ECONOMIC AND SOCIAL COUNCIL

BACKGROUND GUIDE

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DEVELOPMENT OF STRATEGIES TO RECOVER THE GLOBAL ECONOMY FROM CONSEQUENCES OF BREXIT

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LETTER TO THE DELEGATES

Distinguished Delegates,

Welcome to the Background Guide to this year's Economic and Social Council. We, as your designated chairs, are more than pleased to have you for SMUN 2022.

It is a delight to be part of this experience that so significantly contributes to all of our lives. Not only that, but we also get to guide and aid you through the conference, which is even more of a pleasure for us.

We can't wait to meet you, delegates, then we are sure our debate and the assigned topics will be more than enough to provoke belligerent questions and stimulate original approaches.

Without further ado, let us introduce ourselves: Beatriz Selhorst and Laura Komatsu.

Hey, delegates! I am Beatriz Selhorst, a Swiss School of Curitiba student, and I'm delighted to have you at this year's ECOSOC in SMUN! I've been part of this MUN world since 2019, I always saw my friends there, being chairs and delegates, and I knew I wanted that to be my place too. Being a chair is a milestone because, since I first started debating, I have always wanted to be a part of the committee's construction process. This is my second significant conference as a chair and my fifth as a chair. As a friend of mine says: ”the sooner you throw yourself into the challenging experience that the MUN environment is, the better person you'll be in the future”. I look forward to seeing how you evolve as the chairs I've had have seen me. I am eager to meet you in person!

I'm Laura Komatsu, a senior from the Colégio Visconde de Porto Seguro, and will be serving as your second chair for this committee. In the past, I have participated in a series of different simulations, though never as part of the Swiss School of Curitiba's MUN, which I'm undoubtedly excited about. As for my aspirations, I've always planned on pursuing projects like this in the future, whether it'll be as an Abitur student since I have one more year before I go off to university, or as part of my career later on. Speaking of which, I have intentions to continue my education somewhere in the United States where I can pursue both of my passions: swimming and organising. Though I'm admittedly biased when it comes to debating and moderating, I can't help but ask that you trust me when I tell you: that this type of experience might just change your life. This year's theme will surely be enough to instigate some interesting debates and I cannot wait for it!

Granted, we will always be available to the answering of any questions or concerns you may have, before and during the conference.

We hope that every one of you takes your time to prepare for what a valuable and encouraging debate this ought to be, to find a proper solution to this issue that we are all witnessing.

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COMMITTEE DESCRIPTION

The Economic and Social Council (ECOSOC) is one of the six main bodies of the United Nations system, and it covers issues regarding economic development, sustainability, and collaboration. The Council's mandate is to serve as the primary body for policy dialogue on economic, social, cultural, educational, and health-related issues; to advise and coordinate the activities of the Member States and other UN entities on matters of concern; to lead the discussion on the implementation of the international development framework.

The Council consists of 54 member nations elected by the General Assembly for an overlapping three-year period. Members are chosen based on the geographical distribution of UN Member States, to ensure representation from all regions and levels of development. According to a grouping of governments, there are 14 African members, 11 Asian, 6 Eastern European, 10 Latin American and Caribbean, and 13 Western European and other representatives.

ECOSOC is responsible for 14 subsidiary bodies and forums, each of which has its sessions and submits recommendations, draft resolutions, and yearly reports to the Council and, in certain instances, other bodies. Functional and regional commissions are the two most prevalent forms of subsidiary bodies, however other types of auxiliary bodies include standing, ad hoc, expert, and other related entities. Thus every subsidiary institution has chosen distinct work techniques aligned with its purpose, and these methods are re-evaluated regularly.

The United Nations Charter stipulates that ECOSOC "may make or initiate studies and reports for international economic, social, cultural, educational, health, and related matters," including individual liberties, to the General Assembly and UN specialized organizations. When dealing with humanitarian crises, such as natural disaster response, ECOSOC may also provide information and support to the Security Council. ECOSOC also offers coordination, monitoring, and advising to UN programs, agencies, and funds on international development policies and their execution, as underscored by recent revisions emphasizing this function. A 2007

ECOSOC reform established the High-Level Segment, an annual conference that brings together representatives from governments, the corporate sector, academia, and civil society to explore development cooperation.

To summarize, ECOSOC is responsible for coordinating activities and initiatives across the vast UN system to achieve the ultimate aim of sustainable development. The Council has proven a commitment to mobilizing resources and bolstering efforts to solve critical priority issues, such as development promotion and the building and management of international partnerships, as well as with corporations to fund infrastructure projects. It has also cooperated with other UN bodies to promote progress on development frameworks and the SDGs while serving as a global basis for youth to engage in sustainability debates. The President has emphasized the council's priorities of providing clear organizational leadership, effective monitoring systems, and revitalizing ECOSOC so that it can address global concerns.

