

**BREXIT**



"All the News  
That's Fit to Print"

# The New York Times

Late Edition

Today, partly sunny, reasonable warmth, high 83. Tonight, clear, mild, high 64. Tomorrow, mostly sunny, a warm afternoon, high 86. Weather map is on Page A8.

VOL. CLXV ... No. 57,273 +

© 2016 The New York Times

NEW YORK, FRIDAY, JUNE 24, 2016

\$2.50

## BRITISH STUN WORLD WITH VOTE TO LEAVE E.U.

### The Daily Telegraph

NATIONAL NEWSPAPER OF THE YEAR



'I love this country and I feel honoured to have served it'

### Birth of a new Britain

### THE TIMES

## Brexit for Britain



Cameron and Corbyn face calls to quit

# 23<sup>rd</sup> June 2016

### DAILY MIRROR

HISTORIC SAM EDITION  
Referendum shock as  
Leave head for victory



» Britain votes to quit the EU » Pound goes into freefall

# theguardian

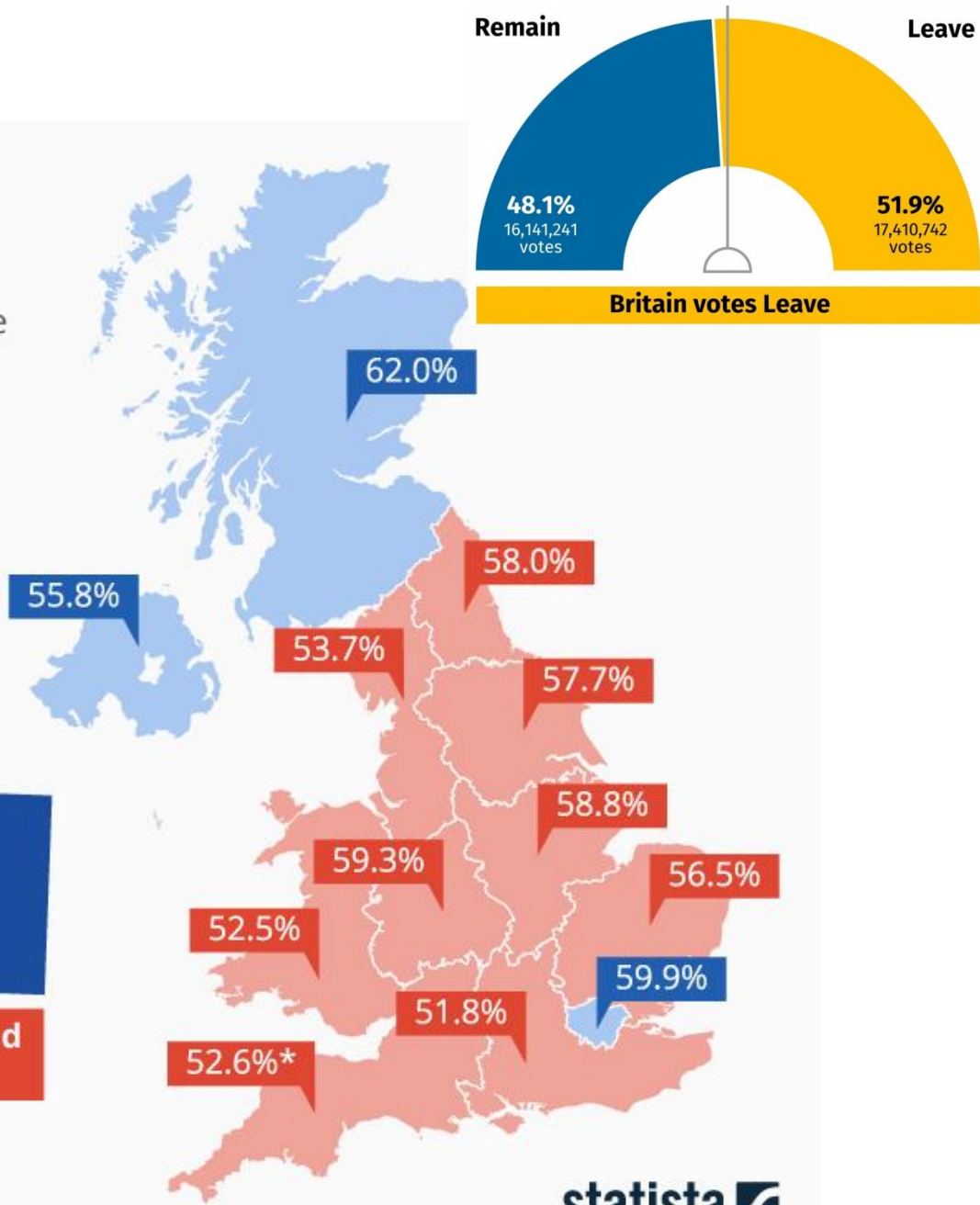
