

ON THE DOORSTEP: EU TRADE



a briefing by

Richard Corbett MEP

key issues and hot potatoes

THE EUROPEAN UNION IS BRITAIN'S BIGGEST TRADING PARTNER



BIGGEST MARKET The EU is the world's biggest market, and our main export destination, with more than **500 MILLION DOMESTIC CUSTOMERS ON OUR DOORSTEP** — dwarfing our trade with other parts of the world. The UK exports more to the Netherlands alone than to the entire Commonwealth, more to Sweden than China.

SINGLE MARKET There are **NO IMPORT OR EXPORT TARIFFS IN THE EU**. Ongoing EU reforms aim to **DEEPEN AND INTEGRATE THE SINGLE MARKET** still further, for instance in digital services.

ONE MARKET, ONE SET OF RULES Crucially, our European single market is not a free-for-all — it has **RULES TO PROTECT WORKERS, CONSUMERS AND THE ENVIRONMENT**. European standards are among the highest in the world, and because we agree and uphold these standards jointly, neighbouring countries cannot so easily longer undercut each other by eroding workers' rights or weakening consumer protection.

PUNCHING ABOVE OUR WEIGHT The European Union is not just about domestic trade: we also team up with our EU partners to negotiate **PREFERENTIAL TRADE AGREEMENTS** with other countries, more than 50 to date. Often our only chance of a genuinely good deal with others is with the clout of the world's biggest market behind us.

EXPORTING BEST PRACTICE The EU's status as a prized trade partner also means that third countries who want access to our market must meet our standards. When we jointly raise the bar on product safety or labelling, other countries have to adapt: **EUROPEAN STANDARDS BECOME DE FACTO WORLD STANDARDS**. This is one crucial way Britain can project soft power to improve trade and working conditions across the world — and it's only possible with EU membership.

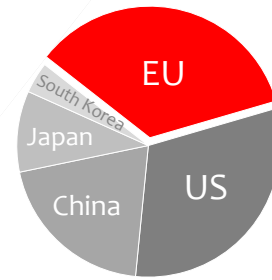
A TRADE DEAL WITH THE US? Negotiations continue over a proposed deal on trade between Europe and the US, known as the Transatlantic Trade and Investment Partnership.

TTIP Of course, free trade between the EU and the US **BENEFITS PEOPLE ON BOTH SIDES OF THE ATLANTIC**. Removing remaining tariffs and opening up the US market for British and other European businesses could **CREATE MANY JOBS**. American workers and consumers also stand to gain if US standards are raised to match EU ones in some areas.

BUT, BUT, BUT A number of unacceptable elements have been proposed. TTIP must **SPECIFICALLY PROTECT OUR PUBLIC SERVICES**, including the NHS. It must not reduce workers' rights, threaten existing high standards on health and safety and the environment, nor lead to social dumping. And it **MUST NOT CREATE SECRET TRIBUNALS** ('ISDS') nor privilege multinationals over elected governments.

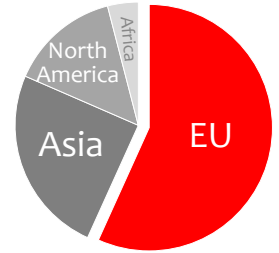
SHAPING THE DEAL No deal is possible without the **CONSENT OF THE EUROPEAN PARLIAMENT** as well as national governments (and, depending on the scope of the deal, national parliaments too). The draft is still being negotiated and **WON'T BE FINALISED FOR YEARS**, but MEPs have already made clear what they will and will not accept.

IF THE FINAL DEAL FALLS SHORT OF MEPs' EXPECTATIONS, WE WILL VETO IT — and negotiators know this. **BREXIT** Britain's privileged place in the world's largest market is at risk. Those who want us to quit the EU know that we would either have to try to negotiate continued access — like Norway, **STILL SUBJECT TO EU LAW BUT WITH NO ABILITY TO WRITE THAT LAW** — or leave the market altogether and face adverse tariffs on our exports. We would also have to negotiate new trade agreements with countries across the world to replace the ones we currently have via the EU, negotiating just as little Britain without the clout of Europe behind us. It would be an economic catastrophe and a diplomatic nightmare.



The EU is the world's biggest trade partner, with a 16% share of all the world's imports and exports.

Britain exports more to the rest of Europe than to the rest of the world combined.



HOW WE MAKE TRADE DEALS

- 1 National governments agree what they want to achieve, and mandate the European Commission to negotiate
- 2 Both sides meet to discuss a deal, consulting with their own governments to steer negotiations
- 3 If negotiations succeed, the representatives jointly draft an agreement
- 4 The draft is published. National governments and the European Parliament all scrutinise it (national parliaments too, depending on scope)
- 5 If both sides approve the deal, it enters into force. If either reject it, it falls

Doorstep EU



For up-to-the-minute analysis of media headlines on Europe as well as briefings on key issues, check out richardcorbett.org.uk/app