



## Department for International Trade

George Hollingbery MP

Department for International Trade  
King Charles Street  
Whitehall  
London  
SW1A 2AH

T +44 (0) 20 7215 5000  
E [enquiries@trade.gsi.gov.uk](mailto:enquiries@trade.gsi.gov.uk)  
W [www.gov.uk](http://www.gov.uk)

David Rees AM  
Committee Chair, External Affairs and  
Additional Legislation Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff  
CF99 1NA

10<sup>th</sup> July 2018

I am writing to provide you with an update on amendments which the UK Government has tabled to the Trade Bill in relation to devolution.

As you are aware, the UK Government introduced the Trade Bill which:

- Create powers to enable the UK to transition trade agreements that currently exist between the EU and other countries, and which we are party to through our EU membership;
- Create the powers needed for the UK to implement the Agreement on Government Procurement (GPA) as an independent member instead of as part of the EU, maintaining current guaranteed access for UK businesses to global procurement opportunities and offering value for money;
- Establish an independent body (the Trade Remedies Authority) to conduct trade remedies investigations, providing a safety net for domestic industries against unfair and injurious trade practices, or surges in imports, consistent with our legal obligations at the World Trade Organisation (WTO); and
- Ensure the UK Government has the necessary powers in relation to the gathering and sharing of trade information.

The Trade Bill will have its Report Stage in the UK House of Commons on Tuesday, 17 July. Consequently, the Government has tabled amendments to the Trade Bill, and I have outlined below, the amendments which will be of interest to you.

Firstly, in line with the European Union (Withdrawal) Act we are removing the restrictions on the Devolved Administrations using the Government Procurement Agreement power (Clause 1) and the trade continuity agreement continuity power (Clause 2) contained within the Bill to amend directly applicable EU law and replacing it with a narrower restraint that only includes those areas of retained direct EU law that are subject to the new Section 12 power (in the European Union (Withdrawal) Act).

Secondly, amendments would replace the requirement for devolved Ministers to have the consent of a Minister of the Crown to (1) use the trade agreement continuity power to make provision relating to quotas, or (2) use the trade agreement continuity power and or GPA power to provide for pre-exit commencement of regulations, with a requirement to consult a Minister of the Crown before using the power to make such provision. This will ensure a coordinated UK approach whilst allowing for a less rigid process to enable this.

Finally, we will make a change also made in the European Union (Withdrawal) Act, to ensure that if one provision of regulations made by a devolved authority is ultra vires, only the provision that is outside of competence will be ultra vires and not the whole instrument in which it is contained.

The UK Government believes that these amendments improve the legislation, demonstrate continued commitment to the devolution settlement, and address the proposed Amendment 5 proposed by the Scottish Government.

The UK Government believes that these amendments improve the legislation, demonstrate continued commitment to the devolution settlement, and address the proposed Amendment 4(36) and 5(37) proposed by the Welsh Government. I would also like to confirm, in relation to Amendments 1(33) and 2(34), the UK Government is happy to make a re-affirm, on the floor of the House, our commitment to not normally use the powers in the Bill to amend legislation in devolved areas without consulting Welsh Ministers.

To assist the work you and your Committee are undertaking on the Trade Bill, I can confirm that I will be appearing before you on 15 October and I am happy to answer any questions you may have.

I look forward to continuing to work with you on this important legislation that will provide continuity to the whole of the UK, ensuring that businesses, workers and consumers can continue to enjoy the benefits of free trade.

Yours ever,



**GEORGE HOLLINGBERY MP**

Minister of State for Trade Policy

Department for International Trade