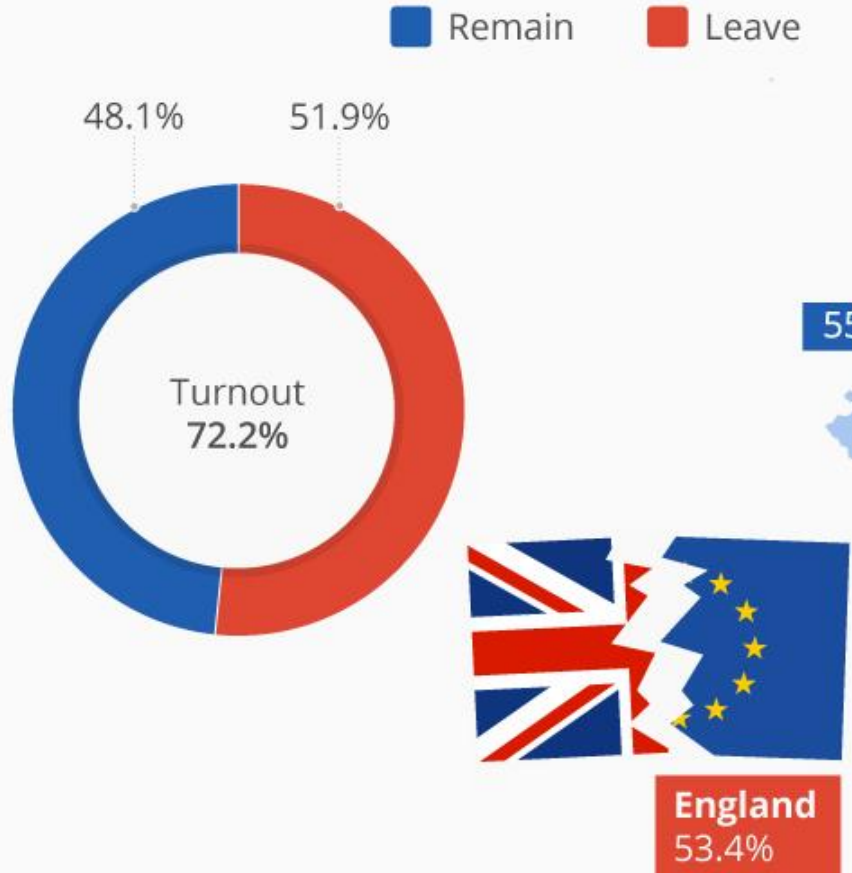
## Over. And out

- Britain votes for Brexit
- Europe tells UK: leave now
- Scotland: we'll go it alone
- David Cameron resigns as PM
- Pound crashes to 30-year low
- Johnson and Gove urge calm



# UK chooses Brexit

EU referendum results by region



# Brexit Timeline



2016

Announcement of EU referendum

18 FEB



23 JUN

EU referendum polling day

2017

Theresa May lays out Brexit strategy in Lancaster House speech

17 JAN



24 FEB

Supreme Court rules Parliament must vote on triggering Article 50

Parliament votes to trigger Article 50

13 MAR



ARTICLE 50

29 MAR

Article 50 is triggered. Two-year negotiating period begins

UK exits the EU

MARCH 2019



# Withdrawal Agreement and Political declaration “divorce deal”

A deal on terms of UK departure: (25<sup>th</sup> Nov 2018)

