# Notes of the BEIS-RD Business Reference Panel Meeting held on 20<sup>th</sup> September 2017 at the 1VS Westminster Conference Centre, London

(1) The meeting began by splitting the attendees into three groups for rotational sessions on three different topics.

# Rotational Session 1 – Primary Authority Scheme

This session was led by two officials, Sarah Smith and Erica Sheward, from <u>BEIS-RD</u> who are responsible for trade association engagement with the <u>Primary Authority</u> scheme. The purpose of the scheme is to enable UK businesses to form a legal partnership with one local authority, which then provides assured and tailored advice on complying with environmental health, trading standards or fire safety regulations that other local regulators must respect.

The scheme originated in 2009 and was reformulated in 2013, but was then deemed to offer an approach that was too bureaucratic and risk-averse. New arrangements were established by the government's Enterprise Bill in 2016, whereby national regulation co-ordinators provide a partnership interface with the local authorities, taking on any required statutory role and handle the bureaucracy and administration on behalf of their members' scheme.

There had been some delay in implementation caused by the unexpected earlier UK General Election, but a <u>new IT system</u> creating and maintaining a national register for the scheme is due to go live in October 2017.

### Rotational Session 2 – Standards, CE-marking and Notified Bodies post-Brexit

This session was led by Sue Bide and Alexa Davison, who are the joint heads of the new BEIS-RD EU Exit team which was formed in May 2017. Sue said that BEIS-RD is now actively preparing for a "no deal" Brexit worst-case scenario.

It was noted that in the UK there are 189 organisations operating as EU Notified Bodies, including the functions of the National Measurement System (NMS) within BEIS-RD itself. These organisations are an important source of UK business income and jobs, so the impact of Brexit here should not be overlooked.

EU Standards back up EU laws and regulations and in turn inform UK laws to ensure regulatory conformance, such as is guaranteed by CE-marking, for example. Most relevant to IABM members is the European Committee for Electrotechnical Standardization (CENELEC) and whilst this is not an EU institution and does contain non-EU members already, there is no existing precedent for an EU member nation to be leaving and possibly setting up independent regulatory arrangements, as the UK is potentially doing. The UK wants to retain a seat at the negotiating table for European Standards, even if no longer at the table for creating new, and modifying existing, EU regulations. The UK is confident that it can achieve this under the weighted voting system in place now – the example of Norway was given, where its views are heard at CENELEC even though outside the regulatory negotiations.

The UK will remain active within international standards bodies such as <u>ISO</u> and <u>IEC</u> but its influence is likely to diminished within <u>CEN</u> after it leaves the EU, as there is tiered levels of participation with EU members at the top, followed by EEA member nations and then other nations.

The task of managing the regulatory impact of Brexit is significant as there are around 60 pieces of EU legislation related to product safety and metrology which must be dealt with. There is concern that the UK may be locked out of access to the Information and Communication System on Market Surveillance (ICSMS) and RAPEX safety alert system, except for publicly available data. This is one critical aspect of the "no deal" Brexit scenario.

# Rotational Session 3 - Product Safety Recall

This session was led by the CEO of the Institution of Fire Engineers, Neil Gibbins. He noted that fire safety provisions had come to unfortunate prominence due to the Grenfell Tower fire. The focus, he said, must be on identifying problems early and putting them right, preventing fires from occurring, not looking at what to do when things goes wrong when it is too late. It is not an option to address these problems by working to have fitter fire-fighters and faster fire engines to respond to tragic events quicker.

Brian Such from the BSI offered more detail on a draft BSI specification for Product Recall and Other Corrective Actions, which he had first introduced at the last BEIS-RD BRP meeting. This draft (PAS 7100:2018) is now available for review and comment via the BSI web-based draft review facility <a href="here">here</a>. The review is scheduled to run until 23rd October 2017 and publication is anticipated for February 2018. IABM members are encouraged to register and provide feedback themselves or to notify IABM to make a representation on their behalf.

(2) Their followed an update from RD Director, Graham Russell

# **Regulatory Delivery Update**

Graham noted that are 28 treaties that exist between the EU and ROW, which the UK will have to replace after Brexit and it is uncertain how this can be achieved.

Whilst there has been much talk of a "regulatory dividend" from leaving the EU, stripping away excess and unnecessary regulations, Graham said that it didn't feel like this will be significant although it has given the UK an opportunity to review and possibly eliminate some UK regulation and bureaucracy.

