

**A WORKSHOP FOR
ADVANCED
MANUFACTURING
BUSINESSES**

TUESDAY
MARCH 23 2021
10:00 – 11:15

**BUILDING ON
THE UK-EU
TRADE
AGREEMENT**

REGISTER FOR
YOUR FREE TICKET
HERE

FOR
BUSINESSES
BASED IN
WEST YORKSHIRE
OR YORK
AND NORTH
YORKSHIRE



Department for
International Trade

York & North Yorkshire
**LOCAL ENTERPRISE
PARTNERSHIP**

LEP Leeds City Region
Enterprise
Partnership

23th March, 2021

Karl Dalglish, Director Kada Research



PART 1: Introductions

Introduction:

5 minutes

Speaker 1:

**Jennie Holdstock/Amanda Potter,
West Yorkshire Combined Authority**

**Overview of our work and
workshop contents**

5 minutes

Speaker 2:

Karl Dalgleish, Director, Kada Research

Research highlights

10 minutes

Speaker 3:

Prof Alex de Ruyter

**Introduction to the
co-operation agreement
and the implications,
challenges and next steps**

15 minutes

Karl Dalgleish, Director, Kada Research

PART 2: Global Trade Insights

Manufacturing global context

**EU-UK T&CA: Implications
and impacts**

**Implications, Opportunities
and Considerations for
Manufacturers**

The emerging shape of FTAs

20 minutes

Speaker 3:

Mark Beresford

PART 3: Discussion

Discussion:

Questions for panel

**Share your
experience of
the new trading
conditions or new
opportunities you
are thinking about**

**Tell us what help
businesses need**

20 minutes

All plus

**Safiye Ozcan,
Kada Research**

Overview of our work

Commissioned in November to assess the outcomes from the UK's departure from the EU and maximise international opportunities.

EU exporter survey

Trade and inward
investment statistics
for WY and Y&NY

Follow-on
interviews,
case studies
and EU exit
video diaries

Purpose: share and discuss emerging priorities of relevance to those involved in trading with the EU and beyond and inform the business support.

EU Exit Business Preparedness Survey Headlines*

Most Relevant Issues and Concerns



Top 3 EU Exit relevant issues

Maintaining customers and suppliers (83%), taxes, tariffs and VAT (80%), new customs duties/regulations (76%).



Top 5 business concerns

Lack of clarity (77%), costs (62%), dependency on supplies (56%), complexity (53%), supplying EU on time (51%).



Top 3 preparation challenges


Uncertainty (77%), lack of applicable information (52%), lack of information or expertise (44%).




Top 3 barriers to working with EU businesses

Increased costs of trade, changes to rules and regulations and loss of frictionless trade (75%, 62%, 62%).

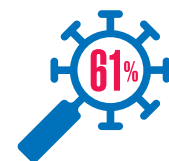
Preparations and Markets



49% 'totally' or 'mostly' prepared, 35% somewhat, 13% 'not prepared' or 'totally unprepared' (3% n/a).



19% addressed all EU Exit issues, 35% majority, 15% major issues, 15% some issues, 16% no measures at all.




61% EU preparations not affected by Covid-19



26% exploring international markets including North America, Asia and Africa (10%, 7% and 6%).


Information and Support




44% could not find information needed, 37% found 'some' or 'all'



