

BRITISH CHAMBERS OF COMMERCE EU REFERENDUM BRIEFINGS

TRADE WITH NON-EU MEMBER STATES WITH EXISTING EU TRADE AGREEMENTS

Focus groups held across the country over Q4 2015 - Q1 2016 raised the UK's future trading relationship with non-EU states as a core issue for this referendum. Trade agreements, which are negotiated by the European Commission for the EU as a whole, are in place with some of these countries. They stipulate preferential terms for international trade and typically cover import/export duties, customs requirements and product standards. Our focus groups demanded clarity on what would happen to existing free trade agreements in the event of a 'remain' or 'leave' vote.



The UK is one of the world's most open economies with the combined value of exports and imports equal to 60% of GDP. Non-EU states, collectively, receive 55% of what the UK exports overseas by value, and account for 47% of imports into the UK.



*The official Leave campaign says:



A vote to leave will, in and of itself, have no legal consequences for the continued applicability of third-country trade agreements to the UK. After the vote, the UK can begin negotiations to maintain existing third-country agreements or improve upon them immediately.

It will be in the interests of third countries to maintain existing agreements with the UK. If the UK makes clear it wants existing agreements to be maintained on current terms, there is little cause to think any third country with which the EU currently has a free trade agreement would disagree.

The UK would also improve upon the trade agreements that the EU has negotiated. The EU's trade deals are relatively unlikely to include services. Whereas 90% of Chile, South Korea, Singapore and Switzerland's free trade agreements include services, just 68% of the EU's trade agreements do.”

*The official Remain campaign says:



Remaining in the EU will mean continuing our unfettered access to the 500-million-person single market in both goods and services. Being in the single market is the best possible trading arrangement on offer to the UK, with full market access, influence over regulations and zero tariffs. There is no free trade agreement that can replicate these benefits.

Within the EU, businesses will also be able to continue benefiting from the free trade agreements the EU has reached with countries around the world, with deals already in place with over 50 countries, and more to come, like the U.S. or Japan. This will boost GDP and open up global markets, therefore increasing trade opportunities. By working together with other European countries we ensure we have as much weight in negotiations as possible, so we can keep on reaching deals that work for British businesses.”

For more information on the official Remain and Leave campaign positions on this and other issues please visit:

Vote Leave: www.voteleavetakecontrol.org

Britain Stronger In Europe: www.strongerin.co.uk