



## The CIBUK Clear Water Partnership

### News Bulletin

**Welcome!**



**From:** [Ben Philips](#) Communications Director and Editor  
of the [CIBUK Clear Water News Bulletin](#)

Wednesday, 5 Oct 2022

### **BRIEFINGS FROM BIRMINGHAM**

#### **CPC - 2022**

#### ***Letter from the Conference***

Waking up on Monday morning to the 45% tax-cut U-turn, delegates choked on their cornflakes, re-composed themselves and carried on.

Kwarzi Kwarteng faced the conference that same afternoon and delivered a defiant and optimistic speech from the podium, focusing on the future and away from the 'unnecessary distraction' of the top-rate reversal.

From CIBUK's perspective, your correspondent spent the day hunting down policy discussions on UK's post-EU future.

What emerges from the Events below and from the Conference more widely include:

- A failure to communicate the post-Brexit dividend far better than they are doing.
- A reluctance to make the wider case for tax cuts notwithstanding the controversy of the 45% U-turn.
- The need for proportionate and sensitive reform of regulation: complexity does not disappear with Brexit!
- An urgent need to tackle and resolve the Northern Ireland Protocol.
- The need for streamlining the planning system which the Secretary of State for Business readily acknowledged.
- And control of immigration which Conference has been notably reluctant to discuss...
- On each and every one of these CIBUK will continue to scrutinise progress and maintain pressure on those in charge to see these changes through.

***Can the City seize the opportunities of Brexit?***

A wide-ranging debate hosted by the Centre for Policy Studies. On the panel were economist Gerard Lyons, Charlotte Clark, Director of Regulation at the Association of British Insurers (ABI), with MPs Bim Afolami and Gareth Davies representing the government.

## **Reform of Solvency II**

Reform of the EU-inspired legislation for insurance and re-insurance companies was Charlotte Clark's main point. Acknowledging that all financial legislation is fiendishly complex, she nonetheless believes there is scope for much greater flexibility, whilst guaranteeing policy-holder protections.

## **Growth, regulation and risk**

According to Gerard Lyons these should be the main areas of focus. On growth he spoke of the '*Four I's*' - innovation, investment, infrastructure and incentives to help turbo-charge growth.

## **Regulation**

On regulation, future legislation should be bespoke, proportionate and work in practice as well as in theory.

In relation to the EU, GDPR remains a legacy which is hugely cumbersome and in urgent need of reform.

## **Risk**

Risk needs to be managed systematically. At present there is very little oversight of the financial eco-system itself. Co-ordination and oversight across the plethora of regulators is essential to ensure balls are not dropped as they have been in the past.

## **Long-term finance for companies**

The Finance & Markets Bill currently going through parliament is intended to develop much closer relationships with business. Long-term finance is also essential if UK start-ups are not to continue migrating overseas once they reach a certain size. At present 63% of tech companies which scale up go overseas according to Gareth Davies MP.

## **Opportunities post-Brexit**

As an ex-lawyer Bim Afolami emphasised the importance of Common Law throughout the world as a real opportunity for growth. There is also huge potential for services firms which are facing restrictions not faced by manufacturers. Currently there is a bar to law firms operating in India as one example of potential areas for export-led growth.

---

## ***‘Unleashing British trade: are Brexit powers being used to full potential?’***

And so to Hall 7 in the ICC where The Spectator laid on a complimentary gin & tonic for its delegates to get us in the mood.

Chaired by Katy Balls, the event was a must-see for delegates aching for a glimpse of Kemi Badenoch, Secretary of State for International Trade.

Others on the panel included Baroness Mobarik, Tory peer and IT business owner, and Anthony Mangnall MP.

### **Background**

According to the Secretary of State, UK-EU levels of trade are declining whilst trade with the rest of the world is rising. Post-Brexit she said the government has some headline achievements to its name:

- The UK has retaken its seat on the WTO
- Tariffs have been lowered on 6,000 goods
- Duty free has been reintroduced
- The UK has joined the CPTPP

But she conceded that much more needs to be done.

**For her part, Baroness Mobarik was crystal clear about what we should be doing post-Brexit:**

- De-politicise trade deals. They have become a political totem for Brexiters and anti-Brexiter alike and it serves Britain no good whatever. They must become very much a post-Brexit issue and agreed across the political spectrum
- Equip businesses to break barriers to trade: liaising with the Foreign Office and tap into the work of the British Council.
- In an echo of the earlier City of London debate, there was a strong call to push on service exports. The last UK service trade agreement was in 1995.
- Above all encourage b2b rather than g2b and allow trade deals to develop organically.

### **Risky Business**

The panel made the point that trade deals are not risk free. Quite often deals will be worked on only to come apart at the last minute. There may be scope for tax breaks to ensure that companies are not punished for exploring new opportunities even if they don't come off.

There is also a geo-political element to future trade deals as events in Ukraine and Taiwan

have illustrated. The UK will need to think very hard about who it does business with in the future.

