



BREXIT

4th Anniversary

prepared by



Department for
Business & Trade

Jan 2024

Foreword



The Rt Hon Kemi Badenoch MP
Secretary of State
for Business and Trade,
President of the Board of Trade, Minister for Women
and Equalities

In the face of global instability, the headwinds of COVID and Putin's invasion of Ukraine, the UK's economic performance has defied all expectations.

The statistics and successes contained within the pages of this booklet tell a powerful story – of a global Britain which is thriving on the world stage. When we left the European Union, there were many forecasts of inevitable decline. These have been proved false.

Since the referendum in 2016, the UK has grown faster than Germany, Italy, and Japan and at a similar rate to France. Our services exports are at a record-high of £472 billion and the IMF predicts that between 2024-2028 the UK will see the third fastest growth in the G7 - stronger than France, Germany, Italy, and Japan.

Some claimed that after Brexit our car industry would suffer. Last year, however, our automotive sector secured £23.7 billion of private and public investment commitments - more than the past 7 years combined⁰¹.

Two new electric models are set to be built in Nissan's Sunderland plant this year. More iconic Mini Coopers are rolling off production lines in Oxfordshire today thanks to a £600 million investment from BMW. Meanwhile Ellesmere Port in Cheshire is primed to become our first EV-only production plant, ensuring that British marques can compete with the best of Tesla, General Motors, and BYD.

We are using our Brexit dividend to grow our economy and plough more money into our public services, including our brilliant NHS – set to be in receipt of £1 billion more per week than in 2017.

Since the UK's departure from the EU, this Government has cut burdensome red tape for business. We've built dozens of trading relationships with new friends and old allies. And we've taken back control of our laws, borders, and tariffs. This newfound agility was crucial in helping us get through the pandemic with the fastest vaccine roll out in Europe – which in turn allowed us to re-open our economy even sooner.

The UK is capitalising on its hard-won freedoms but the Government is also ensuring Brexit delivers real, tangible benefits for the British people, too.

We've simplified import tariffs on almost six thousand goods. Our UK Global Tariff is lowering costs for both businesses and

01 Source: <https://www.smmmt.co.uk/2024/01/uk-auto-makes-one-million-vehicles-and-welcomes-23-7-billion-investment-boost/>

households. And we have made it easier and cheaper for developing countries to sell to the UK - lifting people out of poverty abroad and lowering prices at home without compromising on quality.

Crucially, we're also knocking down the barriers to trade; my department has removed roughly 500 barriers since 2020, including in the US – our single largest trade partner.

My department is leveraging our post-Brexit freedoms to make the UK the best place in the world to start and grow a business.

We've already revoked or reformed over 2,000 pieces of EU law with a clear roadmap to go further.

At the same time, we are making it easier for SMEs – who account for over 99% of UK businesses – to raise finance while simplifying annual leave and holiday pay, and reducing onerous record-keeping requirements under the Working Time Regulations.

Through our Advanced Manufacturing Plan, we are supporting the best of British industry with £4.5 billion to open up new markets, remove obstacles to growth and invest in cutting-edge research. It's a plan which is good for British manufacturers, good for British workers, and good for Britain.

Finally, this booklet also shows, that in addition to delivering for British business and the British people at home, we are delivering for them abroad, too.

My department has negotiated free trade agreements with 73 countries from Mexico to Malaysia. And we have secured the most comprehensive deal that the EU has ever

agreed to in its history. These countries accounted for £1.1 trillion of our trade in 2022.

Our trade deals with Australia and New Zealand - the first to be negotiated from scratch after Brexit - are helping homegrown companies break into new markets on the other side of the world. They have the potential to bring in billions of pounds of new investment for the UK⁰².

Our digital agreements with Singapore and Ukraine – regarded as blueprints by other nations striking similar deals – will boost our trading relationships in the digital economy and services sectors by extending market reach and ensuring the secure, tariff-free flow of digital content.

The UK will also shortly be joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. It will make over 99% of UK goods eligible for zero tariffs in some of the world's most dynamic economies.

This is just the first of many chapters to come in Global Britain's success story.

Brexit was a resounding vote of confidence in the United Kingdom's future – our ability to forge a path to prosperity as a free, independent, sovereign nation. The British people's conviction that the UK would excel as masters of our own fate has paid dividends.

