

7 January 2021

Dear Business Leader,

I'm sure that you will have been as pleased as I was when the announcement finally came that the Government had negotiated a trade agreement with the EU.

Whilst we would all have wished that this agreement had come much sooner, giving you more time to prepare, at least we now know the terms of the UK's future trading relationship with the EU.

As you will know, whilst the UK officially exited the EU in January 2020, the eleven-month transition period expired on 31 December 2020. As of 1 January, there are changes to how we must conduct business with our partners on the continent. This letter is designed to help you access the information and support that is available to help you and your business adjust.

There are some significant and positive elements to the deal. For instance:

- There will be no taxes on goods (tariffs) or limits on the amount that can be traded (quotas) between the UK and the EU from 1 January.
- New Rules of Origin allow for self-certification of goods as well as a 12-month grace period to allow time for manufacturers to adjust. Securing flexibility from the EU regarding Rules of Origin is obviously of significant benefit to the region's export manufacturers, not least our automotive sector and those in the supply chain. For more detail see: <https://www.gov.uk/government/publications/rules-of-origin-for-goods-moving-between-the-uk-and-eu>
- A four month data agreement has been reached with further discussions to be held to ensure ongoing data adequacy is retained.
- The UK will continue to have access to a number of EU funding programmes, for example UK science and research will be eligible for funding from the new Horizon Europe scheme.

However, there are also some challenges that we will now face together as a region – and other areas where we will be seeking clarification on the detail from government:

- Businesses offering services, such as banking, architecture and accounting, will lose their automatic right of access to EU markets and will face some restrictions.
- There will no longer be automatic recognition of new professional qualifications for people such as doctors, chefs and architects.
- Many of the rules about storing and processing data still need be decided and will be negotiated in the months ahead.

Having run a business myself, I am acutely aware of how frustrating and damaging the uncertainty over the past months has been, making planning virtually impossible for so many – and providing very little time to prepare for new arrangements.

That's why, whilst there is still a lot of detailed information to be worked through, I wanted to write to alert you to a range of free resources that can help you and your business adapt to our new trading relationship with the European Union.

Now that our relationship is known, every business can explore how they are exposed to Brexit related risks and, where possible, take steps to reduce their exposure to those risks (in ways proportionate to the size and business type).

Many businesses are most likely to see change through their **people** (such as the EU nationals that make up a valued part of their workforce), **trading relationships** (direct imports or exports of goods or services from or to the EU, purchasing or selling goods from or to the EU via a distributor) **and legal protections and regulations** (such as safeguarding intellectual property or product labelling requirements).

You can complete a free 'Brexit checker, and access an extensive range of UK Government advice, by visiting www.gov.uk/transition.

In addition, the West Midlands Combined Authority has been working with our region's business guidance organisations to deliver a range of FREE support and resources.

Having received further funding from the Government to help businesses prepare, **the West Midlands' Growth Hubs have joined forces to establish a single point of information about the help available from the hubs and other local business organisations.**

This site is designed to act as one central resource where businesses will be able to access tailored support and advice and a calendar of upcoming events. And through the site there is an opportunity to access 1-2-1 guidance from a local expert.

I would strongly encourage you to access this local, tailored support by visiting <https://bit.ly/EUTransitionGrowthHubSupport>

You can also call your local Growth Hub using the numbers below:

Coventry & Warwickshire: 0300 060 3747

Greater Birmingham & Solihull: 0800 032 3488

Black Country: 0300 770 2245

Furthermore, the West Midlands Combined Authority has also teamed up with the three local Chambers of Commerce to scale up existing support for businesses to help them adapt and prepare for the new trading relationship. For further Brexit and customs support and a specialist customs and documents advisory service, please contact your local Chamber.

I trust that this support and guidance available will prove useful to you and your business as you adapt to the new trading relationship. If so, I would hope that you would share the information amongst colleagues and other businesses that you work with.

Last year was hugely challenging with both uncertainty over Brexit and the pressures placed upon us by the pandemic. This uncertainty now continues into 2021, with another huge challenge by the way of a new national lockdown. However, each time we have been faced with adversity, our region's businesses have responded with creativity, resilience and real care for customers, employees and local communities. For that, I'd like to offer my personal gratitude to all business leaders as well as the communities you serve.

Finally, may I wish you and your business the very best for this New Year.

Yours Sincerely



Andy Street
Mayor of the West Midlands

This letter is supported by:

