

German firms threaten to pull cash from UK without Brexit certainty

[Catherine Neilan](#) (Head of Politics and Investigations at City A.M.)



German firms are reluctant to invest in the UK at the moment (Source: Getty)

The voice of German business in the UK has issued a veiled threat over the future direction taken in Brexit negotiations, warning major firms could stop investing without continued free access to the EU.

Germany Industry UK, which represents the likes of BMW, Lufthansa, Rolls-Royce and Volkswagen, has said its members need "certainty and clarity about the way forward sooner rather than later".

It noted: "There is some reluctance from German business to invest in the UK with projects on hold because of the uncertainty about the future and with only nine months left before the UK leaves the EU, time is running out.

"German business would like continued free access without tariff and non-tariff barriers for our exports to the UK and continued free access without tariff and non-tariff barriers to the EU for our exports from the UK, one of Germany's most important markets worldwide."

If the UK government pursues its new customs deal - known as the facilitated customs arrangement - it should operate with "minimum customs declarations and quota restrictions", the lobby group said.

Its intervention comes as Cabinet ministers head to Chequers for a crunch summit. Last night several big hitters, including Boris Johnson and David Davis, were said to be "livid" at the Prime Minister's new proposals, with at least one threatening to resign.

However Theresa May is planning to stare them down, with reports that she is prepared for resignations with a reshuffle plan being held over them.

It follows the likes of Airbus, who recently warned it would pull out of the UK in the event of a no deal, putting up to 14,000 UK jobs at risk.

Bernd Atenstaedt, chairman and chief executive of GIUK, said: "We look forward to the white paper on Britain's future trading relationship with Europe to be published next week. Hopefully this will finally give us the certainty and clarity we need."