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UK GLOBAL TARIFF & TRADE AGREEMENTS

Effective from the 1st January 2021



Introduction

On the 19th May 2020, the UK Government announced its new UK Global Tariff (UKGT) which will replace the EU's Common External Tariff (EU CET) from the 1st of January 2021 at the end of the implementation (transition) period.

The new UK Global tariff will apply to all goods imported into the United Kingdom, including those from the European Union, unless:

- An exception applies, such as a relief or [tariff suspension](#)
- The goods originate from a country benefiting from the [Generalised Scheme of Preferences \(GSP\)](#).
- The goods originate from a country that has signed a new [trade agreement with the UK \(See Note 3\)](#)

The new UKGT has been simplified and liberalised on goods imported into the UK which are highlighted in the 'change' column and can be found in the [UK Global tariff Tool](#)

- 'Liberalised' means the tariff has been reduced to zero
- 'Simplified' means the tariff has been rounded down or 'banded. For some complex tariffs this means that tariff is now expressed as a single percentage **(See Note 1)**.
- 'Reduced' means the tariff has been lowered beyond the simplification measure.
- 'Currency conversion' means that tariffs have been converted from euro to GBP at an exchange rate of € 1 = £ 0.83687 (Rates equal to or over £ 10.00 have been rounded down to the nearest whole pound and rates under £ 10.00 have been rounded down to the nearest 10 pence) **(See Note 2)**

You can search the UKGT tool using:

- An 8 digit commodity code
- A product description
- A combination of both

Generalised Scheme of Preferences

The Generalised Scheme of Preferences (GSP) is a preferential tariff system which allows originating goods from a range of countries to be imported into the EU at a reduced or nil rate of duty.

Under the EU GSP Scheme:

- **GSP countries** will benefit from reduced tariffs for some goods;
- **GSP+ countries** will benefit from reduced tariffs for most goods;
- **LDC countries** will benefit from duty and quota free access for all goods with exception to arms and ammunition under the 'Everything But Arms' (EBA) arrangements

The UK Government confirmed it will continue to provide trade preferences to the same countries as the EU's GSP from the 1st January 2021.

There will be three frameworks:

1. Least developed countries framework (LDCF)
2. General framework
3. Enhanced framework

These frameworks will replicate the same market access as the existing EU GSP scheme.

To claim GSP

You will require an authenticated original GSP Form A certificate issued by the originating country.

GSP beneficiary countries

The following countries are listed as GSP beneficiary countries according to the UK Gov website on the 20th May 2020:

Standard GSP	GSP +	Least developed Countries (LDC) - Everything But Arms (EBA)		
Congo	Armenia	Afghanistan	Eritrea	Niger
Cook	Bolivia	Angola	Ethiopia	Rwanda
India	Cape Verde	Bangladesh	Gambia	Sao Tome and Principe
Indonesia	Kyrgyzstan	Benin	Guinea	Senegal
Kenya (See Note 3)	Mongolia	Bhutan	Guinea-Bissau	Sierra Leone
Micronesia	Pakistan	Burkina Faso	Haiti	Solomon Islands
Nauru	Philippines	Burma	Kiribati	Somalia
Nigeria	Sri Lanka	Burundi	Lao PDR	South Sudan
Niue		Cambodia	Lesotho	Sudan
Samoa		Central African Republic	Liberia	Tanzania
Syria		Chad	Madagascar	Togo
Tajikistan		Comoros	Malawi	Tuvalu
Tonga		Congo (Democratic Republic)	Mali	Uganda
Uzbekistan		Djibouti	Mauritania	Vanuatu
Vietnam		East Timor	Mozambique	Yemen
		Equatorial Guinea	Nepal	Zambia

UK-Third country trade agreements

The UK continues to participate in a number of international agreements as permitted under the UK EU withdrawal agreement. These agreements and the UK's current trading relationship with the EU and third countries will cease to apply to the UK at the end of the implementation (transition) period.

In line with commitments provided for in the Trade Bill 2017-19, the UK government has sought to deliver the maximum possible certainty for businesses by ensuring continuity in the UK's relationship with third countries. To achieve this, the UK Government developed new bilateral agreements that replicate, as far as possible, the effects of existing EU trade agreements.

- These UK-third country agreements are intended to come into effect from the 1st January 2021 when EU-third country agreements cease to apply to the UK.
- If a new UK-third country agreement has not been signed by the end of the implementation (transition) period, trade with other World Trade Organisations (WTO) members will take place on [WTO terms](#).

