

Post-Brexit, What's Next for U.S.-Europe Ties?

In late December, the United Kingdom and European Union concluded a trade deal just days before the Brexit cliff. While the deal itself offered much-needed clarity for business, introducing a slate of new regulations with just seven days' notice created major trade disruptions. Operating outside the EU Single Market and Customs Union has been a headache for small business owners in particular, leading to [lost business and miles of red tape](#).

Why does an EU-UK deal matter for U.S. business? Despite its implementation challenges, the deal provides assurances for U.S. companies making investment decisions in Europe—and provides for continued tariff and quota-free trade between two of our largest trading partners. It also allows the UK to sign up to new trade deals, including a U.S.-UK deal currently under discussion and (potentially) the [Trans-Pacific Partnership Agreement](#) which spans Asia's biggest markets but excludes the United States.

A U.S.-UK deal on the horizon? British Prime Minister Boris Johnson is eager to [conclude a trade deal](#) with the United States, seeing it as a powerful tool to boost trade and investment across the Atlantic. That's especially important as both countries look to rebuild their economies post-pandemic. In a call with President Biden—the new President's first with a European head of state—the leaders discussed the potential for a free trade agreement, as well as collaboration on climate change, COVID-19 and security.

Yes, but: The Biden team has signaled that bilateral trade talks may be on the back burner as the administration focuses on domestic issues early in the term. Whatever the timing, the Chamber is focused on pressing for a commercially meaningful deal that sets high standards related to digital trade and data flows, services, and intellectual property, among other priorities.

What's next: The next month will be a busy period for the Chamber's European Affairs team as they share a report outlining [priorities for the new administration's engagement with the UK and EU](#). The Chamber will also host a discussion on the future of the transatlantic relationship with European ambassadors on January 27. [Watch the session.](#)

– Marjorie Chorlins, Senior Vice President for European Affairs, U.S. Chamber of Commerce, and Executive Director of the U.S.-UK Business Council