- How much money the UK must pay to the EU as a settlement (39bn)
- Details of the transition period (31 Dec 2020)
- Citizens' rights
- Northern Ireland Protocol (backstop)



# UK Parliament “ meaningful vote” on Withdrawal Agreement



- **16<sup>th</sup> Jan 2019: REJECTED -1:** the UK Government defeated by a **majority of 230**, with MPs voting 432 to 202 against their deal.



- **13<sup>th</sup> March 2019: REJECTED -2:** MPs voted down the prime minister's deal **by 149** - a smaller margin than when they rejected it in January.



Currently, no border posts or checks on people or goods crossing the 310 mile boundary between **Northern Ireland** and the **Republic of Ireland**.

**After Brexit:**  
land border between  
EU and UK

# 'The Backstop': Brexit Sticking Point

- Post Brexit: border checks
- Belfast Agreement 1998
- Aim: future trade agreement that **avoids hard border**
- **Backstop**: safety net, legal guarantee to avoid hard border under all circumstances
- **keep the UK inside the EU's customs union** with Northern Ireland also conforming to some rules of the single market, if another solution cannot be found by the end of the transition period in Dec 2020
- No get out clause to leave arrangement unless EU agrees (no time limit)





# UK Preparations

**Matt Hancock says UK the world's largest buyer of fridges - because we're stockpiling drugs for no deal Brexit**

- No-deal contingency planning
- Work to make UK legislation operable on day one
- Government assessment: in a worst-case scenario, "*there will be very significantly reduced access across the short strait [between Dover and Calais] for up to six months*".
- Government secured freight capacity across the channel (to mitigate no deal congestion)

Download your **BREXIT TOOLBOX** *Preparing for Brexit*

**MEMBER EXCLUSIVE**



Latest Horizon reports

[See All](#)



