



ABS POLICY PAPER No. 11

BREXIT: What does a „no-deal“ (leaving without an agreement) mean...

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There are over 40 areas of policy where there would be problems, including data transfer, civil aviation, crime and justice co-operation, energy supply, the NHS and industrial supply chains.

All these impacts would mean that a no deal departure from the EU would have major economic and social consequences. For example at ports and airports as well as longer-term economic, social and political impacts.

In detail, the main consequences in the present circumstances would be

- there would be no transition period;
- UK citizens living in the EU and EU citizens living in the UK would lose all their rights under EU law.
However, as far as the UK and Austria are concerned, both governments have already made commitments to the effect that acquired rights of their citizens would remain valid,
- The loss of the free movement of goods would mean the return of customs and other controls for trade with the EU, including (as required by the UK's membership of the WTO) the reintroduction of tariffs on trade between the UK and the EU;
- WTO rules would also require the UK and the EU to levy third country tariff rates on trades between the two parts or Ireland;
- A hard border would be imposed between Ireland and Northern Ireland, contrary to the Good Friday/Belfast Agreement,
- Travel between the UK and the EU would become more difficult because of the loss of free movement rights, how difficult would depend on the EU's response;
- The EU would no longer recognise UK approvals of products and services, so all UK exports would be subject to checks in their importing EU country; UK businesses would have to seek regulatory approval in EU

Member States and possibly establish a presence on one of them to maintain trade;

- The loss of free movement of services, the loss of the right of establishment for UK businesses and the loss of mutual recognition of qualifications in the EU would hamper UK services exports to the EU;
- The EU would be likely to pursue the UK for its unpaid debts;
