

# Post-Brexit trade models for UK

## NORWAY MODEL

■ Membership of **European Economic Area** gives access to EU single market as long as Norway pays contributions to EU budget and plays by EU rules

■ Accepts free movement of people but is exempt from EU rules on fisheries and farming policy

■ **Downside is that Norway has no say over how rules of single market are created**

## TURKEY

■ As part of EU's customs union, Turkey faces no tariffs on industrial exports to EU. Areas such as services and agriculture are excluded

■ **Turkey must also impose EU's common external tariff on goods imported from outside EU – and has no say in setting tariffs**

## WTO OPTION

■ If no deal is reached before Britain leaves, trade rules would default to **World Trade Organisation** rules

■ **No free movement, contributions to EU budget, or abiding by EU laws, but tariffs imposed on all goods and services exported from UK**

## SWITZERLAND

■ Has over 120 bilateral trade agreements with EU, which give access to Europe's markets for most industries except for services sector, which accounts for 80% of UK economy

■ Accepts free movement and contributes to EU budget, but is not obliged to apply EU laws

■ **But trade deals now in danger after referendum in 2014 voted in favour of capping EU immigration**

## CANADA

■ Trade deal with EU – due to take effect this year – will eliminate tariffs on all industrial and most agricultural products

■ **Crucially, financial services are excluded and London-based banks would be hit hard if same applied to EU-UK deal**

■ Companies exporting to EU would also have to comply with product standards and technical requirements without having any input in setting them