**Brexit prospects for UK cereals and oilseeds trade**



**Brexit prospects for UK horticulture trade**



**Brexit prospects for UK dairy trade**  
The aim of this report is to provide readers with an understanding of



**Brexit prospects for UK potatoes trade**  
The aim of this report is to provide readers with an understanding of

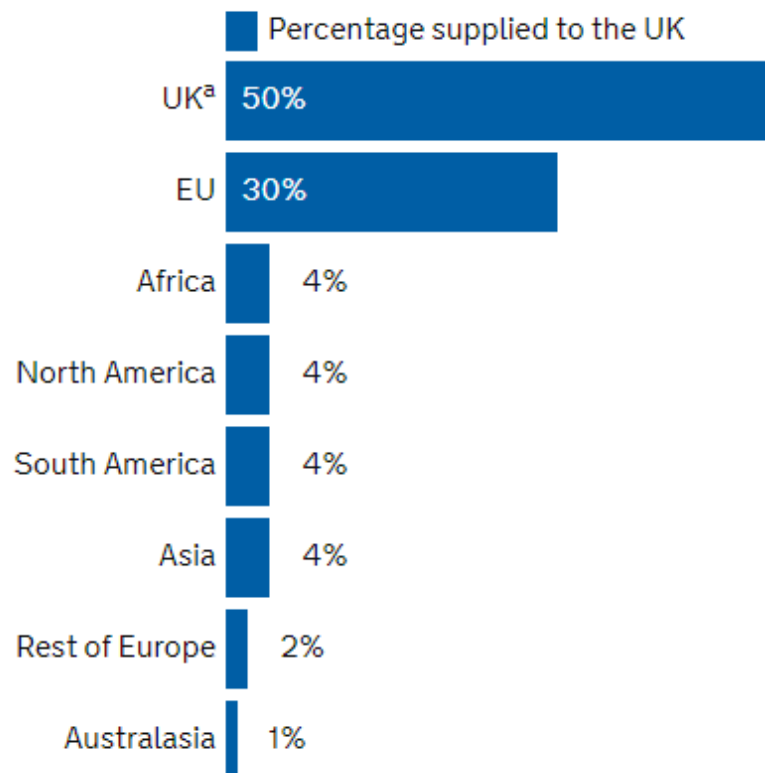


**Joint statement from Veterinary Medicines Directorate and National Office of Animal Health: Planning**

# UK food imports from EU face '£9bn tariff bill' under no-deal Brexit

## Origins of food consumed in the UK 2017

[↗ between chart and table](#)



# UK will cut most tariffs to zero in event of no-deal Brexit

Tariffs to vanish from 87% of imports, excluding some meat, dairy

**13<sup>th</sup> March 2019:**

- Government's announcement that **87% of imports by value would be eligible for zero-tariff access.**
- The National Farmers' Union president, Minette Batters, said it was "relieved" that tariffs would be imposed on imported food to protect farmers but it was "appalling" that the tariff regime was published only 16 days before the potential cliff-edge departure from the EU

- Sensitive agricultural products, such as meat and some dairy products
- But cereals, potatoes and most fresh produce imports will face no tariff barriers
- Exports to the EU: still face the EU's common external tariff in a no-deal scenario, impact trade flows and market dynamics
- Sheep meat is the most extreme example, approx. 1/3<sup>rd</sup> of UK production is exported and the overwhelming majority currently goes to the EU
- Trade implications remain substantial



- UK in a potential row with the EU after announcing the **tariffs would not apply in Northern Ireland**, fuelling fears the region would become a back-door smuggling route to Britain
- “strictly temporary, unilateral approach” designed to avoid a hard border”
- Among the **consumer goods that will be hit are imports of beef, prices of which will go up by almost 7%, cheddar cheese, up by about £20 per 100kg**

# EU has to protect Irish beef industry from tariffs - IFA chairman

Irish farmers and Irish businesses won't be able to compete 'with the likes of South American goods'



© Wed, Mar 13, 2019, 09:29

Updated: Wed, Mar 13, 2019, 09:55

- Ireland's European affairs minister, Helen McEntee, said the prospect of tariffs on beef and dairy exports to the UK from the republic would be "absolutely disastrous for Irish agriculture".
- Ireland's agriculture minister, Michael Creed, said the UK's decision to impose high tariffs on beef and cheddar exports to the UK was "potentially a disaster" for Irish farmers.

# No deal tariff announcement

## Cereals:

- **UK grain and oilseed rape market would be open to all global exporters after previously seeing protection from the EU's tariffs and TRQ trade barriers.**
- **Domestic importers would face no extra costs to import from any origin worldwide for wheat, barley, maize and oilseeds.**
- **Risk for growers is that alternative, cheaper, grain imports would be freely available to import into the UK.**
- **In a no-deal scenario, the domestic price of grains specifically could move lower in order to compete against cheaper imports to find demand.**



# No deal tariff announcement

## Potatoes:

- the move to zero tariffs would, in theory, open up the UK to all global markets.
- However, the UK has previously imported the majority of its potato requirements from the EU at a zero-tariff rate.
- As such, in a no-deal scenario, the **impact upon the potato sector would be lessened due to the continuation of existing trading relationships with zero tariffs and favourable logistics from near-continent suppliers.**

# No deal tariff announcement

## Beef:

- In 2018, the UK imported 380,000 tonnes of beef, either fresh, frozen or processed. 340,000 tonnes was imported tariff-free from the EU.
- **Tariffs will be applied to beef imports**, albeit at a lower rate than current EU tariffs. For instance the tariff level for fresh or chilled boneless beef would fall from 12.8% + €303.4/100kg to 6.8% + €160.1/100kg.
- A Tariff Rate Quota (TRQ) of approximately 230,000 tonnes would be implemented. This allows tariff-free access to the UK, and can be used by any country, including EU members. This is in addition to 55,000 tonnes of pre-existing EU TRQs that the UK has agreed to take as its share after Brexit, at a 20% tariff.
- **This leaves approximately 95,000 tonnes of beef imports that will be subject to the new UK tariffs.**

