

**BDI**Bundesverband der  
Deutschen Industrie e.V.

## Press release

### BDI on Brexit: “Withdrawal is the right step on the wrong path”

- Without an extension of the transition period, only a basic agreement is possible
  - EU must protect businesses from unfair competition
  - A hard Brexit at the end of the year is not off the table
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Presse und  
Öffentlichkeitsarbeit

The withdrawal of the United Kingdom from the EU on Friday is the right step on the wrong path, according to the Federation of German Industries (BDI). “The uncertainty surrounding the withdrawal may be over, but there is no reason to be relieved,” BDI Director General Joachim Lang said on Tuesday in Berlin. During the transition period, little will initially change for businesses, but the future of the relationship between Brussels and London remains totally unclear.

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It is obvious that the transition period’s limited time will not be enough to conduct negotiations on a comprehensive free trade agreement, Lang underlined. A comprehensive free trade agreement affects many areas that must be approved by Member States’ parliaments. “It is simply impossible to complete this task by the end of the year.” The negotiators need significantly more time. “I believe it is a serious mistake for the British government to categorically rule out an extension of the transition period,” Lang said.

By the end of the year, the EU and the United Kingdom can only achieve a basic free trade agreement that governs only fields under sole EU competency. Important elements of a comprehensive free trade agreement would be omitted. “We would be miles away from a modern free trade agreement such as the one with Canada, for example,” Lang stressed. From the business perspective, such a basic agreement must at the very least renounce tariffs and quotas – and contain a clear commitment to fair competition, he said: “The EU cannot leave any doubt: those who will

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diverge from EU rules will not get the best access to the world's largest internal market. We expect the EU to act in a united and strong way.”

Brussels and London must also conclude other agreements, for instance on aviation or posted workers.

“The risk of a hard Brexit is not off the table,” Lang emphasized.

“Lawmakers in Germany and Europe must prepare for the possibility of the negotiators not reaching an agreement by the end of the year. We once again deem it necessary for politicians to promptly and concretely communicate their intentions for a no-deal Brexit.”