

Examples of potential enhancers and areas for improvements to WTO trade and to the WTO baseline for the UK in a no-EU deal scenario

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1. Civil aviation	
Impact of no contingency	Commercial flights between the EU and UK are stopped (as are flights between the UK and the US, due to the UK falling out of the EU-US Open Skies agreement).
Legal considerations	There are no WTO constraints on aviation agreements. International aviation liberalisation generally remains outside the remit of WTO agreements.
Political considerations	A sudden end to air traffic would create major disruption to movement of people and goods between the EU, the UK and the US. This would likely provide compelling reasons for both Brussels and London to extend UK coverage under current aviation arrangements or negotiate new ones.
Practical considerations	<p>Negotiating new EU-UK or UK-US aviation agreements could be lengthy and difficult, given competing interests of airlines (EU airlines may seek to restrict access for UK airlines at EU airports).</p> <p>Adding the UK as a third-party country to current arrangements (within the EU and between the EU and US) might prove simpler and quicker. This has been done for Norway and Iceland, although they are EEA members and it still took 18 months to add them to the EU-US Open Skies agreement after it was signed.</p> <p>These agreements need to be approved by the European Parliament, which can take up to a year, but can be provisionally implemented by the European Commission once signed.</p>
2. Customs facilitation	

Impact of no contingency	<p>Fully-fledged customs formalities would be re-imposed on EU-UK trade. The number of customs declarations processed by the UK could potentially increase fivefold. Personnel and facilities are lacking on both sides of the frontier, making major logjams at crossing points and disruption to movement of goods inevitable.</p> <p>This also creates problems behind the border, as it becomes difficult for EU and UK companies to source in each other's market in a smooth and timely manner.</p>
Legal considerations and small ad hoc deals	<p>A customs cooperation agreement could be reached between the EU and UK outside the framework of a free-trade agreement, without violating WTO rules on preferential treatment. The EU already has customs cooperation agreements with China and the US.</p> <p>Short of a full customs facilitation agreement, the EU and UK could also agree on small ad hoc deals such as mutual recognition of authorised economic operators.</p>
Political considerations	<p>The disruption at the border would be massive and sudden, creating problems for both sides and immediate incentives to relieve the burden placed on their customs authorities.</p> <p>The scope of disruption would likely be greater for the UK, given that almost half its trade is with the EU and many of its ports in the South and the East trade almost exclusively with EU countries. In the EU, the impact would be significant too, but concentrated on the Irish border and at ports and airports where a lot of goods transit to the UK.</p>
Practical considerations	<p>The UK and EU are already aligned on regulatory standards and customs practices, making the negotiation of an agreement easier.</p> <p>A customs cooperation agreement only needs to be signed by the European Commission before it can enter into force, meaning the implementation of an agreement would be quick.</p>
3. Nuclear	

<p>Impact of no contingency</p>	<p>The UK would no longer have an internationally-approved safeguarding system after leaving Euratom, which would put it in contravention of its obligations under international nuclear law. The UK is taking steps through domestic law to address this. In addition, the UK would no longer be party to Nuclear Cooperation Agreements between Euratom and third countries, including suppliers of nuclear fuel.</p> <p>Ultimately, this could disrupt imports of nuclear fuel, and in a worst-case scenario, lead to the shutting down of nuclear power plants. The UK would also no longer be able to participate in a range of nuclear research programmes on which it currently cooperates with the EU.</p>
<p>Legal considerations</p>	<p>The UK would have to choose between seeking an association agreement under Article 206 of Euratom, or a more narrow participation in research programmes under Article 101. Alternatively, the UK could become a third country and negotiate a Nuclear Cooperation Agreement. The new arrangement would have to be approved by the International Atomic Energy Agency. The WTO does not play a role in nuclear matters.</p> <p>The UK would also need to strike Nuclear Cooperation Agreements with third countries, without which trade in nuclear fuel and equipment may become illegal (e.g. US), or be refused as a matter of policy (e.g. Australia and Canada).</p>
<p>Political considerations</p>	<p>Both the EU and UK will want to maintain trade in nuclear goods and equipment and continue cooperating in nuclear research facilities – although these may be subject to ‘poaching’ by EU member states.</p> <p>The nuclear fuel company Urenco is jointly owned by the UK and Dutch governments and German utilities E.ON and RWE.</p> <p>The failure to find an alternative set of arrangements would be far more damaging to the UK. The strong anti-nuclear sentiment in some member states, notably Austria, could complicate negotiations.</p>