DEVELOPMENT OF STRATEGIES TO RECOVER THE GLOBAL ECONOMY FROM POST-BREXIT CONSEQUENCES

Historical background

”The outcome of the referendum on leaving the European Union in the United Kingdom came out as a shock across both sides of the English Channel. Perhaps not.

Withdrawing the United Kingdom's membership from the EU was an idea akin to a small fire slowly burning that, at first glance, emerged to be larger than foreseen. The fuel for this burn in the voters in favour of Brexit, Britain exiting the EU, was furthermore based on reclaiming the UK's sovereignty and making it stronger by itself rather than continuing to work with the EU. Now, this idea has magnified into the largest political recession in the United Kingdom since the Second World War.”[1]

The Inner Six European countries (Belgium, France, Italy, Luxembourg, Netherlands and Germany) signed the Treaty of Paris in 1951 after World War II, establishing the European Coal and Steel Community (ECSC), later on, in 1957 in the Treat of Rome, the European Economic Community (EEC) and the European Atomic Energy Community (Euratom) were established. Ten years later, these niche communities became known as the European Communities (EC). The UK attempted to join for the first time in 1963, but only in 1969 had the necessary amount of votes to be accepted. And in 1972 UK, Denmark, Ireland and Norway representatives signed the Treaty of Accession alongside the Inner Six. But only in 1973 did the UK, Denmark and Ireland become members of the European Communities.

At the beginning of 1974, the Labour Party, considered the most Eurosceptic of the two major political parties, won the general election, later with a pledge to renegotiate the terms of Britain's membership to the EC they wrote a manifesto, believing they were unfavourable. In the following year, the UK held the first national referendum questioning whether the UK should persist in the EC. In addition to the majority of the electorate and the majority of counties and regions voting in favour of remaining in the EC, the major press and other political parties also supported the preservation of the EC partnership.

After the referendum defeat, the Labor Party changed some policies, but the Conservatives were in evidence. In 1985, Margaret Thatcher signed the Single European Act, the Treaty of Rome's first major revision. Under pressure from senior ministers, the UK joined the European Exchange Rate Mechanism (ERM) a few years later, with the pound sterling pegged to the German mark. After the pound sterling and the lira were under pressure from currency fluctuations, the UK and Italy were quickly forced out of the ERM. Italy rejoined the ERM, while the UK declined to rejoin and remained outside the ERM.

The European Communities became the European Union on November 1, 1993, following ratification by the United Kingdom and the eleven other Member States under the Maastricht Treaty, which sought deeper integration and those pursuing national control in the economic and political union. Denmark, France, and Ireland held referendums to ratify the Maastricht Treaty, but ratification in the UK was not subject to referendum approval under the UK Constitution.

The Schengen Agreement, which aims to eliminate controls at internal borders and establish a free movement regime for all nationalities of the Member States, was signed by Germany, France and Benelux (the Netherlands, Belgium and Luxembourg) in 1985. 5 years later, Italy joined, followed by Spain, Portugal, and Greece, and 14 years later, the United Kingdom joined the agreement, following the Nordic countries actions. Ireland joined the agreement in 2000, along with the Czech Republic, which signed it in 2004.

The EU serves as a prime example of countries aligning and joining forces to defend themselves, grow economically, and achieve common needs and desires. All of this paving the way for treaties and alliances. However, within the bloc, development levels and interests diverge. Since 2008, the size and development of Europe's economies have not been equal, but the common market has simplified the process of citizens moving in and out of a specific country. Bigger EU members began receiving larger amounts of working migrants inside the Schengen border-free area. At the same time, maintaining a common market with a common currency has been a difficult task, as cited throughout history. Although some countries, including the United Kingdom, do not adopt the currency, the considerable number of members poses a challenge to the administration of fiscal policies in Brussels and Frankfurt. The total number of 28 members in the EU, therefore also in the Schengen area, represents a difficulty in decision-making within the EU. Implementing measures that benefit everyone is also not easy.

Over the past few decades, the sequence of EU treaties has relocated an expanding amount of power from individual member nations to the EU's central bureaucracy in Brussels. In areas where the EU has been given authority, such as competition policy, agriculture, and copyright and patent law, EU rules take precedence over national laws. As a result, Eurosceptics emphasized the view that the EU's executive power is not directly accountable to voters in the Member States. The fact that national leaders have a small influence in the selection of European Commission members and that none of its members responds directly to the government was also emphasized once the EU has made major decisions.

