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@Joe_Mayes Non-tariff barriers are other conditions/criteria which, even though are not tariffs, may end-up having a tariff-like effect, that is an increase of costs and, thus, of the price paid by the buyer (e.g. a theoretical example, a requirement that all beer exported to Belgium) 1/

@BORIS_WATCH @Joe_Mayes 2/ In the theoretical example, a beer exporter would be forced to change his supplier of bottles or to invest in a separate bottling line for its production deemed for export to Belgium. Hence, the extra costs that will have to be covered (usually by the end-customer).

@BORIS_WATCH @Joe_Mayes 3/ Even though it might seem ridiculous, there are many real examples of such „disguised restrictions". Under the EU Law they are prohibited in the relations between the EU member states because they hamper the free movement of goods.

@BORIS_WATCH @Joe_Mayes 4/ Coming back to the confusion created by the foggy official communication, this comes probably from the terminology used (sometimes incorrectly), insufficiently explained and superimposed on the promises made in 2016 (we will have the same conditions like we were in the SM etc)

@BORIS_WATCH @Joe_Mayes 5/ So, in international trade, charging import/export tariffs is the norm. There are also quotas and contingents (e.g. the quantities of a given product the exporters from country A are allowed to export to country). The quotas are also used by the EU.

@BORIS_WATCH @Joe_Mayes 6/ Contingents are quantities of products which can be traded at a lower tariff than the normal one.

@BORIS_WATCH @Joe_Mayes 7/ Tariffs are sums of money charged for the import/export of goods. Usually, these are set as % of the good's value. The classification of goods and the applicable tariff, per country of destination/origin are set usually in Customs Code.

@BORIS_WATCH @Joe_Mayes 8/ The Single Market (or, in the terminology used by the EU Treaties, as lastly amended by the Treaty of Lisbon in 2009, "the EU internal market") refers to the EU as one territory without any internal borders or other reg. to the free movement of goods and services.

@BORIS_WATCH @Joe_Mayes 9/ As of 1968, the EU (of EEC as it was called back then) became also a Customs Union (no customs duties at the borders between EU countries; a common customs code for the trade with non-EU).

@BORIS_WATCH @Joe_Mayes 10/ Customs Union means also reduced formalities for intra-EU deliveries (a company does not "export" from Germany to France, but it makes "an intra-EU delivery"). The formalities are simplified and they mainly serve statistical purposes or checks for special-regime goods.

@BORIS_WATCH @Joe_Mayes 11/ Conversely, seen from an EU company's perspective, any genuine export/import operation (when it sells or buys from a non-EU country) requires customs formalities(declarations, duties, proof of origin etc.), depending on the applicable trade regime with the partners' country.

@BORIS_WATCH @Joe_Mayes 12/ Well, the UK decided to exit the EU. It also decided to leave the Single (Internal) Market and the Customs Union. This means that, from a trade perspective, the UK is a 3rd country.

@BORIS_WATCH @Joe_Mayes 13/ Now, the Trade and Cooperation Agreement agreed between the EU and UK and referred by B. Johnson et al. as "the deal" is - in simple terms - a free trade agreement. This means that the parties agreed to set aside the most important barriers to intl. trade: tariffs and quotas

@BORIS_WATCH @Joe_Mayes 14/ So, based on the agreement (provisionally applicable by end of February), there are no tariffs/quotas between EU and UK. However, the absence of export/import tariffs and quotas do not change the qualification of the operation as an "export"/"import" of goods.

@BORIS_WATCH @Joe_Mayes 15/ Such operations occur between an EU and non-EU country. They are exports/imports, hence are subject to custom formalities. The UK and EU agreed on a special (simplified) customs regime and the TCA contains provisions of the customs and trade facilitation.

@BORIS_WATCH @Joe_Mayes 16/ However -and here is where the confusion originates - the EU-UK TCA DID NOT ABOLISH the customs formalities/border controls (or, from the UK's standpoint, didn't maintain the pre-31 Dec. 2020 regime, applicable when the UK was an EU member and during the transition period).

@BORIS_WATCH @Joe_Mayes 17/ In conclusion, TCA prevented the return to the (Stone Age-like) WTO rules. It helped the business with more predictability and allowed-to some extent- continuity.

@BORIS_WATCH @Joe_Mayes 18/TCA is a special free trade agr. but it is NOT placing the EU and UK (and their companies) in the exact same trading conditions as before Brexit. Sadly, the friction-less trade "a la Gove" and unicorns do not exist. To paraphrase Einstein, I am not sure about the unicorns. END