43% of LCR and 39% of Y&NY businesses would like more info



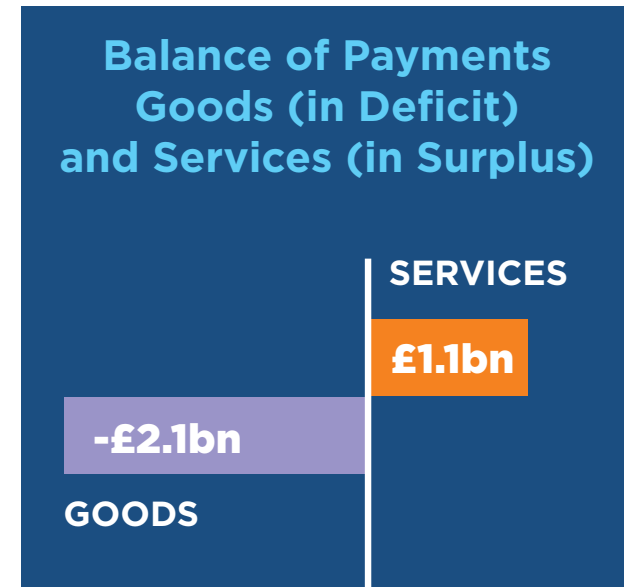
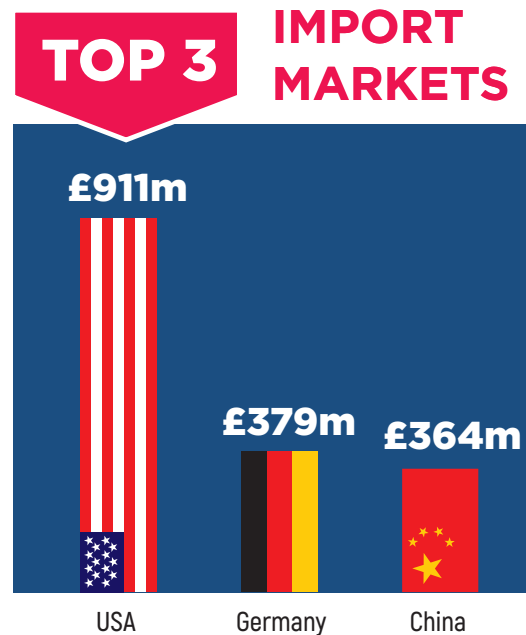
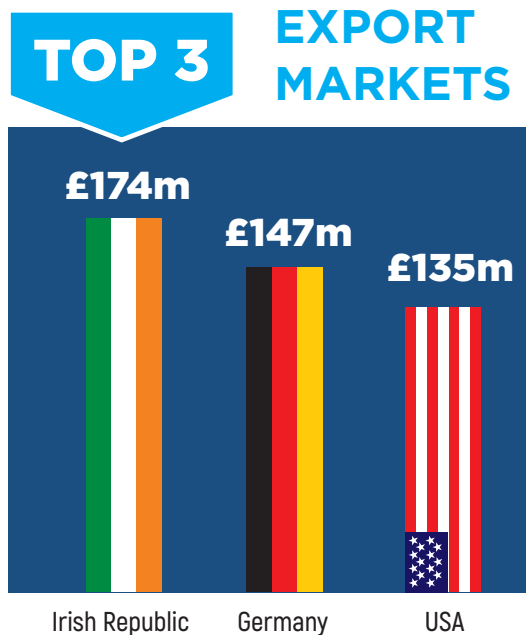
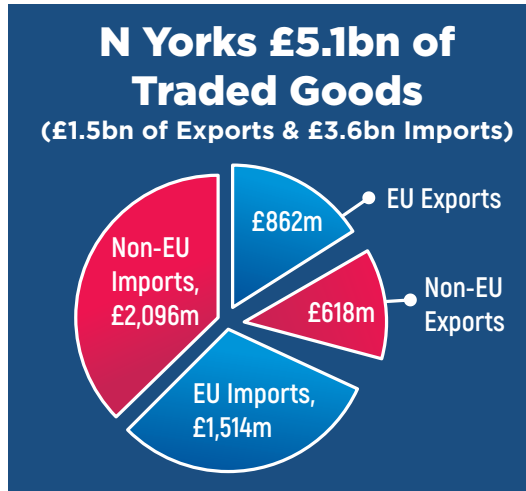
66% requested on-line tools



