



**British Irish Chamber of Commerce  
Brexit Subcommittee Asks for the  
EU-UK Negotiation Process**



## Brexit Subcommittee 10 Negotiation Asks

### Negotiation Asks

1. The **significance of the UK market to Ireland needs to be recognised and accommodated** by the EU. A deal should not be agreed that would adversely affect the economy of a remaining EU member state in the way that a bad deal for the UK could impact the Irish economy. The Irish economy should not unduly suffer as a result of a decision that it did not make.
2. A **transitional period should be agreed** at the earliest opportunity of negotiations. The current uncertainty that prevails regarding a potential cliff-edge Brexit is paralysing business decisions in the UK and Ireland to the detriment of the competitiveness of both economies. Early agreement on this will help ensure that businesses and trade are not unduly damaged by the negotiation process.
3. The UK should seek to maintain, and the EU should facilitate the continued **access of the UK to EU Regulatory and Framework Programmes**. The UK has played an important role in developing and contributing to the objectives of many of these programmes such as the Single European Aviation Market, Horizon 2020 and the European Research Area (ERA) and this cooperation should be allowed to continue. The UK should be prepared to pay to maintain access where there is a precedent for this arrangement. Where access is agreed there should be seamless transition to the new arrangements.
4. The EU and UK should seek to agree a **comprehensive free trade agreement** that will include critical sectors such as Agri-Food (especially given the strategic importance of food security to both the UK and the EU). The UK should commit to maintaining regulatory equivalence as part of this deal in areas governing safety and standards. Such an arrangement would ensure that trade could continue at its current level while protecting domestic industry in the UK from being undercut by cheaper external countries. Any quotas applied as part of the agreement should be realistic and reflect the current levels of trade.
5. The **continuation of the Single Energy Market** should be facilitated for by the EU. Negotiators should recognise the interdependencies that exist between the UK, Irish and EU markets all of whom are net importers in this sector.

6. The integrity of the **Common Travel Area** and its associated rights need to be maintained. The inclusion of the CTA in both PM May's letter and in the draft negotiation guidelines is welcomed but we must ensure that its purpose is not weakened during the negotiation process and that the EU will continue to respect the integrity of this unique and bilateral arrangement.
7. Should the UK exit the Customs Union as now seems likely, both sides should work towards a solution that prevents the erection of a **customs border on the island of Ireland**. We propose that for passenger traffic customs will act only as risk intervention without systemic checks. For Heavy Goods Vehicles, Ireland and the UK could build a database for all regular users that would recognise vehicles in advance and apply any relevant customs electronically. For Light Good Vehicles the aim is to have as many possible register with customs. Furthermore goods vehicles destined for the EU should be able to retain the current transit route via the UK in sealed containers so as to avoid unnecessary customs delays.
8. The EU should support the establishment of an "**All Island Health Regime**" on the island of Ireland. This would be set to EU regulatory standards and would enable the vitally important trade of live animals and milk to continue on the island. Due to the complex, integrated processing and supply chains that have developed since the Good Friday Agreement and the removal of the border, it is felt that such an accommodation would help protect the most vulnerable sector on the island from any adverse outcomes resulting from Brexit.
9. The EU should establish an **EU Reform Fund** or similar to provide support and training for those in the EU to deal with the changes to trade and compliance rules as a result of Brexit. Similarly, given Ireland's unique exposure to Brexit, the EU should allow for a **temporary easing of State Aid and Fiscal rules**, to allow the Government provide support to those sectors that are deemed to be severely at risk due to Brexit and to ensure the Irish economy does not unduly suffer as a result of circumstances that are beyond its control.
10. When negotiating the future relationship between the EU and the UK, **areas where agreements on trade terms can be found should be identified as early as possible** in order to reduce uncertainty and to allow business to grow and investment to continue. These should not be used as bargaining chips for other areas of the negotiations that might be more contentious.

## **Asks for the two Governments**

11. The Irish Government should take steps to **improve consumer confidence**. Possible actions are reviewing the personal and housing taxation systems, and providing incentives for investor driven business. Schemes should also be put in place to help **drive competitiveness and productivity**.
12. **Clarity and support** should be provided by both Governments to businesses regarding potential changes to their operation as a result of Brexit including funding; customs requirements; status of EU nationals/freedom of movement; professional qualification equivalence; and the future of the UK's life sciences and R&D clinical drug development landscape. A fund should also be made available to those firms to help cover increased admin costs as a result of Brexit.
13. Both Governments should provide assistance to businesses wishing to **explore new growth opportunities**, including help with market studies to identify new markets and distribution options.
14. Both Governments should provide **regular and clear updates** on the negotiation process so as to avoid any unnecessary uncertainty for business over the next two years.
15. Both Governments should explore new ways of **maintaining relationships post-Brexit**. This could be through the development of a UK-Ireland Powerhouse Strategy and establishing formal links through the European Grouping for Territorial Cooperation (EGTC). The EGTC offers opportunities between members stated and third countries for joint services and projects that can be supported by EU funding. These include joint arrangements for transport, infrastructure, energy and other utility networks, and the environment. Currently there are 63 such arrangements although it has never been used by the UK and Ireland.