



THE BILATERAL TRADE DEALS THAT MATTER TO CONSUMERS

Winter 2017/2018

#BREXIT

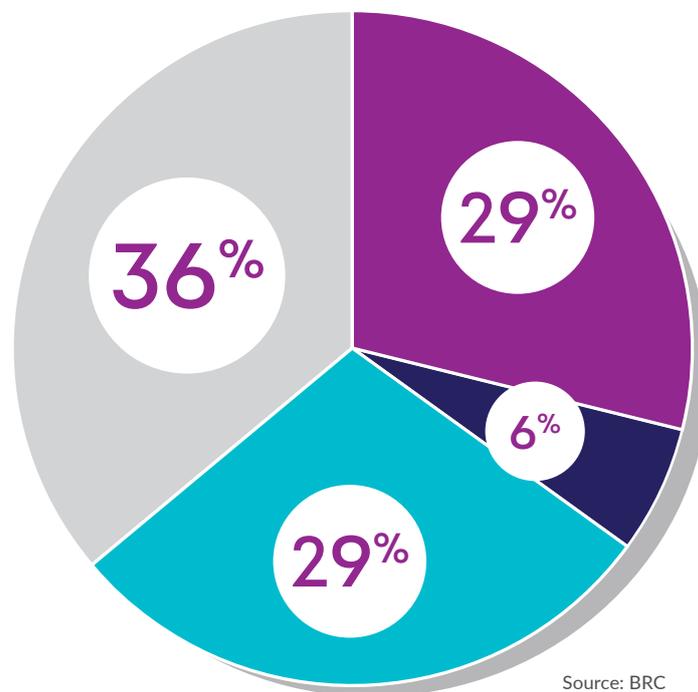
BRC

HOW MUCH DO BILATERAL TRADE DEALS MATTER?



A deal with the EU that enables lasting tariff-free trade with the EU is make or break to the supply and affordability of items that ordinary UK shoppers purchase every day. However, as well as trade with the EU, the UK has a number of important trade and trade-related deals with countries outside the EU, which have been negotiated by the EU. These are called “bilateral trade deals” and are in place because the UK has been part of the EU.

Figure 1: Breakdown of UK retailers’ imports by existing trade relationship with exporter



KEY



If these agreements with countries outside the EU are not in place by 30 March 2019 when the UK leaves the EU, goods which currently have zero or low tariffs applicable will face higher tariffs as well as potentially tougher customs hurdles, and there may be higher prices on the products we buy.

KEY COUNTRIES

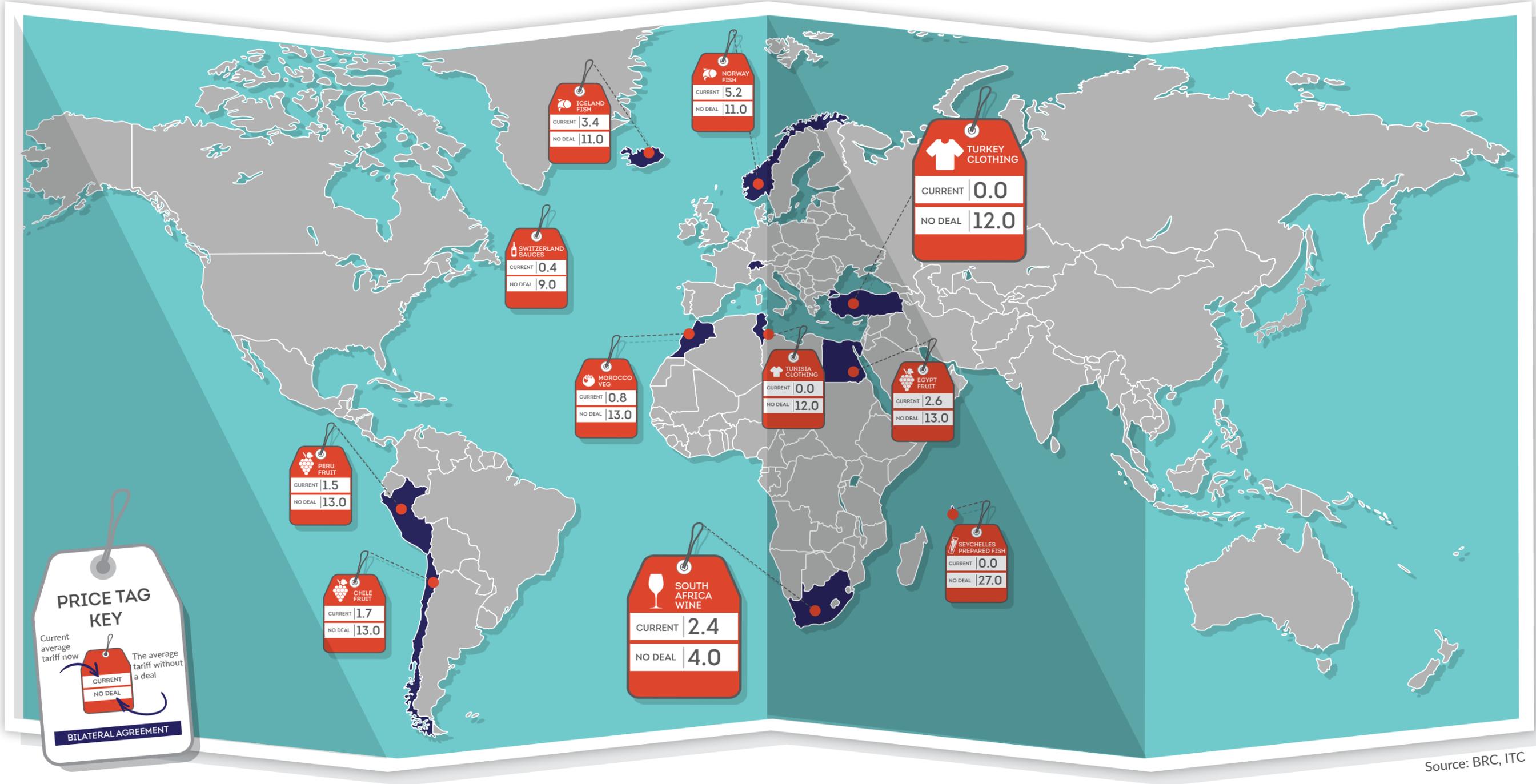
Using data gathered from UK retailers, we have identified those countries where negotiating a bilateral trade agreement will be most important if we want to avoid paying more for our goods.

The research shows that products such as:



will be particularly affected if no new trade deals are put in place, shown by the price tags with increased tariffs below. These price tags illustrate the tariffs paid now, and with no agreement, on some of the most commonly imported goods into the UK currently covered by bilateral deals.

South Africa and Turkey are the most important bilateral deals for the UK as we import significant amounts of fruit, veg and wine from the former and clothing and electrical goods from the latter. The impact on the cost of goods of no deal with these countries would be the greatest.



PRICE TAG KEY

Current average tariff now

The average tariff without a deal

BILATERAL AGREEMENT

Source: BRC, ITC

THE BRITISH RETAIL CONSORTIUM

Retail is an exciting, diverse and dynamic industry undergoing transformational change. The BRC is at the forefront – enhancing, assisting, informing, and shaping. Our broad range of stakeholders demonstrates how retailing touches almost every aspect of our culture.

The BRC leads the industry and works with our members to tell the story of retail, shape debates and influence issues and opportunities which will help make that positive difference. We care about the careers of people who work in our industry, the communities retail touches and competitiveness as a fundamental principle of the industry's success – our 3 Cs.



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