

# [News story: Joint article: a deep and special partnership](#)

**By Chancellor of the Exchequer, Philip Hammond and Secretary of State for Exiting the European Union, David Davis**

Today (10 January 2018) we're both in Germany to highlight the important relationship that exists between our countries.

It's a relationship built on shared interests and shared values, that has helped both our nations prosper and grow.

And while the UK will leave the EU next year, we can still look to the future with a shared vision – one that sees Germany, Britain and the EU continue to thrive, and our relationship remain strong and close.

Trade between the UK and EU 27 is worth €750 billion a year – and a quarter of EU exports to Britain, worth €113 billion, come from Germany, more than any other EU country.

Of course we understand that Germany and other EU countries want to protect the integrity of the single market, and that without all the obligations of EU membership third countries cannot have all the benefits.

Those priorities are not inconsistent with ours – a deep and special partnership with our closest trading partners and allies.

Our commitment to Europe's security is unwavering, and we'll seek to agree new arrangements that allow us to keep the close UK-EU cooperation to tackle the shared threats we face.

Meanwhile, there are still important choices to be made about how we find the right balance in Britain's new relationship with the EU.

As two of Europe's biggest economies, it makes no sense to either Germany or Britain to put in place unnecessary barriers to trade in goods and services that would only damage businesses and economic growth on both sides of the Channel.

So as Brexit talks now turn to trade, the UK will look to negotiate a new economic partnership with the EU – the most ambitious in the world – that recognises the extraordinary levels of interconnectedness and cooperation that already exist between us.

When we leave the European Union, we will leave the Customs Union and Single Market, but in agreeing a new model of cooperation, we should not restrict ourselves to models and deals that already exist.

Instead we should use the imagination and ingenuity that our two countries and the EU have shown in the past, to craft a bespoke solution that builds on

our deeply integrated, unique starting point to maximise economic cooperation, while minimising additional friction.

The economic partnership should cover the length and breadth of our economies including the service industries – and financial services.

Because the 2008 Global Financial Crisis proved how fundamental financial services are to the real economy, and how easily contagion can spread from one economy to another without global and regional safeguards in place.

That is why the UK has worked with our partners in the EU to ensure we led the world in making the regulation and supervision of finance safer.

In particular, we've sought to ensure that financial authorities across the world can cooperate in rule-setting and supervising systemically important global firms, to make sure such a catastrophe doesn't happen again.

That work shouldn't end because the UK is leaving the EU. On the contrary, we must re-double our collective effort to ensure that we do not put that hard-earned financial stability at risk, by getting a deal that supports collaboration within the European banking sector, rather than forcing it to fragment.

For such a close trade partnership in goods and services to succeed, we will need to maintain our common principles – including our shared belief in high standards – and continue the intelligent cooperation of our regulators.

Because the trust we place in each others regulators, in a whole range of areas, has been built up over many years of cooperation and there's no good reason why it should disappear after the UK leaves the EU.

We also propose to provide as much certainty to businesses throughout the EU as possible, through a time-limited implementation period after Britain leaves the EU.

During this period, we propose that access to one another's markets will continue in its current form, using the EU's existing rules, regulations and agencies.

That way, UK and European businesses have time to prepare for a single set of changes – once we know what our future trading partnership will look like.

This implementation period is clearly in the mutual interests of the UK, Germany, and the EU – that is why the December EU Council signalled its support for rapid progress on this agreement, which we should deliver at the March council.

So this week, we both take the message to German business leaders that agreeing the details of this period with the Commission is a major priority for the UK Government.

Brexit will inevitably mean a shift in the way UK and European companies do business together.

But with the next set of negotiations just around the corner, a bold, positive and exciting new chapter in our history together awaits.

We will continue to work closely together, to make sure we put in place a new relationship that works best for the UK, for Germany and for Europe.

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## **News story: Apology: Richard Wayne Seamark**

The Insolvency Service accepts that the original headline published on this statement was inappropriate and capable of misinterpretation. For the avoidance of doubt we wish to state that the Insolvency Service has made no finding of dishonesty or fitness to practice as a psychiatrist against Dr Seamark.

A statement containing a revised headline has been [published](#) on our website. We wish to apologise to Dr Seamark for the original headline which did not meet our usual editorial standards.