On the 23rd of June 2016, more than 50 years after the initial referendum, a referendum on the invocation of Article 50 of the Lisbon Treaty and the withdrawal from the European Union took place in the United Kingdom. Brexit was supported by 51.9% of UK voters. A day later, David Cameron, the former prime minister who confidently supported the UK's continued membership in the European Union, resigned from office to allow a new government to align new Brexit talks with the EU.

In sequence, Theresa May was designated as the new Prime Minister to replace David Cameron. Theresa May outlined the Brexit negotiations in a letter to the President of the European Council, Donald Tusk. That letter constituted the set of main issues to be dealt with during the negotiation phase. For this, the Minister assigned current EU citizens living in British territory, Northern Ireland's unique border, the UK's future rights as a member of the bloc, and the implementation of anti-disruptive measures for the economic transition of businesses and enterprises, such as maintaining a free market policy.

Article 50 was brought in on the 29th of March 2017 and the UK would then have a 2-year time frame to develop a deal to leave on the 29th of March 2019. During that period, Theresa May developed the withdrawal agreement. The arrangement, honed after negotiations with the European Council's 27 members, was to be presented in the House of Commons for debate and approval. The difficulties in completing Brexit were exacerbated at this point. Even though Theresa May appears to have crafted the agreement with the most diplomatic approach possible, the divergence of opinions within Parliament resulted in a variety of Brexit options.

In phase one of the withdrawal agreement, the agreement between the European Union and May was a transitional period from March 2th 2019 to December 31st of 2020. During that period the UK would be able to ratify its own trade agreements without the interference of the EU and most of all the border of Northern Ireland would be put on a "backstop" strategy to avoid a sudden hard border in this politically stormy area. For that, May said that the promises for the 2016 Referendum would not be met in case this agreement was not accepted. That was the exact issue.

In the English Parliament, the House of Commons, the withdrawal agreement was not widely unaccepted. Until the 14th of March 2019, the House of Commons had not approved the withdrawal agreement, once again, following the redraftings of the deal. This contributed to May's loss of support within Parliament, thus a vote on an extension passed and a deal could be accepted until the 22nd of May. However, a later version of May's deal was not accepted due to the polemic about staying in the European Free Market or the customs union, since new negotiations had to be made with the EU. Without reaching a consensus in Parliament, Theresa May had to ask the European Union for a new derogation. Thus, the expected date of departure from the UK would be October 31, 2019. With her position weakened, May resigned from her post. British law did not provide for the calling of new elections, but a replacement within the party chosen by Boris Johnson.

After intense negotiations with the European Union's 27 member countries, the United Kingdom reached an agreement to leave the economic bloc on October 16, 2019. This time, the free movement of individuals and goods across the Republic of Ireland's border is assured, as well as Northern Irelan. However, the new agreement ends the UK's special status. The agreement was approved by the British Parliament in the following month. Parliamentarians, however, did not refuse to debate the text in just two days, pressuring the prime minister to request a three-month postponement from the European Union.

The United Kingdom concluded its official period of diversion from the European Union on the 31 of January 2020. Since then, many post-Brexit measures from both sides have continued to emerge, piling up on top of one another to encase the situation we are faced with today.

Still, back in 2020, the EU and the UK reached an agreement on their new partnership. It sets out the rules that apply between the EU and the UK as of 1 January 2021. Procedures thereof, including the establishment of travel and border controls, rules regarding trade in goods and regulations on security, such as agreements on cooperation to combat crime and terrorism, have ever since impacted many other countries' economies around the world.

Current situation

June 23, 2021, marked five years to the day since the people of the United Kingdom voted in a referendum to leave the European Union.

Today, the UK is outside the EU and mostly no longer subject to its rules, but only after a meaningful internal political struggle, paired with one with the bloc itself. Subjectively to each country and policy, some of the changes that have been regulated ever since, whether hoped for or feared, are beginning to take shape.

Inexorably, this monumental wave of changes and enhancements to the European and British community is far from over. The post-Brexit UK-EU relationship, mainly since the new arrangements were finally put into practice, is under severe strain. Most pressing, the UK's departure from the EU's Single Market and Customs Union has brought significant disruption to trade, mainly to UK exports to the EU, due to new border rules and red tape. In the UK, an exodus of European workers and tighter immigration rules have contributed to a shortage of people to fill jobs.

That is to say, the deals on post-Brexit trade and future EU-UK relations played a substantial role for European and British people alike.

