign talent is causing companies to either move or hold back investment.

#### **Key concerns for transatlantic businesses**

Key concerns for the members of BritishAmerican Business in the Brexit negotiations include:

- The economic impact of a customs border between the UK and the EU
- The economic impact of a growing regulatory divergence between the UK and the EU
- The economic impact of the reduced ability to attract the talent our members need, short-term and long-term
- The economic impact of potential divergence from the European General Data Protection Regulation (GDPR) and an unclear participation of the UK in transatlantic data flows frameworks ('Privacy Shield')

London/New York, October 2017