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## **Press release: Top construction firms appointed to build new PHE site in Harlow**

Three of the UK's leading construction companies have been chosen to create Public Health England's (PHE) new state-of-the-art public health science campus and headquarters at Harlow, Essex.

They have been selected for the 4 key elements of the £400 million capital spend programme to create the campus. This includes building and refurbishing new and existing laboratories and office areas; construction of a new arrivals area and logistics centre; and site-wide infrastructure including car parking.

The appointments, creating thousands of construction-related jobs, sees the end of an 18-month procurement process, with work expected to start next month.

The successful companies bid for 4 lots:

- lot 1 – new build of specialist bioscience laboratory building – Kier Group
- lot 2 – refurbishment of main building, including laboratories and offices – Wates Construction
- lot 3 – arrivals, administration and logistics buildings – Wates Construction
- lot 4 – site-wide infrastructure, external works and energy centre – VolkerFitzpatrick (Royal VolkerWessels)

The appointment of all 3 contractors provides a boost to local employment – particularly in the case of VolkerFitzpatrick, whose head office is located in the neighbouring town of Hoddesdon.

The next steps will see the contractors working with the existing design teams and preparing the site for major construction. This is planned to start in 2019, with phased occupation starting in 2021.

PHE Harlow, as the campus will be known, is expected to employ up to 2,750 people by 2024, with scope for further expansion.

Facilities from Porton in Wiltshire and Colindale in north London, as well as PHE's central London headquarters, will be relocated to the single centre of excellence for public health research, health improvement and protection.

The campus is critical to the future of PHE, ensuring we will be able to use the latest scientific advances to deliver our world-leading science and evidence for issues such as smoking, alcohol, diabetes, dementia, infectious diseases, environmental hazards and climate change nationally and internationally.

Richard Gleave, PHE Deputy Chief Executive, said:

PHE is delighted to have secured 3 of the leading construction companies in the UK to deliver what will be a world-leading national and international resource.

Much of the work to create PHE Harlow is highly specialised so it's especially pleasing to have secured 3 of the best companies in their fields to deliver that work. This is yet another milestone for PHE and we can now look forward to the chosen contractors coming on board and bringing their considerable wealth of experience and skills to our programme.

We are also delighted at the very significant opportunities that the construction of PHE Harlow will offer in the surrounding area.

Nigel Brook, Kier Group Executive Director, Construction and Infrastructure Services, said:

This £160 million project is another significant award for Kier in

bioscience, building on our track record as a specialist delivery partner in the sector with projects including biomedical research facilities for the University of Cambridge with Project Capella and the Sainsbury laboratory as well as the state-of-the-art Derriford Research Facility for Plymouth University.

We're looking forward to providing a state-of-the-art facility which will help Public Health England to keep improving the nation's health and wellbeing.

Ian Vickers, Managing Director, Wates Construction Home Counties, commented:

PHE Harlow will play a pivotal role in improving public health, providing state-of-the-art facilities for industry-leading scientists and doctors to address some of the most pressing medical and environmental challenges the world is currently facing.

It is therefore a particular privilege for Wates to be awarded 2 of the 4 lots. It is also a huge responsibility, and over the next year we will be working closely with PHE and other partners as we prepare to start on site in early 2019.

Richard Offord, Managing Director of VolkerFitzpatrick said:

We are delighted to be working with PHE on such a forward-thinking project. The new public health science campus will support the growth of the local area and we are looking forward to starting work on this exciting opportunity.

1. PHE submitted an Outline Business Case to government in July 2014. An interim decision was taken in September 2015 to move the majority of PHE functions from Porton to Harlow. In November 2015 the government supported a further proposal to move PHE science facilities at Colindale to Harlow to create a single integrated campus. The government has committed £400 million capital investment for the project.
2. Today's announcement comes less than 3 weeks after PHE was granted outline planning permission by Harlow District Council to create its centre of national and international scientific expertise.
3. It is hoped the public health science campus will be fully operational by 2024, with the first building work expected to start in 2019 and a phased occupation from 2021.
4. The campus will allow PHE to fully embrace the new technologies of whole

genome sequencing, public health interventions and 'big data' and transform the delivery of public health science for many years to come. Whole genome sequencing is the mapping of a person's unique DNA and enables more accurate, sophisticated and cost-effective genetic testing.

