

The CIBUK Clear Water Partnership Newsletter

Welcome!



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On behalf of the CIBUK Clear Water Partnership

Week commencing 30 May 2022

Introduction

In this our fourth newsletter, we continue to monitor and assess the government's post-Brexit agenda in relation three specific policy areas: defence, trade & tariffs and bureaucracy.

Summary

- On defence, we remain wholeheartedly in support of the government's
 actions over Ukraine and commend the fast and focussed way it has used its
 sovereign control in responding to events.
- The same cannot be said in relation to international trade however, and
 Economist Catherine McBride laments the government's failure to drive home
 its post-Brexit agenda and abolish global tariffs on food production. There are
 huge opportunities out there if only the government could see them.
- Civil service opposition in Whitehall may have something to do with the government's Brexit inertia according to Harry Western in an article for Briefings for Britain.
- Outsourcing decision-making to experts he says, is the only way to remove the logiam currently standing in the way of meaningful reform.

On the front-line: Global Britain defends Europe's borders

On behalf of Facts4EU for the Clear Water Partnership

We begin this week's round up with the first in a three-part series on the UK's vital contribution to the defence of Europe in her hour of need.

From the icy wastes of the Baltic to the rugged terrain of the Balkans, Britain's commitment to the defence of Europe cannot be questioned.

This report is the first part of a three part series and focuses on the UK defending the EU on the ground. Subsequent parts will cover defending the EU in the air and by sea, and keeping the peace globally on the ground, by air, and on the seas.

Defending the EU on the ground Scope of UK Involvement

The scope of the UK defence operation in Europe extends across five regions:

- EU's eastern flank
- EU's northern flank
- EU 'top to bottom'
- Estonia to Poland
- Estonia/Latvia border

1. Eastern Flank

- Exercise 'Swift Response': multinational NATO training exercise across 16
 European countries (May 2022)
- 2,000 British troops to North Macedonia as part of joint-NATO exercise
- Aviation Support: CH47 Chinook & Apache helicopters
- Logistical support:artillery, engineers, medics, signallers from 16 Air Assault brigade combat team (BCT)

The following testimony from the Commander of 16 Air Assault BCT underlines the UK's commitment to the joint-defence of Europe:

"On Exercise Swift Response, 16 Air Assault Brigade Combat Team, alongside multiple Army and RAF units, has truly demonstrated the lethality, agility and expeditionary capabilities of the Global Response Force.

"We have deployed thousands of miles across Europe to link up with our NATO allies to conduct arduous training in a challenging environment to make sure that we are ready to deploy on the most demanding missions, at short notice.... This exercise has absolutely showed me that we are ready for anything."

- Brigadier Nick Cowley MBE OBE, 13 May 2022

2. Northern Flank - Finland

- Exercise 'Arrow': UK/Finnish joint exercise
- UK deployment of Challenger 2 main battle tanks

3. From Top to Bottom

- Exercise 'Steadfast Defender'
- 1,000 UK troops in Poland
- Joint exercise from Portugal to Poland with 11 partner nations

4. Forward Presence

- From Estonia to Poland: UK part of joint defence force since 2017
- Cavalry squadron from Royal Dragoon Guards deployed in Poland in joint US-led exercise.

5. Estonia/Latvia Border

- Exercise 'Hedgehog'
- Royal Welsh Battlegroup and the Royal Tank Regiment involved
- Operating alongside 18,000 NATO troops

In scope and involvement across multiple regions, we see how a newly liberated UK - freed from the shackles of the EU - is as committed to the defence of Europe on the ground as it ever was.

The report can be read in full here: https://cibuk.org/global-britain-defends-europe/

Cost-of-living crisis – an apocalypse of our own making?

By Catherine McBride for Brexit Watch

With the cost-of-living fast turning into the government's chief political crisis, why, asks Catherine McBride, hasn't more been done to address the glaring anomalies in global food tariffs which are keeping essential foods such as wheat at artificially high levels?

In an article for *Brexit Watch*, she exposes some glaring anomalies which could and should have been addressed the moment we left the EU.

We can't blame Ukraine

Why? Because, contrary to popular belief:

"Canada is our largest wheat supplier, supplying on average 425,000 tonnes but it was able to step up last year and supply us with 532,000 tonnes when our own yields were low. After Canada our next largest suppliers are Germany (5yr Ave 277,000), Denmark (270,000 tonnes) France (238,000) and Romania (122,000).

Despite the Governor's fears, the UK only imports on average 40,000 tonnes of wheat from the Ukraine and 34,000 tonnes from Russia."

Existing tariff barriers – in place for years?