The post-Brexit EU-UK deal on trade and future relations preserves tariff-free, quota-free access to each other's markets for goods. It banished the threat of a catastrophic "no-deal scenario" that could have sent thousands of businesses to the wall. However, it comes with many strings attached and the UK's departure from the EU's Single Market and Customs Union brings extra bureaucracy and costs for importers and exporters on both sides of the English Channel:

The two sides can diverge on the likes of employment and environmental standards, but there are safeguards and a "rebalancing mechanism" governed by arbitration to ensure fair competition. The UK is beyond the remit of EU law or the European Court of Justice (ECJ). But challenges are possible in each other's courts, and punitive measures may be taken if subsidies distort trade.

And for service industries, highly important to the UK, further uncertainty beckons, as the deal contains only vague commitments. Financial services are not covered at all, to be dealt with by a separate process.

This brought new customs formalities and regulatory controls between the EU and the UK. The EU had stressed in July 2020 that these would bring more red tape and "longer delivery times", a warning that appears to have been borne out with many UK exports disrupted in particular.

The UK had already decided to phase in new border checks on imports and in March 2021 announced a further six-month delay on their imposition. In September yet another delay was announced, pushing back new checks till 2022. There were many cries of alarm from British businesses in 2020 over the state of UK preparations.

The supply of goods from Britain to Northern Ireland was also seriously affected under new arrangements set out in the Brexit divorce deal.

Talking numbers, the UK has recorded a record fall in trade with the EU in the first month since the end of the Brexit transition period. With the UK out of the single market, January of this year saw exports to the EU fall by £5.6 billion and imports fall by £6.6 billion, according to figures from the Office for National Statistics (ONS).In percentage terms, exports of goods to the EU plummeted by almost 41 per cent and imports of goods from the union by 29 per cent. In prices and volumes, it is "the biggest drop in a month since these figures started to be measured in January 1997", the ONS noted.

In regards to the impact faced within the EU, the Union has since been faced with a dangerous toll on size and wealth. Brexit resulted in the EU experiencing a net population decrease of 13% between 1 January 2019 and 1 January 2020. Eurostat data suggests that there would otherwise have been a net increase over the same period.

The relationship between euro and non-euro states has been in debate both during the UK's membership and in light of its withdrawal from the EU. The issue in question is how Brexit has impacted the balance of power between those in and out of the euro, namely avoiding a eurozone caucus out-voting non-euro states.
Many studies contended that Brexit would strengthen the Eurozone, which may well replace the single market as the EU's core and driving force. In many ways, specialists are weary and strive to keep the Eurozone distinct from the EU.

In terms of politics, Boris Johnson has been a major influential figure before, during and post-Brexit. Alexander Boris de Pfeffel Johnson served as the United Kingdom's Prime Minister and Leader of the Conservative Party (LCP) from 2019 until July 7th 2022, when he resigned, though his resignation is still pending until the election of a new party leader. Besides his other important posts in British politics, Johnson has been a Member of Parliament (MP) for a combined fourteen, proving his significance to the country.

Boris Johnson became a prominent figure back in 2016 during the successful Vote Leave campaign for Brexit in the European Union (EU) membership referendum. Later, in 2019 when he was elected (LCP), he was responsible for re-opening Brexit negotiations. After agreeing to a revised Brexit withdrawal agreement, which replaced the Irish backstop with a new Northern Ireland Protocol, but failing to win parliamentary support for the agreement, Johnson called the snap election for December 2019 in which he led the Conservative Party to victory with 43.6 per cent of the vote. It was because of his influence in politics that, on 31 January 2020, the

United Kingdom withdrew from the EU, entering into a transition period and trade negotiations leading to the EU–UK Trade and Cooperation Agreement.

Nowadays, especially after the Coronavirus pandemic, Boris Johnson became much of a controversial figure in British politics. Supporters have praised him as humorous, witty, and entertaining, with an appeal stretching beyond traditional Conservative Party voters. Conversely, his critics have accused him of lying, elitism, cronyism and bigotry. Johnson's political positions have sometimes been described as following one-nation conservatism, and commentators have characterised his political style as opportunistic, populist, or pragmatic.

Timeline of events

June 23rd of 2016: EU referendum took place, one day later the results declared that 51.9% of the voters agreed on leaving.

November 4th of 2016: The British High Court rules that the government cannot invoke Article 50 without the approval of Parliament.

January 17th of 2017: Theresa May gives a speech in which she rules out remaining in the single market or the customs union while stating that Parliament will vote on any Brexit deal.

February 2nd of 2017: The UK Government publishes its white paper on the UK's exit from and new partnership with the EU, formally setting out its strategy for leaving the EU.

March 29th of 2017: Article 50 of the Lisbon Treaty notice is given, triggering Brexit. The notice period is two years.

