

## Brexit: Deal / No Deal tariff scenarios

### If there's no deal

The UK would go to onto WTO tariffs. Trade with the EU would likely be conducted on Most Favoured National (MFN) terms. This means that the full rate of tariffs would apply to all imports from the EU; however, the UK would be free to set MFN duty rates at a lower level and lower duty rates on imports from some developing countries.

There are hundreds of different tariffs for food and drink – a list is [available here](#).

More than 70% of UK food and drink imports originate in the EU and it's been calculated that applying MFN terms could add £6 billion to the cost of food imports from the EU.

The standard rate for food tariffs is far higher than the rate for non-food goods, with duties for some meat and dairy products more than 80%. The average tariff rate is 22%.

Some sample tariffs under MFN terms -

Product	Tariff Range	Average Weighted Tariff
Meat/offal	0-80%+	c.40%
Fish/seafood	0-23%	11%
Dairy, eggs, honey	0-80%	c.40%
Vegetables	0-15.2%	8.7%
Fruit and nuts	0-20.8%	6.7%
Coffee, tea, spices	0-12.5%	2.8%
Prepared meat/fish	0-26%	18.1%
Sugar/confectionery	0-13.4%	6.8%
Cocoa and chocolate	0-40%	c.30%
Pasta, doughs, biscuits	8.5-12.8%	10.7%

## **If there's a deal**

A deal would involve a Free Trade Agreement (FTA) i.e. extension of the single market or an agreement similar to the EU's with Canada.

An FTA could avoid tariffs on imports from the EU but introduces some new costs in the form of customs declarations and compliance with rules of origin.

An FTA with the EU would allow the UK to quickly reduce tariffs on imports from some developing countries and on products where there is insufficient domestic supply.

## **Brexit timetable**

December 13-14 is the last date for an Article 50 deal to be signed off by Britain and the EU.

By January/February 2019 the House of Commons have to approve whatever Brexit deal that has been agreed and MPs must also pass a Withdrawal Bill that puts the exit treaty into law.

Until March 29 2019 the Withdrawal Agreement will need to be supported at an EU summit by a large majority of Member State leaders and the decision must also be approved by the European Parliament in a vote.

March 29 2019 is Brexit day. On March 30 2019 trade talks will begin between the UK and the EU and the transition period will start.

The transition period is scheduled to end on December 31, 2020.

If no deal is agreed, there is no transition period and the UK moves to WTO rules.