

Trade agreement between United Kingdom (UK), Colombia, Ecuador and Peru.

Since the UK is no longer a member of the European Union (EU), the British government started new trade dialogues with other countries, including the Latin American region.

UK is looking to Latin America as one of the more powerful markets in the emerging economies.

On 15 May 2019, UK and the following Andean Countries: Colombia, Ecuador and Peru signed a trade agreement.¹ Below, we address the key points of the said agreement.

The day of the signing of the trade agreement, the Minister of Trade Policy George Hollingbery said: ‘‘The agreement signed today with Colombia, Peru and Ecuador will give added assurances to UK businesses trading with the region. Businesses will be able to continue trading like they do today after we leave the EU, with consumers and investors continuing to enjoy the benefits.’’

‘‘We look forward to further strengthening our ambitious trade and investment relationship with the Andean Countries as we continue to work closely together in the future.’’

Which countries are covered by the UK-Andean agreement?

As we mention before, the countries covered by the UK-Andean agreement are:

- Colombia
- Ecuador
- Peru

What does the agreement include?

This trade agreement includes provisions on:

- trade in goods (including provisions on preferential tariffs, rules of origin, and tariff rate quotas);
- trade in services;
- intellectual property.

¹ <https://www.gov.uk/government/collections/uk-andean-countries-trade-agreement>

It replicates elements of the EU-Andean agreement, such as provisions on political dialogue and human rights.

Can a UK exporter process material from EU to export to Andean countries?

Yes, an UK exporter can use materials from EU to manufacture his product. However, an UK exporter must ensure that the processing over the materials, depending on the products, meet certain requirements.

For example, an UK exporter cannot simply package or label a product from the EU and export it to the Andean countries as a good originating in the UK.

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