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'Off the Shelf' Options for UK/EU Membership

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No "off the shelf" existing relationship "model" gives an ideal long term outcome.

The UK's economy is too diverse to follow Norway's path, as to be in the single market **Norway** needs to accept the vast majority of EU laws without a say.

We are too big to have a relationship like **Switzerland's** where each side would face losing preferential access to the others' market every time there is a slight divergence in regulatory strategy.

And our trading relationship with Europe is too sophisticated for it to be replaced by a cut and paste of the **Canada**-style free trade agreement as this does not give certainty or stability for key 21st century economic sectors like financial services, digital, advanced manufacturing, or medical research.

Falling back on **WTO** rules as a backstop is high risk for us, since it does not cover services or much of the broader commerce we can sometimes take for granted with the EU. It could result in significant tariffs on many exports and imports and does not address the issue of non-tariff barriers. But it would also be destabilising for the rest of the EU, risking uncertainty for their own trading relationships with other parts of the world and resulting economic risks.

Staying where we are, or were is also not an option. Of course there have been benefits from being at the helm of Europe's Single Market. It allows our businesses to trade across a market of 500 million consumers but I have also seen how its sometimes top-down, one sized approach can stifle innovation, add costs, and puts the hand-brake investment. For example the new European rules for Insurance Companies limiting them, our most natural long term investors, from putting their funds into infrastructure, our most needed long term investment. Furthermore, there are increasing signs that the Single Market of the future risks being increasingly less free, more protectionist and far less flexible.

We cannot cut and paste anyone else's relationship and we need to find a completely new way forward. This is not trying to have our cake and eat it; it is in the interests of many other countries to find a new way as well.