5. [Kier Group plc](#) is a leading property, residential, construction and services group which operates across a range of sectors including science, defence, education, housing, industrials, power, transport and utilities. Among the schemes it has been involved in, the most relevant are Project Capella, a large biomedical research facility, and the Sainsbury Laboratory both in Cambridge.
  
6. [Wates Construction](#) has a long track record across both the public and private sectors and has worked on projects across a variety of areas, including education, commercial, heritage, local authority frameworks and mixed-use. These have included the delivery of major projects for both the Pirbright Institute in Surrey and the Quadram Institute in Norwich.
  
7. [VolkerFitzpatrick](#) is a multi-disciplinary contractor working in the civil engineering, building, rail, waste and energy infrastructure sectors. The head office is at Hoddesdon in Hertfordshire just eight miles from the PHE Harlow site. Founded in 1921, the company has grown to become one of the top contractors in the UK. VolkerFitzpatrick constructed a third berth at the UK's new deep-sea hub port, 25 miles from central London at Stanford-le-Hope and was appointed by Siemens to design, build and commission two train care depots in Hornsey, north London and Three Bridges near Crawley, West Sussex. VolkerFitzpatrick is part of VolkerWessels UK, a multi-disciplinary construction and civil engineering group.
  
8. [Public Health England](#) exists to protect and improve the nation's health and wellbeing, and reduce health inequalities. It does this through world-class science, knowledge and intelligence, advocacy, partnerships and the delivery of specialist public health services. PHE is an operationally autonomous executive agency of the Department of Health. Twitter: [@PHE\\_uk](#), Facebook: [www.facebook.com/PublicHealthEngland](http://www.facebook.com/PublicHealthEngland).

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**[News story: DfID sets out vision for](#)**

# future working with industry

The Defence Infrastructure Organisation (DIO), on behalf of the Ministry of Defence (MOD), has launched its commercial strategy setting out its vision for future ways of working with suppliers in the soft and hard facilities management, construction and property advisory sectors

DIO currently spends around £3 billion each year buying infrastructure services to enable the men and women of defence to live, work, train and deploy across the UK and overseas.

The strategy, which has been developed in consultation with industry partners, aims to transform the way DIO does business. It provides information on the types of opportunities available to prospective suppliers and outlines plans to create and sustain a competitive market.

Central to the strategy is the importance of a broad and more diverse supply base which increases value back to the taxpayer by generating wider competition. DIO aims to increase supplier numbers and create a genuinely competitive supply base which offers greater opportunities to small and medium-sized Enterprises (SMEs) as well as larger suppliers.

As a main infrastructure client, DIO will engage with industry by sharing pipeline information well in advance of planned procurements to help shape the market, drive innovation and invigorate and maintain a diverse portfolio of suppliers. In turn this will support economic growth nationally and in the regions by giving businesses certainty to recruit and retain staff.

Minister for Defence, Personnel and Veterans, Tobias Ellwood said:

The defence estate is where our armed forces live, work, train and deploy from and it's crucial we give them the best infrastructure possible.

Working with industry is key, and this commercial strategy will ensure that the £3 billion we invest each year in our estate gives more value for money, is better aligned to military needs and gives more certainty to the defence supply chain.

Graham Dalton, DIO's CE said:

The publication of this strategy, in anticipation of the updated 2018 DIO Procurement Plan, marks an important moment for DIO. We realise that we have not been the easiest organisation to do business with in the past and we are dedicated to changing that.

This strategy sets out our intent to broaden our supply base, and for our existing and prospective suppliers to have the confidence

to work with us. We will work in an open and constructive way to deliver innovative and value for money services that meet the requirements of defence and the armed forces.

Mark Fox, Chief Executive of the Business Services Association said:

I welcome the publication of the DIO Commercial Strategy. BSA members were closely involved in its development. Its publication marks an important step forward in the relationship, with government partnering with the private sector to deliver the best possible services.

Gareth Rhys Williams, Government Chief Commercial Officer said:

At a crucial time for defence spending, I am very pleased that the Defence Infrastructure Organisation has applied government best practice alongside working with industry to launch its first ever commercial strategy. It is important that we build a strong and broad supply chain for government contracts and by giving certainty and transparency to the market we ensuring value for money for the taxpayer and a vibrant economy.

