

EU REFERENDUM

Trade

What agreements are currently in place to allow the UK to trade within the EU and with other countries?

As a member of the EU, the UK is part of a customs union, with no trade tariffs or customs controls on goods moving within the EU, and a common tariff applied to goods entering the EU from the rest of the world. The EU's single market is also meant to ensure the free movement of services, capital and people among the member states.

The EU over the years has also secured a number of trade agreements with countries outside of the EU like South Africa, Egypt and Mexico. These agreements make the transfer of goods and services between the countries faster and less costly by harmonising trade standards and regulations and in some cases removing tariffs. According to research from Open Europe, the trade agreements the UK is party to via its EU membership currently covers around 60% of the UK's trade.

Should the UK remain a member of the European Union?

Yes



No



It is unlikely that the UK's participation in any trade deals between the EU and other countries would change should the UK remain in the EU.

The following countries are currently in the process of either ratifying or negotiating a trade agreement with the EU:

- Canada
- USA
- Brazil
- Western Africa (Nigeria, Senegal etc)
- Saudi Arabia

Should current negotiations be successful with all of these countries, this would increase the amount of UK trade subject to free agreements via its EU membership to 85%.

According to the [Open Europe research](#), a number of options could be pursued by the UK to trade within Europe in the event of a Brexit:

1. European Economic Area (EEA) membership
2. Trade & Bilateral agreements
3. World Trade Organisation standard terms
4. "Single-Market Lite"
5. A UK-EU Free Trade Agreement

All of these options would require negotiation between the EU and UK. While goods and services would likely be included, in the case of EEA and "Single-Market Lite" options, the EU would likely require free movement of people between the EU and UK.

These agreements would also require the UK to meet the regulatory requirements of the EU market, but would give the UK zero or very little input into what those regulatory requirements would be.

In addition, the UK would need to establish new trade agreements with countries that currently have agreements with the EU. However, this would offer the UK the opportunity to establish agreements with countries the EU has previously ruled out; like China