One of the main benefits of leaving the EU we were told, was the abolition of tariffs on food, clothing and footwear which could be passed on to consumers. And yet: "Rather incredibly, despite relying on Canada for wheat, the <u>average tariff applied by the UK</u> to our Canadian *100099 Wheat* imports was 16.9% in 2021, while our Ukrainian and Russian wheat imports had 27% tariffs added to them in 2021."

The situation in relation to Australia is even worse:

"We have just signed a trade deal with Australia, one of the world largest wheat exporters. Last year it was second after Russia and ahead of the US and Canada, but in the UK's new 'Free' Trade Agreement we have negotiated to limit our tariff-free quota for Australian wheat imports to only 80,000 tonnes and will only reduce our wheat tariffs over five years. The UK imports almost 2 million tonnes of wheat each year. As the Governor of the Bank of England says – wheat is a basic food stuff. Why would we add tariffs to it?"

FTAs to retain tariffs

Even the newly negotiated UK Free Trade Agreements with Australia and New Zealand fall far short of what was expected.

"[Agricultural tariffs] will only be slowly reduced over 4, 5, 6, 8, 9, 11 or 16 years; tariff free quotas that will only be gradually increased over 4, 5, 8 or 10 years; while Product Specific Safeguard measures will keep meat imports constrained for a further five years after the quotas have finally expired.

So, we will only have free trade with Australia and New Zealand 16 years after the agreements have been ratified and at least 23 years after the UK voted to leave the EU's Customs Union."

It makes no geo-political sense either:

"As well as lowering prices for consumers, having a diversity of suppliers helps when international supply chains are disrupted, as they have been since the Covid lockdowns and Russia's invasion of Ukraine. It is also better to rely on trusted partners for the supply of essential items like food and fuel. I would suggest Commonwealth countries such as Australia and New Zealand are two such partners."

The full article can be read here: https://cibuk.org/cost-of-living-crisis/

Time to choose – real divergence or continued shadow EU alignment

by Harry Western for Briefings for Britain

The UK's failure to take advantage of its newly won freedoms is not confined to agricultural tariffs.

Fear of divergence and institutional inertia are doing as much as EU hostility in holding Britain back according to Harry Western in an article for *Briefings for Britain*. Many of the problems facing the UK government he argues are self-inflicted:

Carbon Border Tax

"In many areas, the government machine continues to simply shadow EU policies, either due to a lack of independent decision-making capacity, a lack of political direction, or a deliberate attempt to frustrate divergence. A notable recent example is the Treasury's plan

to introduce a <u>carbon border tax</u> on imports – a greenwashed piece of protectionism (with significant <u>potential impacts</u> on world trade) aping the similar approach being <u>planned</u> by the EU."

Implications for the Northern Ireland Protocol

"The carbon border tax policy is partly a reaction to the potential negative effects of the UK's net zero agenda on UK competitiveness – but also reflects the fact that under the EU proposals and the Northern Ireland protocol, the carbon border tax will potentially apply to Northern Ireland's imports from the UK unless the UK shadows EU policies. This would harden the Irish Sea border that the protocol created even further."

Wider UK implications

The effects of such a policy won't be confined to Northern Ireland:

"To the extent that the UK tries to mitigate this by remaining close to EU regulations, the costs to the whole of the UK from the protocol will rise too.

Government Response

The government needs to act in two ways:

- 1. Deliver on the changes to the Northern Ireland Protocol
- 2. Overcome bureaucratic resistance to Brexit.

Departing from previous norms still haunt those in charge:

"Most government ministers and their officials still seem to be paralysed by fear about divergence leading to disastrous consequences for trade and the economy. That this is still the case is frankly astonishing given that the **empirical evidence** is now clear that leaving the EU customs union and single market has not led to the huge collapses in trade and GDP that many observers predicted – and that the studies that predicted it now stand **discredited**."

Obstruction to change

"It is well-known that senior civil servants intensely <u>disliked</u> Brexit, but a much broader pattern of opposition is also visible. Most strikingly, NI civil servants <u>resisted</u> orders by the NI Agriculture Minister to halt border checks. But we have also seen Border Force and Home Office civil servants threatening to refuse to implement government policies.

HM Treasury & HMRC

Resistance at the former and incompetence at the latter have stymied reform of taxes and tariffs. Instead,

"A totally new approach is required, putting policy-making in key areas in the hands of specialist teams external to the civil service, as the government so effectively did with the Covid vaccine taskforce."

The full article can be read here: https://cibuk.org/real-divergence-or-continued-shadow-eu-alignment/

About CIBUK: The Campaign for an Independent Britain (<u>CIBUK</u>) is a non-party political campaigning organisation of people from all walks of life. It is the UK's longest-running membership organisation for freedom, democracy and independence.

Founded in 1969, for over 50 years the CIBUK has made a significant contribution in campaigning on issues important to the majority of our population and in securing our exit from the European Union. Now it's time for the next chapter.