Press release
Tuesday 7th December 2021

Ongoing Brexit import delays set to hamper supply chains in the run up to Christmas - according to new data from the French Chamber of Commerce in Great Britain

- 76% of firms reporting delays to imports with 42% taking an additional 2-3 weeks
- Delays continue to worsen, with 8% increase in delays from Q1
- 82% of businesses report increased logistic costs, up 15% on Q1

One year on from the official final transition from the EU, UK businesses continue to see increasing Brexit-related delays to imports from the EU, according to the latest Franco-British Business Report, released today by the French Chamber of Commerce in Great Britain (CCFGB) and data science consultancy, Ekimetrics. The latest figures present potentially serious supply chain issues in the run up to the festive period.

82% of firms said logistic costs have increased for imports, 15% more than in Q1 this year, while 43% said costs have increased for exports. The 2021 Q3 report, highlights that UK based organisations are facing critical challenges including an increase in logistics costs, delays in import and export of goods, and talent attraction from the EU.

79% of firms experienced delays when importing or exporting goods, 8% more than in Q1. Meanwhile, there has been an 18% decrease in the total volume of goods imported and exported. Total trade in goods and services (exports plus imports) between the UK and France was £74.2 billion from the four quarters to the end of Q2 2020. This decreased by 13.6% and was £64.1 billion[1] in the four quarters to the end of Q2 2021. Resolving these issues is vital if businesses want to prosper.

This report forms part of a live dashboard tracking the state of Franco-British business and the impact of Brexit on the medium to long term, built by Ekimetrics on behalf of the French Chamber, which can be viewed here.

As well as the clear impact this has had on the ease of doing business cross-channel, it is also having repercussions on UK workforces.

46% of firms decreased the proportion of new hires from the EU (15% more than in Q1), while 67% have reduced their hires of interns & VIEs due to new immigration rules. 30% of the firms reported the primary reason for doing so is the increase in costs associated in the recruitment of EU nationals. 30% of businesses reduced their UK headcount directly as a result of Brexit.

Commenting on the findings, **Marilise Saghbini, Director at French Chamber of Great Britain said**: "What this data reveals is that supply chain issues between France and the UK don't seem to be getting any

better since the start of the year. What we're most concerned about are the reduced numbers of young people having access to career opportunities on both side of the Channel – youth mobility is a critical issue to get right as we build beyond Brexit in 2022."

Matt Andrew, UK Managing Director, Ekimetrics, adds: "Our data analysis reveals a unique view into the ongoing trade challenges between France and the UK. This real-time data is essential in equipping the French Chamber with the vital information it needs to help support trade between the two nations."

Kamran Razmdoost, UK Dean, ESCP Business School: "This data helps us to understand the challenges we are facing in attracting European talent to the UK, and to think of solutions that address those challenges. It is a great tool for policy makers to inform their evidence-based narratives and strategies. As a world-ranked provider of business education with campuses on both sides of the channel, ESCP Business School is committed to preparing both students and executives to make better choices for tomorrow's business world. The Franco-British Business Dashboard can play an important role in establishing facts and dispersing myths - an asset for UK-EU business relationships."

Notes to editors

Methodology
Survey data is collected on a quarterly basis from the membership of the French Chamber of Great Britain made up of 400 companies. In order to calculate estimates for the entire UK business population from the sample survey data, Ekimetrics uses standard statistical weighting methods that are in line with ONS methodologies for the Annual Business Survey. In particular, the industry of respondents (declared within the survey using SIC sections*) is used to correct for any bias in the sample. Essentially, responses are weighted according to the following two factors: population weight - the proportion of companies in the UK that operate in a given industry. Sample weight - the number of companies in a given industry within the sample for a given question. *SIC, or Standard Industrial Classification, is a standardised hierarchy used in the UK to classify businesses by economic activity. Sections is one level within this hierarchy. You can find out more about the SIC here.

About Ekimetrics
Founded in 2006, Ekimetrics is the European leader in data science for business. It brings together over 240 data scientists, has a presence in more than 50 countries worldwide, and has implemented in excess of 1,000 data science projects that have generated over EUR 1 billion in profits for its clients since 2006. Ekimetrics helps its clients to optimise their performance marketing, engagement with the end customer, and operational efficiency. Ekimetrics also uses data to advise companies on how to upgrade their products and services.

About the French Chamber of Commerce in Great Britain
Established in 1883, the French Chamber in Great Britain fosters business relationships and deepens the strong economic ties between France and the UK by delivering connections, insight and a voice to its members.

[1]UK Gov, Department for International Trade