

Britain to miss full access to European

By John Masaba

Following months of bickering with pro-EU advocates, UK's Prime Minister Theresa May in March, finally, signed the letter, which triggered Article 50 and set in motion Britain's process of leaving the EU.

The move removed any lingering doubts of UK's exit from EU, dealing a blow to some of its citizens that were hanging on to a thin hope that their country might reverse last year's referendum vote to leave European membership.

Under the arrangement, UK will formally leave EU membership in 2019, which will bring to an end more than 60 years of its association with the 27-member bloc that includes Germany, France, and Italy among others countries.

Twenty four hours before signing the document, Theresa said despite UK's divorce with Europe, Brexit would bring a 'new, deep and special partnership' with the European Union and would benefit UK immensely, despite disapproval from EU member countries.

According to Bloomberg,



The Prime Minister of the United Kingdom Theresa May

due to Brexit — a term for the departure of the United Kingdom from the European Union (EU) is losing its second-largest economy.

Online sources show that in 2016, about 44% of UK exports in goods and services went to EU countries. That was £240b out of £550b total UK exports, underpinning the country's importance to the

27-member bloc. In return, 53% of imports into the UK came from EU.

Research also shows that UK is a huge source of employment for other European citizens, thanks to a provision in the EU that allows free labour movement.

Aside from the jobs, UK is a huge market base for big manufacturers, especially the

car industry for the likes of Volkswagen, Mercedes and Renault, which have propped up economies like those of Germany and France.

So, with the Brussels-headquartered EU set to count its losses with Brexit, what is EU's fall-back? How will economies cope with losing one of the biggest players on the continent?

According to the EU Ambassador to Uganda, Kristian Schmidt, the UK Prime Minister has said clearly that she understands that she cannot have full access to the single market as she had before.

"You cannot have better terms as a non-member than as you have as a member. So, that is already of course clear that the UK will not have as good access to European market as they now have. But, apart from that, everything is now open to negotiations. What I can say with absolute certainty is that the negotiations will take two years maximum and the European market will remain open to business for Ugandan products. So, from a Ugandan perspective, I would not be that concerned with Brexit," he said in a recent interview.

Earlier commenting on Brexit, the EU Ambassador to Uganda, Kristian Schmidt

and Domenico Fornara, the Italian ambassador to Uganda said, although the United Kingdom's planned withdrawal from the EU is sad, the remaining 27 member countries will carry on.

He promised that their cooperation with non-EU members, especially the East African Community (EAC) will not change in face of the new changes.

"I think Brexit is a wakeup call. We are sad, but we will carry on," Fornara said, while addressing journalists in Kampala recently.

As things stand now, there are all indications that EU is positioning itself well for a Europe without Britain.

EU is mindful that handling the process of Brexit well will minimise the severity of the impact of the divorce on both sides.

As such, Brussels has started a process of negotiating UK-EU separation.

As part of the negotiations, initial indications were that Brussels wanted Britain to pay EU a severance sum of euros 60b. This sum, Brussels argues, is to cater for future pensions obligations and

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market, following Brexit

budgetary commitments that Britain has signed up to, according to a recent report in the *Financial Times*.

The euros 60b bill was announced recently by Michel Barnier, the EU's chief negotiator. Paying the bill, Barnier said, must be the main thrust of its negotiations with EU if it is to expect to be treated well as a former member of the bloc. In addition to the payment, EU wants issues like rights of citizens from EU countries to be addressed.

May, however, has rejected the euros 60b bill from EU as excessive.

She warns that UK under her leadership is willing to walk away from Brexit negotiations—whether or not it has secured a deal—if Brussels insists on “punishing the UK by imposing unfair trade tariffs”.

United Kingdom's rigid negotiating posture has not been welcomed by Brussels and European leaders have insisted they will not be intimidated by the threat to walk away from negotiations.

But some of EU's leaders are optimistic that a compromise will be found. Cecilia Malmstrom, the EU Commissioner for Trade was quoted in April as saying: “It's uncharted territory,

but I'm sure we will solve it. We will have a free trade agreement that is for sure.” Whether or not UK and EU can reach an amicable position, Ambassador Schmidt seems to indicate that EU's priority for now is to look to other frontiers

and Brussels is willing to strengthen its ties with old allies like Uganda. Despite the fact that one of its second largest contributing members to the bloc will be leaving the integration in 2019, the EU will on May 9, celebrate 60 years. Schmidt

praised Uganda's cooperation with Brussels, especially on Uganda's open policy on trade. “Uganda's open policy on trade has brought tremendous progress. It is steady progress indeed,” Schmidt said recently.



A torn flag depicting UK's departure from the European Union. UK will formally leave EU membership in 2019, bringing to an end more than 60 years of its association with EU member bloc

What BREXIT means

- BREXIT is the term for the departure of the United Kingdom from the European Union (EU).
- Britain will formally leave European Union (EU) in 2019, bringing to an end, a 60 years association from the 27 member bloc.
- EU will be losing its largest second economy.
- About 44% of UK exports in goods and services went to EU countries.
- 53% of imports into the UK came from EU.
- UK is a source of employment to other European citizens.

BREXIT implications

- UK will not have access to European market as they now have.
- European market will remain open to business for Ugandan products.
- Remaining 27 member countries to carry on cooperation and business.
- UK Cooperation with Non-EU members, especially East African Community (EAC) not affected.
- Brussels wanted Britain to pay EU a severance sum of euros 60b, which the Britain Prime Minister Theresa May rejected as excessive.
- Brussels praises Uganda's continued open trade policy