Practical considerations	<p>The UK currently operates to Euratom standards and practices, but continuing to do so as a non-member would require a significant upgrading of the resources and competences of the Office of Nuclear Regulation. This may not be complete in time for the UK leaving the EU and Euratom.</p> <p>With no deal and no transition period, the UK would need to move fast on its own to obtain IAEA approval for its new nuclear safeguarding system and subsequently to negotiate nuclear cooperation agreements with third countries around the world, before resuming fuel imports. This is likely to take some time.</p>
4. Fisheries	
Impact of no contingency	<p>The EU and UK lose fishing rights in each other's exclusive economic zones, and impose prohibitively high import tariffs on each other's fish exports.</p>
Legal considerations	<p>The EU and UK can negotiate a fisheries cooperation agreement to manage shared fish stocks and grant each other fishing rights in their respective exclusive economic zones. This would not violate WTO rules. But any reduction or elimination of the tariffs on fish imports outside of an FTA would violate WTO rules.</p>
Political considerations	<p>The EU would be keen to reach an agreement on management of shared stocks and fishing rights, given that ensuring sustainable fishing practices in and around its maritime territory is a priority for the common fisheries policies.</p> <p>The post-Brexit UK policy is unclear. But it is unlikely to sign any such agreement without the guarantee in return that it can export its fish to the EU tariff-free.</p> <p>Their interests are misaligned and imbalanced, making agreement unlikely.</p>
Practical considerations	<p>Any fisheries cooperation agreement would be negotiated by the European Commission and referred to the European Parliament for approval. Past precedents suggest it could take up to a year for the agreement to reach the parliament after signature. But it could be provisionally implemented by the European Commission before then.</p>
5. Data flows	

<p>Impact of no contingency</p>	<p>Leaving the EU without any contingencies for data transfers would mean companies need to establish alternative legal mechanisms for transferring personal data between the EU and the UK.</p> <p>While some larger companies would have the legal resources to implement binding corporate rules (for intra-group transfers) and standard contractual clauses (for transfers between companies) these mechanisms cannot fully replicate free flow of data and would be costly to implement. They are also currently subject to legal challenge at the ECJ.</p> <p>Many smaller companies would not have the legal resources to do this. In effect, this would mean an end to transfers of personal data between the EU and the UK for all but the largest companies.</p>
<p>Legal considerations</p>	<p>Under the General Data Protection Regulation (GDPR), which enters into force in May 2018, the EU can pass an adequacy decision, recognising another jurisdiction as having suitable levels of protection and, therefore, as eligible for free flow of data with the EU.</p> <p>The UK's Data Protection Bill is implementing similar powers for the UK.</p>
<p>Political considerations</p>	<p>Nearly every economic sector would be negatively affected by a cessation in the free flow of data between the EU and the UK. The disproportionate impact on SMEs and tech start-ups would give the issue political salience.</p> <p>Concerns about disruption would be balanced in the EU to an extent by misgivings over the UK's surveillance and security frameworks, and a need to ensure EU citizens' privacy rights are respected under an adequacy framework.</p> <p>As in some other policy areas, it is possible that the EU may feel less urgency to address this issue than the UK.</p>
<p>Practical considerations</p>	<p>Adequacy decisions under the current Data Protection Directive have taken at least 18 months to implement. More uncertainty is created by the fact that the GDPR enters into force in May 2018, ushering in a revised process and new regulatory thresholds for decisions.</p> <p>The fact that the UK is implementing the GDPR via the Data Protection Bill should expedite this process. Even then, some form of transitional adequacy decision would be needed while the formal process takes place. A precedent exists – the EU's data protection authorities granted a transitional period to transfers to the US in 2015 after the Safe Harbour Agreement was struck down by the ECJ.</p>

6. Product standards (cars, chemicals, food safety, medicines, etc)	
Impact of no contingency	The EU and the UK stop recognising each other's product standards and conformity assessment procedures. For many sectors, this means that goods must undergo additional conformity assessments in the export market before being sold there, creating delays and increasing regulatory costs for companies.
Legal considerations	Signing equivalence or mutual recognition agreements outside an FTA framework does not violate WTO rules, providing other WTO members are not denied the opportunity to enter into similar agreements with the EU and the UK. It has typically been straightforward to clear this bar and the EU already has a few such agreements with Australia, the US, and New Zealand, among others, despite not having an FTA with any of them.
Political considerations	<p>Although businesses in most sectors would support this, the EU might regard it as allowing the UK to pursue an a-la-carte regulatory approach to the single market. The EU might therefore seek to tie agreement in certain sectors of strong interest to the UK (cars, chemicals) to agreement in others that are more contentious (food safety).</p> <p>For the UK, there would be strong incentives to negotiate these agreements to mitigate disruption, but they might also conflict with attempts to re-orientate UK trade towards other markets (notably North America), which could be the priority for DIT in a no-deal scenario.</p>
Practical considerations	<p>Agreement could be reached quickly, in theory, with regulatory equivalence already established in practice at the point when the UK leaves the EU.</p> <p>From a procedural point of view, these agreements need to be approved by the European Parliament, which past precedents suggest could take up to a year. However, agreements can be provisionally applied pending parliamentary approval as soon as an agreement is signed by the European Commission.</p>

