

Near and longer term developments in trade orientation and implications

This note provides a range of possible developments arising from a change in trade relations between the UK and EU. Developments and implications for shellfish exporters are set out over the near term (based on WTO trading conditions), then over the medium and longer term.

Near term

- Markets and trade: Lose the facilitated trade benefits afforded by the EU single market and EU-3rd country agreements.
- UK Government: could see easing of economic conditions e.g. cutting taxes, adjusting tariffs, increasing investment, deregulation (although government has ruled out departing from EU standards), export support.
- Industry: Lose out to competitor non-UK suppliers that can supply the same product faster and at lower cost, for example from suppliers in the Republic of Ireland. UK industry could change operating practices, changing the production period (e.g. night shift) or market times (e.g. earlier start times).

Medium term

- Markets and trade: Focus on priority trade agreements
- UK Government: could see easing of economic conditions e.g. cutting taxes, reducing tariffs, increasing investment, deregulation (although government has ruled out departing from EU standards), export support. Government departments better resourced.
- Industry: exploring new markets and new products, new facilities. Potential consolidation and polarisation in industry.

Longer term

- Markets and trade: Shifts in global markets; increasing demand from Asian markets – so this trend will demand an efficient export process with all the associated trade requirements. Static trend in some EU markets. New trade agreements with other third countries.
- UK Government: Continued trade with the EU will require continued cooperation with EU institutions on the part of the UK Government. New national legislation that deviates from EU-prescribed rules may be introduced to create an improved business environment and in facilitating trade.
- Industry: new markets, new products, new facilities. Potential consolidation and polarisation.

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