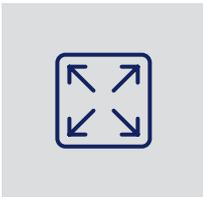
My mission – and that of my department – is to now build on these achievements. To loudly and proudly champion free markets, free trade, and free enterprise as the surest path to economic prosperity.



Britain's Brexit Success

Britain's Brexit Success

UK exports are growing – reaching £870 billion in the 12 months to November 2023, and services exports are at an all-time high⁰³. Since the referendum, the UK economy has grown faster than Germany, Italy, and Japan and at a similar rate to France (end-Q2 2016 – Q3 2023)⁰⁴.



Driving economic growth

The IMF forecast the UK to have the third fastest cumulative growth in the G7 over the 2024-28 period, growing faster than Germany, France, Italy and Japan.⁰⁵



Strong recovery post Covid-19

The ONS have revised up their earlier assessments of GDP, showing that we surpassed pre-pandemic levels of GDP by the end of 2021.⁰⁶ Since the pandemic, the UK has grown faster than Germany (Q4 2019 – Q3 2023).⁰⁷



More innovative economy than our European and Asian rivals

The UK economy is more innovative than our European neighbours such as Germany, France and the Netherlands and technology powerhouses such as Israel, Japan and South Korea⁰⁸.

⁰³ Source: [ONS UK trade November 2023](#)

⁰⁴ Source: [OECD accessed 30/01/2024](#)

⁰⁵ Source: [IMF WEO October 2023 forecast](#) and [IMF WEO January 2024 update](#)

⁰⁶ Source: [ONS GDP revisions](#)

⁰⁷ Source: [OECD accessed 30/01/2024](#)

⁰⁸ Source: [WIPO global innovation index 2023](#)



Attracting world leading talent

The UK had the largest improvement of any country in attracting talent in 2023 (compared to 2019). Last year the UK overtook the US and Canada as a more attractive place for highly educated people to work⁰⁹. London consistently outshines Paris and New York as the world's best place to live¹⁰.



Strong labour market

Despite the narrative that Brexit would lead to job losses, the UK labour market is strong by historic and international standards, with the number of jobs in the economy at a record high (and up by over a million since pre-pandemic)¹¹.



Increasing UK exports across the globe

The UK was the fifth biggest exporter in the world in 2022, up from sixth in 2021¹² and achieved £870 billion exports in the 12 months to November 2023¹³.



British services exports are at an all-time high

The UK is the second biggest services exporter in the world¹⁴. With UK services exports reaching a record £472 billion in the 12 months to November 2023 and now making up a record share of UK exports, at 54% - up from 48% in 2018 and up from a share of 30% just 30 years ago¹⁵.

09 Source: [OECD talent attractiveness 2023](#)

10 Source: [World's Best Cities - rankings](#)

11 Source: [ONS Earnings and employment from Pay As You Earn Real Time Information January 2024](#)

12 Source: [UNCTAD Goods and Services \(BPM6\)](#)

13 Source: [ONS UK trade November 2023](#)

14 Source: [UNCTAD Goods and Services \(BPM6\)](#)

15 Source: [ONS UK trade November 2023](#)



Services exports to the EU are at a record high

Reaching £169 billion in the 12 months to September 2023, up from £126 billion in 2018. With key sectors such as professional business services and telecomms, computer and information services driving growth¹⁶.



Attracting investment into the UK economy

The UK's FDI stock is the highest in Europe and more than Germany and France and Italy¹⁷ combined and investors' confidence in the UK was made clear at the recent Global Investment Summit, attracting nearly £30 billion in investment commitments.



A thriving financial services economy

The UK is the second largest exporter of financial services globally¹⁸. Our Financial and Insurance services sector employs approximately 1.2 million people¹⁹ and generated over £200 billion GVA in the 12 months to September 2023²⁰.



A thriving manufacturing sector

The UK was the 8th largest manufacturer in the world in 2021²¹ and had the fastest manufacturing productivity growth in the G7 between 2010 and 2021²².