March 31st of 2017: The President of the European Council publishes draft negotiation guidelines for the Eu 27 (the EU members excluding the UK). One month later, the negotiation guidelines were adopted.

June 19th of 2017: Formal negotiations on the UK's withdrawal from the EU begin. There is a one-week meeting per month.

July 24th of 2017: The US and the UK open negotiations on a post-Brexit trade agreement.

August 28th of 2017: The third round of negotiations started in Brussels, and focused on economic rights and mutual recognition of professional qualifications.

October 20th of 2017: The European Council adopts conclusions on the state of the Brexit negotiations, finding that they can not start phase two of negotiations.

November 20th of 2017: The European Council votes to relocate the European Banking Authority from London to Paris and the European Medicines Agency from London to Amsterdam.

January 17th of 2018: EU27 adopts supplementing negotiating directives for the Brexit negotiations, which detail their position regarding a transition period. These provide the Commission with a mandate to start discussions with the UK.

March 5th of 2018: The negotiations focus on transition, other separation issues, governance, and Ireland/Northern Ireland.

March 15th of 2018: European Commission sends amended draft withdrawal agreement to the UK Government for negotiation.

March 19th of 2018: EU and UK agree on terms for a time-limited implementation period.

April 16th of 2018: UK and EU negotiators discuss a post-Brexit trade relationship.

June 26th of 2018: European Council authorises European Commission to open negotiations with the WTO on how to divide up existing EU tariff rate quotas between the EU27 and the UK.

June 28th of 2018: European Council discusses progress on negotiating the framework for the future EU-UK relationships and the remaining withdrawal issues.

July 19th of 2018: European Commission adopts a communication outlining the ongoing work on the preparation for all outcomes of the UK's withdrawal from the EU.

August 16th of 2018: Negotiations discussed Ireland border issues and the framework for the future relationship.

August 23rd of 2018: The first 25 technical notices were published to provide guidance for UK businesses and citizens on preparing for a no-deal Brexit.

September 7th of 2018: The International Trade Committee launches an inquiry to investigate the impact that future arrangements between the UK and EU could have on wider UK trade policy.

October 24th of 2018: The UK's National Audit Office report assesses how prepared government departments are for the changes required at the border after the EU exit.

October 26th of 2018: Department for International Trade launches four public consultations on the UK's trading future outside the EU. They cover the UK's future trade policy with the US, Australia and New Zealand, and its possible accession to the CPTPP.

November 15th of 2018: The UK Prime Minister, Theresa May, emerged from a five-hour meeting on 14 November to announce that she had secured a "collective decision" by the Cabinet to support the draft EU Withdrawal Agreement. It was immediately clear the "collective decision" was by no means unanimous, and the morning of 15 November saw several resignations, including that of Brexit Secretary Dominic Raab. Announcing the Cabinet decision, the Prime Minister surprisingly identified three possible outcomes.

November 20th of 2018: The Supreme Court rejected the UK government's attempt to avoid the European Court of Justice from hearing a legal challenge on whether Article 50 could be revoked.

December 5th of 2018: Publication of the final advice in full on the legal effect of the Withdrawal Agreement. This was published, following the motion passed on 4 December 2018 in the House of Commons.

December 10th of 2018: The European Court of Justice (ECJ) has ruled that the UK could unilaterally revoke the notice that it gave in 2017 to withdraw from membership of the EU.

January 9th of 2019: Brexit debate starts.

March of 2019: Free movement of people between the EU and the UK ends and a new immigration system takes its place.

April 10th of 2019: President of the European Council, Donald Tusk, called a Special Council to discuss the latest Brexit developments following the vote in the House of Commons that rejected the Withdrawal Agreement on 29 March 2019.

July 23rd of 2019: Boris Johnson is the new Prime Minister who will take over from former PM, Theresa May, on Wednesday 24 July 2019. Mr Johnson was voted by 92,153 conservative members against Jeremy Hunt's 46,656 votes.

October 17th of 2019: The European Council meeting in Brussels to discuss a range of important issues, including the EU's long-term budget, priorities for the next 5 years and Brexit.

October 30th of 2019: The Statutory Instrument changing the Exit Day in section 20(1) of the European Union (Withdrawal) Act 2018 has come into force, officially changing Brexit from 11.00 pm on 31 October 2019 to 31 January 2020.

December 12nd of 2019: The EU27 leaders discussed Brexit and preparations for the negotiations on future EU-UK relations after the withdrawal. They reconfirmed their aim of establishing as close as possible a future relationship with the UK.

January 31st of 2020: UK leaves the EU.

January 31st of 2020: The transition period begins.

February 25th of 2020: European Union publishes the final negotiating directive with the UK.