The [DIO Commercial Strategy](#) sets the direction for future DIO procurement plans.

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## **Statement to Parliament: Dr Liam Fox speaks at the Trade Bill second reading**

Free and fair trade is fundamental to the prosperity of the United Kingdom.

That is something on which all sides of this House can agree.

As globalisation and new technology have changed the face of the world economy, the old barriers of distance and time have been eroded.

In an age where data, knowledge and expertise are traded as readily as cars, or steel, even the simplest transactions are no longer confined to one country, or even one continent.

The United Kingdom is one of the world's leading trading nations.



The total value of our trade with the rest of the world is equivalent to over half of our gross domestic product.

We are the most popular destination for foreign direct investment (FDI) in Europe, and last year FDI created or safeguarded an estimated 108,000 jobs.

British companies operate across the globe, with an international reputation for quality and expertise that few nations can match.

This has enabled us to boost the total value of our exports by around 14% in the last year, to some £617 billion.

Our current success is, of course, built upon a long and proud trading tradition.

From our unilateral adoption of free trade in the 1840s, to our instrumental role in founding the World Trade Organization, the United Kingdom has been at the heart of international trading innovations.

Often, we have led the way, using our economic and diplomatic influence to guide the world towards a free-trading future, confident in the benefits that the rules-based global trading system can bestow.

Yet, for more than 4 decades, the United Kingdom has been unable to fulfil that leadership role.

But soon, this country will once again be able to pursue an independent trade policy, whether unilaterally or within bodies such as the WTO.

We will be able to unlock some of the key areas of global growth.

Able to offer preferential market access to developing nations of our choosing.

Able to develop closer economic links with our Commonwealth partners.

And able to influence, as we once did, the future of international trade.

Madam Deputy Speaker, this government believes that we have an unprecedented opportunity to regain our former influence in trade policy.

The United Kingdom will be able to put in place a trade policy that acts in our own interest, and that of our friends and allies.

Trade is not only about self-interested commercial gain.

It is also about nurturing developing economies, eliminating poverty, and building partnerships for the future.

Closer to home, trade ensures that British consumers can access quality goods at a reasonable price, and foreign investment creates jobs and protects livelihoods the length and breadth of the country.

Fundamentally, we will have the power to choose our own economic destiny, and

chart our own course to a brighter and more prosperous future.

Yet for all our high political ideals, we also recognise that trade is carried out not by governments, but by individual enterprises.

To operate, they require certainty and stability.

Confidence is a very valuable commodity indeed – the UK has been economically successful partly because our stability, our access to wider markets and our regulatory environment all inspire confidence in investors and international firms.

It is why we attracted the highest number of new foreign direct investment projects in our history last year.

Before we can begin to forge new trading relationships, we must act to prevent disruption to our existing trade environment.

As the Prime Minister has said, our ambition is to forge a deep and special new partnership with our European friends and allies.

We will retain the bonds of friendship, security and trade that have united Britain and Europe for so long.

If we are to achieve this, before we leave the European Union, we must put in place the essential legal powers and structures that will enable the UK to operate an independent trade policy.

That is what our trade legislation seeks to achieve. In this, as in all our legislation, the Department for International Trade will be guided by what delivers the greatest economic advantage to the UK, and ensures the continued confidence of our partners and allies.

The Bill contains 6 delegated powers, allowing the government to make regulations to support and develop its trade policy. Two of these powers allow the government to amend primary legislation.

Those powers relate to ensuring the continuity of EU trade agreements into a UK-only context and to the collection of exporter information by HMRC. Both of those powers are subject to significant restrictions on how they can be used.

The trade agreement continuity powers are limited in scope. In particular they can only be used to amend primary legislation where this forms part of retained EU law.

We intend to use these powers to make necessary amendments to domestic legislation as part of this transition project.

Through taking these powers we can be sure that we have the ability to efficiently implement all obligations of these existing trade agreements in our new context.

The EU's trade agreements which we are intending to transition and which are within the scope of this Bill will have already been scrutinised by Parliament's EU Committees. Those free trade agreements which the UK has already ratified have also been through the normal Parliamentary scrutiny process.

The Bill simply aims to enable us to continue those existing trading arrangements, allowing us to provide certainty and reassure international partners, businesses and investors.