16 Source: [ONS quarterly national accounts Q3 2023](#)

17 Source: [UNCTAD World Investment Report 2023](#)

18 Source: [UNCTAD Services \(BPM6\): Exports and imports by service-category](#)

19 Source: [ONS workforce jobs by industry September 2023](#)

20 Source: [ONS GDP output approach - low level aggregates Q3 2023](#)

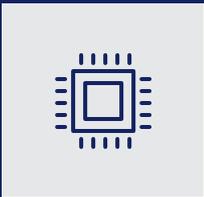
21 Source: Make UK. 'UK Manufacturing: The Facts.' 2023; United Nations Conference on Trade and Development. 'Gross Domestic Product: GDP by type of expenditure.' 2023.

22 Source: Organisation for Economic Co-Operation and Development. 'Productivity and ULC by main economic activity.' 2023; Office for National Statistics. 'Output per Worker, UK.' 2022



A dynamic SME population

The UK has a large and dynamic SME population, accounting for three-fifths of employment and around half of turnover in the UK private sector²³. Between 2010 and 2023, the SME business population increased by 1.1 million (24%)²⁴.



Tech Sector²⁵

In 2023 the value of the UK tech sector reached \$1.1 trillion, up from \$640 billion in 2012. The UK is the third country in the world to pass the \$1 trillion milestone after the US and China. The UK is number one in Europe for Venture Capital (VC) investment (and third in the world behind the US and China) – with VC investment reaching £21 billion in 2023. And the UK has created over 150 unicorns (tech companies valued at over \$1 billion) – top in Europe and more than Germany, France, and the Netherlands combined.



23 Source: [DBT business population estimates 2023](#)

24 Source: [DBT business population estimates 2023](#)

25 Source: [Dealroom](#)



REGULATION



**Smarter Regulation to
Grow the Economy**



Smarter Regulation to Grow the Economy

The UK's new Smarter Regulation Programme ensures that we only use regulation as a last resort – not a first choice - and its design and use are proportionate and fit for the future. To reduce business burden and cut red tape, DBT has led a programme across HMG which has delivered reforms across employment, product safety, offshore wind, port regulations, and wine. At the same time the EU have introduced thousands of laws on EU Member States, many of which would have applied to the UK and which we have avoided. We are also taking forward the large majority of the recommendations from the Taskforce for Innovation, Growth and Regulatory Reform on the UK's regulatory landscape.



Ended the supremacy of EU law

We ensured that for the first time in a generation, the principle of the supremacy of EU law has been removed from our statute book. And, since the end of 2023 the general principles of EU law are no longer part of UK law. In addition, the Retained EU Law (Revocation and Reform) Act provides powers for the swift removal and reform of retained EU law (REUL – that is legislation which derived from the EU), and we have already revoked or reformed over 2,000 pieces of REUL. A further 500 revocations and reforms of REUL are planned in 2024; and overall, the Government's roadmap will see the reform or revocation of around 3,500 pieces of EU law, over half of the original stock inherited from the EU.



Delivering a more business-friendly approach to regulation than the EU

The EU have introduced thousands of new laws on EU Member States since the transition period ended – many of which would have previously applied to the UK. Within the EU, the UK would not have been able to cut VAT on the installations of solar panels, heat pumps and insulation to zero. In contrast, the REUL Act will help us deliver a more agile regulatory approach that benefits the UK, giving business the opportunity to capitalise on our global leadership in areas like technology, life sciences, and digital services.



Developing an offshore wind framework for businesses and consumers

The future framework outlines a new, more strategic approach to develop and deliver offshore wind and transmission infrastructure for the UK. This will help us to deliver the UK's net zero ambitions, whilst delivering benefits to consumers, communities, and the environment.



Revoking unnecessary port regulations

We have revoked the EU's Port Services Regulations which were designed for the EU's publicly owned ports, and weren't suitable for the UK economy.



Replacing the top-down impositions of the EU's Common Fisheries Policy

As an independent coastal state we are using our freedoms to provide a new approach, new investment and a new Brexit quota uplift creating new fishing opportunities for the UK.



Reforming employment law, saving industry up to £1 billion per year

Under Working Time Regulations, we are simplifying annual leave and holiday pay calculations, and reducing record-keeping requirements. We are also streamlining regulations that apply when a business transfers to a new owner. By streamlining regulations and reducing administrative requirements, we could save industry up to £1 billion a year²⁶.