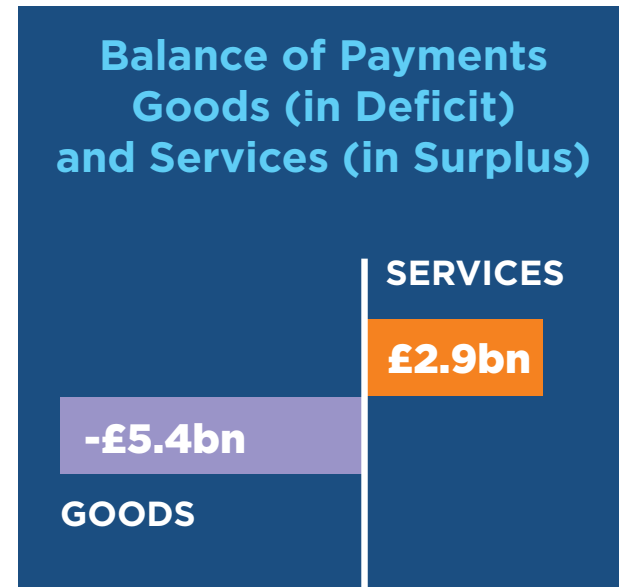
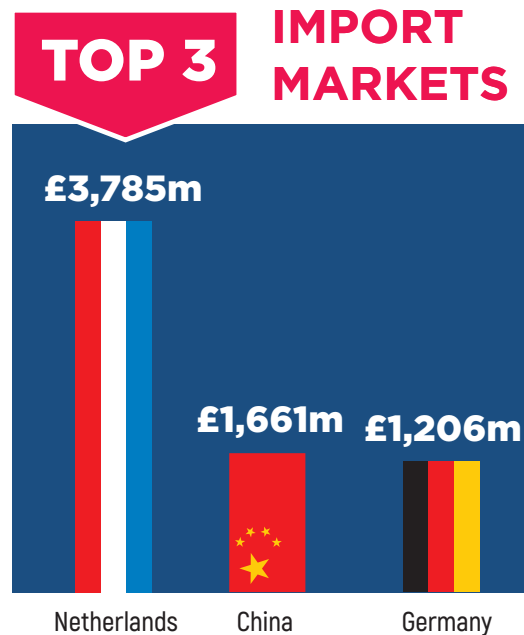
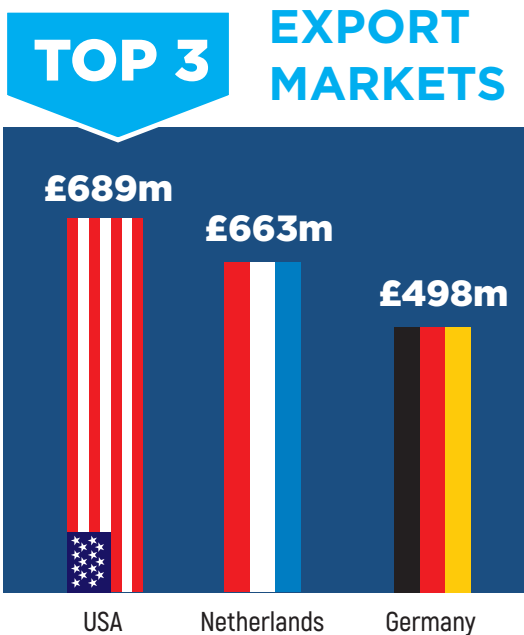
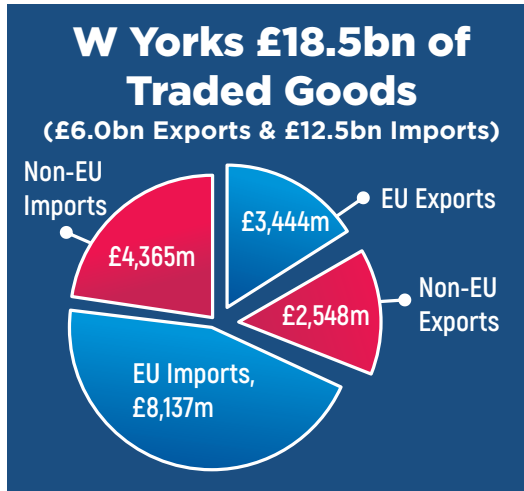
Hot topics: customs, travel, trade (43%, 37%, 36%)

*Conducted by Kada Research Ltd in December 2020 with 151 businesses trading with the EU or thinking about it. 97 responses from the Leeds City Region (LCR) and 54 from York and North Yorkshire (Y&NY).

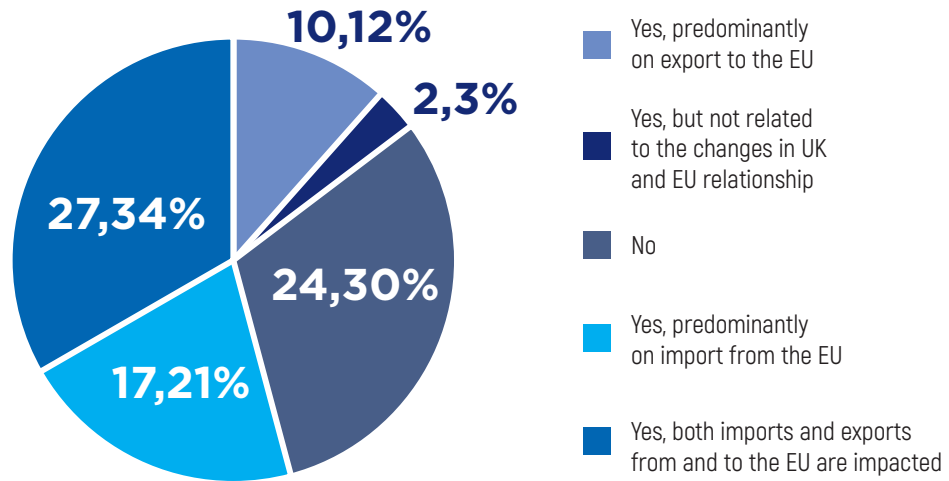
North Yorkshire International Trade Headlines including EU Exposure



