

Some helpful insights from the Freight Transport Association

The really hard tasks will begin soon. Once Article 50 is triggered, the UK government will then have to negotiate a Brexit deal that will enable our trade with both the EU and the rest of the world to continue.

As an example of how complex this might be, the Freight Transport Association (FTA) has published a submission it made to Parliament, expressing a number of concerns facing the industry. Like many organisations involved in trade with the EU, the FTA wishes to ensure that we do not face huge disruption as a result of Mrs May's decision that we will leave the Single Market.

The piece is worth reading in full, but a few points are worth highlighting:-

1. There will almost certainly need to be a transitional trading arrangement between the UK and the EU. Negotiating a full trade deal may be very tight, if not unachievable, within the two year timescale of Article 50.
2. No deal will give us as unfettered access to the Single Market as EEA membership would have done. There will inevitably have to be some trade-offs.
3. Increased Border controls will be very time-consuming. Falling back on the WTO option would be particularly bad in this respect. The port of Dover would suffer more than anywhere else as freight movements are predicted to rise to between 14,000 and 16,000 per day in the next decade.
4. Although tariffs are falling worldwide, some sectors of

the economy would suffer if tariff-free access to the EU were lost. Tariffs of 10% or more could be imposed on motor vehicles, for instance.

5. The biggest worry is that the EU may not want to tackle trade issues until after Brexit. Michel Barnier, the European Commission's Chief negotiator, made a statement suggesting that the two-year period following the formal triggering of article 50 would only be devoted to withdrawal arrangements and that issues related to the post-Brexit trade relationship with the EU would only be dealt with post-Brexit. While this is only one person's opinion and that other voices within the EU are keen to avoid such a disastrous scenario, it shows that the UK's negotiators will be facing some quite difficult individuals on the other side of the table.

No, Brexit is not going to be easy. We can but hope that the Government has been preparing for these eventualities and knows what it wants before the negotiations begin.