



TRADING OUR WAY TO PROSPERITY: A BLUEPRINT FOR POLICYMAKERS

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PREFACE

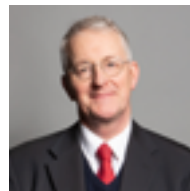
Since it was established in 2021, the UK Trade and Business Commission (UKTBC) has been working to understand how our new trading relationships are impacting businesses and different sectors of the UK economy. And now we have the solutions.

We have hosted 38 evidence sessions, performed site visits, taken over 80 hours of live testimony from 234 expert witnesses, industry leaders and business owners and received written evidence submissions from over 200 organisations as part of an open consultation.

This report is a product of the extensive work we have undertaken and the valuable insights gained have culminated in the development of 114 actionable recommendations. These recommendations are designed to enhance the UK's trading relationships, foster business growth, and navigate through the current challenging landscape.

We would like to extend our deepest gratitude to the Commission secretariat for all their support and advice and to our fellow Commissioners for giving so freely of their time and expertise. We would also like to thank all those businesses, trade associations, consumers, pressure groups, and individuals across the UK who have shared their knowledge, views and experiences. Your voices have helped shape our recommendations.

Although the UK's trading prospects face significant challenges, the UK holds an abundance of talent, creativity, expertise, and world-leading businesses. Through the implementation of the recommendations outlined in this report, we can begin the process to overcome growth barriers and forge a resilient and prosperous future that benefits all citizens across every nation and region of the United Kingdom.



Rt Hon Hilary Benn MP
*Co-Convenor of the Commission
Labour MP for Leeds Central*

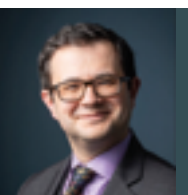


Peter Norris
*Co-Convenor of the Commission
Chair, Virgin Group*

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OVERVIEW

DAVID HENIG

Approximately half of the UK's trade is with Europe. Proximity matters, whether for manufacturing supply chains or the delivery of services.

Leaving the European Union was therefore always likely to have an impact on the UK's trading performance, with the Office for Budget Responsibility (OBR) estimating that both exports and imports will be around 15 percent lower as a consequence. We also hear frequently of the disproportionate impact on small businesses, who are grappling with increased costs, bureaucracy, and red tape.

UK losses from greater barriers to EU trade are not being offset globally, with the OBR saying that the UK has "missed out" on much of the recovery in global trade. Such a state of UK trade calls for critical examination of the policies that have shaped our trading relationships, with a view to finding improvements.

From the evidence gathered, in the largest consultation undertaken since 2016 into UK trade, we have compiled 114 recommendations to improve UK trade policy. These recommendations seek to address the challenges facing UK trade with particular focus on our closest markets, given their importance to the UK's economic performance.

In formulating these recommendations, we have followed four key principles:

- **Reduce the cost of conducting business and exporting to firms, while retaining key protections for consumers and other stakeholders**
- **Consult with industry and build a cooperative model to improve predictability of the UK regulatory landscape**

- **Consider how devolved governments and regional representatives will benefit from the policies, to ensure they deliver results across the country**
- **Recognise that there are trade-offs to be made in all decisions relating to trade, being aware of the implications of these decisions**

Our recommendations, such as regulatory alignment with the EU and the establishment of a new UK Board of Trade, address the broad range of issues that have been highlighted in the evidence taken. All address one very simple question: how can we make trade easier to the benefit of the UK economy, society, businesses and consumers?

While not all recommendations can be achieved simultaneously or in the short term and some will require careful negotiation, they collectively represent a programme to make a difference.

The Commission's vision for UK trade is one of collaboration and partnership, inside and outside the UK. The UK Government should be seen as balancing domestic stakeholder interests while becoming a trusted voice in Europe and a reliable global partner in trade and business.

The Commission's recommendations are arranged in sections that examine our regulatory approach, overall performance of UK trade, visa policy, improving the Trade and Cooperation Agreement, global arrangements, parliamentary oversight, and integration with domestic industrial and economic priorities. These collectively form a coherent programme of action.

HIGHLIGHTS INCLUDE:

BENEFICIAL ALIGNMENT

While staying outside of the EU Single Market and Customs Union, there is nothing to be lost, and everything to be gained, by the UK aligning with EU standards and regulations. The UK should, however, also use its new freedoms to diverge where it is beneficial to do so, while acknowledging costs where they arise.

In doing so, the UK Government would be following what many British businesses will be doing anyway, because they will not be able to sell in the EU market otherwise. Providing this greater predictability regarding the UK's regulatory foundation will be extremely important in attracting investment. It would also make achieving an SPS/veterinary agreement with the EU easier.

A NEW FORUM FOR TRADE COOPERATION WITH THE EU

While the Trade and Cooperation Agreement (TCA) between the UK and the EU provides a broad framework, it is limited when it comes to describing areas of potential cooperation between the UK and EU. A new regulatory forum, inspired by the successful US/Canadian regulatory cooperation council, would better facilitate UK-EU dialogue and collaboration on reducing the crucial non-tariff barriers to trade.

The agreement of the Windsor Framework marked an important improvement in our relationship with the EU which can be built upon by further political engagement. In identifying areas for enhanced cooperation, the UK and EU should be able to add new chapters to the TCA, reducing friction and seizing opportunities to improve the UK's trading relationship with our largest trading partner.

A NEW UK BOARD OF TRADE

Trade is the economic lifeblood of our nation and should deliver its benefits to all parts of the UK. The creation of an independent agency - a new UK Board of Trade - to act for the Department for Trade and Business as the OBR does for the Treasury would impartially assess the UK's trading performance worldwide, helping drive improvements across government.

Taking inspiration from similar institutions elsewhere, in particular Sweden, the UK Board of Trade would provide impact assessments of new and existing trade deals and assess areas of divergence from other trading blocs' regulations that will benefit the UK economy. By fostering consensus and coordination across political parties, regions, and businesses, it would help deliver the best outcomes for the economy.

A VISA SYSTEM THAT WORKS FOR BRITAIN

For an advanced manufacturing and services economy, skills and the need to facilitate the movement of people - whether independent contractors or experienced employees - are of critical importance. Our recommendations include a youth mobility scheme, a cultural worker visa programme and improvements to short-term worker visas.

Whether for businesses based in the UK or British businesses working abroad, our success depends on the contributions of talented individuals. The UK Government should prioritise initiatives that support their mobility for the benefit of the UK economy.

Throughout our work, the UK Trade and Business Commission has remained steadfast in its commitment to evidence-based policymaking. We have heard different perspectives, encouraged constructive discussion and carefully analysed the impact of our current trade agreements.

Our aim has been clear: to produce and advocate a plan that supports economic growth, improves trading relations, and opens up new opportunities for the people of the United Kingdom.

If the recommendations presented are implemented, we believe UK trade and investment prospects will be changed for the better. It is time for businesses to demand more from the UK Government, and the UK Government to prioritise listening to businesses' concerns and acting upon them.



“ The UK Government should adopt a general policy of regulatory alignment with EU standards and regulations unless it is not in the UK’s interests to do so ”

1. ALIGNMENT WITH EU STANDARDS AND REGULATIONS

As the UK moves forward post-Brexit, establishing a clear regulatory framework that provides predictability and stability for businesses and investors is essential.

The UK Government should adopt a general policy of regulatory alignment with EU standards and regulations unless it is not in the UK's interests to do so. This will enable businesses and investors both domestically and internationally to have confidence in the UK's regulatory foundations and will foster stronger relationships with trading partners, both now and in the future.

Outside of the Customs Union and Single Market, the UK can use its regulatory autonomy to address any future or new EU regulations on a case-by-case basis, enabling us to diverge from the EU approach where it is beneficial for our businesses and sectors, after consulting with affected stakeholders. By adopting this approach, the UK Government can ensure that regulatory coherence is maintained with the EU, thereby facilitating constructive engagement with the EU and other countries seeking to negotiate trade deals with the UK. Many non-EU countries already follow EU regulations.

A policy of regulatory alignment will provide a starting point for negotiations, while still allowing the UK to maintain its own regulatory autonomy. By taking this approach, the UK Government can reassure businesses and investors, both domestically and internationally, that the UK is committed to maintaining strong relationships with its trading partners, while still protecting the interests of UK businesses and sectors.

