

Trading opportunities

On Monday I asked the Prime Minister to update us on the work the UK is now doing to have a better set of trading arrangements after we leave the EU.

She confirmed that the UK is working on transferring the current EU trade agreements with other countries to the UK as well as to the rest of the EU on exit. The two most important are with South Korea and Switzerland, with another 50 with other smaller trading partners. There is every prospect of this happening smoothly. So far no country who has signed one of these Agreements has said they wish to cancel it with the UK or with the rest of the EU as a result of our exit. Why would they? It makes no sense to put up barriers where you have successfully negotiated them down. The new EU/Canada deal will start coming into effect over the next year. That too can novate to the UK and be the basis for an enlarged Agreement in due course.

She also confirmed that the UK is working on a new Agreement with the USA and with Australia, where the EU does not have one. There will be other countries too where the UK can make progress in preparing a deal prior to exit to speed up signature after exit. The Prime Minister went on to say that the UK was also working on proposals to help the WTO speed more free trade worldwide.

Some remain negative about trade prospects outside the EU, afraid that the EU will impose new and difficult barriers on us. The good news is no EU member state has said it wants to impose tariff barriers on its exports to us, and therefore on our exports to them. Nor has any member state said it wants to stop its people and businesses getting access to the money, investment and financial advice that London provides.

Some on the continent have said they want to repatriate dealings in the Euro to the continent. This is a silly statement. All the time they want the Euro to be a serious global currency like the dollar, widely used around the world, they have to allow non EU centres to make a market in it. How would the EU stop people buying and selling Euros or Euro denominated bonds outside their area? And why would the world then take their currency seriously?

We will doubtless face another year or more of posturing. All the time interests in the UK try to force the UK to weaken its position over the future relationship there will be voices on the continent demanding we do so. They cannot believe their luck that so many in the UK establishment are still out to weaken the UK's clear, optimistic and positive proposals on movement of people, future trade and collaboration.