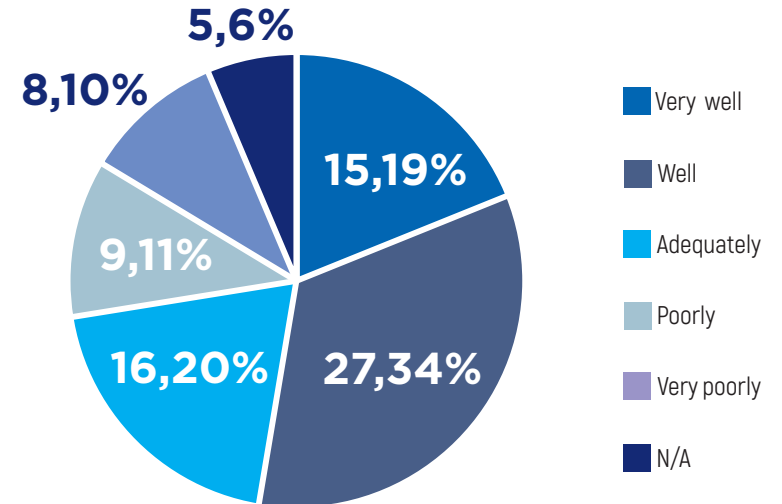
Leeds City Region International Trade Headline including EU Exposure



Have you experienced any supply chain disruption since January?



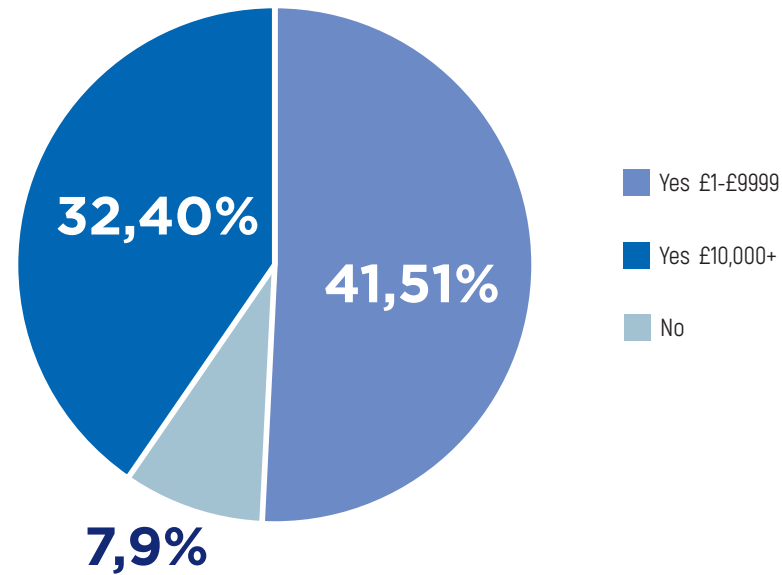
How well are you managing the new relationship?



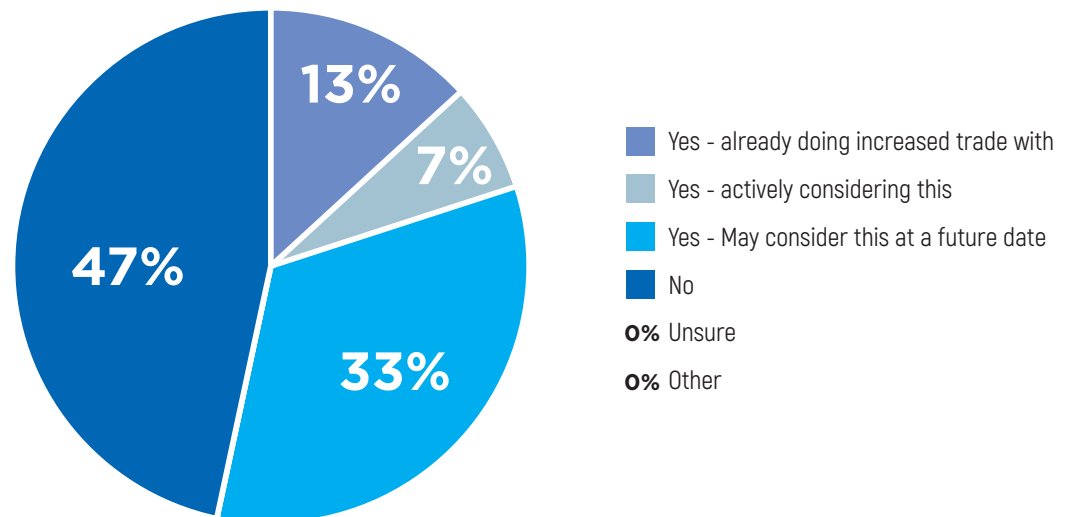
Actions taken since the UK's Exit from the EU