# No deal tariff announcement

## Sheep:

- **The volume of sheep meat currently imported from the EU (21,400 tonnes in 2018), could now face an effective tariff over 40% on average.**
- **Most of the remaining UK imports of sheep meat will continue to be imported tariff-free under quotas from New Zealand and Australia.** There is room within the New Zealand quota for volumes to increase, although this is unlikely considering current global market conditions and tightening production in New Zealand.
- **Exports:** no-deal Brexit, **UK exports to the EU will face the same tariff as any other country without preferential access to the EU.** In 2018, the UK exported over 80,000 tonnes of sheep meat to the **EU which accounts for around 95% of UK exports.**

# No deal tariff announcement

## Pork:

- Tariffs on most pig meat products will remain in place, but will be **reduced to around 13% of the current rate the EU applies to countries outside the bloc**. The tariffs are applied on a per kg basis, but are higher for more valuable goods.
- **UK pig meat imports are currently sourced almost entirely from the EU, and these shipments account for around 60% of domestic consumption. In a no-deal scenario, these imports would face tariffs for the first time.**
- Looking at the breakdown of products the UK imported last year, and the average prices for these products, **the tariffs equate to around 4-5% of the price of pork, bacon and ham imports.**
- Noticeably, sausages have not been included in the tariff schedule, so presumably will be zero-rated. Sausages account for up to 15% of UK pig meat imports annually.

# No deal tariff announcement

## Dairy:

- **Tariffs for butter and a selection of cheeses including processed cheese, cheddar and blue-veined cheeses** (excl. Roquefort and gorgonzola). The butter tariffs are €605/tonne for butters and €738/tonne for butteroil; for butter this is about one third of the current MFN tariff. For the cheeses with tariffs, the rates range between €180-290/tonne, and are generally 13% of the current MFN tariff.
- There are also tariffs that currently exist on dairy products such as milk, cream, powders and yogurts will be dropped to zero.
- **In 2018, 99.8% of UK dairy import volumes came from the EU and were therefore tariff-free.**
- **Under a no-deal scenario, approximately 18% of total dairy imports would be subject to a tariff.** This tariff would on average be €622/tonne for butter (inc. butteroil) and €214/tonne for tariffed cheeses.
- **One notable consideration will be the Republic of Ireland, which accounted for 54% of UK butter imports and 88% of cheddar imports by volume in 2018.** It is unclear how much of this product currently enters the UK via Northern Ireland, which according to the Government announcement would be exempt from tariffs, although imports from ROI into GB would still be tariffed.

# Agriculture Policy: EU → UK

Leaving EU Common Agriculture Policy (CAP)  
Development of new UK policy (Agriculture Bill)

Press release

## **Landmark Agriculture Bill to deliver a Green Brexit**

Michael Gove sets out major post-Brexit policy to invest in the environment and take back control for farmers after almost 50 years under EU rules

---

Published 12 September 2018

From: [Department for Environment, Food & Rural Affairs](#), [Rural Payments Agency](#), [Environment Agency](#), [Animal and Plant Health Agency](#), and [The Rt Hon Michael Gove MP](#)

# **Agriculture Bill:** ***public money for public goods***

*The Agriculture Bill sets out how farmers and land managers will in future be paid for “public goods”, such as better air and water quality, improved soil health, higher animal welfare standards, public access to the countryside and measures to reduce flooding.*

*The Bill will also be underpinned by measures to increase productivity and invest in (R&D).*

