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**Konu:** Birleşik Krallık Gümrük Vergileri Uygulaması Hk.

Istanbul, 22/05/2020

Ek: Birleşik Krallık Ankara Büyükelçiliği e-posta mesajı

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Konu: Update from British Embassy: Publication of the UK Global Tariff

Dear all,

Today (19 May) the UK Government has announced its new tariff regime - the UK Global Tariff (UKGT). This will replace the EU's Common External Tariff (CET) on 1 January 2021. The UK Global Tariff is a simpler, easier to use and lower tariff regime than the EU's Common External Tariff (EU's CET) and will be in pounds, not euros. The UK Global Tariff will be easier to use for businesses that export to the UK. In designing the UK Global Tariff, the Government ensured that the UK continues to uphold the commitments and values of the World Trade Organization, where the UK is a campaigner for and champion of global free trade.

For Turkey, our aspiration is to continue with zero tariff trade on all goods currently traded in the EU-Turkey Customs Union, by implementing a UK-Turkey Free Trade Agreement by the end of 2020. The UK Global Tariff will be used for goods outside the scope of a Free Trade Agreement and for partners with whom we do not have a Free Trade Agreement.

## The UK Global Tariff will make it easier for businesses to trade with the UK, by:

- <u>Cutting administrative costs for businesses</u>. We are getting rid of needless tariffs which create administrative burdens. All tariffs below 2% are gone (e.g. fire extinguishers, school pencils and gardening tools, from 1.7% to 0%).
- <u>Simplifying tariffs.</u> We will round tariffs down, making them simpler for traders to use (e.g. reading glasses from 2.9% to 2% and alarm clocks from 4.7% to 4%). We will also scrap the complex calculation which results in over 13,000 tariff variations on products like biscuits, confectionery, and spreads applied under the EU's CET.

## The UK Global Tariff will promote a sustainable economy

. We are cutting tariffs on over 100 products to back renewable energy, energy efficiency, carbon capture, and the circular economy through recycling and reducing single use plastics (e.g.



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thermostats move from 2.1% to 0%, vacuum flasks from 6.7% to 0% and LED lamps from 3.7% to 0%).

## The UK Global Tariff will protect developing countries

Tariffs have been retained on goods such as vanilla (6%), plantains (16%) and bedlinen (12%) to support the preferential access of developing countries to the UK market.

## The UK Global Tariff will encourage international imports

Tariffs have been removed on products that the UK does not produce or does not produce much of. Removing these tariffs will make it easier to export these goods to the UK (e.g. pistachios move from 1.6% to 0% and cotton yarn from 4% to 0%).

. The UK Global Tariff will reduce cost pressures on exports to the UK, through the lower tariffs that are levied when they arrive into the UK as imports.

The UK Government is maintaining tariffs on a number of sensitive products such as agriculture, automotive and fishing. Some tariffs are also being maintained to support imports from the world's poorest countries that benefit from preferential access to the UK market. The UK Global Tariff was designed following widespread engagement with businesses across the UK. You can check the tariffs that will apply under the UK Global Tariff from 1 January 2021 by looking at the tool at <a href="https://www.gov.uk/check-tariffs-1-january-2021">https://www.gov.uk/check-tariffs-1-january-2021</a>. A press release has also been published at <a href="https://www.gov.uk/government/news/uk-global-tariff-backs-uk-businesses-and-consumers">https://www.gov.uk/government/news/uk-global-tariff-backs-uk-businesses-and-consumers</a>.

I would like to take this opportunity to underline that the UK is fully committed to negotiating free trade agreements. Where countries have signed a trade continuity agreement with the UK, trading will take place on the terms agreed (in that agreement) after the UK Global Tariff comes into force on 1 January 2021. This includes any preferential tariffs. The UK Department for International Trade and the Turkish Ministry of Trade continue to work closely together to prepare for our bilateral trade continuity agreement that we aim to conclude and implement by the end of 2020.

If you have any further questions or comments please do not hesitate to get in touch with me by email or telephone.

Kind Regards,

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