²⁶ The Government has published an Impact Assessment showing that reforms to record-keeping requirements under the Working Time Directive could save employers around £1bn a year. Available here: <https://www.gov.uk/government/consultations/retained-eu-employment-law-reforms>



Removing burdensome EU regulations on our wine sector

We are reforming regulations on the production and marketing of wine, simplifying laws, removing burdens, and supporting growth for our wine industry. This will enable greater flexibility and innovation of new products in our wine sector, allowing our wine sector to grow, and increasing consumer choice.



Making British airports more resilient, expanding choices for consumers

We have launched a consultation on options for reforming the airport slot allocation system to make it more efficient, transparent, and dynamic– which could contribute to lower fares, more destinations, and other service innovations by airlines and airports.



Reviewing our Product Safety regime, protecting consumers from unsafe goods

We are developing a product safety framework that works effectively for both business and consumers, ensuring requirements are proportionate and consumers are protected. Planned changes will introduce a more proportionate model, which includes e-labelling, and ensures our regulations are fit for the future.



Simplifying conformity markings

We listened to industry and announced proposals that will increase flexibility for businesses who manufacture and sell products on the GB market. This includes continued recognition of CE rules alongside the introduction of UKCA rules, which will reduce burdens and increase flexibility for businesses.



Resolving market access barriers
Opening up new opportunities

Resolving market access barriers

Opening up new opportunities

The UK is working with international partners to open up markets abroad for UK exporters by knocking down market access barriers, a catalyst for increased exports and economic growth. This work lands opportunities for British business in the immediate term – and builds long term strategic partnerships for the UK.



Unlocking new opportunities for British businesses

As an independent trading nation, since the start of 2020, the UK has resolved around 500 barriers blocking British businesses from exporting abroad²⁷. Breaking down these barriers helps UK companies to sell their goods and services all around the world.



Resolving barriers for business

In 2022, the UK government committed to resolving 100 priority barriers and unlocking new opportunities worth around £20 billion to British businesses²⁸. We are already delivering on this, since the start of 2022, we have resolved barriers estimated to be worth over £15 billion to UK businesses over a five year period²⁹. In 2023 this was equivalent to removing around £1 million of trade barriers every single hour. Thanks to this work:

- UK beauty companies can enjoy more access to the Chinese market, with a barrier resolution worth £550 million to UK businesses over five years, and helping Great British

²⁷ The total number of resolved barriers from Jan 2020 could be found in the [DBT official statistics on market access barriers](#).

The data on resolved barriers are extracted from the Digital Market Access Service (DMAS). DMAS is not a comprehensive repository of all market access issues facing UK exporters, and reporting rates vary widely across countries and regions.

²⁸ The aggregate valuation of around 100 top priority barriers is worth around £20 billion to British businesses over 5 years. Further information could be found in the [DBT 2022/23 Annual Accounts](#) and [DBT analytical working paper](#).

²⁹ The aggregate figure of more than £15bn is for a sample of resolved barriers in 2022 and 2023 calendar years. In 2022, the aggregate valuation for a sample of 39 resolved barriers was over £7bn and in 2023 it was over £8bn for a sample of 46 resolved barriers. To calculate the aggregate figures, the mid-point for each valuation range is estimated over a five-year period and added to provide a central estimate. Further details on the methodology for the aggregate valuation figures are published in a [DBT analytical working paper](#). In some cases, estimates may have been sourced externally from industry.

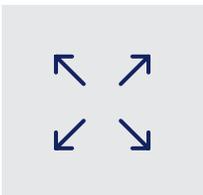
brands to sell to hundreds of millions of consumers for the first time.

- Pork exporters can benefit from newly agreed access to the Mexican market worth £18 million over five years³⁰.
- Selling new medicines and medical devices to South Africa is now easier, with around £25 million worth of exports for our innovative pharmaceutical sector unlocked over the next five years.



Driving economic growth

Getting rid of these trade barriers is a proven catalyst for increased exports, economic growth, and more jobs across the UK. DBT's work on resolving market access barriers will benefit the whole of the UK, supporting the Government's levelling up agenda.



