

# Brexit has piled up costs and paperwork for U.K. companies, report says

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A report by Britain’s parliamentary watchdog <sup>(1)</sup> released Wednesday says companies are facing increased red tape<sup>(2)</sup>, costs and delays because of the U.K.’s withdrawal from the European Union, on top of disruptions caused by the coronavirus pandemic and supply-chain<sup>(3)</sup> constraints.

10 The report, prepared by the House of Commons Committee of Public Accounts, noted that trade volumes have declined because of the pandemic and “wider global pressures” since the Brexit transition period ended on Dec. 31, 2020.

15 While it may not be possible to isolate the effects of these individual elements on trade, “it is clear that EU exit has had an impact, and that new border arrangements have added costs to business,” the report says.

These increased costs may come from companies having to pay intermediaries to assist in completing customs<sup>(4)</sup> declarations. Traders in sanitary and phytosanitary goods that are selected for physical inspections are required to pay fees<sup>(5)</sup> to the port and the government, the report says.

20 The committee recommends that the government identify all additional costs incurred by companies and pinpoint opportunities to reduce administrative burdens<sup>(6)</sup>.

25 In addition to added costs in trade, new border arrangements will be tested once travel involves more-normal passenger numbers, the report says. Because of the pandemic, passenger volume has been a fraction of what it was before 2020. As that number starts inching toward normal levels — and as the E.U. undertakes its planned introduction of the Entry/Exit System (EES) in the first quarter of 2022 — there is a risk “it will take longer to process passengers traveling from the U.K. to the E.U.,” the report warns.

30 The EES is meant to end the manual stamping of passports and instead register travelers from third countries through an automated IT system<sup>(7)</sup> every time they cross an E.U. external border.

In another finding, the report states that the U.K. government’s ambition to have the “world’s most effective border by 2025” relies on implementing large scale digital programs, which the government “does not generally have a good track delivering.” The committee recommends the government lay out the timetable for its planned program.

35 In a news release published on Dec. 31 celebrating the first anniversary of the U.K.-E.U. Trade and Cooperation Agreement, 10 Downing Street said that since the agreement was signed, “the Government has sought<sup>(8)</sup> to capitalize on new freedoms by cutting red tape for businesses,” along with restoring the crown stamp to the side of pint glasses and other measures.

40 The Tory<sup>(9)</sup> government has also said exiting the E.U. has allowed the U.K. a faster coronavirus vaccine rollout, but this claim has been disputed by experts at the Institute for Government, BBC fact-checkers and the head of the medicines regulator (MHRA).

45 <https://www.washingtonpost.com/world/2022/02/09/uk-brexit-eu-increase-cost-paperwork/>

Notes:

- (1) person who monitors activities of parliament (in this case)
- (2) paper work
- 50 (3) logistics
- (4) administration at border control
- (5) charges,
- (6) a load,
- (7) computer system
- 55 (8) past of seek, to look for/want
- (10) Conservative party