

# United Kingdom & Nigeria



**No-Deal BREXIT** & Implications for  
Trade from Nigeria to the UK



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International Trade

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**BREXIT.....**

**What is your  
understanding ?**



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# Objectives

- To provide information to stakeholders solely in the event of a No-Deal Brexit
  - ❖ Highlight areas of change in UK **non-tariff** trade measures and administrative requirements
  - ❖ Indicate areas of minimal changes and opportunities arising from the UK temporary **tariffs** schedule



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# What is a No-Deal BREXIT





# UK Trade Continuity

The UK Government is committed to continue and expand trade relations with Nigeria.

- Bilateral trade increased by 38.5% to £5.5 billion in 2018 with £2.7bn UK exports to Nigeria and **£2.8bn imports from into the UK** (86.3% goods – dominated by crude oil - £2.4bn; and 13.7% services)
- **UK will continue to grant Nigeria the same trade preferences** currently enjoyed under the EU Generalized System of Preferences (GSP)
- **Nigeria will therefore qualify for reduced or zero tariffs** on two thirds of all tariff lines via the UK's Unilateral Trade Preferences Scheme
- In the event of a no-deal scenario, the **UK Trade Preference Scheme Regulations will be laid in Parliament** before the UK leaves the EU



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# Development through Trade

In terms of trade for development, the UK Government is committed to:

- Reducing poverty through trade
- Boosting mutual economic prosperity

The UK-Nigeria Economic Development Forum (EDF) – a structured bilateral engagement platform on trade and investment launched in August 2018 - focuses on:

- Standards conformance
- Quality infrastructure
- Business linkages
- Investment promotion
- Technology transfers
- Trade facilitation



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# No-Deal Brexit

## What Stays the Same





# No-Deal BREXIT What Stays THE SAME

- **Proof of Origin:** “Form A” will continue to be used
- **Existing food laws** will be converted into UK law after No-Deal Brexit
- **SPS standards and certification for plant imports** will **remain same** & existing EU laws will be converted to UK laws.





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# No-Deal Brexit

## What Changes



# No-Deal BREXIT- What CHANGES

## INSPECTION SYSTEM

- Import of **high risk food** and feed travelling via the EU to the UK will be checked at the UK border
- **High risk food and feed of animal origin** will need to enter the UK via a **Designated Point of Entry (DPE)**
- Products of **animal origin** will need to enter via **border inspection posts (BIPs)**.

\* To note that direct exports from third countries to the UK already go via DPEs/BIPs respectively, so in that scenario there will be no changes (other than using IPAFFS instead of TRACES).

Designated Ports of Entry can be found on the Food Standard Agency's (FSA) website



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https://www.food.gov.uk/

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# No-Deal BREXIT what CHANGES cont.

## NEW NOTIFICATIONS SYSTEM

- On Day1 after No-Deal Brexit, **IPAFFS** will replace the EU's TRACES - Trade Control and Expert System for imports into the UK

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**TRACES (classic)**  
TRAde Control and Expert System

Traces 06.50.01 (10/07/2019) [TRACES-WEB\_PRODms11] Thu Oct 10 15:54:28 CEST 2019

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To subscribe to the TRACES services, you must provide some information about yourself. After confirmation, your request will be validated by the local authorities and your account will be activated.

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<https://webgate.ec.europa.eu/sanco/traces/>



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# IPAFFS

Import of **P**roducts, **A**nimals, **F**ood and **F**eed **S**ystem

**IPAFFS is the UK's new  
notification system for importing  
animals and animal products.**

•From: Department for Environment, Food & Rural Affairs and 1 other

**REGISTERFORIPAFFS**

<https://www.gov.uk/guidance/import-of-products-animals-food-and-feed-system>

**IPAFFS** will replace the EU's TRACES- Trade Control and Expert System for imports into the UK until after Brexit.

## **IPAFFS training**

You can request training on how to use IPAFFS by emailing  
[BFPEUExit.ImportsExports@defra.gov.uk](mailto:BFPEUExit.ImportsExports@defra.gov.uk).



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## IPAFFS will:

- **Control imports** of live animals, products of animal origin, high-risk food and feed of non-animal with origin **from non-EU countries**
- Allow importers or agents to **create an import notification and legal declaration for their consignments**
- **Allow consignments to be inspected at UK border inspection posts** (BIPs) or designated point of entry (DPEs)
- **Record the results of inspections** against each notification
- Trigger the HMRC **customs clearance** process



# Non-Tariffs Measures in a No-Deal BREXIT

All non-tariff measures and technical notifications in the event of a No-Deal BREXIT have been published on the [www.gov.uk](https://www.gov.uk) . Detailed guidance on changes to be applied cover:

- Standards
- Technical Regulations
  - Tobacco
  - Chemical
  - Proof of Origin
- Sanitary and Phyto-Sanitary on:
  - Animal
  - Plants





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# Get ready for Brexit on 31 October 2019

Answer a few questions to find out how you or your business should prepare.

