

Bulletin

Meanwhile in the single market ...

Free EU-Canada trade from spring

The Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada, was approved by the European Parliament. It will come into effect provisionally in April 2017, while 38 national and regional parliaments in the EU ratify the deal.

CETA will:

- Remove mosts tariffs and barriers to services
- Recognise certification for many products
- Ensure mutual access to public tenders for EU and Canadian businesses

Public services, audiovisual and transport services and some agricultural products are not included in the deal. Also, 140 typical European food and drinks are protected.



Premier Abe visits Brussels

The EU hopes to finalise talks for a free trade agreement with Japan this year. Prime Minister Shinzo Abe, who pushed an EU-Japan deal in Brussels, said that the two sides should "show to the world the flag of free-trade as a model."

At a time when the European economy needs to strengthen its position in world trade, the importance of free, fair rules-based trade is fading in favour protectionism. Therefore, Europe needs to intensify trade talks with its partners, and the European Foreign Ministers agreed to swiftly advance ongoing negotiations, such as with Japan, Mercosur and Mexico. The negotiations with Japan are

And elsewhere ...

Trump Speech: what's in it for trade?

In his first speech to Congress, US President Donald Trump said he strongly believes in free trade but that it has to be fair trade.

He said that the US lost jobs and factories because of NAFTA (the free trade agreement between the US, Canada and Mexico), and China joining the World Trade Organisation.

He also said that the US has a trade deficit in goods of nearly \$800 billion.

To reverse this, Trump intends to 'make it easier for companies to do business in the United States, and much harder for companies to leave'. He would reduce the tax rate on US companies.

Further details are yet to come and TradePeers will closely watch how a new US trade policy unfolds.

After all, the USA is the UK's largest export partner and second-largest import partner. Also, it is the UK's largest single inward and outward investor in terms off foreign direct investment ([The UK trade and investment relationship with the United States of America: 2015. ONS, 5 September 2016](#)).



Blog

Article 50: will anything change for business?

The UK is withdrawing from the EU under 'article 50'. Future UK-EU trade could mean tariffs, rules of origin, and changes to the recognition of licences, employing staff, opening branches, and travel. However, *regulation* is the biggest business issue says Sietske de Groot from TradePeers Ltd.



Great Repeal Bill

The Government will inherit EU regulation onto its statute book through the 'Great Repeal Bill'. It will offer certainty for business in the short term, as EU and UK laws will be the same. However, UK 'EU' law may change under a next government, and the EU will update its laws as and when necessary, so rulebooks could start to diverge. Also, the UK will adopt case law of the European Court of Justice. But will it follow future rulings? Will I need to know different versions of the rules, depending on my customer?

Now it has received the UK's notification to leave, the EU will decide on the negotiations. Talks will last until October 2018 for the UK to leave in March 2019. Ideally, the deal comprises a transition period, and withdrawal and trade terms. However, trading under WTO rules remains a possibility.



EU President Donald Tusk:
"What can I add to this. We already miss you".

Questions for businesses

Going forward, questions for businesses are:

- How will market access change?
- Will the UK keep up with EU laws, for how long?
- Will there be equivalence?
- How will rules be enforced?

'Art. 50' is happening. Will anything change for business? Not immediately. But plan ahead! Anticipate changing trading conditions and chart uncertainties.

This article was also published in *Trade and Investment Update*, [British-American Business](#).