Expanding exporting opportunities

We are going even further: DBT has been leading a whole of government effort to tackle the 100 highest priority trade barriers which are blocking UK businesses from selling their goods and services around the world. Recognising opportunities in Indo-Pacific, the UK has established specialised forums to discuss trade with Indonesia, Thailand and Malaysia, amongst others, to drive even more market access. This work is coupled with new Enhanced Trade Partnership agreements, which leverage senior political engagement between the UK and partner countries to deliver our bilateral trade objectives in areas of mutual benefit.



Increasing international trade
Lowering prices and boosting exports

Increasing international trade

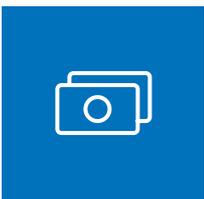
Lowering prices and boosting exports

Because of Brexit, the UK now has more trade agreements in effect than any other sovereign, independent country in the world. Free trade is a core part of the government's plan to boost economic growth. DBT strikes free trade agreements (FTAs) with partners around the world to create new opportunities for British businesses in fast growing markets. The UK is recognised and respected around the world as a bastion on trade liberalisation – as demonstrated by our pipeline of FTAs.



Opening up new markets for British businesses by joining the Trans-Pacific Partnership

We signed the Accession Protocol to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). This brings new opportunities for UK businesses with 99% of current UK goods exports eligible for zero tariffs³¹ in dynamic economies across Asia-Pacific as well as the reduction of other barriers to trade across four continents.



Increasing UK trade with the US

Since leaving the EU, the UK has secured market access for UK steel and aluminium into the US market, supporting 80,000 jobs across the UK supply chain³². We ended the US ban on British beef and lamb, markets estimated by industry to be worth £66million³³ and £37million³⁴ to UK exporters respectively over the next 5 years, as well as resolving the Large Civil Aircraft dispute. In June 2023, the Prime Minister and President Biden announced the Atlantic Declaration, a first-of-its-kind economic partnership, and, as part of the Declaration, we launched negotiations on a Critical Minerals Agreement, supporting a strategically important sector of the UK economy and bolstering vital supply chains. The UK has

31 Source: DBT CPTPP Impact Assessment (2023)

32 Source: [UK and US resolve steel and aluminium tariffs issue](#)

33 Source: [First exports of UK beef to the USA in 20 years underway](#)

34 Source: [British lamb shipped to America for first time in over two decades](#)

signed Memoranda of Understanding (MoU) with seven US states – Indiana, North Carolina, South Carolina, Oklahoma, Utah, Washington, and Florida – with a combined GDP of £3.4 trillion³⁵, similar to the GDP of Germany.



Creating new opportunities for British businesses through our FTA Programme

We have secured trade agreements with 73 countries plus our comprehensive deal with the EU. These countries accounted for £1.1 trillion of UK bilateral trade in 2022³⁶. We have an ambitious programme of Free Trade Agreement negotiations, including growing markets such as India and the Gulf Cooperation Council.



Negotiating new trade deals with Australia and New Zealand

We have been able to negotiate brand new trade deals with Australia and New Zealand, creating opportunities for British businesses to break into new markets by eliminating tariffs on 100% of UK exports and securing unprecedented access for the UK's world class services industry.



Strengthening export and investment promotion with Italy

In February 2023, the UK and Italy agreed a trade partnership to boost exports, help create jobs, increase wages, and grow the economy. The partnership has strengthened our post-Brexit export and investment links with Italy and boosted a trade relationship worth £51 billion³⁷.

35 Source: [The US Bureau of Economic Analysis GDP by State Q3 2023](#)

36 Source: [ONS UK total trade all countries Q3 2023](#)

37 Source: [ONS UK total trade all countries Q3 2023](#)



Securing new financial and digital trade agreements with Ukraine, Singapore, and Switzerland

The UK's digital trade agreements with Singapore and Ukraine are boosting our trade in digital economy exports and services. The UK-Swiss Services Mobility Agreement has opened access for UK services providers to do business in Switzerland. The UK recently signed a ground-breaking financial services agreement with Switzerland, which, alongside our negotiations on an enhanced FTA, will make it easier for UK businesses to trade in services, already worth some £28 billion³⁸. Since 2016, UK trade in financial and insurance services with Switzerland has grown 81% in current prices, reaching £3.9 billion in the 12 months to September 2023³⁹. The UK is already the second largest exporter of services in the world⁴⁰, and these deals help UK businesses to grow in these key markets.