## **The aims of the legislation**

Madam Deputy Speaker, the new legislation that we have brought forward has 4 primary aims.

Firstly, as I have already mentioned, it aims to prevent disruption to UK businesses and consumers.

Earlier I alluded to the importance of the UK's ability to access other markets across the world.

Currently, as a member of the European Union, we are part of around 40 free trade agreements across the world.

Maintaining that market access for UK companies is a priority. That is why, as we leave the EU, we seek continuity and have therefore been very public about our aim to enter into our own agreements with our partner countries which maintain the effects of the free trade agreements currently in place with the EU.

The Bill will create new powers to make regulations, where required, to ensure we can fully implement these free trade agreements, and our other existing trade agreements, as we leave the EU.

By ensuring continuity in our existing trade arrangements, we will provide certainty and stability for workers, consumers, businesses, and our international trading partners.

Secondly, we want to maintain UK businesses' guaranteed rights to access global public procurement markets worth approximately £1.3 trillion per year.

The GPA, or [Government Procurement Agreement](#), is a plurilateral agreement, within the framework of the WTO, which aims to create an open market for government procurement among participating nations.

These include many of the world's major economies, such as the United States, Japan and Canada, as well as the EU states.

Currently, we participate in the GPA through our membership of the EU.

It is worth pointing out that the UK creates around £68 billion of procurement opportunities within the GPA annually – over 25% of the total EU offering.

After we leave the EU, however, the UK will need to join the GPA as an independent member, not only to safeguard continuity of access for UK companies overseas, but also to ensure that we can tap into international expertise and obtain the best deal for the taxpayer here in the UK.

The powers in clause 1 of the [Trade Bill](#) will allow us to make regulations implementing our obligations under the GPA as an independent member, reflecting our new status within the GPA.

Parliament will be able to scrutinise the terms of our membership of the GPA through the [Constitutional Reform and Governance Act](#) (CRaG) before we join.

It also is worth my reminding the House that decisions about public services, for example the National Health Service, will be made by UK governments, including devolved administrations, not our trade partners.

As we leave the EU, the UK will continue to ensure that rigorous protections for the NHS and other public services are included in all trade agreements to which it is party.

Now, the third aim for the Bill, Madam Deputy Speaker, together with the [Taxation \(Cross Border Trade\) Bill](#), the Bill will create a new UK trade remedies framework, overseen by an independent body – the Trade Remedies Authority.

It is important to remember that free trade does not mean trade without rules.

Trade remedies are a vital safety net for firms operating in the global market place, protecting them from injury caused by unfair trading practices such as dumping or trade-distorting subsidies, as well as from unforeseen surges of imports.

After its creation, the TRA will be required to prepare both an annual report on the performance of its functions and an annual statement of accounts.

These documents will then be laid before the House of Commons, ensuring that Parliament is able to fully scrutinise the TRA's functions and financial activity.

Closely linked to this is the Bill's fourth aim. We want to enable HMRC to collect and share essential data on the United Kingdom's trade flows.

This will enable DIT, as well as bodies such as the Trade Remedies Authority, to perform essential trade functions such as providing evidence to WTO panel's ruling on trade disputes.

It will also provide a vital insight into our export performance during our development of trade policy.

## Explaining the Trade Bill – Powers

Before I explain further about the process, it seems a good juncture to correct some of the misunderstandings that seem to have grown up, deliberately or otherwise, around the Bill itself.

As I explained earlier, the Bill contains 2 powers that allow the government to amend primary legislation – the power in clause 2 to implement trade agreements the UK adopts, and the power in clause 7 to allow HMRC to collect exporter information.

Both of these powers are limited in scope, and restricted in their use.

Contrary to the belief of some in this House, including it seems the Shadow Secretary of State for International Trade, this Bill does not legislate for powers that could be used when implementing new free trade agreements with countries with whom the EU does not have a free trade agreement before exit day.

An article in the Guardian, written by the Honourable Member for Brent North, incorrectly asserted that the government would only be obliged to present the text of new Trade Agreements under the convention of the [Ponsonby Rule](#).

Yet, as I mentioned earlier, scrutiny of new agreements requiring ratification is ensured by the Constitutional Reform and Governance Act 2010.

There is no attempt to bypass parliamentary scrutiny, or to obtain sweeping new authority for the government over this country's trading structures.