**Have you incurred costs with the new arrangements?
(All firms, WY)**



**Are you considering increasing trade with existing non-EU market partners as a result of the EU Exit?
(Advanced Manufacturing, WY)**



Diversity*

- ♀ **Female led businesses**
- **Less prepared**
 - **Less likely to find business support needed to prepare**
 - **B A M E led businesses less prepared for EU Exit as a result of covid**

Female and BAME led businesses slightly more likely to be exploring new markets outside EU

***Data for WY only**

What are manufacturing businesses telling us about the effects?

EU Customs clearance and documentation is a challenge. “Customs declarations are a pain but generally we have started exporting well since the EU exit.”

Increased freight and shipment costs.

Those with a strong client base continuing to see orders. “If you make the right product at the right price, people will continue to buy it.”

“The delays are causing problems for us and this is a barrier for our inward/outward supply chain.”

Many anticipate issues will settle down.

It is difficult to differentiate whether issues are caused by Covid or Brexit. It is more difficult to get imports from Europe via a short-notice ‘one-off transportation’.

“Costs are in time, efficiency, resource and trade in our exports.”

UK businesses are struggling to get arrangements for short-notice transport.

Problems with courier capacity and paperwork. “We’ve had parcels stuck in Poland for 2 weeks. Previously it would have taken 2 days.”

“We have to spend lots of time calling couriers asking for details and figuring things out.”

VAT is causing confusion.

NI and Ireland challenges. “Irish buyers have low motivation to buy from UK companies at the moment due to the extra requirements.”

What are manufacturing businesses telling us about the support on offer?

Consistent advice is needed.

“A direct point of call who can give you direct access or referral to specific knowledge.”

“Online is ok. Conferences are good, we read all information. We want to be able to interact and have someone that we can talk to who can offer us 1-2-1 expert advice.”

“The Government was sending emails. That information was good and I thought it was a good job considering the uncertainty.”

“We need more advice about exporting and what we are doing. We are stumbling through.”

“When little things go wrong, we haven’t been able to access specific enough support that we need.”

“In terms of business support, we will be looking to receive practical advice from our forwarders, as they are the people handling our work on the ground. We also take advice from our accountants on finance related topics.”

Preparations (Business insights)

- “There are so many Government departments putting their views forward, it can be overwhelming. We would like an advisory service that looks specifically at our business and provides bespoke advice.”
- “Lack of capacity is a key issue for us as we are a microbusiness.”
- “We have a strong customer-base overseas, and whatever happened with the EU exit we were going to make it work.”
- “We felt totally prepared and nothing has changed.”
- “We tried to keep a limited supply chain in the past, but after Covid-19 we have bolstered our supply in order to limit the risk of supply chain breakages due to covid. So we put in place stocks for Covid-19 and the UK’s Exit from the EU, to build up our resources.”
- “The company has allocated specific budget and a dedicated team that focuses on the the UK’s Exit from the EU.
- “We were prepared and found everything that was relevant before EU Exit.”
- “We did stockpile before The UK’s Exit from the EU.”
- “Without Covid-19, we would have been able to communicate more efficiently with suppliers, and sort out our problems and prepare better for the UK’s Exit from the EU.”
- “People were trying to prepare with limited information, and now the deal has been announced, we need updated support.”
- “Part of our group is based in Europe with warehouse facilities. We moved a lot of our goods to these warehouses and this cut costs on small volume orders.”

Discussion

**Share your experience of
the new trading conditions
or new opportunities you
are thinking about**

**Tell us what help businesses
need and how it should be
delivered**