



GIBSON DUNN

Brexit: The Christmas Eve Deal -  
Good or Bad  
for Business?

14 January 2021

# Webinar - Panelists



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# Key Points

- Overview of the Trade and Cooperation Agreement
- Trade Impacts
- Competition
- Financial Services

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# Overview of the Trade and Cooperation Agreement

# Overview of the Trade and Cooperation Agreement



## Background and implementation

## Key areas

- Governance
- Free trade agreement
  - Tariffs and quotas
  - Services and investment
  - Level playing field
  - Also: digital trade, IP, SMEs, energy, transport, fishing, etc.
- Dispute settlement
- Territorial application
  - Northern Ireland

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# Trade Impacts

# Comprehensive free trade agreement

0% tariff, no quantitative restrictions

No  
customs  
union

Customs  
declarations,  
fees, other  
formalities

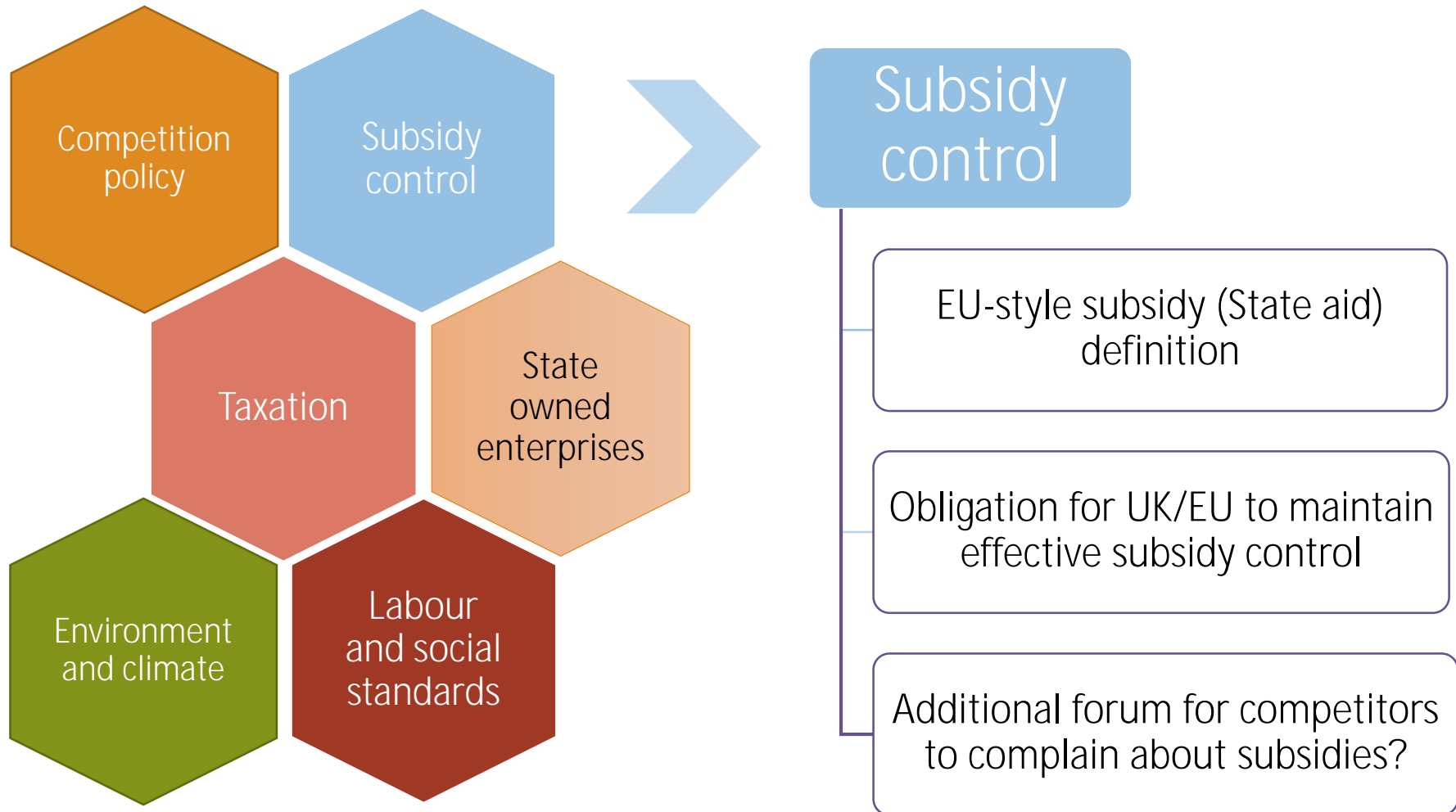
0% tariff on  
"originating"  
products only

