

(UK) Parliamentary Committee publishes aerospace industry Brexit evidence

On 20 November the Business, Energy and Industrial Strategy Committee (BEISC) of the House of Commons (Lower House) of the Westminster Parliament published the written evidence for its Brexit inquiry on the British aerospace industry.

Over recent weeks this Committee has received written evidence submissions from the following: ADS Group, Aerospace Technology Institute, Airbus, Boeing, Department for Business, Energy and Industrial Strategy, General Aviation Manufacturers Association (GAMA), GMB, Royal Aeronautical Society, UK Trade Policy Observatory, and Unite the Union.

Rachel Reeves MP, Chair of the Business, Energy and Industrial Strategy Committee, said: *‘The evidence we have received suggests the impact of Brexit and increased customs checks could mean a potential £1.5bn in added costs for the UK aerospace sector. That is extremely worrying and risks making our aerospace industry less competitive and driving up costs at a crucial time for our economy. The extra costs could have a negative impact on future investment decisions. Our committee is keen to hear from the industry what it wants from the Government to ease their uncertainties and ensure the smoothest possible transition as we leave the EU.’*

One valid section of the evidence is that concerning navigation systems which reads:

‘Post-Brexit, the UK should seek full and unfettered access to EU Research and Innovation programmes post 2020, continuing to contribute as full and voting members of strategic programme committees.

‘Such access should include ongoing participation of UK businesses to existing EU and Horizon 2020 projects, the planned European Defence Research Programme, as well as EU coordinated Space programmes such as Copernicus and Galileo. In addition, reciprocal rights for researchers to move freely across Europe to engage, participate and lead EU funded research projects in which the UK is involved, would be vital.

‘A lack of UK participation in both current and future EU funded programmes would impact the global competitiveness of our sectors, as it would remove the opportunity for a range of supply chain UK business to be involved in ground-breaking cross-border innovation not possible at a national level.

‘Any loss of UK infrastructure, facilities and knowledge could also see delays and disruption to the testing, evaluation and eventual market entry timescales of future large scale demonstrators designed in the UK.’

The written evidence submissions were published and are available here:

<http://www.parliament.uk/business/committees/committees-a-z/commons-select/business-energy-industrial-strategy/inquiries/parliament-2017/inquiry2/publications/>)

ahead of the BEIS Committee public evidence session timed for 21 November at 1000 when is likely the Committee will examine the impact of Brexit on the aerospace industry, in terms of manufacturing, jobs and regulation.

That evidence session in Committee Room 6 will consider how different scenarios relating to future customs and trading arrangements might affect the industry in the UK and consider what the Government should be seeking to achieve in negotiations.

Witnesses include Simon Henley, President-Elect, Royal Aeronautical Society, Katherine Bennett, Senior Vice President, Airbus UK, and Paul Everitt, Chief Executive, ADS Group.

To watch live Committee work by on-demand on the Parliament TV channel readers are invited to see: <http://www.parliamentlive.tv/Event/Index/543ca042-e44a-48d0-9bd5-5321c2ca0f0e>

Background notes

The Business, Energy and Industrial Strategy (BEIS) Committee inquiry on the implications of leaving the European Union for British business is being conducted on a sectoral basis, including sectors such as civil nuclear, automotive, and aerospace sectors.

It is understood that the Committee aims to establish how the interests of different sectors should best be pursued both in the negotiating process and post-Brexit and attempts to examine a range of issues relating to market access, non-tariff barriers, regulation, skills, R&D, trade opportunities and transitional arrangements.

The Committee’s first session on 1 November looked at the civil nuclear sector, including membership of Euratom.

On 14 November the Committee held an evidence session on the automotive sector.

Following the Committee session on aerospace, the inquiry will continue with evidence sessions on the Processed food and drink sector and the Pharmaceuticals sector.

BEIS Committee Membership:

Rachel Reeves MP (Chair) (Lab, Leeds West)

Vernon Coaker MP (Lab, Gedling)

Drew Hendry MP (SNP, Inverness, Nairn, Badenoch and Strathspey)

Stephen Kerr MP (Con, Stirling)

Peter Kyle MP (Lab, Hove)

Ian Liddell-Grainger MP (Con, Bridgwater and West Somerset)

Rachel Maclean MP (Con, Redditch)

Albert Owen MP (Lab, Ynys Môn),

Mark Pawsey MP (Con, Rugby)

Antoinette Sandbach MP (Con, Eddisbury)

Anna Turley MP (Lab, Redcar).