

Press release: Trade Bill second reading

International Trade Secretary Dr Liam Fox today sets out how the government's Trade Bill will benefit businesses and consumers, as the UK progresses towards leaving the EU and shapes its own trade policy for the first time in 40 years.

Dr Fox will explain during the second reading in Parliament today (Tuesday 9 January), how the bill will provide continuity and stability for businesses and consumers by creating the powers necessary to replicate existing EU trade arrangements in UK law.

It will also establish a Trade Remedies Authority to take back powers from the EU to protect UK industry from unfair and injurious trading practices, such as dumping.

This comes after the Treasury's Customs Bill received its second reading yesterday (Monday 8 January), which will allow the government to create a standalone customs regime and amend the VAT and excise regimes. Together the bills will deliver the necessary powers for the UK to be prepared from day one of leaving the EU.

International Trade Secretary Dr Liam Fox said:

International trade creates jobs, helps lower prices for consumers and contributes to a growing economy – our Trade Bill will provide maximum certainty and continuity for business and consumers.

As an international economic department our priority is to ensure that we continue to benefit from the trade agreements that the EU already has with other countries, and that we maintain the flow of free trade in both directions at the point we leave. Stability now with the flexibility to seize new opportunities in the future is what we seek.

Measures in the bill will only be used to implement any changes needed as a result of transitioning existing trade arrangements that the UK is part of through our membership of the EU. These have already been scrutinised at an EU level and have been overseen in the UK by the EU Select Committees.

Countries with this type of trade agreement with the EU account for some 12% of UK trade. Ensuring that this trade continues will provide certainty and stability for workers, consumers, businesses, and our international trading partners.

The bill will also provide the legislative basis for UK businesses to continue to have guaranteed access to global public procurement markets worth

£1.3 trillion every year, by enabling the UK to implement its obligations as an independent member of the multi-national Government Procurement Agreement (GPA). This will protect continuity of access for UK companies overseas and ensure that we can still tap into international expertise and obtain the best deal for UK taxpayers.

Once the UK leaves the EU, it will take up an independent seat at the World Trade Organization (WTO) in Geneva – allowing the UK government to shape global trading policy. DIT has already set up 14 Trade Working Groups across 21 countries to progress existing trade and investment relationships.

Further information

The Trade Bill does not provide for the implementation of trade agreements with countries that the EU does not have an existing trade agreement with and the powers in the bill cannot be used for the implementation of future free trade agreements with new countries.

The Trade Bill provides the necessary powers so that trade arrangements transitioned with third countries can be fully implemented within UK law, and remain operable over time after EU exit.

Since the Constitutional Reform and Governance Act 2010 came into force, the agreements the UK has ratified have already been through a domestic Parliamentary scrutiny process under that Act. The Government has made clear its intention to ratify all EU free trade agreements entered into during our EU membership.

Parliament can approve the terms of the UK membership of the GPA via the process under the Constitutional Reform and Governance Act 2010.

DIT has already sought views on the UK's approach to its future trade policy and published [responses](#) to the [White Paper](#) published last October and we continue to seek views as we develop our trade policy.

The government is preparing for when the UK operates its own independent trade remedies system to protect domestic industry injured by goods being unfairly traded, or by unforeseen surges in imports. It has introduced legislation in the [Trade Bill](#) to set up a new, independent, arms-length body, the Trade Remedies Authority, to carry out these investigations and make recommendations for duties to be imposed. The framework for the new system that the TRA will operate is set out in the [Taxation \(Cross-border Trade\) Bill](#).