	UK-Third Country Agreement	Countries covered by the agreement	Link to trade agreement
1	UK-ANDEAN	<ul style="list-style-type: none">▪ Colombia▪ Ecuador▪ Peru	[MS No. 22/2019]
2	CARIFORUM-UK	<ul style="list-style-type: none">• Antigua and Barbuda• Barbados• Belize• The Commonwealth of the Bahamas• The Commonwealth of Dominica• The Dominican Republic• Grenada• The Republic of Guyana• Jamaica• Saint Christopher and Nevis• Saint Lucia• Saint Vincent and the Grenadines• The Republic of Trinidad and Tobago <p>NOTE: The Republic of Suriname has approved in principle.</p>	[MS No. 18/2019]

	UK-Third Country Agreement	Countries covered by the agreement	Link to trade agreement
3	UK-CENTRAL AMERICA	<ul style="list-style-type: none"> Costa Rica El Salvador Guatemala Honduras Nicaragua Panama 	[MS No. 32/2019]
4	UK-CHILE	<ul style="list-style-type: none"> Chile 	[CS Chile No. 2/2019]
5	ESA-UK (Eastern and Southern Africa)	<ul style="list-style-type: none"> Madagascar Mauritius Seychelles Zimbabwe 	[MS No. 4/2019]
6	UK-DENMARK (in respect of the Faroe Islands)	<ul style="list-style-type: none"> Faroe Islands 	[CS Denmark No. 1/2019]
7	UK-GEORGIA	<ul style="list-style-type: none"> Georgia 	[CS Georgia No. 1/2019]
8	UK-ICELAND & NORWAY	<ul style="list-style-type: none"> Iceland The Kingdom of Norway 	[MS No. 17/2019]
9	UK-ISRAEL	<ul style="list-style-type: none"> Israel 	[CS Israel No. 1/2019]
10	UK-JORDAN	<ul style="list-style-type: none"> Jordan 	[CS Jordan No. 1/2019]
11	UK-KOSOVO	<ul style="list-style-type: none"> Kosovo 	[CS Kosovo No. 1/2019]
12	UK-LEBANON	<ul style="list-style-type: none"> Lebanon 	[CS Lebanon No. 1/2019]
13	UK-SWITZERLAND-LIECHTENSTEIN	<ul style="list-style-type: none"> Switzerland Liechtenstein 	[CS Liechtenstein No. 1/2019]
14	UK-MOROCCO	<ul style="list-style-type: none"> Morocco 	[CS Morocco No. 2/2019]
15	UK-PACIFIC	<ul style="list-style-type: none"> Fiji Papua New Guinea 	[MS No. 15/2019]
16	UK-PALESTINIAN AUTHORITY	<ul style="list-style-type: none"> Palestine 	[MS No. 14/2019]

	UK-Third Country Agreement	Countries covered by the agreement	Link to trade agreement
17	UK-SOUTH KOREA	<ul style="list-style-type: none"> • South Korea 	[CS Korea No. 1/2019]
18	SACUM-UK	<ul style="list-style-type: none"> • Botswana • Eswatini • Lesotho • Namibia • South Africa • Mozambique 	[MS No. 34/2019]
19	UK-SWITZERLAND	<ul style="list-style-type: none"> • Switzerland 	[CS Switzerland No. 4/21019]
20	UK-TUNISIA	<ul style="list-style-type: none"> • Tunisia 	[CS No. 1/2019]

Trade agreements still in discussion

Discussions are still on going with the following counties where an existing EU trade agreement is in place. If an agreement is not reached by the 31st December, trade will take place under WTO terms.

	Country / Bloc		Country / Bloc
1	Albania (Western Balkans)	9	Ghana (Western Africa) (See Note 3)
2	Algeria	10	Mexico
3	Bosnia and Herzegovina (Western Balkans)	11	Moldova
4	Cameroon (Central Africa) (See Note 3)	12	Montenegro (Western Balkans)
5	Canada	13	North Macedonia (Western Balkans)
6	Cote D'Ivoire (See Note 3)	14	Serbia (Western Balkans)
7	East African Community (EAC)	15	Singapore
8	Egypt	16	Ukraine

Note 1 - Entry Price System

The European Union's (EU) Entry Price System (EPS) is a variable tariff mechanism applying to 15 types of fruits and vegetables as detailed on the next page.