No  
internal  
market

UK/EU can set  
their own  
standards

Goods subject  
to conformity  
assessment

# Level-playing field provision

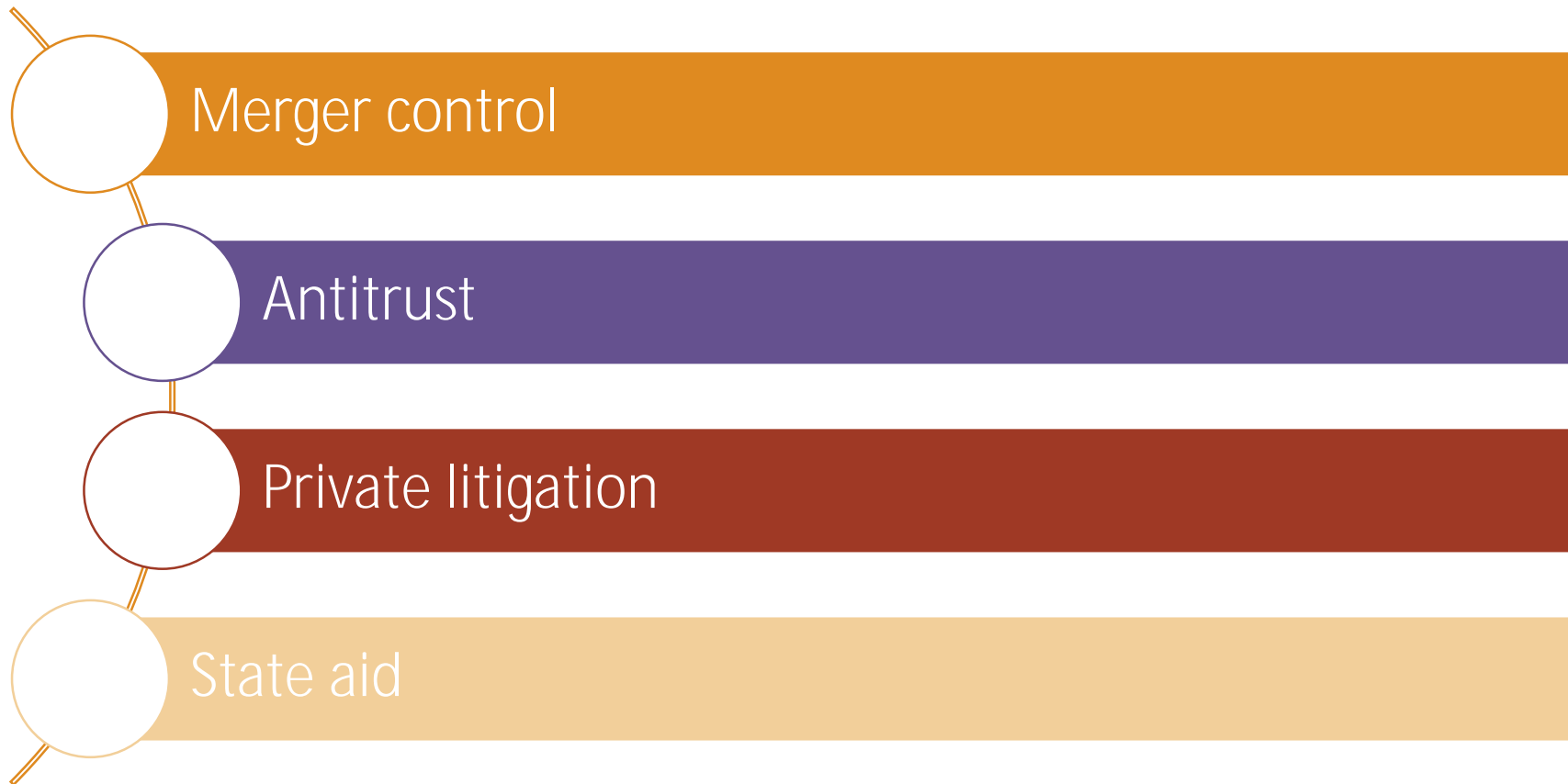




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Competition

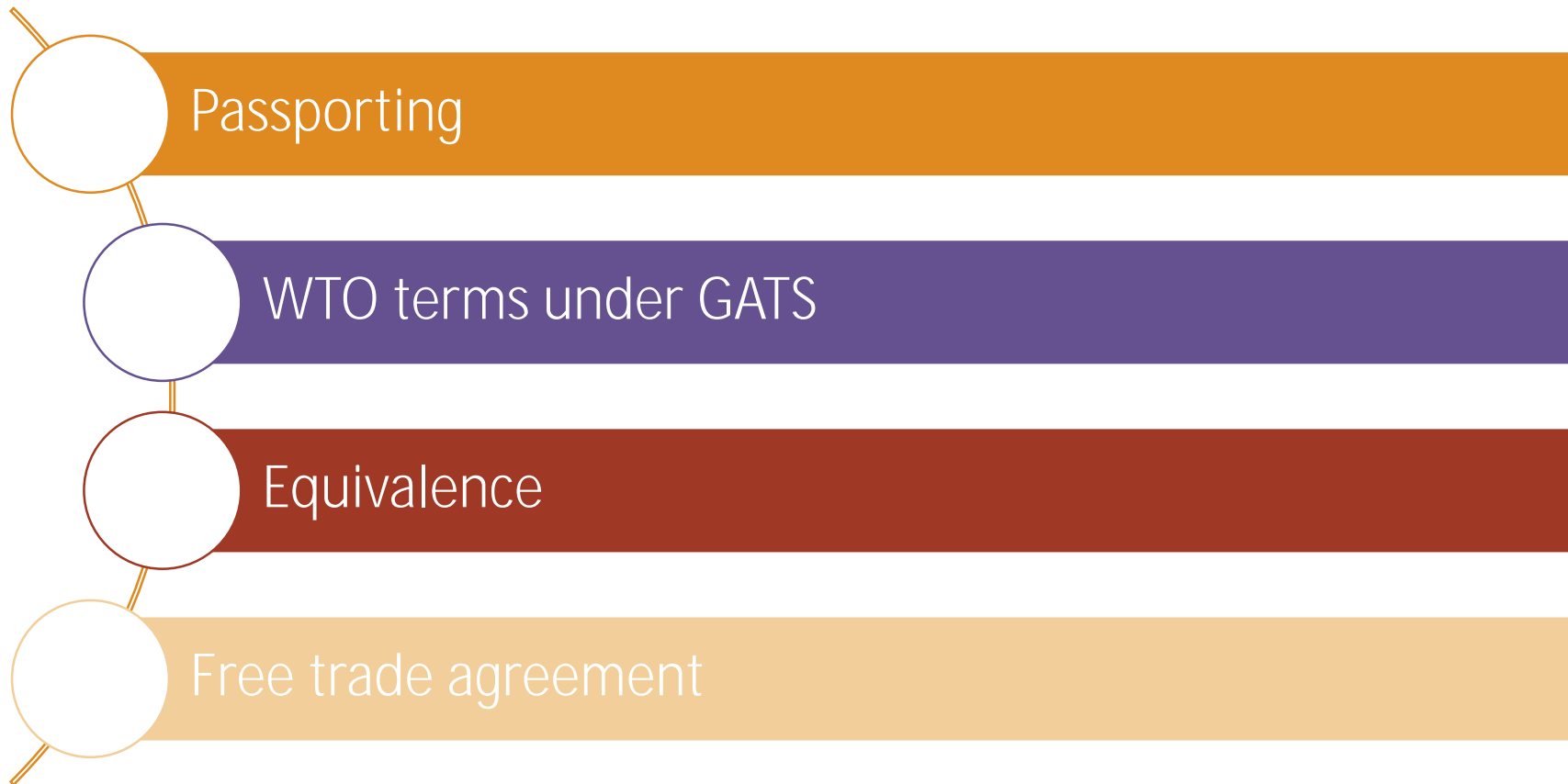
# Competition



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Financial Services

# Financial Services – options for trade in financial services with EU



# Financial Services – What is equivalence?

Preferential  
prudential  
treatment

- Enables EEA firms to apply the same preferential treatment to certain categories of exposures to entities in equivalent third countries as they apply to exposures to EU Member State entities

Market  
access

- Firms from equivalent third countries can provide regulated services/activities into the EEA without seeking full authorisation in an EEA jurisdiction

## Financial Services – Equivalence: key facts

- There is no overall “equivalence regime”
- Equivalence means different things in different areas
- Equivalence can be withdrawn
- Equivalence does not replace the passport
- Equivalence is not a guaranteed outcome



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