Rather, the government seeks powers in Clause 2 which we think necessary for us to fully implement in UK law non-tariff obligations of the transitioned existing EU-third country trade agreements that we adopt. Any tariff-related obligations in such transitioned agreements will be implemented using powers conferred by the Taxation (Cross-border Trade) Bill, which had its second reading in this House yesterday.

When the UK enters directly into its own arrangements with our partner countries, the government will seek as far as possible to maintain the effects of the existing arrangements they have with the EU.

This means that we will be able to deliver the continuity those businesses, consumers and our trading partners, this House, and our colleagues desire.

It will maintain market access and allow us to continue to abide by our obligations to our international trading partners.

The UK has used the [European Communities Act 1972](#) to implement existing EU trade agreements and the GPA.

The [EU Withdrawal Bill](#) will repeal the 1972 Act. This means that the UK will require a new way to ensure that our transitioned agreements are fully implemented in UK law and remain operable over time.

Clauses 1, 2, 3 and 4 of the Trade Bill will give the government the necessary powers to do so in relation to the non-tariff elements of those transitioned agreements, including amending legislation where necessary.

They will also grant these powers to the devolved administrations to ensure that they too can implement transitioned agreements, and reflect the UK's independent GPA membership, in areas that fall within their devolved competence.

With regards to the powers to implement free trade agreements; these powers will only be available if the partner country has signed an FTA with the EU before exit day.

In other words, and as I said earlier, this Bill does not legislate for powers that could be used when implementing new free trade agreements with countries with whom the EU does not have a free trade agreement before exit day.

The government is taking a similar approach with the GPA, looking to maintain the guaranteed access created by our current participation, to ensure stability and continuity for UK businesses.

As I mentioned earlier, the UK participates in the GPA through our membership of the European Union. Clearly, if we are to retain the benefits of the GPA, we will soon have to join as an independent participant.

This legislation will enable the UK government to make any changes required in domestic law as part of the UK becoming an independent member of the GPA, as well as providing the power to make changes in future to reflect new countries joining the GPA or existing countries withdrawing from it.

It is both in the UK's best interests for its businesses to continue to have guaranteed access to the GPA's global procurement markets, and for us to continue to work with our partners in the GPA to address trade barriers within the government procurement sector.

We intend for the UK to join the GPA while maintaining our existing terms of participation. Clause 1 will allow the UK to legislate to reflect our new independent GPA status.

The Bill also provides powers for HMRC to collect and share trade data. These include the power in Clause 7 allowing primary legislation to be amended to provide for HMRC collecting exporter information.

Clause 8 of the Trade Bill will grant HMRC the authority to share data with those bodies that require it in order to carry out a range of public functions relating to trade.

Currently, HMRC collects a range of data from import and export declarations.

This data is shared with the European Commission, as well as other government departments and public bodies under information gateways governed by EU law.

Such gateways will, of course, cease to apply once we leave the European Union, and numerous functions currently carried out by the European Commission will be transferred back to the United Kingdom.

Therefore, HMRC will need to be granted the legal authority to request data from exporters and share that data to ensure the continued smooth operation of the UK's trade frameworks, and clear and informed policymaking from my own department.

The powers contained within Clauses 7 and 8 of this Bill will grant that authority, nothing more.

## **Conclusion**

Mr Speaker, the time will come when we can begin to forge new trading relationships across the world, building a truly global, outward-facing Britain; a country at the very heart of International Trade.

But this Bill is not about those new relationships. Instead, it is about preserving and ensuring continuity.

We want to protect the access to global markets that is so vital to thousands of British businesses.

We want to abide by our obligations to those economies that have already negotiated FTAs and other trade agreements with the European Union.

This Bill grants us the powers necessary to achieve these aims.

We bring it to its second reading with an eye to the future. The Bill is explicitly designed to prepare for our departure from the European Union, whilst building the foundations that will facilitate successful future trading relations with the wider world.

I hope that members from all sides of the house recognise the value of this Bill and the measures that it contains, as well as its importance in helping to provide much needed certainty to businesses and consumers as our departure from the EU approaches next year.

Trade is an issue that transcends party politics. It is an intrinsic part of our very way of life and our prosperity.

The Bill is just the beginning. But it is the first step towards a stable, secure and prosperous future, for the United Kingdom, and our friends beyond.