

BCF Brexit impact survey results

The British Coatings Federation (BCF) is the trade association representing the manufacturers of paint, printing inks and wallcoverings.

In January and February 2017, the BCF surveyed its members as part of a wider chemical supply chain survey, resulting in a comprehensive overview of how 29 BCF member companies feel about how the future economic and regulatory landscape of Brexit Britain could affect their businesses.

The survey was prepared in consultation with the Department for International Trade, the Department for Business, Energy and Industrial Strategy, and the Department for Environment, Food and Rural Affairs. The 20 questions will help inform policy on trade, regulatory and migration issues which the UK Government will negotiate with the EU now Article 50 has been triggered.

The respondents are representative of the coatings industry. 65% of respondents are UK-owned (with 84% of these being SMEs), and 35% foreign-owned (with 70% of these having a turnover of over £50 million).

Key findings from the survey:

- 86% of companies confirmed that trade with the EU is important to their businesses, with 65% of raw material imports coming from the EU
- 10% of companies said they would consider moving their coatings manufacturing business operations to mainland Europe if there is no access to REACH or the single market
- 76% said that separate regulatory requirements for the UK would be negative or overwhelmingly negative for their business
- 93% said REACH is of high importance for their businesses to operate, and 82% say the same for CLP
- 61% said that annual costs of regulatory compliance would go up once the UK leaves the EU
- Only a third saying that existing models for free trade agreements with the rest of the world would be beneficial
- 80% of companies see Brexit as a risk
- 34% of respondents said skilled labour from the EEA is important or critical to their business, and 38% see skilled labour as somewhat important. However, 59% saw unskilled labour as not important, and only 14% said unskilled labour is important or critical
- 62% said innovation/R&D funding from the EU is not important e.g. innovation grants from Horizon 2020

We call on government to take heed of this information when formulating future UK chemical regulatory policy ahead of the Brexit negotiations.

For more information on the survey, please contact ellen.daniels@bcf.co.uk