PART 2 **FURTHER ISSUES FOR ENHANCEMENT** from concordanceout.eu; and campaignforanindependentbritain.org.uk and www.euroseptic.org.uk. See also EUReferendum.com and Dr R North and Fishing for Leave ffl.org.uk

THERE ARE MANY OTHER ISSUES AND ALL ISSUES SHOULD BE REVIEWED FROM AN UK PERSPECTIVE. IN SUMMARY there are so many that this is not the place to deal effectively with them. However here is a taster that explains why EFTA is the only bridge or stepping stone to a real free Global Brexit:-

FISHING Joining EFTA returns UK Fishing to the UK upto the 200 mile limit subject to the median. The May Transition agreement would be a disaster. Fisheries Protection, like Border Force, is not fit for Brexit. There river type vessels and ex North Sea BP rubber sided fast small craft are not at all fit for the 6,000 miles of UK coastline let alone the Western Approaches in a bad sea and high winds. Nor do they show that any lessons have been learnt from the vulnerability of Destroyers when up against Ocean fishing boats as we learnt to our embarrassment in the Cod Wars with Iceland.

DEFENCE and BORDER FORCE The UK can use National Interests provisions to curtail EU immigrants but as the border Force is not fit for purpose under either Labour or Tories it is in reality an issue that will take some years to solve. The force and its computers and all its equipment s has been repeatedly shown as not fit for purpose..... [Remember Lord Reid's comments on the Home Office? Nothing has improved under Cameron or May]let alone Brexit.

CONFORMITY, SANITARY AND PHYTOSANITARY CERTIFICATES AND ASSESSMENTS

These issues are vital yet this Tory Government have done nearly nothing to prepare them even the immediate use of the Emergency Powers as in War Time would not solve issues arising on Brexit for some years. Please see the Brexit Exit leaflet on concordanceout.eu.

The container system **CHIEF** will cope says the official at Southampton JUST, and the enhanced CHIEF system is coming into force at the beginning of 2019 if on time and in effective operational capacity. The Non Container inadequate systems will result in chaos; there will be delays and operation STACK on an hourly basis for days and weeks on end for as long as there are no adequate resources.

STANDARDS, BSI, CEN, CENELEC Others These are vital issues that run parallel with Conformity issues. Co-operation between the EU and the UK is important for both parties. The BSI works as a lead organisation in these EU bodies as well as a lead party in the WTO trade bodies. Certification for Notifiable Bodies is essential and will be solved by the EFTA route. Brexit will need all trade agreements to have treaty status with Memoranda of Understanding, which may have treaty status if so intended, and/or Mutual Recognition Agreements dealing with these matters. These take time. They can be negotiated now and when in the EFTA orbit. The May EU negotiations are just not workable, as the CIB set out clearly in the pamphlet **BREXIT RESET** on their web site and this one too.

LEGAL The EU has issued over 62 NOTICES TO STAKEHOLDERS. These are essential technical guidance for Brexit. The UK Government has issued none¹ When the UK was joining

the EEC these notices were issued over 12 months in advance remembers Mr Spalton. EFTA has no ECJ involvement. The Regs and Directives amount to between a max of 15-20 % of those issued and they only involve trade within the Single Market. EFTA has its own court but it lacks enforcement powers.

THE CITY The City and Brexit is doable! The City size and business practices are so far ahead of any EU competition. It is no longer a main issue and preparations are already on foot to cope.

Gov. BREXIT IMPACT ASSESSMENTS Where are they?

[To be finalised.....]

PART 3: - PLEASE SEE THE BETRAYAL.

BETRAYAL: The Market Solution [EFTA style] as a transitional deal contrasted with the current May Transition Vassal State proposals v2 5 5 2018 JP/cib

[To be finalised.....]