1.1 UK-EU REGULATORY COOPERATION COUNCIL

The UK's departure from the EU has led to the creation of separate regulatory frameworks, resulting in substantial barriers to trade across various sectors. The existence of divergent regulations has led to a surge in costs and a decline in efficiency, undermining trade potential.

In order to ensure successful regulatory alignment and reduce barriers to trade between the UK and EU, the



UK Government should seek to establish a new forum, modelled on the successful US/Canadian regulatory cooperation council.

This new regulatory cooperation council would allow the UK and EU to maintain an open dialogue and forum to discuss regulatory alignment, and discuss regulatory divergence in a collaborative manner when necessary.

- 1. The UK should establish a UK-EU Regulatory Cooperation Council with the EU to maintain collaboration on regulatory matters between the UK and the EU.**
- 2. The UK-EU Regulatory Cooperation Council should meet on an annual basis and build on commitments made in the Windsor Framework, protecting Northern Ireland's position in the UK union and on the island of Ireland.**
- 3. The UK should commit to a predictable approach to regulation and to consultation, impact assessments and adjustment times, should the UK decide to adopt regulations different from those in the EU.**

1.2 FOOD AND DRINK PRODUCE

The existence of divergent regulatory frameworks, particularly in the area of food safety standards, creates significant barriers to trade in food products between the UK and the EU. This misalignment poses risks to the safety and quality of food consumed by UK consumers.

FOOD SAFETY STANDARDS

To mitigate the risks of divergent regulatory frameworks and ensure continued protection for UK consumers, the UK should maintain regulatory alignment with EU food safety standards.

- 4. The UK should maintain food safety standards aligned with those of the EU by adopting the key principles outlined in EU legislation, such as the General Food Law (Regulation (EC) No. 178/2002) and Regulation EC 852/2004 on the hygiene of foodstuffs.**

FOOD AND DRINK INNOVATION

Separate regulatory frameworks present a challenge for driving innovation in the food and drink industry. Collaborative efforts can contribute to the development of innovative food and drink products, but without them, the UK risks falling behind in the development of innovative food and drink products and processes.

- 5. The UK Government should seek to deepen collaboration on food and drink innovation with the EU and research to develop a shared understanding of emerging technologies, best practice, and regulatory challenges as applied to novel foods, food additives, and new production technologies.**

CHEMICAL CONTAMINANTS AND RESIDUE MONITORING

Ensuring the safety and quality of the UK's food supply, particularly regarding chemical contaminants and residues in food, is crucial for protecting public health, promoting consumer confidence, and facilitating trade with EU partners.

By exchanging information, expertise, and best practice for the management of chemical contaminants and residues in food, the UK can base its approach to food safety on EU standards, bolstering consumer confidence and facilitating trade with EU partners.

- 6. The UK should strengthen its monitoring and control systems for chemical contaminants and residues in food, at least in line with EU requirements.**
- 7. Maximum residue limits (MRLs) for pesticides, other contaminants, and veterinary drugs should be aligned with the EU, including Regulation (EC) No. 396/2005 and Regulation (EC) No. 470/2009.**
- 8. The UK should enhance its national residue monitoring programmes and risk-based control systems to ensure compliance with EU regulations, incorporating regular testing and reporting of results.**



FOODBORNE DISEASE SURVEILLANCE AND OUTBREAK RESPONSE

Foodborne disease outbreaks pose a significant threat to public health and can have serious consequences for the food industry. To ensure the safety and protection of public health, coordination with EU institutions and member states on the surveillance and response to foodborne disease outbreaks is essential.

- 9. The UK should enhance its coordination with EU institutions and member states on the surveillance and response to foodborne disease outbreaks.**
- 10. The UK should actively participate in the European Centre for Disease Prevention and Control (ECDC) surveillance networks and systems, such as the Rapid Alert System for Food and Feed (RASFF) and the European Surveillance System (TESSy). The UK should provide intelligence input to RASFF to facilitate a more effective and timely response to food safety threats.**
- 11. The UK should collaborate closely with EU agencies and partners on epidemiological investigations, traceback efforts, and risk assessments related to foodborne disease outbreaks, ensuring access to EU databases, resources, and expertise.**

SAFEGUARDING UK STANDARDS AGAINST LOWER-QUALITY IMPORTS

To ensure the safety and quality of the UK's food supply and maintain public confidence in the food industry and promote a level playing field for UK producers, the UK should prioritise seeking to ensure that all imported food products meet minimum regulatory standards equivalent to those applied to domestically produced food.

By conducting a review of existing trade agreements and establishing core standards covering food safety, animal welfare, and environmental protection that both domestic produce and imports must meet as a minimum when signing new trade agreements, the UK can promote a level playing field for domestic producers and protect consumer health and welfare.

- 12. The UK Government should seek to ensure that all imported food products meet minimum regulatory standards, including environmental requirements, equivalent to those applied to domestically produced food.**
- 13. When negotiating new trade agreements, the UK Government should ensure minimum standards of food safety, animal welfare, and environmental protections of future imports are met and at least in line with EU standards or UK standards where these are higher.**

ANIMAL & VETERINARY HEALTH

While it was argued that diverging from the EU's Sanitary & Phytosanitary (SPS) framework may facilitate new trade agreements with other countries, it put an end to the regulatory harmony between the UK and the EU.

As a third country to the EU, British businesses are now subject to international sanitary and phytosanitary (SPS) controls, costing UK businesses millions in additional red tape and delays.

- 14. The UK should negotiate a new Sanitary and Phytosanitary (SPS) and veterinary equivalence agreement with the EU to facilitate seamless trade in livestock, plants, and related products. The SPS agreement should support wider Government efforts to level the trading playing field for UK food producers.**

ORGANIC FOOD EQUIVALENCE

The UK organic regime is recognised as equivalent, but only until 31 December 2023. Beyond this date, failing to ensure continued equivalence and a level playing field for UK and EU organic food producers risks further non-tariff barriers for UK producers.

- 15. The UK should maintain regulatory alignment between the UK and the EU for organic food standards to facilitate continued equivalence beyond 31 December 2023.**

16. The UK Government should establish a new agreement between the UK and the EU within the TCA to monitor and enforce compliance with organic food standards and support ongoing cooperation.

1.3 MANUFACTURED GOODS

The existence of regulatory divergence poses a significant challenge for UK manufacturers and particularly SMEs with lower capacity and resource, as they face uncertainty and may be burdened with the task of complying with two different regulatory environments. This situation is creating barriers to trade and is hampering economic growth within the manufacturing sector.

EUROPEAN AGENCIES RELATED TO THE MANUFACTURE OF GOODS

The UK's departure from the European Union also led to a departure from European agencies related to the manufacture of goods with the potential for divergent regulations to increase costs, reduce competitiveness, and impact product safety and quality for UK consumers. For what are heavily traded and regulated international products, the UK would benefit from revisiting the current arrangements.

17. The UK should maintain regulatory alignment on manufactured products, in particular cars, aircraft, and medical devices with EU standards to facilitate trade and enhance the competitiveness of its manufacturing industries.

18. The UK should seek maximum cooperation in EU agencies related to manufactured goods to promote cooperation and harmonisation in the field of regulation and safety. Including:

- European Chemicals Agency (ECHA)
- European Union Intellectual Property Office (EUIPO)
- European Medicines Agency (EMA)
- European Aviation Safety Agency (EASA)
- European Union Agency for Railways (ERA)
- European Maritime Safety Agency (EMSA)
- European Union Agency for the Cooperation of Energy Regulators (ACER)

19. The UK Government should engage in negotiations with the EU to define the terms of the UK's cooperation with these agencies, addressing issues such as financial contributions, access to information and resources, and representation in decision-making processes.

20. Where full accession is not possible, the UK Government should foster collaboration between UK regulatory authorities and the relevant EU agencies to share expertise, data, and best practices related to manufactured goods regulation and safety.

INTERNATIONAL STANDARD-SETTING BODIES

Having previously been a highly regarded participant in bodies such as UNECE and OECD, the UK risks becoming isolated from global regulatory frameworks related to the manufacturing of cars, aircraft, and other products, resulting in a lack of alignment with global standards and best practices, reducing the competitiveness of UK industries and potentially impacting product safety and quality for UK consumers.

