

## **Make UK – Written evidence LPF0010**

On Wednesday 17<sup>th</sup> June, Tim Figures, Make UK's Director Technology, Sustainability & Innovation provided evidence to the House of Lords, EU Environment sub-committee.

Prior to answering questions directly from the committee, Tim provided evidence regarding the manufacturing sectors need for a broad agreement with the EU and the implications of potential changes to environmental regulations. A brief summary of the session.

- In regards to a future agreement, manufacturers are looking for whatever unlocks preferential EU market access. Standards are relevant for where goods are sold, not necessarily where products are made.
- Manufacturers are committed to maintaining high standards and the UK government needs to be clearer about how any future regulations will be implemented into domestic legislation.
- The role of devolved administrations threatens to create undue disruption domestically, that could add complexity and confusion.
- Dispute resolution and governance continues to be a major issue.
- Reverting to standard international regulations would be a worry for the manufacturing sector.
- Chemical regulations such as REACH are seen as world leading and the gold standard. There is no desire for added flexibility.

Additional follow up questions that were not covered during the evidence session:

### **Are manufacturers seeking a more relaxed/less stringent regulatory environment?**

No, as manufacturers' preference would be to produce one product for multiple markets, in general they are not seeking regulatory divergence.

### **Could disagreement on enforcement and dispute resolution prevent the two parties reaching an agreement?**

Definitely, this is a major challenge and any future agreement with the EU will need to address enforcement and dispute resolution. This is one of the major roadblocks at present.

### **What changes to the Environment Bill would give the EU more confidence that the UK will not regress on environmental standards?**

The EU would be more confident if the Environmental Bill enshrined EU environmental principles. Challenges arise due to the ability for domestic legislation to be changed in the future.

Completing the full process and reaching a future agreement would instil more confidence.

**How can we be sure there will be appropriate enforcement of environment and climate regulations in the EU Member States?**

This is the role of the European Commission supported by the Court of Justice. The ECJ's function is to ensure EU members interpret and apply European law the same way in every member state. Punitive measures can and are often taken if a member state does not comply with EU law. As part of the future agreement, should there be a chapter on regulatory co-operation we would support a mechanism for unfair competition to be challenged.

**If there are non-regression provisions, will they effectively be one-way? Will the EU be compelled to mirror the UK when the UK increases its standards?**

This is a matter for the negotiations and the final agreement. Non-regression provisions would work both ways.

**What is the role of the devolved administrations in ensuring that the UK is compliant with the eventual UK-EU agreement on the environmental level playing field?**

Large portions of the Environmental are devolved matters. It is up to devolved powers to work with the UK Government to understand their responsibilities and role with the final agreement, as is already the case under other international agreements. The UK Government has a role to play in establishing its own regulations and to try and ensure some form of unity across all of the devolved powers across the UK.

**Why should civil society participation mechanisms be included in the trade agreement?**

It is important to work with civil society to understand the benefits of trade agreements along with eliminating any misunderstanding. It is particularly important that a wide range of stakeholders participate in the formation and interpretation of future environmental regulation. The active participation of stakeholders ensures regulations are open and transparent.