# Twitter Thread by <u>Dr Richard North</u>





1. You will read today many ignorant assertions, of this ilk ...

## https://t.co/5d5jgqVDql

... to the effect that the EU has introduced "significant barriers to free trade e.g. customs and regulatory checks".

### But the EU has introduced no new barriers.

2. Simply, the UK has redefined itself as a "third country" and positioned itself outside the EU's existing regulatory wall...

#### https://t.co/5d5jgqVDqI

- 3. As a third country, it will now have to deal with all the pre-existing regulatory barriers that have been erected over time, which apply (to a greater or lesser extent) to other third countries.
- 4. The degree to which this trade deal is effective can be measured by the extent to which these entry is handicapped by these pre-existing barriers, and what steps have been agreed to mitigate the effects.
- 5. However, as long as the UK is a third country, outside the Single Market, traders will have to deal with significant entry barriers when sending goods to the EU. These are an unavoidable consequence of leaving the Single Market.
- 6. In particular, traders will have to get used to the fact that the Single Market is not a free trade area it is a regulatory union, where the members agree to be bound by a common regulatory code. It is this which permits cross-border trade without checks.
- 7. Thus, third country goods to gain entry to the Single Market, there must be an "importer" established within the EU who will take legal responsibility for ensuring that those goods conform with Single Market regulations.

- 8. The greater the degree of divergence between the third country regulatory code and the Single Market acquis, the more stringent will need to be the checks to ensure the conformity of goods.
- 9. On that basis, most modern trade deals seek to agree regulatory harmonisation, and cooperation, with a view to adopting common standards. "Free trade" is a misnomer. It is "regulated trade". The greater the degree of commonality, the freer the flow of trade.
- 10. Expect, therefore, the UK's insistence on divergence to hamper the flow of trade. The "freedom" to diverge is the freedom to hamper trade flows and to make it more difficult and expensive to export.
- 11. The ignorance of this assertion, therefore, tells you a great deal about the level of comprehension in the higher reaches of government ...,.

### https://t.co/igW17d26dH

Commentators such as this lack the intellectual architecture to understand the concept of the Single Market.

The truth is the deal means the introduction of significant barriers to free trade e.g. customs and regulatory checks (but it is better than no deal and we could certainly do with some good news atm) <a href="https://t.co/9MUMkPXvTc">https://t.co/9MUMkPXvTc</a>

— Gavin Barwell (@GavinBarwell) December 23, 2020