February 27th of 2020: The UK government has published its negotiating objectives for the next phase of Brexit, centring on the future trading relationship and other issues. At the same time, the government signalled that if it does not look like a deal can be struck by June 2020 the government will consider putting all its energies into no-deal preparations.

February 28th of 2020: EU and UK negotiators have agreed on terms of reference for the negotiations, which establish the structure of the talks.

March 17th of 2020: It had been planned to formally convene negotiating work strands on Wednesday 18 March, but on Tuesday the UK government issued a press release that in light of the latest guidance on coronavirus it would not now be doing so. It also states that it intends to publish a draft free trade agreement (FTA) alongside the draft legal texts of a number of the standalone agreements.

January 1st of 2021: New trade deals with other countries can enter into force after the end of the transitional period.

June 28th of 2021: the UK and EU reached data adequacy agreements for the EU General Data Protection Regulation (GDPR) and the Law Enforcement Directive (LED). This means that, in most cases, data can continue to flow as it did before.

July 1st of 2021: Phase 3 of the UK Border Operating Model was rolled into action. Customs declaration has become permanent and full declarations are mandatory at the point of importation. Review of tariffs with additional paperwork and checks are in progress.

January 1st of 2022: Further implementation of the UK's Border Operating Model.

January of 2023: While the UK and EU rules and testing processes for regulated goods will remain broadly the same in the immediate post-no-deal years, divergence will occur in the future. This will raise the barriers to cross-border trade. Firms will have to deal with new and different requirements that will be implemented unevenly across the UK and the EU.

Positions of major countries

Canada

As the U.K. is no longer part of the EU, the Canada-U.K. trade relationship is no longer governed by the Canada-European Union Comprehensive Economic and Trade Agreement (CETA). As a result, Canada and the United Kingdom have signed and ratified the Canada-United Kingdom Trade Continuity Agreement (Canada-U.K. TCA). The agreement came into effect on April 1, 2021.

The Canada-U.K. TCA provides continuity, predictability and stability for trade between Canada and the United Kingdom. It preserves the main benefits of CETA and Canada's competitive advantage in the U.K. market, including the elimination of tariffs on 98% of Canadian products exported to the U.K.

Czech Republic

"According to our analysis, Brexit may cut Czech GDP by up to 55 billion which is about 1.1 per cent of GDP. That could mean the loss of 40,000 Czech jobs. Most affected would be the automotive, electronics and engineering sectors.", Tereza Hrtúsová, an analyst from the country's largest bank, Česká spořitelna.

French Republic

France is the third country most affected by Brexit. From an export point of view, the country will record a loss of 1.9 billion euros each year. In 2020, France exported 33.6 billion euros worth of goods to the United Kingdom, making it the 6th largest customer in France. In terms of imports of English products, France registers 21.1

billion euros, making the United Kingdom the 7th largest supplier of the country. In general, the United Kingdom represents France's largest trade surplus.

Federal Republic of Germany

After the UK's withdrawal from the EU, as its biggest contributor yet in terms of budget, the duty to fill the deficit left behind fell mostly onto Germany's hands. Germany, as the next largest contributor, was reported to have given €28 billion to the budget in 2020.

One of the biggest hits Germany has taken as a result of Brexit has been the change in trading. Before the Brexit vote, the trading relationship between Germany and the UK was very strong. In 2015, German exports into the UK were operating at over €89 billion in 2015 but fell under €79 billion in 2019.

Imports of products and goods from the UK also suffered thanks to the additional costs and rules of EU-UK trading. Destatis, Germany's statistical office, reported that imports dropped to €32 billion in 2021. This is an overall drop of 8.5% from the previous year and saw the UK lose its status as one of the top five largest trade partners for Germany. The London School of Economics has predicted that trade with EU countries could decrease by around a third over the next 10 years.

Germany responded to this change in trading relationships with the UK by looking to trading partners within the EU and further afield. There was a rise of 16.8% in exports from Germany to other EU countries and a 20.8% increase in exports to China. Overall, there was a wave of goods imports into Germany that resulted in a 17.1% rise to €1.2 trillion in 2021. Turning to neighbouring countries for things like car parts and stainless steel enclosures helped to maintain their aerospace industry.

Federative Republic of Brazil

After Brexit, the UK and Brazil made agreements on financial services, taxation, sustainable growth and Green Finance, helping to boost jobs and investments for UK companies.

Hellenic Republic

BREXIT had an overall negative effect on Greece. The main reason is not the decline in Greek exports of goods and services to the UK but the fact that Greece had to increase its participation in the EU budget revenue, while significant decreases have been observed in its receipts from the EU budget.

