



Department for International Trade

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Dear Lord Purvis,

13th September 2018

Thank you once again for your active engagement in the debate during the second reading of the Trade Bill, and your keen interest in the Government's work on securing continuity of EU free trade agreements as we leave the EU. As promised in the debate, I am writing to you to give further details on the matter you raised, notably on our progress towards achieving continuity before our exit from the EU.

As stated in the debate, I confirm that the Government is working with partner countries worldwide to put arrangements in place to ensure continuity for the effects of EU free trade agreements ahead of our exit from the EU on 29 March 2019. At the March European Council, we agreed with the EU that the UK is to be treated as a Member State for the purposes of international agreements for the duration of the implementation period. The EU will notify the other parties of this approach. After this notification, partner countries will be able to confirm their clear agreement to the continued application of international agreements.

In advance of the notification being issued, a number of countries have already made public statements welcoming this approach. I enclose a list in the annex of this letter. However, some are understandably waiting for the notification to be issued before they respond. We are working closely with all our trading partners to ensure that they know what to expect and there will be no disruption to trade as we move into the implementation period. In addition, we are taking forward discussions with partner countries to put in place successor agreements to take effect after the implementation period.

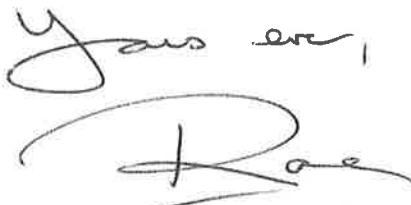
However, as a pragmatic Government, we are planning for all eventualities. In the event of a 'no-deal' Brexit with no transitional arrangements, the Government will seek to bring into force bilateral agreements with partner countries from exit day, rather than following the Implementation Period. We are working with our trading partners towards rolling over these agreements with a March 2019 deadline in mind. Ministers and officials are engaging with partner countries to complete this work.

As you noted in the debate, last month, the Government signed a joint statement confirming that a UK-Southern African Economic Partnership Agreement will be ready to enter into force as soon as the EU deal no longer applies to the UK. However, as I said in the House, the timing is tight and whether we reach a final agreement will depend on ongoing discussions with our trading partners and other factors beyond our control, such as timings for ratification in partner countries.

As I stated in the House, it is not the Government's intention to leave without an agreement with the EU, which would include an implementation period. But we are currently working for all eventualities and aim to transition these agreements for the end state, whether that is in March 2019 or after the proposed implementation period.

Please find enclosed a list of countries which have made public statements of support for continuity of trade-related agreements.

I hope you find this helpful. I am copying this letter to Lord Stevenson of Balmacara, and a copy of this letter will be placed in the libraries of both houses.

Yours ever,


Baroness Fairhead

Minister of State for Trade and Export Promotion
Department for International Trade

Annex

List of countries which have made public statements of support for continuity. Please note that this list includes countries with whom we have trade-related international agreements, but not free trade agreements (e.g. New Zealand)

Country	URL of statement
Australia	https://www.gov.uk/government/news/pm-meeting-with-prime-minister-turnbull-21-april-2018
Brazil	https://www.gov.uk/government/publications/uk-brazil-3rd-economic-and-financial-dialogue-policy-outcomes
Canada	https://www.gov.uk/government/news/pm-meeting-with-canadian-prime-minister-18-april-2018
Chile	https://www.gov.uk/government/news/uk-chile-joint-statement-santiago-23-may-2018
Egypt	https://www.gov.uk/government/news/uk-and-egypt-welcome-progress-on-trade-talks
Eastern and Southern Africa EPA states (Zimbabwe, Madagascar, Mauritius, and Seychelles)	https://www.gov.uk/government/news/joint-statement-on-trade-between-uk-and-the-esa-states
Iceland	https://www.stjornarradid.is/efst-a-baugi/frettir/stok-fretti/2018/04/20/Utanrikisradherra-raeddi-Brexit-vid-Davis/
Israel	https://www.gov.uk/government/news/joint-statement-by-minister-burt-and-deputy-minister-hotovely
Liechtenstein	http://www.regierung.li/en/press-releases/199416/?typ=content&nid=11164
Morocco	http://www.maroc.ma/en/news/london-moroccan-agriculture-minister-holds-talks-uk-counterpart
New Zealand	https://www.gov.uk/government/news/pm-meeting-with-new-zealand-prime-minister-18-april-2018
Norway	https://www.ft.com/content/73b0534c-3bf3-11e8-b7e0-52972418fec4
Panama	https://www.gov.uk/government/news/pm-bilateral-meeting-with-president-varela-14-may-2018
Peru	https://www.gov.uk/government/news/uk-and-peru-welcome-progress-on-joint-trade
Singapore	https://www.gov.uk/government/news/pm-meeting-with-prime-minister-lee-hsien-loong-19-april-2018
South Africa	https://www.gov.uk/government/news/uk-and-south-africa-welcome-progress-on-trade-relationship
Southern African Customs Union (SADC EPA states: Botswana, Lesotho, Namibia, Mozambique, South Africa and Swaziland)	https://www.gov.uk/government/news/uk-and-south-africa-welcome-progress-on-trade-relationship
Switzerland	https://www.eda.admin.ch/dea/en/home/aktuell/medienmitteilungen.html/content/dea/en/meta/news/2018/4/25/70536
Ukraine	https://www.gov.uk/government/news/uk-and-ukraine-welcome-progress-on-trade-relationship