### **Mutual Recognition**

Trade deals rarely work to the unambiguous advantage of one or other party. There is give and take on either side. In return for lowering tariffs to enable others to trade with us, the UK too has to demand something in return.

### **Standards & Safety Post EU**

Accusations that the UK will compromise in any way post-EU are totally unfounded. In relation to food, the supermarkets themselves will insist on minimum standards when importing from overseas.

And on animal welfare, the UK has been an exemplar to the rest of the world.

### **Biggest Challenge & Opportunity post Brexit**

Like the City panel, there is a real desire by policy-makers for SMEs to scale up and to trade internationally. The panel believe this could be the single biggest lever for future economic growth.

---

## ***Out and into the World: Building a more innovative Britain after Brexit***

With the day drawing to an end, your valiant correspondent raised another gin and tonic on behalf of CIBUK in a lively and good-natured final discussion chaired by Fraser Nelson.

A distinguished panel included Conor Burns - Minister of State for Trade Policy, Mark Garnier MP, John Bounphrey - Head of Amazon London - and, when he could get past the melee of autograph hunters - Jacob-Rees Mogg – Secretary of State for Business, Energy and Industrial Strategy.

### **De-regulation begins at home**

According to Conor Burns there is a huge amount we could be doing already and haven't done so notwithstanding the remaining issues of disagreement with the EU.

### **Export Potential**

Drawing on themes raised earlier in the day the panel believes the route to growth lies in

export opportunities. According to government figures, only 11% of British companies are devoted to export.

## **Regulators to facilitate not obstruct**

Echoing the words of Baroness Mobarik, the Minister said the government and regulators are now working alongside companies in their quest for overseas opportunities rather than as an obstacle. Export promotion fairs are one of a number of ideas currently being considered.

## **Sun sets on EU Regulation**

2,400 EU regulations have been incorporated onto British business, on which sunset clauses apply. The date on which they expire, originally between 2026-28 has now been brought forward to 2023.

## **Regulations slashed**

In addition, as of **3<sup>rd</sup> October 2022**, the government will widen regulation exemptions granted to small businesses to companies with fewer than 500 employees, widening the scope from the current limit of 250 workers.

## **‘Fair, proportionate & evidence-based’**

Speaking on behalf of Amazon UK, John Bounphrey extolled the virtues of UK Common Law as the best legal framework within which to do business. That he believes will be a real boon to future US-UK trade relations and a promising sign of further future business expansion with other US tech companies.

## **Inherent Tension**

Mark Garnier MP highlighted the tension which exists between any two parties negotiating a trade deal. On agriculture there will be inevitable tensions between the UK and Australia for example, a matter already discussed in great depth by Catherine MacBride elsewhere on these pages.

But the net benefits to both promise to far exceed the costs.

## **Complexity**

What surprised the audience was the sheer complexity of any trade deal however desirable. A typical trade deal comprises 8 volumes and two-and-a-half THOUSAND pages. And that was just the summary!

## **Planning**

In or out of the EU, planning law in Britain has always been problematic and a break on economic growth. The Secretary of State was at pains to point out the politics of planning and to say that any new developments must proceed with caution and in a way that is broadly supported by those most affected.

By way of illustration, the building of Sizewell C nuclear plant has resulted in 140 judicial review appeals.

## **Safety**

In a familiar refrain there would be no compromise on standards. To that extent there would be no question of reneging on previous EU law.

## **Discretion**

In the nuclear example above, operational safety would remain in strict accordance with EU standards, but the ability to widen road access to the plant could be at the discretion of the government.

## **NIP – Technical discussions are underway**

Conor Burns says relations between the UK and Irish governments are improving. If the Protocol can be fixed, he believes this will provide a gateway to discuss wider trading relationships with the EU. He remains optimistic. As ever CIBUK will scrutinise developments.

## **Closer to Home**

The panel acknowledged the huge challenges facing the UK in or out of the EU. Nine million people of working age in this country remain economically inactive. Many are over 50 years old, with a wealth of experience which appears to be going to waste.

## **Improve the Message**

The panel conceded that the government has not made a better case for Brexit and its current and future opportunities. Much more needs to be done there to engage with the public and keep them involved in our future role as global pioneers.

## ***Conclusion***

**The post-Brexit verdict? Much done, much left to be done. The discussions have been enlightening and important themes have emerged across the various talks.**

**As ever at CIBUK we will continue to monitor government progress across the piece and keep them to the promises and commitments they have made with particular regard to the points raised by the panellists in the discussions above.**

**About CIBUK:** The Campaign for an Independent Britain ([CIBUK](#)) is a non-party political campaigning organisation of people from all walks of life. It is the UK's longest-running membership organisation for freedom, democracy and independence.

Founded in 1969, for over 50 years the CIBUK has made a significant contribution in campaigning on issues important to the majority of our population and in securing our exit from the European Union. Now it's time for the next chapter.