Introducing the UK's independent tariff policy which promotes free trade more than the EU regime

In May 2020, the UK set our own tariff regime via the UK Global Tariff. Tailored to the needs of the UK economy, we have liberalised around 2000 lines, including nuisance tariffs. The Government also streamlined and simplified thousands of tariff lines, lowering costs for businesses. For the UK a little under 50% of products are now tariff free compared to 27% in the EU's tariff schedule.⁴¹



Keeping our own tariff revenue to spend on public services rather than sending it to the EU.

Outside the EU, the UK retains 100% of our customs revenue to spend on our public services.

38 Source: [ONS UK total trade all countries Q3 2023](#)

39 Source: [ONS UK trade in services: service type by partner country Q3 2023](#)

40 Source: [UNCTAD Goods and Services \(BPM6\)](#)

41 Source: https://assets.publishing.service.gov.uk/media/5ec36b7586650c27932664b8/Public_consultation_on_the_UK_Global_Tariff_government_response.pdf



Advanced Manufacturing

Advanced Manufacturing

A thriving manufacturing sector. The UK was the 8th largest manufacturer in the world in 2021 and had the fastest manufacturing productivity growth in the G7 between 2010 and 2021⁴².



In November 2023 DBT published our Advanced Manufacturing Plan which will make the UK the best place in the world to start, scale up and invest in manufacturing.

The plan is underpinned by a £4.5bn commitment for strategic manufacturing sectors to 2030, SME digital adoption through Made Smarter, tax relief, business environment measures, and measures to ensure the resilience of the sector's supply chain including the publication of a UK Battery Strategy.



The plan will provide growth opportunities for the UK's world leading manufacturing industries and long-term certainty for investment.

At the Autumn Statement, the UK announced a permanent 100% allowance for plant and machinery - making the UK the most competitive major advanced economy for manufacturing investment.

⁴² Organisation for Economic Co-Operation and Development. 'Productivity and ULC by main economic activity.' 2023; Office for National Statistics. 'Output per Worker, UK.' 2022



Attracting Investment in the UK

Attracting Investment in the UK

The UK is a dynamic, ambitious, and globally connected economy at the forefront of global innovation – at the heart of this is attracting investment from around the world. We have a strong track record; the UK has the largest Foreign Direct Investment stock in Europe, and is third in the world, behind the US and China.⁴³

We are driving growth in our coastal communities through our [Freeports programme](#). In Teesside – the UK’s biggest and first operational port – our tax reliefs, business rates retention policies and investment are helping to generate millions for the local economy while potentially creating thousands of jobs in the port’s first five years alone.⁴⁴



[Jaguar Land Rover \(JLR\)](#) is investing £15 billion over the next five years to develop electric vehicles. The UK is expected to be the leading destination for this investment.



Of the £15 billion from JLR, over £4 billion has been committed by [Tata](#) to build a new gigafactory in the UK, creating up to 4,000 new jobs & providing almost half of the battery production needed by 2030.



[BMW](#) is investing £600 million to produce electric vehicles in Oxford which will secure 4,000 highly-skilled jobs.



[Google](#) is investing \$1 billion into a new data centre in Hertfordshire to help ensure reliable digital services for Google Cloud customers and Google users in the UK.



[Microsoft](#) is investing £2.5 billion over the next 3 years to expand its next generation AI datacentre infrastructure.



[Nissan](#) is leading up to £2 billion of new investment to produce two new electric vehicle models in Sunderland



[Ellison Institute of Technology](#) announced a £1 billion investment into their recently announced Oxford Campus.

⁴³ Source: [UNCTAD World Investment Report 2023](#)

⁴⁴ Source: <https://teesvalley-ca.gov.uk/business/teesside-freeport/>

Department for Business and Trade

We are the department for economic growth. We support businesses to invest, grow and export, creating jobs and opportunities across the country.

We are responsible for:

- Redrawing our rules to ensure businesses thrive, markets are competitive and consumers are protected.
- Securing investment from UK and international businesses.
- Advising, supporting, and promoting British businesses to grow and export.
- Opening up new markets for businesses by removing barriers and striking trade deals.
- Promoting free trade, economic security and resilient supply chains.

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