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Answer given by Executive Vice-President Dombrovskis
on behalf of the European Commission
(11.2.2022)

After their withdrawal from the European Union (EU), the United Kingdom (UK) have the right to conclude Free Trade Agreements (FTAs) with third countries independently from the EU. The recently announced trade deal with Australia and the agreement in principle with New Zealand could be the first two FTAs concluded by the UK in their own capacity, except for the rollover of previous agreements concluded when the UK was still a Member State of the EU.

As a consequence of these trade agreements, it is likely that some EU agricultural producers, in particular in the beef and sheep sector, might experience additional competitive pressure on their exports to the UK, largely due to a progressive erosion of the EU tariff preference on the British market. However, the magnitude of the impacts of the UK trade deals are difficult to be estimated at this stage, as the extent to which Australia and New Zealand will be able to increase their exports to the UK is uncertain.

After the UK trade agreements with Australia and New Zealand will enter into force, the date of which is not known at this stage, the Commission will monitor with particular attention the situation of the agricultural markets and the evolution of the relevant trade flows with the UK. Also, the EU-UK Trade and Cooperation Agreement¹, provides for an enhanced monitoring system, which reports on the implementation and application of the agreement.

Should significant market disturbances be registered, the Commission would be ready to support the concerned sectors with appropriate measures under the Common Agricultural Policy, if and when needed. However, the Commission does not prepare ex-ante impact assessments of initiatives undertaken by third countries.

¹ Trade and Cooperation Agreement between the European Union and the European Atomic Energy Community, of the one part, and the United Kingdom of Great Britain and Northern Ireland, of the other part
OJ L 149, 30.4.2021, p. 10–2539.