21. The UK Government should work strategically to maximise the UK's influence over international standards. This will be essential to promote vital UK interests in the face of intense global competition and ensure that standards for fast-developing technologies such as artificial intelligence reflect UK values and consumer interests.

1.4 REACH

The UK's departure from the EU has created uncertainty and potential divergence in the regulation of chemicals, which could impact both human health and the environment. In addition, it is estimated that not participating in the REACH regulatory framework imposes an additional cost of around £1 billion annually. This could also create barriers to trade with the EU and other global partners, which could harm the competitiveness of UK industries. While full alignment is not possible outside of the EEA, Switzerland adheres to EU decisions on harmful chemicals as a starting point, and still retains the ability to diverge where necessary.

By being aligned with the EU, the UK can establish a pragmatic, sustainable, and long-term solution to the challenges posed by its system for regulating chemicals. By adopting the EU's risk management decisions, the UK can guarantee robust protection for human health and the environment, while also enabling seamless trade with the EU and other global partners.

22. The UK should adopt EU risk management decisions on chemicals but retain the ability to deviate.

1.5 STANDARDS INFRASTRUCTURE, INCLUDING CE AND UKCA MARKINGS

The UK Government is currently facing the challenge of implementing a new conformity process, the UK Conformity Assessed (UKCA) marking, to replace the European Union's (EU) Conformité Européenne (CE) marking, following the UK's departure from the EU.

The implementation of the new mark is crucial for maintaining high levels of product safety and quality, ensuring the competitiveness of UK businesses and maintaining consumer confidence in UK products. The UK Government must consider taking steps to remove the current uncertainty about when the regime will change and hence limit the resulting damage to both consumer and investor confidence.

23. The UK Government should delay the mandatory use of the new UKCA marking until there is a clear demonstration that the marking offers tangible benefits to UK regulators, businesses and consumers.

24. The UK Government should use the intervening time to fully review the UKCA certification process and ensure that it is cost-effective, efficient and risk-based. This could involve simplifying documentation requirements, focusing on innovative digital solutions or reducing the need for third-party assessments.

25. The UK Government should work closely with the EU in order to establish a plan for the mutual recognition of conformity assessment results. This would reduce trade friction considerably for UK businesses trading into the EU.



26. **The UK Government should support maintaining the position of BSI within the European standardisation framework.**

1.6 NET ZERO

UK AND EU EMISSIONS TRADING SYSTEMS (ETS)

The UK's commitment to achieving net-zero emissions by 2050 requires a significant reduction in carbon emissions from businesses. The UK's implementation of an Emissions Trading System (ETS) is a step in the right direction, but without full alignment with the EU ETS framework, businesses may face additional costs.

27. **The UK Government should engage in negotiations with the EU to establish a formal link between the UK and EU ETS, enabling the mutual recognition and trading of allowances between the two systems. The necessary legislative and regulatory measures should be implemented to enable this linkage, including provisions for ongoing monitoring, review, and dispute resolution.**

UK CARBON BORDER ADJUSTMENT MECHANISM

The UK's transition to a low-carbon economy requires significant carbon reduction efforts from domestic industries. However, imported goods with embedded carbon emissions may be subject to different carbon pricing than domestic goods, leading to trade distortions and potential disadvantages for UK industries. This could hinder the UK's efforts to reduce carbon emissions and contribute to global efforts to combat climate change.

28. **The UK Government should design and implement a UK Carbon Border Adjustment Mechanism (CBAM) that aligns with the EU CBAM scheme, ensuring consistency in the treatment of imported goods with embedded carbon emissions and reducing the reporting requirements needed to cooperate with the EU effectively.**
29. **The UK Government should implement efficient reporting and monitoring systems for the UK CBAM and periodically review and update the UK CBAM in line with the EU scheme to reflect developments in carbon pricing, international trade, and climate policy.**

- 30. The UK should therefore engage in ongoing dialogue and cooperation with the EU and other international partners to monitor the effectiveness of carbon border adjustments and address any emerging challenges or opportunities.**

ENERGY COOPERATION WITH THE EU TO REACH NET ZERO TARGETS

The UK and the EU share a common goal of reaching net-zero emissions by 2050, but without energy cooperation, it may be difficult to achieve this objective. The UK and EU may face different challenges and opportunities in their respective energy sectors, which could create barriers to cooperation and hinder progress towards net-zero targets.

- 31. The UK Government should maintain Title VIII Energy Provisions and ensure they 'roll over' in the UK's agreements with the EU, facilitating continued cooperation and alignment in energy policy and regulation.**
- 32. The UK Government should collaborate with the EU on the development and implementation of shared energy objectives, such as enhancing energy security, promoting renewable energy, and reducing greenhouse gas emissions.**
- 33. The UK should prioritise North Sea energy cooperation, freeing up electricity trading arrangements.**

COOPERATION ON NET ZERO TARGETS

The UK's commitment to achieving net zero requires collaboration with the EU to achieve shared climate goals. Without effective cooperation on initiatives, research, and investment in low-carbon technologies and energy infrastructure, the UK may struggle to meet its net-zero target, and progress towards global efforts to combat climate change may be hindered.

- 34. The UK Government should enhance cooperation with the EU in the pursuit of shared net-zero targets, focusing on joint initiatives, research, and investment in low-carbon technologies and energy infrastructure. This should include identifying areas of alignment, such as EU deforestation and**

corporate reporting requirements, and developing joint strategies to address these issues.

- 35. To ensure ongoing communication and collaboration on climate and energy policy, the UK should establish mechanisms for cooperation between the UK and EU authorities, facilitating the exchange of best practices and information, allowing both the UK and the EU to learn from each other's experiences and progress towards shared climate goals.**

- 36. The UK should rejoin the European Environment Agency.**

WIDER SUSTAINABILITY

Ensuring consistency and alignment with the EU on sustainability and trade policies is critical for maintaining a healthy and mutually beneficial economic relationship. Without consistent and aligned policies, trade between the UK and the EU may be hindered, and companies may face dual burdens in complying with different regulations and standards.

- 37. The UK Government should ensure that UK measures related to corporate action on trade, such as deforestation and sustainability requirements, are consistent with those required by EU law.**
- 38. The UK Government should establish a sustainable trade dialogue with the EU and other affected countries to seek to minimise the impact of trade-related measures on UK businesses and consumers. Dialogue should focus on identifying areas of alignment between the UK's and the EU's sustainability and trade policies, as well as promoting cooperation and the exchange of best practices in the areas of sustainability and trade.**

1.7 CONSUMER PROTECTION, ENVIRONMENTAL STANDARDS AND HEALTH AND SAFETY

The UK Government should ensure that we maintain - or where we choose, to exceed - current EU standards on consumer protection, air and water quality, and health and safety protection for workers and consumers.

- 39. **The UK should at least align with evolving EU rules and standards on health and safety protection for workers, environmental quality standards and consumer protection.**
- 40. **The UK should maintain airline passenger compensation at least in line with EU Regulation 261/2004 to ensure that passengers are fairly compensated for any disruptions or cancellations.**

1.8 HORIZON

The UK's departure from the EU has created uncertainty around continued participation in the Horizon research and innovation programme. This uncertainty limits opportunities for UK researchers and businesses to collaborate with scientists and researchers in the EU and access EU funding, ultimately hindering innovation and progress in the research and development sector.

- 41. **The UK Government should revive UK participation in the Horizon research and innovation programme by negotiating an agreement with the EU that allows UK researchers and businesses to continue their participation in Horizon programmes.**

1.9 ERASMUS

Exclusion from the Erasmus Programme has limited opportunities for UK students and academics to study, work, and train in EU countries, ultimately hindering cultural understanding and cooperation in education and research.

- 42. **The UK Government should rejoin the Erasmus Programme, which provides opportunities for UK students and academics to study, work, and train in EU countries, and vice versa.**

1.10 CLINICAL TRIALS

Uncertainty around the UK's participation in pan-European clinical trials limits opportunities for UK researchers and businesses to collaborate with their counterparts in the EU, hindering medical research and limiting patient access to the latest treatments and therapies.

- 43. **The UK should maintain alignment with EU regulations related to clinical trials, ensuring that UK-based researchers and businesses can participate in pan-European clinical trials.**

1.11 SERVICES

FINANCIAL SERVICES

The UK's financial services sector plays a significant role in the country's economy, and as such, the UK Government should take steps to ensure that the sector can continue to thrive and remain globally competitive.