Japan

Japan was the first country to strike a trade deal with Britain, post-Brexit, significant since the country was struggling to agree on the trade with its closest trading partners in the European Union. Britain said the deal meant 99% of its exports to Japan would be tariff-free, and that it could increase trade by 15.2 billion pounds ($19.4 billion) in the long run, compared with 2018.

Kingdom of Belgium

London and Brussels had been racing against time throughout 2020 to reach an agreement on the future EU-UK relationship, to take effect from January 2021. Failure would have seen the two sides revert to basic international trading rules, increasing costs and disruption, and leaving arrangements on other matters in limbo.

Kingdom of Denmark

The effects of Brexit on the Danish economy have been speculated to be multiple: Direct trade will slow down, especially Danish exports to the UK, as a result of lower demand and a weaker pound, which erodes the competitiveness of Danish businesses; Heightened uncertainty over the future EU causing businesses to hold back on investments and households to tighten their purse strings; Financial market turbulence triggering sharp equity market declines and a safe-haven flight to bond markets.

Kingdom of Spain

The Bank of Spain has recently said that Spain's economy is the most exposed out of all countries in the single market to the negative economic consequences of Brexit. According to the UK's Department of International Trade, Spain is the UK's seventh largest trading partner, with the main British exports to Spain including cars, medicinal and pharmaceutical products, mechanical power generators, beverages and consumer goods.

According to the British Chamber of Commerce in Andalusia, the UK is also the biggest foreign investor in Spain, with more than €8 billion pumped into the Spanish economy so far in 2020 (56 per cent of all foreign investment in the country), resulting in the direct creation of 201,000 jobs.

Equally Spain exports €4 billion worth of goods to the UK each year, including cars and food produce, running from the traditional wine, cheese and cured meats to plenty of fruit and vegetables during the UK's harsh winter months.

In the absence of a single market and a trade deal still up in the air, WTO rules will apply, meaning tariffs will go up on imported goods from either country (on average 3 per cent but in some cases higher) and Spaniards and Britons will end up paying more for them.

Kingdom of Sweden

Sweden has sided with the rest of the European Union in talks with Britain about leaving the bloc, ending any hope Britain would get any special favour from one of its closest EU allies. Britain is Sweden's fourth biggest trading partner and the two countries have often seen eye to eye on such issues as free trade and reforms within the EU. The statement serves to show how allies like Sweden may prefer to move closer to the EU rather than jeopardise the union by siding with Britain.

Kingdom of the Netherlands

Brexit had a relatively severe effect on the economy of the Netherlands because the Dutch economy is more connected to the economy of the United Kingdom

(UK) via trade than to that of the European Union (EU) as a whole. By 2030, the costs for the Netherlands could run up to 1.2% of GDP, or 10 billion euros.

People's Republic of China

"The UK recognizes that it needs to find a new role for itself on the global stage... and potentially as a bridging role between the U.S., China and Europe – which means being balanced in terms of their policy decisions between each of those.", Chris Dicks, a Beijing-based Director in the Risk Advisory practice of Deloitte China, for CGTN.

Portuguese Republic

Brexit has damaged Britain's oldest ally, Portugal, economically and politically by impacting its trade and international influence.

Republic of Austria

Up to 80 per cent of shipments of goods between the Austrian state of Styria and the UK are incorrectly declared, according to the Internationalisation Centre in Styria (ICS), and it is believed the number is similarly high for the rest of Austria. Incorrectly declared shipments of goods are messing up the transport logistics, meaning longer delivery times and higher transport costs. Austrian companies are now facing having to pay the extra administrative costs and hurdles. Many companies previously only active in the EU area are not prepared for the new export and import registrations and the bureaucratic requirements associated with them. The Austrian Trade Commissioner to the UK, Christian Kesberg, told Wiener Zeitung that UK customs agents are "in short supply and expensive."

Republic of Cyprus

One of the territorial issues concerning Brexit is the boundary between the UK Sovereign Base Areas (SBA) of Akrotiri and Dhekelia and Cyprus. It's not something small since they together make up for 3% of the territory of the island of Cyprus, and thousands of Cyprus citizens, therefore EU citizens, work and live there. Concerns have been raised about the future status of around 15,000 Cypriots – EU citizens – working in the SBAs. Brexit impacts the free movement of Cypriot workers in the SBAs, as well as their right to settle, openly start a business, get their social security, and freely send their children to the few schools present in the zones.

Republic of India

While Brexit paves way for a free trade agreement (FTA) between New Delhi and London, it might take the sheen away from India's planned FTA with the EU. India had a lot of contentious issues while negotiating FTA with the EU. However, after Brexit, the UK could have a different stand on those issues and now India can pursue FTA talks again with both regions.

