

Editorial



The need to facilitate trade, particularly between major trading partners, is of growing importance. The paragon of trade facilitation is the formation of a customs union in which the customs territories of individual member states are treated as a single customs territory. This allows for the elimination of tariffs and other cross-border regulations among member states and for trade with third parties to be regulated in a uniform manner.

The European Union (EU) is the exemplification of a customs union, providing for frictionless trade among its member states by the removal of internal borders and other regulatory obstacles to the free movement of goods. This year, as we celebrate the 50th anniversary of the EU customs union, we realise that the vision of establishing the customs union was well ahead of its time.

At the same time, we watch with interest as the UK seeks to leave the EU customs union (and the single market), ostensibly to enable the negotiation of free trade agreements independently of its major trading partner, the EU. Brexit has highlighted two important issues—the complexities associated with border management and the critical role played by Customs in managing international trade. At the time of publication, we still have no clear picture of what a post-Brexit environment might look like. And while the least disruptive trade solution for the UK is to continue its membership of both the customs union and the single market, the UK political landscape appears unlikely to allow for this.

A possible way forward would be for the UK to seek agreement with the EU27 to stay in the customs union and single market for the time being, but at the same time to be permitted to negotiate trade agreements in its own right on the basis that no such agreement would be concluded until the associated customs arrangements had been agreed with the EU27. Once the customs arrangements had been settled, a time would be chosen for their introduction, as well as the UK's withdrawal from the customs union (and the single market).

This would enable mutually acceptable customs solutions to be developed pending the negotiation of future trade agreements and provide trade certainty and stability in the interim. It would also enable the UK to develop customs solutions that specifically address the changes brought about by the particular trade agreement under negotiation, noting that these may represent a fraction of the wholesale changes that are currently being contemplated. As further agreements are negotiated, further adjustments to the customs arrangements between the UK and EU could be developed and agreed incrementally.

As we continue to follow developments with interest, the Editorial Board would welcome articles for publication that address this important event in trade history.

A handwritten signature in blue ink, appearing to read 'D. Widdowson', with a stylized flourish at the end.

David Widdowson
Editor-in-Chief