Failings of the current transitional proposals

- 1) Decimates our fishing industry. We will still be ruled, in effect by the CFP. Discard ban & relative stability will put 60% of fishing fleet out of action. As we lose the derogation for the first 12 miles out, EU fisherman can plunder squid, etc. in this area as they are not covered by quota. Also, as we will not be part of the EU, we cannot use the EU's agreement with Iceland and Norway to fish in their waters. See more on [fishing for leave website](#),
- 2) No guarantee that the replacement deal will be ready in 21 months. MPs like Jacob Rees-Mogg stated that they are prepared to put up with transitional deal for 21 months in the hope of a good deal in December 2020. This is most likely an illusion.
- 3) UK still subject to ECJ.
- 4) UK not allowed to restrict UK immigration.
- 5) No clear legal basis for the transitional agreement. Article 4a of the draft withdrawal agreement says that "*The Parties shall, in full mutual respect and good faith,*" Good faith isn't enough. When there was a 23-day gap in the UK's 10 year derogation which allowed our country to keep control of fishing up to 12 nautical miles from the shore, "good faith" should have meant that other boats kept out. Danish skipper Kent Kirk did not and his conviction for illegal fishing was overturned by the ECJ. We would end up with all manner of court cases, which would drag on for years.
- 6) No guarantee that third countries with whom the EU has signed free trade agreements will agree to continue to trade with the UK on the same terms.
- 7) We will have to accept the full EU *acquis* but with no representation.
- 8) Our side has not yet come up with anything remotely likely to address the Irish border issue satisfactorily. The EU's "fall-back" would essentially split Northern Ireland off from the rest of the EU, stuck in the EU's Customs Union.
- 9) Our side is considering some sort of customs union (or close association), seemingly unaware that it does not create frictionless trade. At Kapicule on the Turkish-Bulgarian border, a delay of 14 hours is considered good going by Turkish lorry drivers.

- 10) There is no guarantee that any long-term withdrawal agreement would be a clean break. The Vienna Convention on Treaties mentions “acquired rights” and whereas Article 50 of the Lisbon treaty is a “clean break (The treaties shall cease to apply.) There is no guarantee that moving from a transitional agreement to a long-term delay would be as clean a break. In particular, the EU is keen to keep some degree of control of fishing in our waters in a long-term deal.

Why the EEA/EFTA [THE MARKET SOLUTION] route is better

- 1) Full control of fishing from March 2019. No need for quota. We could implement the “Days at Sea” proposals from Fishing for Leave and be a world leader – a Brexit success story for a government desperately in need of good news. Having reclaimed fishing in March 2019, it would not only be unacceptable politically to cede control as part of a long-term deal, but it would also make it harder for the EU to try to regain control.
- 2) No role for the ECJ. The EFTA Court would replace it when it comes to dealing with international cases.
- 3) We could follow Liechtenstein and immediately unilaterally restrict immigration from the EU.
- 4) No legal ambiguities as we would become new signatories to an agreement the EU has already signed.
- 5) Pressure reduced for signing long-term agreement.
- 6) We would not be liable for the European Central Bank.
- 7) We would benefit from EFTA’s free trade agreements which would cover point (6) of “failings” above.
- 8) It would solve most of the problems with the Irish border (think of the Norway/Sweden border)
- 9) We would only have to adopt about 25% of the *acquis* at most – much of which is technical and relating to trade – and much originates with global bodies.
- 10) We would not be in the Customs Union and could therefore start negotiating our own trade agreements.
- 11) We would become leader of free Europe and, working alongside Norway, Iceland, Switzerland and Liechtenstein, would form a bloc better able to fend off any EU attempts to muscle in.
- 12) Our side could tell Barnier & Co to get stuffed
- 13) It would get through Parliament. This in many ways is the most important point of all. If Mrs May would adopt the EEA/EFTA option, she would be seizing the initiative back from “Remainiacs”. They have gained support of some MPs such as Dr Sarah Wollaston who is not prepared, in her words to “endorse economic ruin.” In other words, the Customs Union amendment passed by the House of Lords has gained support from people who are not ideological Europhiles but who have not been presented with a sensible alternative. EEA/EFTA would split such people off from the real Brexit wreckers, leaving them with very little support in the House of Commons.
- 14) Under EEA/EFTA, we would definitely be a free country on March 2019 and as we could have confidence that an existing agreement will work well for the UK as an interim just as it does for Norway, then the UK will never look back and once things have settled down, it will be the end of any attempts to try to get us back into the EU.
- 15) If we do leave successfully, perhaps Ken Livingstone might honour his promise made two years ago that he would leave the country if we voted for Brexit on 23rd June 2016. Who knows, he might even take Nick Clegg, Tony Blair and Peter Mandelson with him!
- 16)

[To be finalised.....]

