



Department for International Trade

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Dear Lord Purvis of Tweed

Thank you for your interest in the Government's work on continuity of existing EU free trade agreements. I am writing to you to provide an update on the progress made, as requested during the second day of the Lord's Committee Stage of the Trade Bill last week.

Ensuring that there is no disruption to our global trading relationships as we leave the EU is a top priority for the Government. To that end, we are seeking continuity of existing free trade agreements and are working to have bilateral agreements in place ready for when we leave the EU. During the proposed implementation period, arrangements would be put in place with partner countries so that the UK is treated as an EU member state for the purposes of international agreements, including trade agreements. This approach, set out in the Withdrawal Agreement, provides a clear mechanism of achieving continuity of these agreements from exit day and through the implementation period.

Nevertheless, the Government continues to do the responsible thing and prepare for all eventualities, including a 'no deal' Brexit. More DIT staff have been allocated to 'no deal' planning in recent weeks. In this scenario, we would seek to bring into force bilateral agreements from exit day or as soon as possible thereafter.

We are making good progress and discussions are well advanced with many partners. We have already signed transitioned Mutual Recognition Agreements with Australia and New Zealand. We are also making significant progress on other agreements and expect to sign transitioned agreements with Israel, Switzerland, Chile, the Eastern and Southern African states (ESA), and the Faroe Islands soon. However, continuity will be challenging in a 'no deal' scenario for some agreements, such as Turkey and the EEA EFTA states, due to the very high degree of EU alignment. Nevertheless, we are still working towards transitioning as much of these arrangements as possible. That is why we encourage businesses to continue to plan for a range of scenarios.

As I explained in the House, the Government is unable to give precise details on current progress with individual countries. Partner countries understandably view our discussions as sensitive and disclosing details of these conversations without their consent would not be appropriate. We will inform Parliament when we have signed agreements. We have also committed to laying reports about each of our continuity free trade agreements to explain any changes made in advance of ratification.

I am copying this letter to Lord Stevenson of Balmacara and placing a copy of this letter in the libraries of both Houses.



Baroness Fairhead

Minister of State for Trade and Export Promotion

Department for International Trade