- 44. **The UK should work with the EU to maintain equivalence for clearing past 30 June 2025, and assess the potential benefits of seeking equivalence arrangements in other areas of financial services.**
- 45. **The UK and EU should fully implement a financial services Regulatory Cooperation Dialogue to foster a close and productive relationship with EU authorities.**

DATA PROTECTION

Uncertainty around the continued flow of personal data between the UK and the EU has the potential to disrupt business operations, undermine trust in data protection, and hinder cross-border cooperation.

- 46. **The UK should retain and extend data adequacy with the EU to ensure the continued flow of personal data between the UK and the EU, aiming to achieve a longer commitment to adequacy. The UK must ensure data protection legislation or agreements with other countries do not undermine GDPR principles, resulting in a loss of adequacy.**

PROFESSIONAL QUALIFICATIONS

The recognition of professional qualifications is crucial for enabling the mobility of skilled workers and promoting trade in various fields. The establishment of mutual recognition agreements would promote the exchange of skills and knowledge across borders, enhance the competitiveness of UK businesses, and support economic growth.

- 47. The UK Government should collaborate with the EU, professional associations and regulatory bodies to seek mutual recognition agreements in various fields, such as engineering, accounting, auditing, law, and architecture.**
- 48. The UK should work with the relevant professional associations and regulatory bodies to develop the necessary frameworks and standards for mutual recognition.**

SMALL SUPPLIERS

Small businesses and freelancers play a crucial role in supporting economic growth and innovation. However, they often face unique challenges when it comes to international trade, such as high trade barriers and complex visa requirements. This can create disproportionate challenges for small businesses and freelancers compared to larger companies with greater resources.

- 49. The UK should establish a small service provider dialogue with the EU to address the disproportionate impact of trade barriers on small businesses and freelancers and to consider issues related to visas and other relevant factors.**

1.12 LABOUR RIGHTS

The protection of labour rights is essential to ensure fair and equitable working conditions for employees. The UK should maintain high standards of labour protection at least in line with the EU by implementing robust regulations that provide safety, fair wages, and non-discrimination for workers.

- 50. The UK should aim to match or exceed the labour and employment protections provided by EU law.**
- 51. The UK should maintain its commitments under new and existing international trade agreements, such as the Trade and Cooperation Agreement (TCA) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), by avoiding the reduction of labour standards in order to gain trade advantages.**
- 52. The UK should seek to match commitments made on labour, environment, and human rights under the newest EU equivalent trade agreement when negotiating new Free Trade Agreements.**

“ As the UK moves forward post-Brexit, establishing a clear regulatory framework that provides predictability and stability for businesses and investors is essential ”



2. A NEW UK BOARD OF TRADE

Effective trade is crucial to the success of the UK, and in order to achieve the best possible outcomes, a consensus must be reached across nations, regions, businesses and interest groups in the UK.

To ensure this happens, the UK Government should establish an independent agency, modelled after the highly regarded Swedish Board of Trade, which will be accountable to the Secretary of State for Business and Trade.

This new agency should replace the existing Board of Trade and be responsible for a range of tasks including analysing the UK's trading performance, conducting impact assessments of new trade deals, and overseeing the implementation of existing agreements to identify areas where they can be improved. The agency should also monitor how UK nations and regions are affected by international trade agreements and conduct horizon scans to identify emerging issues of importance.

Like the OBR, the UK Board of Trade should be fully independent of government, with its own staff and governance structure. Board members should reflect the breadth of trade policy stakeholders.

By embracing this approach, the UK can elevate its trade policy to new heights of professionalism, guaranteeing that all stakeholders are included and the UK secures optimal outcomes.

Specifically, the new UK Board of Trade should:

2.1 ADVISE THE UK GOVERNMENT ON THE IMPACT OF REGULATORY POLICIES ON TRADE

Given the importance of regulatory barriers to the UK's trade performance, it is important to monitor the overall regulatory framework to ensure this provides sufficient support.

53. The UK Board of Trade should advise the UK Government on how the UK can minimise the trade barriers arising from our regulatory choices and identify areas where the UK can gain economic advantage from actively aligning or diverging from the regulations of our major markets.

- 54. The UK Board of Trade should ensure trade costs are considered as a formal part of the regulatory process, and inform, assist and consult UK companies on trade and regulatory issues.**
- 55. The UK Board of Trade should conduct an annual survey of UK stakeholder experience of UK trade policy and provide an entry point into government for UK companies.**

2.2 ANALYSE AND ASSESS DIFFERENT TRADE POLICY OPTIONS

With only finite government and stakeholder resources, it is important to ensure that these are directed in the most effective manner. Independent assessment of UK trade policy options will provide a basis for consensus in these choices.

- 56. The UK Board of Trade should collaborate with relevant parliamentary committees to analyse and assess the costs and benefits of different trade policy options and provide evidence-based recommendations to the UK Government.**
- 57. The UK Board of Trade should assess the impact of trade policy options on various policy areas such as climate change, employment, and agriculture, to enable the UK Government to make informed decisions that align with its wider policy objectives.**

2.3 PRODUCE AN ANNUAL REPORT ON THE UK'S TRADING PERFORMANCE

To provide a credible basis for understanding and improving UK trade policy, an annual report should assess our trading performance including the implementation of agreements, resolution of market access issues, and other activities. It should be informed by the annual survey of stakeholders.

- 58. The UK Board of Trade should produce a comprehensive annual trade report, modelled on the US and EU trade reports, and which assesses the UK's trade policy developments.**

2.4 GOVERNANCE OF THE BOARD OF TRADE

Like the OBR, the UK Board of Trade should be fully independent of government, with its own staff and governance structure.

- 59. The UK Board of Trade board should consist of board members, including representatives from major UK business organisations, trade unions, devolved governments, SMEs, and senior experts in trade and regulation.**
- 60. The composition of temporary members should be tailored to the nature of any trade deals under negotiation. By including a diverse range of stakeholders and experts, the UK Board of Trade can ensure that trade policy is informed by a broad spectrum of perspectives and expertise, leading to better outcomes for the UK.**

2.5 CONDUCT IMPACT ASSESSMENTS OF TRADE AGREEMENTS

Given controversy over the likely impact of Free Trade Agreements signed by the UK thus far, there is a need for a robust, independent assessment as we see in other countries. This should be provided to Parliament ahead of any ratification process.

- 61. The UK Board of Trade should conduct impact assessments of trade agreements to ensure they are consistent with domestic policy objectives and do not have unintended consequences. Such assessments should be evidence-based, considering the potential social, economic, and environmental impacts of the proposed trade agreements.**

3. CREATE A UK VISA SYSTEM FIT FOR PURPOSE

The UK is currently experiencing shortages of labour in numerous sectors, including hospitality, agriculture, and healthcare.

Labour mobility, encompassing a spectrum from independent contractors to highly skilled professionals, plays a pivotal role in the prosperity of the UK economy. Given the UK's stature as a leading services-based economy, addressing this issue should be a central priority for economic growth alongside training up UK workers.


To help tackle these challenges, implementing a youth mobility scheme or a cultural worker programme should be explored.

3.1 YOUTH MOBILITY VISA SCHEME

The UK already has successful youth mobility visa schemes in place with several countries outside of the EU, including Australia, Iceland, India, Canada, Japan, Monaco, New Zealand, Republic of Korea, Hong Kong, and Taiwan.

By negotiating a similar scheme with all individual EU Member States, the UK can promote cultural exchange, enhance employment opportunities, and maintain positive relations with the EU.

- 62. The UK should negotiate bilateral and reciprocal youth mobility visa schemes with individual EU Member States. These schemes would allow young people between the ages of 18 and 35 to travel and work in both the UK and EU member states for up to five years.**
- 63. The UK should review the uptake and implementation of the visa scheme on an annual basis, evaluating the number of young people taking up the scheme and identifying any trends or patterns in the types of industries or sectors they are working in.**

- 
- 64. The review should identify any barriers to the uptake of the visa scheme, such as high fees or health levies, and take steps to address these barriers.**

3.2 EU 'LIST OF TRAVELLERS' SCHEME

By participating in the EU 'List of Travellers' Scheme, the UK can promote cultural exchange and tourism while making it easier for EU students to visit the UK for educational purposes.