**Check what you need to do**

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**Browse Brexit guidance**



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## Brexit enquiries

See our guidance on how to [prepare for Brexit](#). If you can't find the information you're looking for, complete the form below and one of our experts will try to help you.

Given name

Family name

Email address

- Central Brexit Enquiry Point: [www.great.gov.uk/international/Brexit/contact](https://www.great.gov.uk/international/Brexit/contact)
- If still unable to locate specific guidance on the gov.uk/Brexit website and via the central Brexit Enquiry Point, please email: [Nigeria.TradeBrexitHelpdesk@fco.gov.uk](mailto:Nigeria.TradeBrexitHelpdesk@fco.gov.uk)



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# UK Temporary Tariff Regime (TTR)

## in a No-Deal Scenario

**12 Months Duration only**



## UK Temp MFN Tariff in a No-Deal BREXIT

- The UK shall introduce a **Temporary Tariff Regime (TTR)** for 12 Months effective **from the day of exit** from the EU without a deal.



- Overall **UK Tariff protection will be reduced** from 18% to 13% of total tariff lines, under the TTR => **UK market will become more open!**
- Temporary nature** of the TTR is unlikely to impact materially on **long term contracts and trade statistics** in the 12-month period



## Cocoa butter & paste exports

Cocoa derivatives (butter, paste) are the **largest non-oil export from Nigeria to UK** (at HS8). Value: £9mn in 2018

- Cocoa derivatives – 3.5% GSP **preference is retained**
- Potential **opportunity for additional exports** from Nigeria as cocoa imports **from EU would attract duties** in a No-deal scenario and Nigeria imports could become relatively more price competitive vis-à-vis the EU's
- But **SPS/TBTs must be adhered to!**



Paste	MFN GSP 9.6% 6.1%	No-Deal BREXIT MFN  UNCHANGED
	Butter	
	MFN GSP 7.7% 4.2%	

MFN : Most Favoured Nations | GSP : Generalised System of Preferences

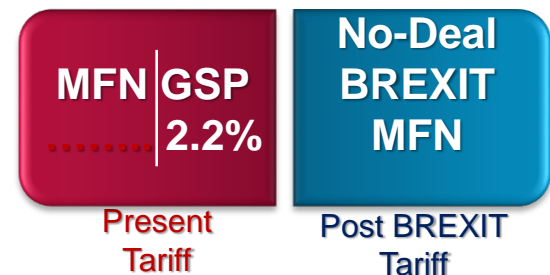
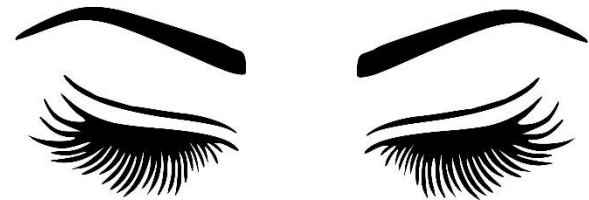


## False beards, eyebrows & eyelashes, switches and other synthetic materials (excl. complete wigs) exports

2<sup>nd</sup> largest non-oil export from Nigeria to UK. Value: £3.6mn in 2018.

- TTR may mean some increased competition for Nigerian exports of these product (\*e.g. vis-à-vis China) as **preference is eroded**
- But current GSP is relatively low at 2.2%, hence loss of preferential protection would be minimal

MFN : Most Favoured Nations | GSP: Generalised System of Preferences





## Coconut butter/oil exports

- With the TTR, Nigeria would continue to be protected as **preference is maintained.**
- Nigeria has a **competitive boast from a relatively large preference of 8.4%.**
- Adherence to SPS/TBT measures is paramount to keep taking advantage of existing preferences



<b>MFN   GSP</b> <b>12.8%   4.4%</b> PKG <1KG	<b>No-Deal BREXIT MFN</b> <b>UNCHANGED</b>
<b>Present Tariff</b>	<b>Post BREXIT Tariff</b>

MFN : Most Favoured Nations | GSP: Generalised System of Preferences





- Central Brexit Enquiry Point:

[www.great.gov.uk/international/Brexit/contact](http://www.great.gov.uk/international/Brexit/contact)

- If still unable to locate specific guidance on the gov.uk/Brexit website and via the central Brexit Enquiry Point, please email:

[Nigeria.TradeBrexitHelpdesk@fco.gov.uk](mailto:Nigeria.TradeBrexitHelpdesk@fco.gov.uk)



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# Thank you