Republic of Ireland

As part of a Protocol made by the European Commission regarding Ireland's situation post-Brexit, the country will receive assistance to help mitigate the financial consequences of Brexit through the Brexit Adjustment Reserve. This funding source is worth €5.37 billion and it will provide support to Member States, regions and sectors worst affected by Brexit.

The European Commission has proposed that €4.24 billion of the funding be allocated from 2021, with the remainder distributed in 2024 after the full impact of Brexit has been assessed. As the Member State most impacted by the UK's decision to leave the EU, Ireland can expect to be allocated a substantial amount of the funding.

Other Protocol statements include the guarantee that there won't be a hard border on the island of Ireland, including any physical infrastructure or related checks and controls; procedures on checks and control (and other EU custom duties, such as VAT rules) of goods entering and exiting Northern Ireland from the rest of the UK.

While much has been done to mitigate the impact of Brexit on Irish businesses and citizens through the Protocol, some consequences can’t be avoided.

Republic of Italy

Brexit has introduced significant administrative burdens for Italian exporters, though, with paperwork and confusion about regulatory changes.

Republic of Malta

According to the IMF, the value of all imports from the UK is equivalent to 27.3% (21.1% services 6.2% goods) of Malta's GDP – the highest for any Member State. Studies state that the UK's departure from the EU will lead to higher import costs in the form of tariffs thus pushing up prices for Maltese consumers.

Republic of Poland

Due to Brexit, Poles in the UK have had to face new challenges and the introduction of new legislation. A significant increase in the migration of Poles from the UK to Poland is also noticeable. At the same time, the UK remains an important foreign partner for Poland, with whom they share common interests and points of view on many international issues in the European and global dimension.

Republic of South Africa

South Africa is a large recipient of British foreign direct investment (FDI) in Africa. Due to its close investment and financial ties to the UK, South Africa is one of the most exposed countries in sub-Saharan Africa in terms of the impact Brexit had on the continent.

Russian Federation

Russia was speculated to have meddled with the UK-withdrawal deal. If Russia did have a role in tipping the 2016 Brexit referendum, the report asserts that it was not through direct involvement in the voting process, which, in the United Kingdom, is done entirely with paper and considered very hard to corrupt. Reports leave open the possibility that Moscow-based information operations, especially through social media and Russian state-funded broadcasters may well have been a significant factor.

United Kingdom of Great Britain and Northern Ireland

Politically speaking, the UK's withdrawal has additionally managed a great ideological shift and policy changes. As the EU's third most populous state, with over 12% of the Union's population, the UK was an influential player in the European Parliament and the Council of the European Union. Its absence ought to impact the ideological balance within the EU institutions.

Economically, the UK has suffered a record fall in trade with the EU in the first month since the end of the Brexit transition period. With the UK out of the single market, January of this year saw exports to the EU fall by £5.6 billion and imports fall by £6.6 billion, according to figures from the Office for National Statistics (ONS).In percentage terms, exports of goods to the EU plummeted by almost 41 per cent and imports of goods from the union by 29 per cent.

Although part of the UK, Northern Ireland continues to follow some EU rules under the Brexit divorce deal to keep an open land border with the Irish Republic, an EU member. But tensions have blown up into a row over the negotiated Northern Ireland Protocol setting out the new arrangements.

United States of America

For US companies, the complexity of these new agreements means that organizations of all sizes must re-evaluate every detail of their UK/EU business arrangements — from supply chains, logistics, and manufacturing to inventory, taxes, customs declarations, and distribution.

However, Brexit represents a mixed bag of aggravations and opportunities. Yes, the UK's split from the EU means that companies must re-evaluate their supply chains and compliance obligations, but there are certain aspects of Brexit that may give some US businesses a distinct advantage. For example, US financial firms may be able to benefit from the fact that London-based banks no longer have free access to the EU market and must now establish a physical presence in each individual EU country in order to do business there. Many US banks and finance firms already have the required "passporting rights" to operate in the UK and EU, as well as the necessary physical offices, so they may be in a good position to peel off new clients and business from UK firms that are still scrambling to establish their own physical presence.

US manufacturers may also have an opportunity to lure business from EU-based companies that no longer wish to source goods or materials from the UK, or companies that are open to a more beneficial trade arrangement given new UK/EU border restrictions.

Guiding questions

1. What are necessary conjoint efforts to combat Brexit consequences and the economic crisis it left behind in an international setting?
2. What is necessary to ensure marginalized groups' economic safety?
3. Which measures could be taken to ensure a stable economic relationship between the UK and other nations?
4. What was the consequence of Brexit for your country?

Further research

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