The Entry Price System was introduced to protect EU growers. The objective of which is to prevent the price level from non-EU countries having an adverse effect on prices within the community.

Under the EPS, a specific duty is charged in addition to the ad-valorem duty whenever the price at which the goods are imported is below a pre-determined entry price. The specific duty varies depending on the differences between the entry price and the import price of the goods. In most cases, if the import price of the consignment undercuts the entry price by more than 8%, the full bound tariff is applied.

The UK Government has simplified the tariff for many agricultural products. This simplification includes removing the Entry Price System, as well as setting a single rate for tariffs which previously varied seasonally, of which applied a minimum and maximum tariff level. However, the UK is retaining the flexibility to implement an EPS.

The tables below show the changes implemented under the new MFN UKGT compared with the existing EU CET.

Product description	Additional information	EU tariff	Simplified UKGT
APPLES	Other than cider apples	Seasonal Entry price	1 Jan – 31 Mar 4.0 % 1 Apr – 31 Jul 0.0 % 1 Aug – 31 Dec 8.0 %
APRICOTS		Seasonal Entry Price	20.0 %
ARTICHOKES	Globe artichokes	Seasonal Entry Price	10.0 %
CHERRIES	Sour cherries	Seasonal Entry Price	12.0 %
	Other than sour	Seasonal Entry Price	1 Aug – 31 May 12.0 % 1 Jun – 31 Jul 6.0 %

Product description	Additional information	EU tariff	Simplified UKGT
CLEMENTINES	Incl. monreales	Seasonal Entry Price	16.0 %
COURGETTES		Seasonal Entry Price	12.0 %
CUCUMBERS		Seasonal Entry Price	12.0 %
LEMONS		Seasonal Entry Price	6.0 %
MANDARINS	Incl. tangerines, satsumas	Seasonal Entry Price	16.0 %
ORANGES	Incl. navelines, navelates,	Seasonal Entry Price	1 Nov – 30 Apr 10.0 % 1 May – 31 Oct 2.0 %
PEACHES & NECTARINES		Seasonal Entry Price	16.0 %
PEARS	Excl. perry pears	Seasonal Entry Price	1 Jan – 31 Jan 8.0 % 1 Feb – 31 Mar 4.0 % 1 Apr – 31 Jul 0.0 % 1 Aug – 31 Dec 10.0 %
PLUMS		Seasonal Entry Price	1 Oct – 30 Jun 6.0 % 1 Jul – 30 Sep 12.0 %
TABLE GRAPES		Seasonal Entry Price	8.0 %
TOMATOES		Seasonal Entry Price	1 Nov – 31 May 8.0 % 1 Jun – 31 Oct 14.0 %

Note 2 - Currency conversion

For some products, the weight of the consignment determines the amount of duty, or additional specific duty in the case of entry prices, that is due. For example, bananas are calculated at a rate of euros per 1000 kg.

To calculate the amount of duty due under the new UKGT you convert the euro to GBP using a formula of €1 = £ 0.83687 and then round down to the nearest whole pound. The table below compares some rates currently applied for bananas and the saving you make per 1000 kg by rounding down to the nearest whole pound.

Country of origin	EU tariff	Conversion	UK tariff
Full (MFN) rate	€ 114 / 1000 kg	X 0.83687 = £ 95.40 rounded down to the nearest whole pound =	£ 95 / 1000 kg (Saving of £ 0.40 per 1000 kg)
<ul style="list-style-type: none">• Colombia• Costa Rica• Ecuador• Guatemala• Honduras• Nicaragua• Panama• Peru	€ 75 / 1000 kg	X 0.83687 = £ 62.76 rounded down to the nearest whole pound =	£ 62 / 1000 kg (Saving of £ 0.76 per 1000 kg)

Note 3 - Transitional Protective Measures

On the 16th October 2019, Director General of Trade Policy in the Department for International trade, Mr John Alty, confirmed that the UK Government will implement a 'Transitional Protective Measure' to protect preferential access to the UK market for a group of countries that could face damaging tariffs on vital exports in the event of a no-deal Brexit.

These measures will effectively extend existing market access to Kenya, Ghana, Cameroon and Cote D'Ivoire for products such as bananas for a period of 18 months.

You can find a transcript of this oral evidence session of the International Trade Committee at which John Alty confirmed the measure here: [Q 139](#)



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