

EAMA submission to Taskforce on Innovation, Growth and Regulatory Reform (TIGRR)

The Engineering and Machinery Alliance comprises ten trade associations in the machinery and component supply chain, representing 2,000 firms and around 100,000 employees. Details can be found here: www.eama.info

Our submission is intended to cover both regulations where the EU has previously led and areas of regulation where the UK has always had sovereignty.

We agree that the UK has established a reputation for a stable and predictable regulatory environment. The UK has also championed common sense and proportionate regulation not only in domestic regulation but to good effect within the EU and elsewhere. That is true, not least, in the area of technical regulation relating to machinery, in which EAMA's members are expert. These qualities should continue to guide regulatory thinking. They will become even more visible in respect of those areas of regulation over which we have new freedom, having left the EU.

EAMA welcomes progressive discussion about regulatory evolution. Changes are likely to involve the scrapping, loosening or tightening of requirements according to the circumstances. They should be proposed, debated and decided upon based on the merits of each case, the benefits they will bring and the costs they might incur, including the costs in terms of manufacturing processes and willingness to put goods on the UK market and ease of export. They should be forward-looking and take account of UK competitiveness, environment, and our place in the world as a champion of green growth. They should also take account of developments in other parts of the world and by other regulators – not least the EU, from which most of our current machinery regulation is derived, and to which we have contributed so much hitherto.

Trade associations and government have a long track record of working together closely and constructively on regulatory development. It is important that this process continues and is if anything strengthened now that the UK has left the EU. Such close working helps to ensure best outcomes and to alert British business to changes, so that they can improve their own planning.

EAMA and its members look forward to a clearer engagement on regulatory issues, now that the worst of Transition turbulence has passed, not only for government but also the trade associations and their member companies. Government should look to EAMA and its members with confidence as partners in progressive discussion.

Having consulted with firms in the machinery and component supply chain, we can say that they are largely comfortable with the technical regulations that we have inherited from the EU, as a starting point. It will be important to monitor likely changes in the EU and elsewhere and their relevance to the UK.

We recognise the government's strong commitment to the UKCA mark, which has added significant costs to UK firms. We would make the following detailed recommendations, however, regarding UKCA marking:

- As yet, the government has given no reason for the existence of UKCA regulations. The UK government should take the opportunity to make a clear statement of purpose, backed by a commitment to effective enforcement. That would help to strengthen the mark and its value to business and to public safety, not only at home but, importantly, in export markets, and would support the promotion of Global Britain.
- The government should scrap the requirement for spare parts for older products, where the parts are no longer used in new equipment, to comply with UKCA mark regulations. The requirement is neither reasonable nor proportionate. It adds cost to companies that have a reputational or contractual requirement to support service for older products but brings little or no benefit. If the requirement were scrapped, the legal obligations around performance of the product would otherwise remain in force. The value of the UKCA mark would not be compromised but there would be significant savings for business. It would encourage legally compliant companies to continue to supply quality spare parts for longer than they might if they are required to pay the costs associated with UKCA marking. This would benefit both product users and safety.

UK manufacturing and engineering firms are keen to take a leading role in helping to achieve the aims of green growth and high-quality jobs across the UK. Building back better will be best achieved in a way that increases the knowledge, understanding and development of the UK supply chain.

A regulatory solution should be sought to the problem of high energy costs for UK manufacturing. While firms are keen to contribute to green growth, they are also much concerned that they pay more for their energy than many of their competitors. This places UK production and its supporting supply chain at a disadvantage and risks sacrificing high-quality jobs to competitors abroad, that often use energy that is produced using much more carbon-intensive processes than we have in the UK. Domestic production also greatly reduces carbon associated with long distance transport.

EAMA members are keen to understand the relevance of freeports to their business, to assist with planning, and are keen to learn the regulatory details. We also look forward to the review of business rates later this year, to which EAMA will contribute.

We would welcome queries you may have about this submission.

Jack Semple
Alliance secretary

April 2021