(3) Their followed an update from Garreth Cameron of the Information Commissioner's Office

#### **Data Protection Reforms**

Data protection is being reformed by both the EU's <u>General Data Protection Regulation</u> (GDPR) which is now in place and becomes enforceable in May 2018, and the <u>Law Enforcement Directive</u>. The UK's new <u>Data Protection Bill</u> enshrines the GDPR in UK law and includes aspects of interpretation and flexibility for the future.

These new laws should be taken on board now by all UK businesses as they increase both the extent of regulatory powers and the size of punitive fines and sanctions for breaches of data protection.

(4) Their followed an update on the creation of a Small Business Commissioner Office

# **Small Business Commissioner**

The office of Small Business Commissioner was to be established with a digital service set up to help, for example, resolve payment disputes and complaints quickly. (*Post meeting note:* this position has now been appointed.)

# Notes of the BEIS-RD Trade Facilitation Import/Export Expert Panel Meeting held on 20<sup>th</sup> September 2017 at the 1VS Westminster Conference Centre, London

This optional session isn't something I would normally attend, however with the notified content including updates on Brexit impact on trade, the Northern Ireland border, migration and tariffs I thought it worthwhile sitting in on these discussions.

The meeting was chaired by Mark Corby, from Kuehne & Nagel, who noted crucially during the discussions that "Regardless of your views on Brexit, if you are not already alarmed by the complexities of delivering Brexit, then you probably don't yet understand it." Representatives from the various government departments all gave updates and took questions and comments from around the meeting table.

- Chaz Walla, representing the <u>DeExEU</u> Brexit Business Engagement team noted that whilst
  BEIS is the first point of call for business engagement, his department had published two
  important position papers recently which he suggested members should review: "<u>Continuity
  in the availability of goods for the EU and the UK</u>"; and "<u>Confidentiality and access to
  documents</u>." There were at least 6 other position papers available, including "<u>Future customs
  arrangements a future partnership paper</u>" which were relevant to the work of the expert
  panel meeting.
- Mike Barbier, from the BEIS Stakeholder Engagement team, said that the views expressed by UK businesses were very clear: that there was much concern over the risks of a "cliff edge" Brexit in 2019; that a transition period was desirable; and that only one set of changes was wanted, not two one set in 2019 and a new set at some point in the future.
  - Mike said that BEIS were working on the assumption that a transition arrangement was very likely. The paper published on future customs arrangements clearly suggested that this would be necessary despite what politicians were reported to be saying and it was "in the air atht this was already a done deal." (Post meeting note: this desire was of course exactly what was announced in the Prime Minister's speech in Florence two days later at the end of that week.)
- The government thinks it has covered all relevant concerns in these papers, but if you feel aspects have been overlooked it is important to provide feedback as soon as possible.
- A question was asked by a member of the panel: "Are the government position papers valid
  for the current state of the negotiations? Do they show the real intent of the government?
  Will they be updated as the negotiations proceed?" This was answered to say that they can
  only make these publicly available as they arise at each stage.
- Andrew Fenn, Deputy Head of the Goods Policy Division at the <u>DIT</u> said that a major task is to replace for the UK all the existing trade agreements between the EU and ROW. The aim is to copy and paste the text as far as possible into duplicate agreements to achieve uninterrupted trade. The real cost of losing existing free trade agreements is difficult to define.
- Aaron Dunne, from <u>HMRC</u>, said that stakeholder engagement via regional roundtable discussions had helped to inform the position paper on future customs arrangements. He reiterated that government was keen to continue to have feedback on these. He was particularly keen to hear from SMEs as there had been no new input received as yet and would like to be confident that all relevant issues have been summarized.

The government's stated position is very clear – the UK is leaving the Single Market and the Customs Union. However, this is a starting point only and negotiations may allow partial retention of membership.

A White Paper was due very soon with 5-6 weeks for consultation to follow for feedback after publication. (*Post meeting note: see published papers on 9/10/17* here.)

Alexa Davison, representing BEIS-RD, noted the large number of product safety regulations
that needed to be transposed into UK law. She noted the recent position paper from <a href="techUK">techUK</a>
that had been circulated on CE-marking and said that a number of the assertions within it
needed to backed up with facts and figure evidence to gain Ministerial attention.

Other documents were circulated at the meeting for review and discussion. Such as:

Institute For Government: "Implementing Brexit: Customs"

CBI: "Briefing on Government's proposals for the UK's future customs agreement with the EU"