- 65. The UK should participate in the EU 'List of Travellers' Scheme to facilitate visa-free school visits for EU schools, making it easier for EU students to visit the UK for educational purposes.**

3.3 SEASONAL WORKER VISA SCHEME

Seasonal workers remain an important part of the UK economy, particularly in agriculture, and uncertainty in the operation and numbers of the scheme have been an ongoing issue.

- 66. The UK Government should prioritise a comprehensive review of the implementation and uptake of the Seasonal Worker Visa Scheme to determine areas for improvement.**

3.4 A VISA WAIVER AGREEMENT FOR CULTURAL WORKERS

The cultural sector is an important source of economic and social growth for both the UK and the EU. To promote cultural exchange and support this vital sector, the UK should work with the EU to develop a Visa Waiver Agreement, allowing artists, performers, fashion professionals and other cultural professionals to move between the UK and EU for the purposes of ad-hoc work for up to 90 days in a period of 180 days. Such a scheme would not involve reopening the Trade and Cooperation Agreement, and it would provide opportunities for collaboration and cultural exchange, enhancing the competitiveness of the UK's creative industries and strengthening the UK's cultural ties with the EU.

- 67. The UK should develop a Visa Waiver Agreement with the EU for those working in the cultural sector on a temporary basis.**

3.5 BILATERAL AGREEMENTS WITH EU MEMBER STATES

Several EU Member States require creative professionals to apply for work permits before taking up work, even employment of a temporary, ad-hoc nature. The UK should negotiate with individual EU Member States that do not currently offer cultural exemptions for work permits, particularly those which are the most important financially for the creative sector.

- 68. The UK should negotiate bilateral cultural agreements for work permits with individual EU Member States.**

3.6 A CULTURAL EXEMPTION FOR ATA CARNETS

Creatives often travel with significant amounts of professional equipment, including musical instruments, for which an ATA Carnet is necessary if the items are being shipped unaccompanied. The carnet must be presented and stamped when entering the first EU Member State and again on exiting the EU, often causing delays.

- 69. The UK should reduce the cost of ATA Carnets and work towards a cultural exemption for musical instruments and equipment.**

3.7 BUSINESS VISITOR RULES

The current business visitor rules in the UK are a barrier to international trade and deepening trade relationships with major partners. By relaxing and expanding business visitor rules, the UK can improve its business environment for international trade and foster deeper trade relationships.

- 70. The UK Government should review and relax its business visitor rules to enable corporations to bring in highly skilled workers for short-term projects. This will support the growth of businesses that rely on international talent and enhance the UK's capability.**
- 71. The UK Government should consider extending the maximum permissible stay under business visas to enable businesses to pursue longer-term projects and improve business continuity.**
- 72. The UK Government should conduct a review of the visa costs and paperwork facing UK businesses and seek to make the system more accessible to**





businesses of all sizes. This will promote a more favourable business environment for international trade.

73. The UK Government should examine the possibility of relaxing Mode 4 restrictions with major trade partners where this can assist negotiations for deeper Free Trade Agreements. This will promote greater cooperation and foster deeper trade relationships.

3.8 RECIPROCAL VISA ARRANGEMENTS FOR SHORT-TERM WORKERS

The lack of flexibility and ease of access for businesses and freelancers to work in both the UK and the EU for short periods creates a barrier to cross-border collaboration, innovation, and business growth, and hinders access to international talent, which can have a negative impact on the competitiveness of UK businesses.

74. The UK should also consider developing a specific visa category for freelance workers, which would allow them to work in both the UK and the EU for short periods. This would provide greater flexibility for businesses and freelancers alike, and promote cross-border collaboration and innovation.

3.9 ADDRESS LABOUR SHORTAGES THROUGH TARGETED SKILLS DEVELOPMENT IN THE UK

Having the right skills in place is an essential part of a successful trade and investment strategy, and the UK Government should ensure alignment of the two areas to ensure we don't lose economic opportunity because of insufficient skills. There is no reason why we cannot train more doctors and nurses here in the UK, for example.

75. The UK Government should prioritise targeted skills development programmes in the UK to address labour shortages in specific sectors, such as healthcare and hospitality. These programmes should focus on training workers with the skills necessary to fill these roles, and should be tailored to the needs of individual sectors. This should include vocational and further education, which could be further boosted by exchange options.



4. IMPROVING THE TCA

While broad in scope, the Trade and Cooperation Agreement between the UK and EU does not provide sufficient depth for many businesses who have faced costs which have limited trade. In aggregate, this is costing the UK economically.

Building on the existing framework, the UK and EU should seek to reduce areas of friction and explore opportunities for increased cooperation. This needs to be driven jointly at a political level, which can incorporate the review of implementation scheduled for 2026, as well as the detailed recommendations listed elsewhere in this report, in particular in Sections 1-3.

There are interests and sensitivities for both the UK and EU, but there should be a path to delivering improvements to benefit business and stakeholders on both sides.

4.1 A JOINT UK-EU ROADMAP / SCOPING EXERCISE

A common approach to improving trade relations between countries is through a joint scoping exercise where both sides agree on an outline of improvements that can be made, and the likely timescales for doing so.

By adding new elements as annexes to the TCA this will avoid a 'Swiss style' relationship of multiple agreements.

76. The UK Government and EU should task officials with developing a roadmap of TCA improvements to be delivered over a multi-year period, which should then be agreed and overseen by Ministers.

4.2 MEMBERSHIP OF EUROPEAN AGENCIES

A number of European agencies are open to the participation of non-EU Member States, and where this is the case the UK should seek formal accession or other participation, amending the TCA accordingly to take account of this.

77. Where possible, the UK Government should seek to ensure the UK's participation in EU agencies as part of the 2026 TCA review, in line with the recommendations listed in Section 1.3 of this report.

4.3 RULES OF ORIGIN AND SUPPLY CHAINS

Participation in cross-European supply chains is important for both manufactured exports and to facilitate imports of fresh produce from regional markets. The current TCA provisions on electric vehicles are providing an immediate threat to the UK car industry. It is essential that actions taken to deal with this.

In the longer term, acceding to the PEM convention to cumulate rules of origin will benefit both UK goods exporters and importers.

78. The UK and EU should extend the current rules of origin grace period for electric vehicles.

79. The UK should align its rules of origin with the pan-Euro-Mediterranean preferential rules of origin to facilitate participation in regional supply chains. This will allow for diagonal cumulation of origin, which can help to reduce the administrative burden on businesses and promote cross-border trade.

4.4 FISHING

Access to UK fishing waters was one of the controversial issues of the TCA negotiations, with complaints that our fleet received less than expected given EU leverage over access to their market. Problems persist and the UK Government needs to make sure it is more prepared for the next negotiation on the subject.

80. The UK should prepare for the renegotiation of the fisheries chapter of the TCA, by focusing on improved quota shares for the UK's fishing fleet, improved control over UK waters and the reduction of non-tariff barriers, such as shellfish water quality.

4.5 DIGITAL ECONOMY

Data flow provisions of the TCA are due to be reviewed in 2024, and the UK and EU should take this opportunity to commit to joint working to ensure continued data flows with each other, and globally, subject to suitable protections.

81. The UK and EU should work together to develop a common approach to the digital economy, including by promoting cross-border data flows and standards for digital products and services.

4.6 CABOTAGE

Restrictions on UK based hauliers operating in the EU are causing particular issues for touring artists, and other specialists, in a way that disadvantages both the UK and EU. Northern Ireland hauliers are also disadvantaged from operating on an all-island basis, and these and other issues should be reviewed.

82. The UK should review cabotage arrangements as outlined in the TCA to allow for greater flexibility in EU travel for UK-based operators and vice versa.

4.7 A NEW MOBILITY CHAPTER

As an essential part of a modern trading relationship is the movement of people, the UK and EU should strengthen the TCA to reflect this.

83. The UK Government should seek to include a new mobility chapter as part of the 2026 TCA review with the EU in line with the recommendations listed in Section 3 of this report.

5. LEVERAGING THE UK'S EXISTING GLOBAL TRADE RELATIONS

The UK holds a vast network of embassies and trade agreements that offer invaluable assistance to domestic companies. However, in an era of increasing protectionism, it is crucial for the UK Government to not only strengthen existing agreements and establish new ones but also emphasise the importance of effective implementation.

Recognising the significance of the UK's soft power and world-renowned universities is vital and warrants appropriate attention. By prioritising these aspects, the UK Government can ensure that UK companies receive the necessary support and resources to thrive on the global stage.

Instead of exclusively focusing on its own trade deals as the ultimate objective, the government should adopt a facilitator role to promote the success of UK companies. By creating an enabling environment that nurtures business growth, the UK Government can enhance the competitiveness of the UK in the global market, thus contributing to the country's overall economic prosperity.

5.1 EXISTING CAPABILITIES IN GLOBAL TRADE RELATIONS

By focusing on building relationships with key partners, promoting its soft power assets, and utilising diplomatic and trade promotion support, the UK should increase economic cooperation and seek greater foreign investment. Ultimately, this can support the growth of UK businesses and industries in the global market.

84. To achieve this, the UK Government should seek deepening of existing relationships with key trading partners, development of new partnerships, and utilising diplomatic and trade promotion support to facilitate economic cooperation.



- 85. The UK should prioritise promoting its soft power assets, including its world-renowned universities and research institutions, to attract foreign investment and talent to the UK.**
- 86. The UK should seek to establish a trade forum as part of the European Political Community.**
- 87. The UK should initiate and maintain regular dialogues with individual EU Member States on specific areas of mutual interest such as trade, security, and other forms of cooperation.**

5.2 EXISTING FTAS

Effectively implementing and deepening existing FTAs should bring significant benefits to the UK, including increased access to markets, reduced trade barriers, and enhanced economic cooperation. This would in turn support the growth and competitiveness of UK businesses, creating new opportunities for trade and investment.

- 88. The UK should ensure the effective implementation of existing FTAs and seek to deepen these agreements where possible.**

5.3 TRANSATLANTIC DIALOGUE WITH THE US

The UK and the US have a long-standing economic relationship, and strengthening the transatlantic dialogue can provide opportunities for increased trade and investment. By focusing for example on digital trade within the parameters of EU adequacy and financial services regulatory cooperation, the UK can foster greater cooperation with the US and support the growth of UK businesses in these sectors.

- 89. The UK should work to strengthen its transatlantic dialogue with the US and seek agreements on digital trade and financial services regulatory cooperation.**

5.4 MUTUALLY BENEFICIAL AGREEMENTS WITH NEW PARTNERS

The exploration of mutually beneficial agreements of varying types with new partners could open up new markets and opportunities for UK businesses, promoting economic growth and strengthening the UK's position in the global economy.

- 90. The UK should explore the scope for mutually beneficial agreements with countries where none are currently in place, such as Indonesia, Thailand, and Brazil. These agreements need not necessarily follow the FTA model and should be backed up by stronger diplomatic and trade promotion support.**

5.5 MARKET ACCESS CASES

Resolving market access cases is important for promoting fair trade practices and removing barriers to trade, which can ultimately benefit UK businesses and the economy. By prioritising this issue and working with its embassies around the world, the UK can ensure that its businesses have access to new markets and opportunities for growth.

- 91. The UK should make the resolution of market access cases a priority for its embassies around the world.**

5.6 GUARANTEEING FREE TRADE

Free trade in critical raw materials is essential for the smooth functioning of global supply chains, which is crucial for businesses in all sectors. By joining global efforts to guarantee free trade in these materials, the UK can ensure that its businesses have access to the materials they need to operate and compete in the global market.

- 92. The UK should join global efforts to guarantee free trade in critical raw materials.**
- 93. The UK Government should convene a trade policy dialogue of similar "middle powers" of global trade seeking to protect global trade rules.**

5.7 UK SOFT POWER

By reinvigorating its soft power capabilities, the UK can increase its attractiveness as a destination for trade and investment and build stronger relationships with key trading partners. This can ultimately support the growth of UK businesses and industries and enhance the country's position in the global economy.

- 94. The UK should reinvigorate the development of its soft power capabilities, including cultural and diplomatic outreach, to support its trade and investment strengths. This should include promoting the role of institutions such as the British Council and BBC in shaping global perceptions of the UK.**

5.8 UNIVERSITIES

Strengthening UK universities' ties with international higher education institutions can bring about a range of benefits, such as promoting collaboration, boosting innovation and research, and attracting talent to the UK. By prioritising international academic partnerships, the UK can enhance its reputation as a leader in education and research and support the growth of its knowledge-based industries.

- 95. The UK should improve visa treatment for universities to ensure the UK has access to the best talent and expertise from around the world.**

5.9 LOW-AND MIDDLE-INCOME COUNTRIES

UK support for developing countries has long been a facet of our trade policy, and one that should be continued and strengthened.

- 96. The UK should maintain its generous trading scheme for developing countries and consider allowing full cumulation between countries in the African Continental Free Trade Agreement.**

6. PARLIAMENTARY OVERSIGHT

To ensure democratic accountability and alignment of trade policy with domestic priorities, elected representatives, including MPs and devolved assemblies, should be involved in meaningful discussions and voting on trade policy decisions.

The UK Government should increase parliamentary scrutiny of trade policy by providing regular reports to Parliament on the progress of trade negotiations and opportunities for parliamentary committees to scrutinise specific trade agreements. This approach will ensure that trade policy decisions are subject to proper scrutiny and reflect the views of elected representatives and their constituents.

6.1 PARLIAMENTARY APPROVAL

Involvement of Parliament at the start and end of the process of Free Trade Agreement negotiations will drive greater scrutiny throughout. Increased transparency and accountability should ensure that trade agreements align with domestic policy priorities and public interests.

97. The UK Government should hold a parliamentary debate on the objectives for new Free Trade Agreement negotiations on the basis of a mandate and outline impact assessment.

98. The UK Government should subject completed new Free Trade Agreements and the independent impact assessments surrounding them to parliamentary scrutiny and approval well ahead of ratification and implementation.

6.2 ANNUAL DEBATE ON UK TRADE STRATEGY AND PERFORMANCE

An annual debate on the UK's trade strategy and performance would enhance transparency and accountability in the government's trade policy. It would also allow for regular feedback and input from elected representatives, ensuring that the country's trade policies align with its domestic policy priorities and serve the interests of all stakeholders.

99. The UK Government should hold an annual debate on the country's trade strategy and performance, based on the UK Board of Trade's annual report.

7.

AN INTEGRATED GOVERNMENT

Active trade policy must not only support the economy, but also other key objectives such as the transition to a net-zero economy, skills development, and supporting small businesses. Achieving this requires a coordinated and integrated government approach, as no single department can address all of these objectives alone.

Stakeholders have highlighted that government departments often fail to communicate and collaborate effectively, a problem that has become more acute during recent times of economic uncertainty. To successfully support UK policy objectives through trade, the government must ensure that all departments work together in a cohesive and efficient manner.

7.1 DEVELOP A TRADE STRATEGY ALIGNED WITH INDUSTRIAL STRATEGY

Given the breadth and depth of trade policy it is essential that there is a coherent approach agreed across government, aligned with other major policies in particular industrial and foreign policy, and implemented by an appropriate Cabinet committee.

100. The UK Government should develop a trade strategy including policy trade-offs and agreement priorities.

7.2 LAUNCH A DEDICATED UK GOVERNMENT LEARNING PROGRAMME

Implementing a dedicated learning programme for ongoing negotiations with the EU, can help to ensure that UK officials have the necessary skills and knowledge to

negotiate effectively and achieve the best outcomes for the UK. A secondment programme can also facilitate a more collaborative approach to trade negotiations, ensure that trade policy reflects the interests of all stakeholders, and improve skills in both public and private sectors.

101. The UK Government should establish a dedicated learning programme for ongoing negotiations with the EU. This programme should provide comprehensive training on modern negotiating practices and the broader trade context.

102. The UK Government should implement a secondment programme between government officials and stakeholders, businesses, and civil society.

7.3 ENSURE UK BORDER AND CUSTOMS PROCESSES ARE EFFICIENT

Efficient border and customs processes are crucial for ensuring smooth trade flows and reducing costs and administrative burdens for businesses. By implementing a single window system, a modern risk-based approach to imports, enhancing collaboration with border agencies, reinvigorating trusted trader programmes, and improving

facilities and processes at ports of entry/exit, the UK can improve its attractiveness as a trading partner and support the growth of UK businesses.