# Next steps



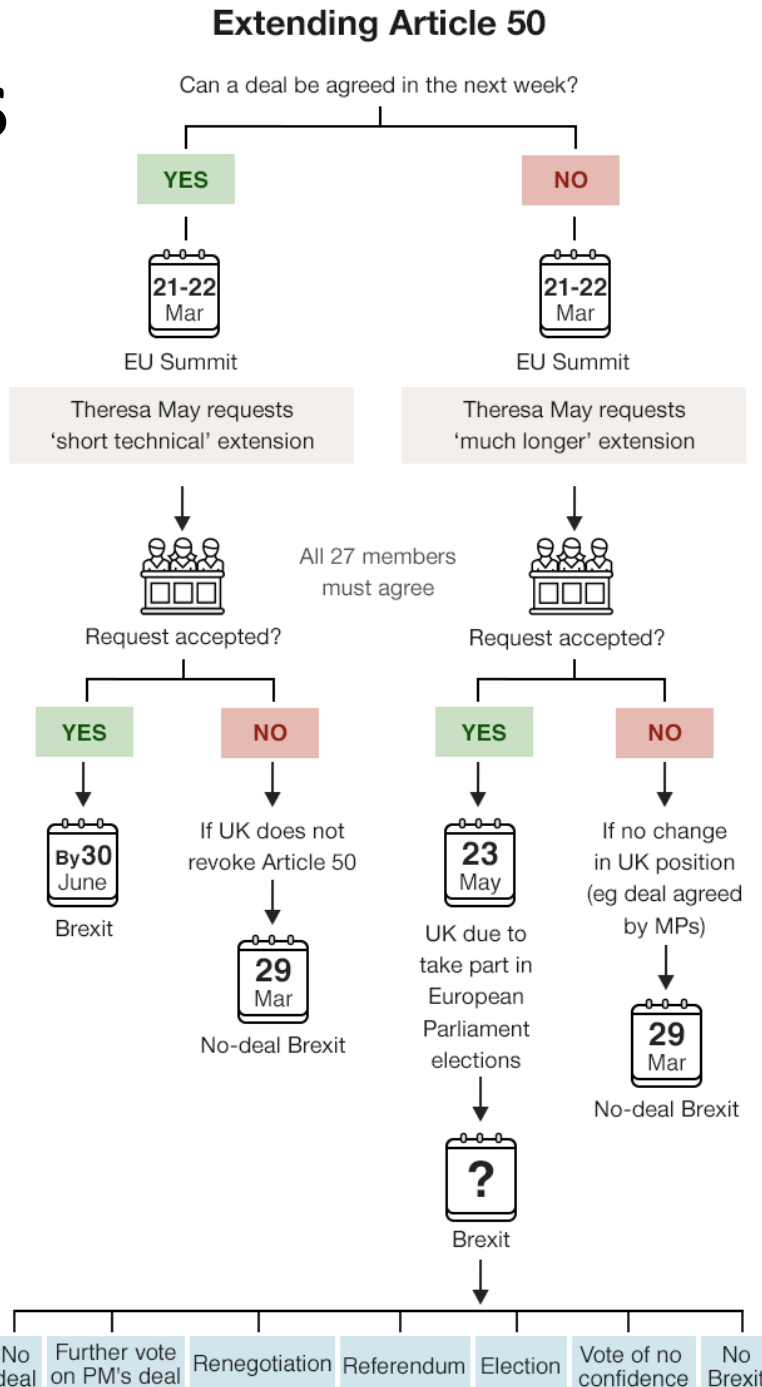
- The **UK still due to leave the EU on 29 March** - set in law (default)
- If nothing changes in next 2 weeks, leave 23:00 29<sup>th</sup> March with no deal Brexit
- Plan is to leave with a deal (rejected twice, going to try for a third time)
- UK MPs have voted in favour of a delay to Brexit



## However!

- Delay has to be approved by the EU
- How long the delay is depends on whether deal is eventually approved by MPs
- **If deal is approved in UK, the delay will be short - just long enough to get the Brexit deal into law, maybe until the end of June**
- **But if her deal is rejected again, she says the delay will be much longer**

# What's next?



The third "meaningful vote" on deal is expected by 20 March

