

News story: New customs proposals laid out by Government in new paper on future relationship with the EU

A new paper setting out proposals for a future customs relationship with the EU has been unveiled today by the Government in the first of a series of papers on the UK's future partnership with the EU.

The document highlights the UK's strong starting position and how we can build on the strong foundation through two broad approaches:

- A highly streamlined customs arrangement between the UK and the EU, with customs requirements that are as frictionless as possible. This would aim to continue some existing arrangements we have with the EU, reduce or remove barriers to trade through new arrangements, and adopt technology-based solutions to make it easier for businesses to comply with customs procedures.
- A new customs partnership with the EU by aligning our approach to the customs border in a way that removes the need for a UK-EU customs border. One potential approach would involve the UK mirroring the EU's requirements for imports from the rest of the world where the final destination is the EU.

The paper also sets out new details on an interim period with the EU. The proposed model, which would mean close association with the EU Customs union for a time-limited period, would ensure that UK businesses only have to adjust once to a new customs relationship. This would minimise disruption and offering business a smooth and orderly transition.

Secretary of State for Exiting the EU David Davis said:

The approaches we are setting out today will benefit both the EU and UK and avoid a cliff-edge for businesses and individuals on both sides.

The way we approach the movement of goods across our border will be a critical building block for our independent trade policy. An interim period would mean businesses only need to adjust once to the new regime and would allow for a smooth and orderly transition.

The UK is the EU's biggest trading partner so it is in the interest

of both sides that we reach an agreement on our future relationship. The UK starts from a strong position and we are confident we can deliver a result that is good for business here in the UK and across the EU.

Chancellor of the Exchequer, Philip Hammond said:

Our proposals are ambitious, and rightly so. They set out arrangements that would allow UK businesses to continue to trade with their European partners in the future, while expanding their markets beyond the EU.

And in the near term they will reassure people and companies that, the day after we leave the EU, they will still be able to go about their business without disruption as we make a smooth transition to our bright future outside the EU and deliver a Brexit that works for Britain.

The leading document crucially sets out that the UK will be guided by what delivers the greatest economic advantage to the UK, and by three key objectives: to ensure trade with the EU is frictionless as possible, to avoid any form of hard-border between Ireland and Northern Ireland and to establish an independent international trade policy.

International Trade Secretary, Dr Liam Fox said:

Leaving the Customs Union will allow us to operate a fully independent trade policy in Britain's national interest which will benefit UK businesses and consumers.

We will seek a new customs arrangement that ensures that trade between the UK and the EU remains as frictionless as possible and allows us to forge new trade relationships with our partners in Europe and around the world.

As we leave the EU and establish an independent trade policy, the Government will prioritise ensuring that the UK and EU businesses and consumers can continue to trade freely with one another as part of a new free trade agreement. In 2016, UK imports and exports from the EU totalled £553 billion alone.

The paper can be found [here](#).