



Department for
Business, Energy
& Industrial Strategy

Lord Callanan
Minister for Climate Change and Corporate
Responsibility

**Department for Business, Energy &
Industrial Strategy**
1 Victoria Street
London
SW1H 0ET

Lord Wallace of Tankerness
House of Lords
London
SW1A 0PW

T +44 (0) 20 7215 5000
E enquiries@beis.gov.uk
W www.gov.uk

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Dear Lord Wallace,

Firstly, let me thank you for your contribution during the Second Reading of the United Kingdom Internal Market Bill.

You asked why HMG is not replicating the legitimate aims as listed under Article 36 of the Treaty on the Functioning of the European Union when a legislature seeks to diverge from the market access principles.

The market access principles have been designed to take account of the UK's unique circumstances, reflecting that our market consists of four highly integrated, highly aligned parts. Conversely, EU provisions deal with 27 countries, all with diverse histories, cultures and competing market priorities. It is right that the list of legitimate aims in this Bill is more narrowly focussed.

Expanding the list of legitimate aims would increase the grounds on which goods from one part of the UK could face discrimination in another, or could be denied market access, eroding the benefits of the UK Internal Market and increasing costs for business and consumers. This is inconsistent with our policy objectives.

Turning to your comment on subsidiarity and proportionality, we have now left the EU and are free to organise our internal market in a way that is better suited to the UK's unique constitutional arrangements and common law system. The market access principles have been designed for the UK's specific devolution arrangements and legal approach and already take account of the need for reasonableness and respect for devolution.

I thank you again for your contribution in the debate.

Lord Callanan

