Editorial

In the last edition of the Journal I focused on the interminable Brexit debate that is dominating UK politics. I was hoping to be able to comment on the outcome of those deliberations in the current issue, but here we are only two weeks away from the proclaimed date of the UK’s departure from the EU with no resolution in sight.

The way in which this matter has been and continues to be managed at the political level is reprehensible given the international trading community’s fundamental requirement for regulatory clarity and certainty. Regrettably, this basic prerequisite for prudent commercial decision-making is currently unavailable to UK traders and those with whom they do business.

The operating climate in which such traders currently find themselves is akin to opening the daily newspaper, not for the weather forecast, but to see what regulatory preconditions, duty rates and other non-tariff barriers they are likely to be facing in the coming days and weeks. At present, such predictions are purely speculative. Such a situation is untenable given that investment in international trade is a long-term proposition, and one which requires judicious forward planning. Knowledge of regulatory policy and procedure is fundamental to the success of such ventures, but unfortunately the continuing political impasse prevents this.

One could say that this situation is merely a reflection of the sorry state of UK politics, but it is much more than that. It is reflective of an underlying ignorance of the complexity of customs regulation. When Brexit was first mooted, the potential implications of customs rules and procedures were given little thought, and it was assumed that such matters could easily be dealt with. Similarly, the intricate warp and weft of the customs union and single market were never fully understood, and even today the practical implications of unpicking these arrangements are being downplayed.

It is the land border between the UK and the Republic of Ireland that has emerged as Brexit’s most challenging conundrum and forced politicians to accept the fact that, if and when the UK and EU become separate customs territories, a border will be created. No doubt a Goldilocks solution will ultimately be found to the soft and hard border debate which has ensued, but the fact remains that enforcement of laws relating to trade between two customs territories cannot be achieved in the absence of effective border controls of some description.

In this edition’s Special Report, we present an insightful article by Gareth Lewis in which he examines the extent to which technology may be used to achieve an effectively controlled ‘soft’ border.

The Editorial Board joins the rest of the trading community in following the Brexit drama with keen interest.

David Widdowson
Editor-in-Chief