

## **EAMA response to BEIS' UK domestic market consultation**

Here is the response of the Engineering and Machinery Alliance to the UK domestic market consultation.

EAMA is an alliance of trade associations in the machinery and component supply chain and our comments relate to goods and related services in that sector alone. We note that the consultation period is four weeks, an unusually short period even by the standards of 'quick' consultations.

Manufacturing and engineering firms will be taken aback by this consultation. As the consultation makes clear, the UK domestic market has been in place and seamless/frictionless for more than 300 years. We have heard nothing to suggest other than that businesses will regard the idea that it might no longer be frictionless with surprise and alarm.

Companies in the machinery and component supply chain have customers across industry and throughout the country. They rely on the cohesive, frictionless nature of the market at present, and we agree with the government's assessment that this must be maintained. Introducing friction would add costs for firms and for consumers, reduce international competitiveness and undermine jobs and wealth creation.

Maintaining market cohesion is especially important at present due to the damaging impact of the COVID crisis, from which we are seeking to recover and develop. We cannot afford, either, to undermine the efforts being made to improve the visibility, understanding and use of high quality, competitive UK suppliers and to secure investment. These efforts – in which EAMA members are much involved – have been given new urgency by COVID.

We need the UK to move past the uncertainties that have been created by the Brexit process. We can ill-afford new uncertainties. We recognise that Northern Ireland is in a unique position and that the government is moving to minimise any negative affects that the NI Protocol might have on business.

Manufacturing and related services can be an important driver for economic recovery and development. The authorities in Edinburgh, Belfast and Cardiff, rightly seek to strengthen the economies for which they are responsible. That is best achieved by working collaboratively within a well-regulated, high quality, frictionless/seamless single UK market.

In response to the specific questions:

### **Question 1**

**Do you agree that the government should seek to mitigate against both 'direct' and 'indirect' discrimination in areas which affect the provision of goods and services? Could you provide examples of indirect discrimination that would affect the functioning of the Internal Market?**

There should not be discrimination of goods and related services in the areas covered by EAMA.  
There is a need for a clear UK-wide framework for subsidies/state-aid.

#### **Question 2**

**What areas do you think should be covered by non-discrimination but not mutual recognition?**

All areas of goods and related services covered by EAMA should be covered by mutual recognition *within the UK domestic market*.

#### **Question 3**

**What would be the most effective way of implementing the 2 functions outlined above? Should particular aspects be delivered through existing vehicles or through bespoke arrangements?**

#### **Question 4**

**How should the government best ensure that these functions are carried out independently, ensure the smooth functioning of the Internal Market and are fully representative of the interests of businesses and consumers across the whole of the UK?**

We support the ambition that the rules governing the UK domestic market, and the framework within which they are changed, should be clear. The rules should also be monitored and enforced. Businesses should have the ability to raise matters of concern at an early stage.

We have no comment as to how these objectives should be achieved, other than that the process should be subject to normal democratic process.

**Jack Semple**  
**Alliance secretary**  
**August 13<sup>th</sup> 2020**