103. The UK should implement a single window system for the entry of trade data, including digitising import and export processes, to streamline border and customs processes.

104. The UK should deliver on its public commitments by implementing a border operating model for trade from the EU, which takes a modern risk-based approach to imports (this will be facilitated by veterinary equivalence, see recommendation 14).

105. The UK should reinvigorate trusted trader programmes to facilitate trade and reduce administrative burdens for businesses.

106. The UK should improve facilities and processes at Dover to reduce waiting times for lorry drivers, which will enhance the UK's attractiveness as a trading partner and reduce costs for businesses.

7.4 INTEGRATE WITH REGIONS AND DEVOLVED GOVERNMENTS

Integrating with regions and devolved governments can help ensure that trade policy aligns with regional priorities, promote regional economic growth, and strengthen the UK's overall competitiveness. By actively engaging with devolved governments and city-region mayors, attracting inward investment, building regional infrastructure, providing strong regional breakdowns in trade deal impact assessments, and building capacity in public sector organisations, the UK can better understand the impact of trade policy on different regions and ensure that regional priorities are reflected in trade policy decisions.

107. The UK should enhance engagement with devolved governments and city-region mayors to align priorities on trade policy.

108. The UK should actively seek to attract inward investment for new production facilities across the country.

109. The UK Board of Trade should ensure that trade deal impact assessments and reports on UK trade policy performance provide strong regional breakdowns to understand the impact on different regions.

110. The UK should build capacity in public sector organisations across the country to enable constructive engagement with the UK Government on trade policy.

111. The UK should seek particular provisions in trade agreements to allow Northern Ireland to take full advantage of new export opportunities by allowing for all-Ireland input to count as originating from the UK.

7.5 INTEGRATE TRADE AND SME POLICIES

Integrating trade and SME policies is important to ensure that small businesses, which accounted for 61 per cent of UK employment in 2022, are able to take advantage of international trade opportunities which they often find particularly challenging. This can help to promote economic growth, increase job opportunities, and enhance competitiveness. Developing meaningful content for SME chapters in trade agreements can address the unique challenges faced by SMEs in international trade, such as visa and consignment costs.

112. The UK should ensure stable funding and support schemes are in place to assist SMEs who want to start exporting, with the option for scale-up assistance such as support with trade fairs.

113. The UK should provide targeted market access assistance to smaller companies, particularly those lacking resources to overcome issues, designating one commercial officer in embassies as the lead for SMEs.

114. The UK should develop content for SME chapters in trade agreements, focusing on the real issues faced by SMEs in areas such as visas and consignment costs, and by bringing in thresholds which mean that SMEs can avoid certain measures.

UK TRADE AND BUSINESS COMMISSIONERS



Hilary Benn MP
Co-Convenor of the Commission
Labour MP for Leeds Central



Peter Norris
Co-Convenor of the Commission
Chair, Virgin Group



Deborah Annetts
Chief Executive of the ISM



Paul Blomfield MP
Labour MP for Sheffield Central



Tamara Cincik
Founder and CEO
of Fashion Roundtable



Mike Cohen
Deputy Chief Executive,
National Federation of
Fishermen's Organisations



Paul Girvan MP
DUP MP for South Antrim



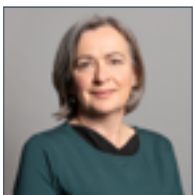
Claire Hanna MP
SDLP MP for Belfast South



Stephen Kinsella
Specialist Partner
Flint Global



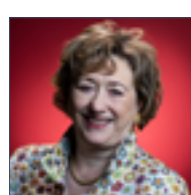
Caroline Lucas MP
Green Party MP for Brighton Pavilion



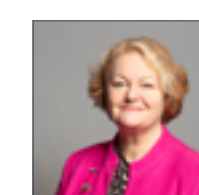
Liz Saville-Roberts MP
Plaid Cymru MP for Dwyfor Meirionnydd



Dr Charles Rose
Chairman of Hainsford
Renewable Energy Limited



Dame Rosemary Squire
Joint CEO and Executive
Chairman of Trafalgar
Entertainment



Dr Philippa Whitford MP
SNP MP for Central Ayrshire



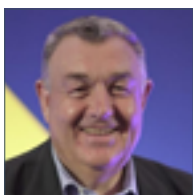
Professor L. Alan Winters
University of Sussex
Director, UK Trade Policy
Observatory



Stephen Farry MP
Alliance MP for North Down



Roger Gale MP
Conservative MP for North Thanet



Dr Geoff Mackey
Fellow of the IoD, IEMA & Royal Society of Chemistry



Layla Moran MP
Liberal Democrat MP for Oxford West and Abingdon



Alison Williams
Global Head of Data, DunnHumby



Hywel Williams MP
Plaid Cymru MP for Arfon

Advisers to the Commission



Anatole Kaletsky
Director, UK Trade Policy Observatory University of Sussex
Anatole is an economist with an international reputation, and is active in the worlds of both business and non-profit. An award-winning author and former economic journalist for The Times, Financial Times, The Economist, New York Times and Reuters, he is now co-chairman and chief economist of Gavekal Dragonomics, an economic consulting and asset management company.



David Henig
Trade Adviser to the UK Trade and Business Commission
David is the UK Director at the European Centre for International Political Economy (ECIPE) and a leading expert and writer on Brexit negotiations and the trade policy issues arising from Brexit. He worked on trade and investment issues for the UK Government for a number of years, including on TTIP throughout the three and a half years of negotiations. After the EU referendum vote he helped establish the new Department for International Trade, engaging in many of the UK's first working groups with non-EU countries, and setting out options for engagement with the US.

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- Daniel Lambert Wines Ltd
- Decorex Ltd
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- Designers Guild Ltd
- DFTM Ltd
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- Emolinguistics.org.uk
- Engineering and Machinery Alliance
- Equidem Research and Consulting
- Ernst & Young
- Federation of Small Businesses
- Ffilm Cymru Wales
- FLi Distribution
- Fluorochem Ltd
- French Chamber of Commerce in Great Britain
- GAMBICA
- GMB Union
- Greig and Greig Partnership LLP
- Hawkins Mutes Ltd
- Independent Society of Musicians
- Ingenu Magazine
- Innovate Finance
- International Chamber of Commerce
- International Transport Workers Federation
- Institute for Employment Research

- Institute for Employment Studies
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- Institute of Export & International Trade
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- John Godber Company Ltd
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- Professor Lorand Bartels MBE, Professor of International Law, University of Cambridge
- Dr Ludivine Petetin, Reader of Law, Cardiff University School of Law and Politics
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- National Farmers Union Scotland
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- Nextrade Group
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- North West Business Leadership Team
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- Optalay Ltd
- Oxford Innovation Advice
- Paul Ekins, Professor of Resources and Environmental Policy, UCL
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- PAWA Consulting
- Peter Van Hulle (opera singer)
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- PGS Glass
- Proteus Research Ltd
- Public Health Wales
- RH Consulting
- Royal Society for the Prevention of Cruelty to Animals
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- Rocket Entertainment
- Russell Group
- Safe Events
- Salmon Scotland
- Samways
- Save British Farming
- Scale Up Institute
- Scottish Fishermen's Federation
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- UK Business Angels Association
- UK in a Changing Europe
- UK Trade Policy Observatory
- Unchecked UK
- Unilink
- United Kingdom Accreditation Service
- Universities UK International
- Vacational Studies
- Vink UK Ltd
- Welsh Government
- Wildwind Holidays Limited
- Winfrey Farms Ltd

METHODOLOGY

Since the UK Trade and Business Commission was established in 2021, it has hosted 38 evidence sessions, performed site visits, and taken over 80 hours of live testimony from 234 expert witnesses, industry leaders and business owners. We have received written evidence submissions from over 200 organisations as part of an open consultation.

To produce a blueprint for policy makers, the UK Trade and Business Commission conducted extensive research starting in January 2023. Our primary source of evidence was live evidence sessions with expert witnesses.

The Commission also gathered evidence through an open consultation. Our survey was available online and open to the public, attracting responses from businesses across the country to understand the trading challenges they were facing.

The Secretariat held frequent meetings with stakeholders to speak about challenges they faced and recommendations they had for the UK Government. Evidence was gathered from stakeholders of all sizes, from SME businesses to large organisations.

UK TRADE AND BUSINESS COMMISSION: PANEL SESSIONS

19TH JANUARY 2023 - THE UK'S MANUFACTURING AND CONSTRUCTION SECTORS: WHAT THEY NEED FROM A TRADE DEAL

WITNESSES

Manufacturing Panel

- Fergus McReynolds, Director of EU & International Affairs, Make UK
- Simon Collingwood, Head of External Relations and Communications, AMRC
- Jack Semple, Secretary, Engineering and Machinery Alliance (EAMA)

Construction Panel

- D'Maris Coffman, Director, Bartlett School of Sustainable Construction, UCL
- Noble Francis, Economics Director, Construction Products Association
- Vincent Clancy, Chief Executive, Turner & Townsend (on behalf of RICS)

26TH JANUARY 2023 - THE UK'S CULTURE SECTOR: WHAT DOES THE SECTOR NEED FROM UK TRADE DEALS?

WITNESSES

- David Furnish, CEO, Rocket Entertainment Group
- John Godber, Creative Director, Theatre Royal Wakefield
- Dr Margherita Laera, Senior Lecturer in Drama and Theatre, Kent University School of Arts
- Róise Goan, Artistic Director, Artsadmin
- Professor Christopher Smith, Executive Chair, Arts and Humanities Research Council
- Elaine Bedell, Chief Executive, Southbank Centre
- Pauline Burt, CEO, Ffilm Cymru Wales

9TH FEBRUARY 2023 - FRAMEWORKS FOR FUTURE UK TRADE DEALS: WHAT SHOULD THE UK FOCUS ON?

WITNESSES

- Michael Gasiorek, Director, UK Trade Policy Observatory
- Sally Jones, UK Trade Strategy and Brexit Leader, EY
- Marco Forgione, Director General, The Institute of Export and International Trade
- Clair Gammage, Professor, Director of Global Engagement, University of Exeter Law School
- Elitsa Garnizova, Founder and Director, LSE Consulting's Trade Policy Hub
- Mustafa Qadri, Founder and Executive Director, Equidem Research and Consulting

23RD FEBRUARY 2023 - FINANCIAL SERVICES AND FINTECH: FUTURE UK TRADE DEALS

WITNESSES

Financial services

- William Wright, Founder and Managing Director, New Financial
- Sarah Hall, Professor of Economic Geography, University of Nottingham
- Jeremy Okonjo, Assistant Professor, University of Warwick School of Law

FinTech and financial innovation

- Harry Weber-Brown, Digital Innovation Director, TISA UK
- Martina Garcia, CEO, Centre for the Study of Financial Innovation
- Peter Cunnane, Director of International & National Initiatives, Innovate Finance

9TH MARCH 2023 - THE UK'S AGRICULTURE AND FISHING SECTORS: PLANS FOR A FUTURE TRADE DEAL

WITNESSES

Agriculture

- Richard Griffiths, Chief Executive, British Poultry Council
- Nick Von Westenholz, Director of Trade and Business Strategy, National Farmers' Union
- Orla Delargy, Head of Public Affairs, Sustain
- Fishing
- Elspeth Macdonald, Chief Executive, Scottish Fishermen's Federation
- Bryce Stewart, Senior Lecturer, University of York
- Chris Williams, UK Fisheries Expert, International Transport Workers' Federation
- Phil Haslam, Managing Director, North Atlantic Fishing Company

23RD MARCH 2023 - ENVIRONMENTAL AND STANDARDS PROTECTIONS: ENCODING THEM AS PART OF FUTURE UK TRADE DEALS

WITNESSES

Environment

- Jonny Peters, Senior Policy Advisor, E3G
- Paul Ekins, Director, UCL Institute for Sustainable Resources
- Dr Stefania Lovo, Associate Professor in Economics, University of Reading

Standards and Protections

- Scott Steedman, Director General, Standards, British Standards Institution
- Lorraine Turner, Accreditation Director, UKAS
- Phoebe Clay, Co-director, Unchecked UK

6TH APRIL 2023 - DEVOLUTION AND LEVELLING UP: THEIR PLACE IN FUTURE UK TRADE DEALS

WITNESSES

Devolution

- Stacey Dingwall, Head of Policy (Scotland), Federation of Small Businesses
- Billy Melo-Araujo, Senior Lecturer, Queen's University Belfast, School of Law
- Dr Ludivine Petetin, Reader of Law, Cardiff University School of Law and Politics

Levelling-up

- Paul Swinney, Director of Policy and Research, Centre for Cities
- Emma Degg, Chief Executive, North West Business Leadership Team
- Professor Graeme Atherton, Head, Centre for Inequality and Levelling Up

20TH APRIL 2023 - THE UK'S HEALTHCARE SECTOR: REQUIREMENTS FOR A FUTURE TRADE DEAL

WITNESSES

- Peter Ellingworth, Chief Executive, Association of British HealthTech Industries
- Martha McCarey, Brexit and Health Researcher, Nuffield Trust
- Tamara Hervey, Jean Monnet Professor of EU Law, City University London
- Kate Ling, Senior European Policy Manager, NHS Confederation
- Dr Nick Mann, GP, Keep our NHS Public

27TH APRIL 2023 - SKILLS DEVELOPMENT AND INWARD INVESTMENT: THEIR IMPORTANCE FOR FUTURE UK TRADE DEALS

WITNESSES

Skills development

- Terence Hogarth, Professor, Institute for Employment Research
- Becci Newton, Director, Public Policy Research, Institute for Employment Research

- Alexandra Hall-Chen, Principal Policy Advisor for Sustainability, Skills and Employment, Institute of Directors

Inward investment

- Nigel Driffield, Professor of International Business, Warwick University Business School
- Jenny Tooth, Chief Executive, UK Business Angels Association
- Rupert Gather, Group Executive Chairman, InvestUK

11TH MAY 2023 - THE STATE OF PLAY IN GLOBAL TRADE: LEARNINGS FOR FUTURE TRADE DEALS

WITNESSES

- Sir Peter Westmacott GCMG LVO, Former UK Ambassador to the United States
- Professor Lorand Bartels MBE, Professor of International Law, University of Cambridge
- Laurence Turner, Head of Research and Policy, GMB
- Iana Dreyer, Founder and Editor, Borderlex
- Dr Kati Suominen, Founder and CEO, Nextrade Group
- James Kane, Associate, Institute for Government

UK TRADE AND BUSINESS COMMISSION SURVEY

We surveyed businesses and other interested individuals and organisations between the dates 24th of January and 18th of March. The survey was available online and open to the public and responses were sought to the following questions:

- What are the main challenges facing your industry/sector, and what are the main drivers of these challenges?
- What steps has the UK Government taken to address these challenges?
- How have the UK's new international trading relationships affected you?
- What do you need as part of future trade deals negotiated by the UK Government?
- Followed by sector specific policy/ regulatory questions.

Our consultation received 159 responses, of which 40% of respondents were from SMEs and a further 17% from sole traders. Other respondents included Individuals, Charities, Representative Organisations, Partnerships, Artists, Professional Bodies, Non-Departmental Government Bodies, Trade Bodies, Campaign Groups, Trade Unions, Consultants, Higher Education Institutions, Think Tanks and Large Businesses.

Responses were collected from those based in all nations and regions of the UK. We received evidence from businesses that trade locally, regionally, nationally and internationally, representing the following sectors: Wholesale and retail, Manufacturing, Culture & the Arts, Music and Entertainment, Education, Farming and Agriculture, Fashion and Textile, Healthcare, Fishing, Hospitality, Construction, Environmental Science, FinTech, Local Government, Logistics, Financial Services, Real Estate, Transport, Trade Unions, Media, Trade Bodies, Travel and Tourism, Software, Consulting, Market Research, Sustainability, Industrial Services, and Software.



**UK TRADE & BUSINESS
COMMISSION**

The UK Trade and Business Commission is an unincorporated association facilitated by its Secretariat, Best for Britain. The Secretariat can be contacted at secretariat@tradeandbusiness.uk or at Best for Britain Limited, International House, 24 Holborn Viaduct, EC1A 2BN

www.tradeandbusiness.uk