

Press release

BDI on the anniversary of the Brexit referendum:

“A hard Brexit is more likely than ever before”

- Only damage control is at stake now
 - Do not underestimate the problems
 - No renegotiation of the withdrawal agreement
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“Three years after the referendum, no one talks about the opportunities associated with Brexit anymore. Only damage control is at stake now, unfortunately. A hard Brexit is more likely than ever before,” Joachim Lang, Director General of the Federation of German Industries (BDI), said Saturday in Berlin ahead of the third anniversary of the Brexit referendum.

A tenacious uncertainty continues to plague the economy. Companies and administrations have already incurred many costs for Brexit preparations. And it still remains unclear what path the United Kingdom will take, Lang stressed. Everything is lacking: “There is no British government, no economic policy plan, and the British contingency measures also leave a lot to be desired.”

What is now needed are decisions: “The preparations have generated significant costs in the economy. The new government in London should swiftly say what future relationship it is seeking with the EU. Otherwise, the situation will become very difficult for our companies in the country,” Lang added.

Lang warned against underestimating the problems: “For the first time in EU history, trade barriers are being raised and not dismantled. This is hitting value chains hard. These effects cannot even be analysed yet. Things could get much worse than expected.” This is why it is crucial for London to accept the negotiated withdrawal and transition agreement. “The German

government and the European Commission are right to stick with the negotiated deal. There should not be any renegotiation. It is also in the German economy's interest that internal market rules are respected at the Irish border over the long term. This will only succeed with the backstop.”

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